

MEMORANDUM

To Board of Regents
From: Board Office
Subject: UNI and City of Cedar Falls 28E Agreements
Date: September 1, 2004

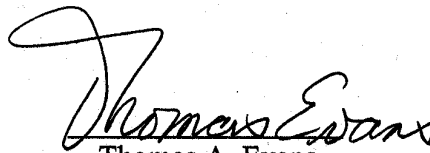
Recommended Action:


Authorize the Executive Director to execute two 28E Agreements between the City of Cedar Falls, Iowa, UNI and the Board of Regents.

Executive Summary:

Authorization to sign 28E Agreements	<p>The Board is asked to authorize the Executive Director to execute two 28E Agreements between the City of Cedar Falls, Iowa, UNI and the Board of Regents.</p> <p>The 28E Agreements provide for the transfer of monies from the City of Cedar Falls, Iowa to UNI to assist in funding the construction of the McLeod Center as well as a "Joint Use" agreement for UNI facilities.</p>
28E Funding Agreement	<p>The McLeod Center 28E "Funding Agreement" provides that the City of Cedar Falls, Iowa will transfer \$580,000 to UNI within thirty (30) days after signing of the contract for construction following acceptance of construction bids to assist in funding the construction of the McLeod Center.</p>
Consideration for City's funding	<p>In consideration of the City's funding, the parties have agreed to simultaneously enter into a separate 28E "Joint Use" agreement that addresses the City's ability to utilize certain UNI recreation and athletic facilities for public programming activities as mutually agreed upon.</p>
Cedar Falls Contribution	<p>The City's funding for the McLeod Center includes \$80,000 of hotel/motel tax funds not subject to repayment and \$500,000 of Black Hawk County Landfill funds of which \$300,000 is repayable interest free at \$15,000 per year for a period of 20 years and \$200,000 is a potentially forgivable "Contribution Amount".</p>
Repayment Amount	<p>The terms of the 28E agreement obligate UNI to repay the City of Cedar Falls, Iowa \$300,000 in an annual amount of \$15,000 for a period of 20 years.</p>

Source of repayment	<p>The agreement provides that the source of repayment to the City of Cedar Falls, Iowa will be through a transfer by UNI of \$15,000 of its annual rebate from the Black Hawk County Landfill to the City.</p> <p>UNI in turn agrees to contract with the Black Hawk County Landfill Commission for disposal of its solid waste for the period of the agreement. If UNI elects to discontinue its contract for solid waste disposal with the Commission, then it shall provide a different source for repayment.</p>
Forgivable "Contribution Amount"	<p>The terms of the 28E funding agreement further provide that \$200,000 of the City's funding is a forgivable "Contribution Amount" to UNI if it fully repays the \$300,000 in a timely manner and otherwise complies with all other terms of the 28E