

Contact: Jean Friedrich

INSTITUTIONAL AGREEMENTS, LEASES AND EASEMENTS

Action Requested: Consider approval of one lease and ratification of three leases for the benefit of the University of Iowa as summarized below, subject to approval of the final documents by the Board Office and Attorney General's Office.

(ROLL CALL VOTE)

Executive Summary: Iowa Code §262.11 requires that certain agreements, leases, and easements be approved by the Board of Regents by roll call vote. The Board is asked to approve the lease with Adroit, LC. The University requested Executive Director approval of three leases related to the flood recovery and requests Board ratification of these leases. The leases have been reviewed by the Attorney General's Office and are subject to approval of the final documents by the Board Office and Attorney General's Office. Indemnification clauses are included in the leases.

University of Iowa

With the Board as Tenant:

ADROIT, LC

Approximately 12,000 square feet of space on the third floor of the building located at 221 2nd Avenue in Cedar Rapids, Iowa. See map showing location (Attachment A).

The term is for approximately five years, commencing November 1, 2009, and ending July 31, 2014, at the rate of \$9,950 per month for the first year (\$9.95 per square foot, \$119,400 per year). The lease includes four additional five-year periods under the same terms and conditions except that the rental rate shall be adjusted in accordance with the change in the Consumer Price Index. The University will also pay its proportionate share for operating expenses including insurance, taxes, utilities and maintenance – estimated at \$2,470 per month (\$2.47 per square foot per year).

The landlord will install leasehold improvements, estimated at \$744,000, as required by the University consisting of the installation of ADA compliant building access and restrooms, removal of partition walls and installation of finishes. Furnishings are not included in the build-out estimate.

The space would be used to combine classrooms now located at three different sites in the Cedar Rapids area. The University of Iowa offers the MBA for Professionals and Managers (MBA-PM) in Cedar Rapids, the Quad Cities and Des Moines. The part-time program allows students who work full-time, to earn an MBA while attending classes on evenings and weekends. Nearly 400 students in the Program attend class at the Cedar Rapids location.

The leasehold improvements will be funded from an internal loan repaid from Tippie College of Business earnings. The lease will be funded from continuing education funds.

With Board as Tenant, ratify the following leases:

LOUIS SHULMAN HILLEL FOUNDATION

Approximately 5,685 square feet of space on the lower level of the building at 122 E. Market Street in Iowa City, Iowa. See map showing location (Attachment B).

The term is for four years, commencing July 2, 2009, and ending June 30, 2013, at the rate of \$5,685 per month for the first year (\$12.00 per square foot, \$68,220 per year). The lease includes three additional two-year periods with the rental rate to be adjusted in accordance with the change in the Consumer Price Index. The University will also pay its proportionate share for operating expenses including insurance, taxes, utilities and maintenance.

The landlord will install leasehold improvements, estimated at approximately \$550,000, to provide Americans with Disabilities Act (ADA) compliant building access and restrooms, removal of partition walls and installation of finishes.

The space will provide replacement gallery space for the University's School of Art and Art History, replacing facilities damaged by the 2008 Iowa River flooding.

The University will seek reimbursement for the lease and leasehold improvement costs through state and federal grant programs.

ST. THOMAS MORE CHURCH

Approximately 7,662 square feet of space on the first floor level of the building at 405 N. Riverside Drive in Iowa City, Iowa. See map showing location (Attachment C).

The term is for up to one year, commencing July 1, 2009, at the rate of \$6,400 per month (\$10.02 per square foot, \$76,800 per year). The University will also pay its proportionate share for operating expenses including insurance, utilities and maintenance.

The landlord will install leasehold improvements, estimated at \$400,000, as required by the University, consisting of restroom upgrades, acoustical walls, panels, and other specialized finishes.

The space will provide temporary recital and concert space for the University's School of Music, replacing facilities devastated by Iowa River flooding. The Saint Thomas More Parish will be relocating to a new church facility in north Coralville, and the Board approved purchasing the existing facility at its May 2008 meeting. The closing date of the purchase is dependent on the Church's completion of new facilities in Coralville. The Church reports that their new facilities are on schedule for completion in late 2009.

The University will seek reimbursement for the lease and leasehold improvement costs through state and federal grant programs.

HIERONYMI PARTNERS LLC

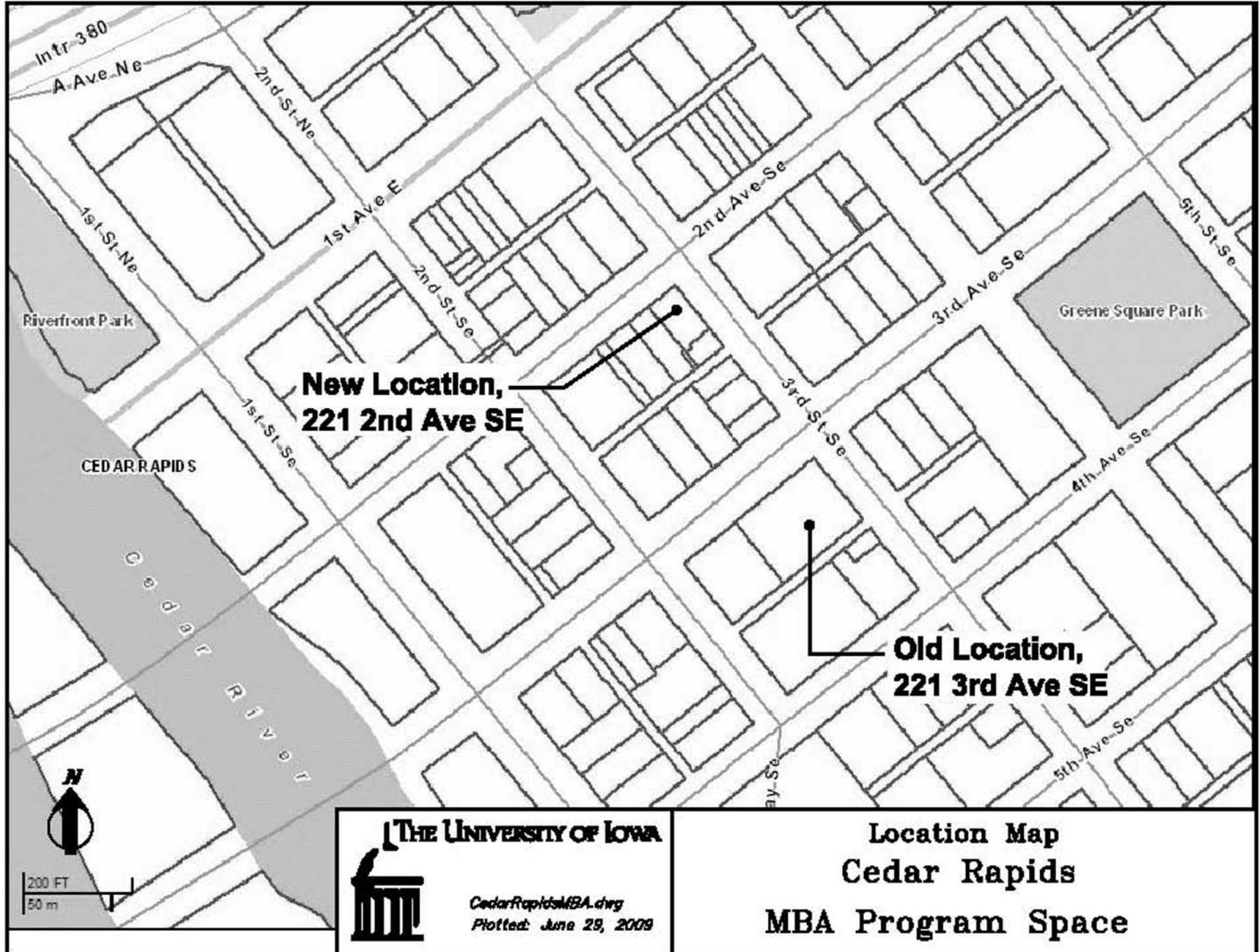
Approximately 17,550 square feet of space in Area A (air-conditioned, finished warehouse) and 27,450 square feet of space in Area B (non air-conditioned warehouse) located at 2308 Heinz Road in Iowa City, Iowa. See map showing location (Attachment D).

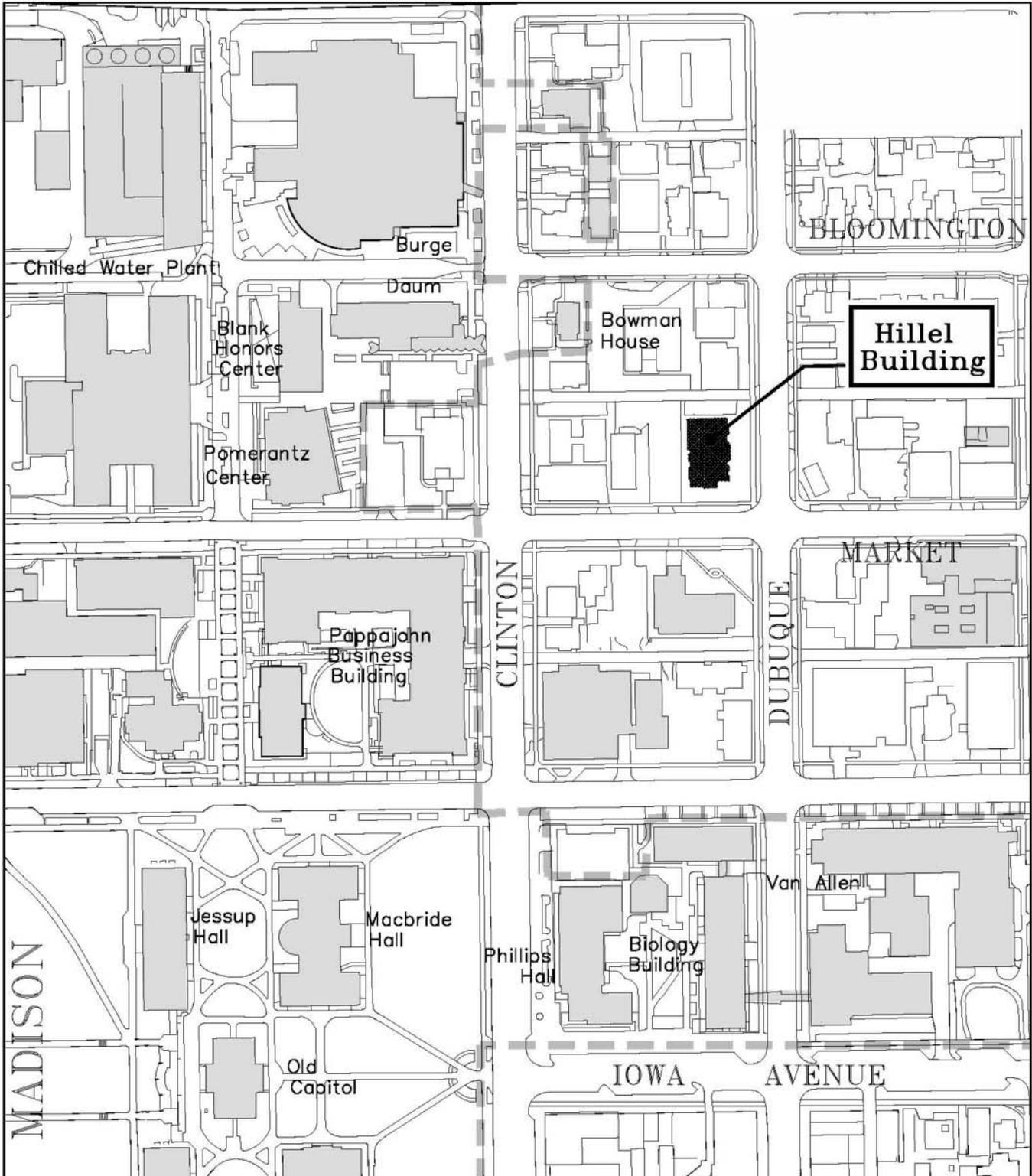
The term for Area A is for five years, commencing August 1, 2009, through July 31, 2014, at the rate of \$8,044 per month (\$5.50 per square foot, \$96,528 per year). The lease includes three additional two-year periods with the rental rate to be adjusted in accordance with the change in the Consumer Price Index. The term for Area B is for three months, commencing on August 1, 2009, through October 31, 2009, at a flat fee of \$9,000 (\$1.31 per square foot). The University will also pay for operating expenses including taxes, insurance, utilities and maintenance for the spaces

The landlord will install leasehold improvements, estimated at \$150,000, as required by the University.

The space will provide temporary storage space for the University Library. The Music Library and the Art Library were both located in facilities devastated by the 2008 Iowa River flooding and are being relocated to the Main Library. The leased space will serve as relocation space for those books displaced by the Music and Art Library collections.

The University will seek reimbursement for the lease and leasehold improvement costs through state and federal grant programs.





THE UNIVERSITY OF IOWA



Hillel.dwg
Plotted: May 14, 2009

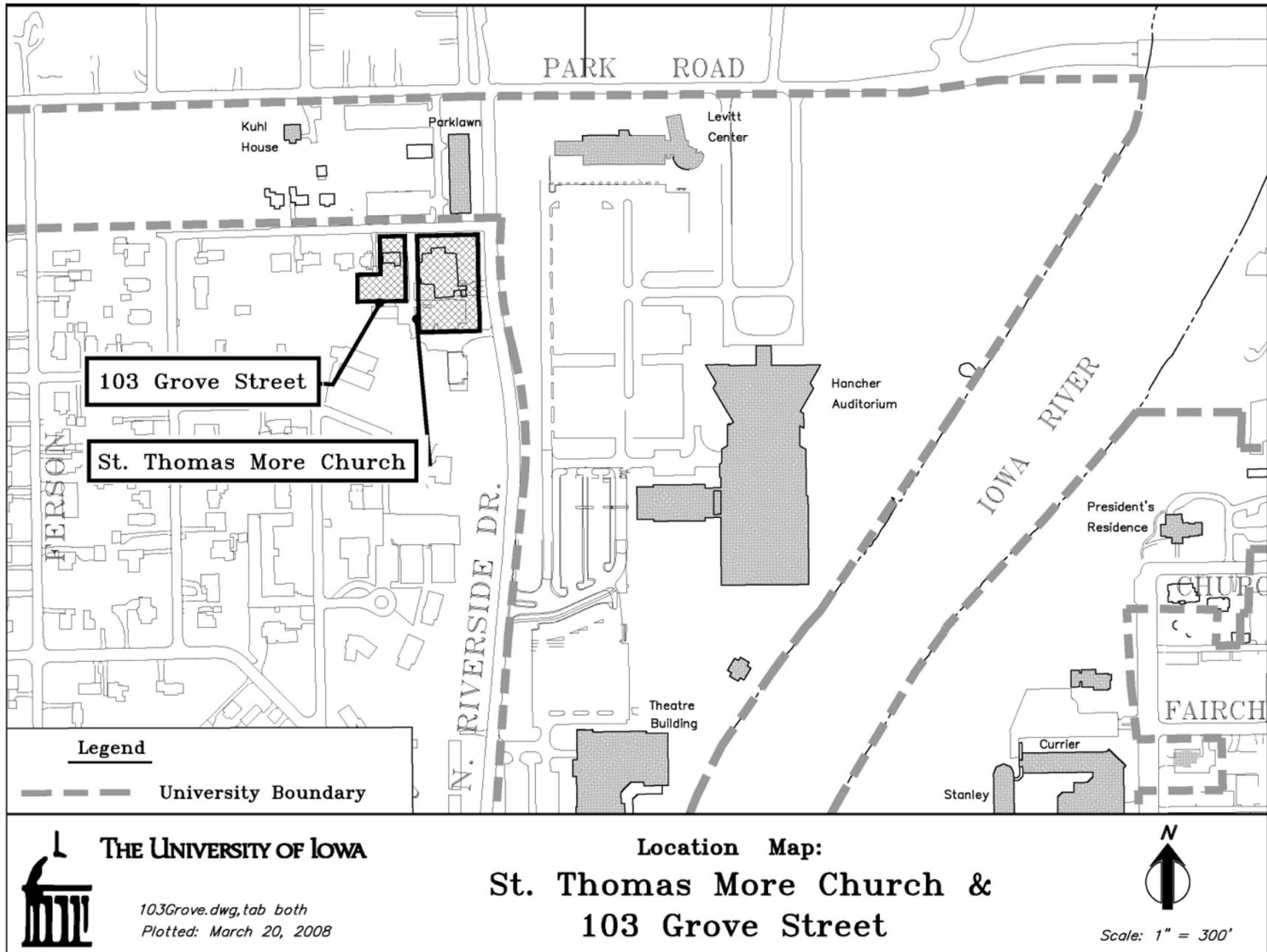
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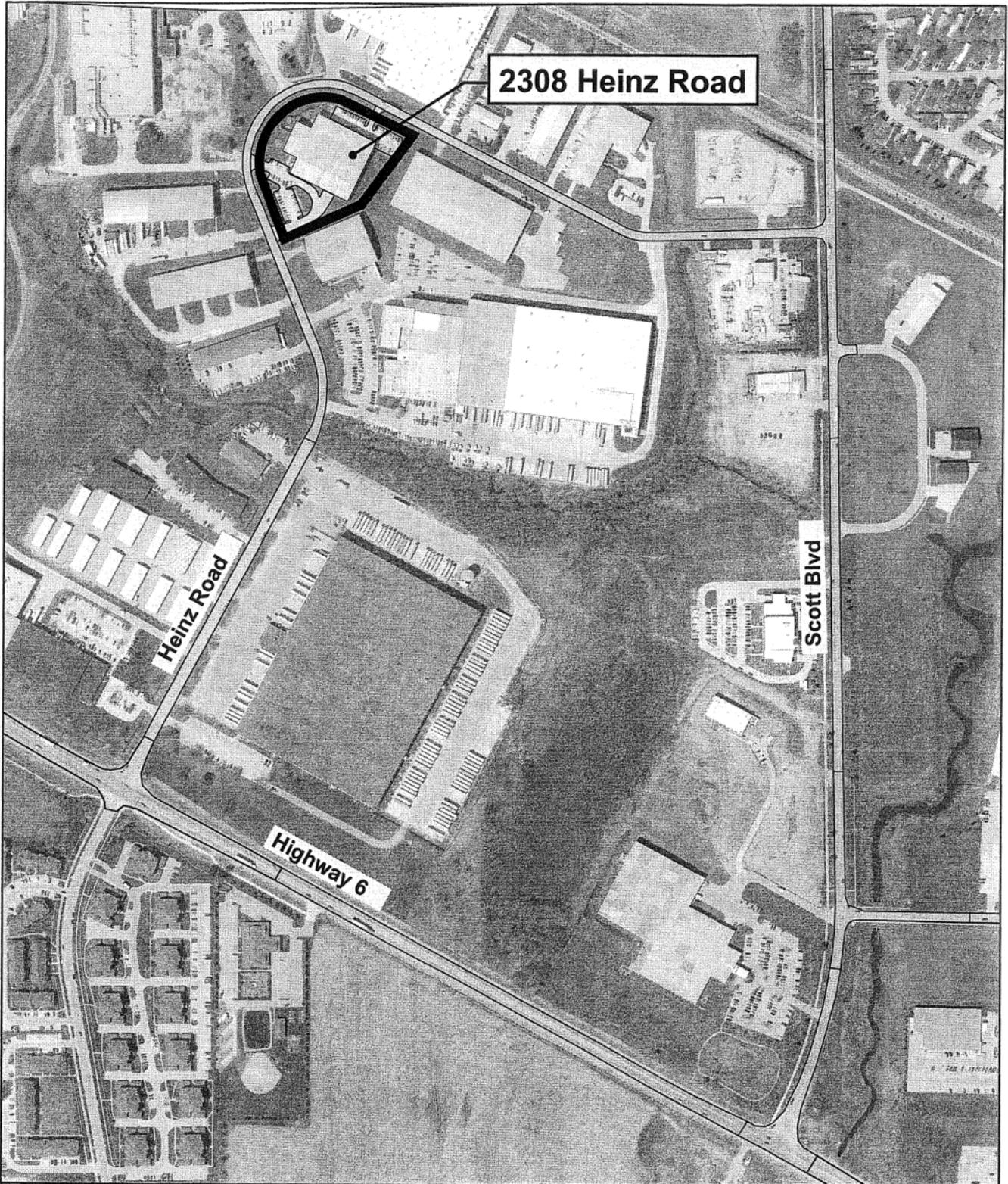


Scale: 1" = 200'

Location Map

Hillel Building





 THE UNIVERSITY OF IOWA
2308Heinz.dwg
Plotted: June 30, 2009

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Scale: 1" = 400'

Location Map
2308 Heinz Road
Iowa City, Iowa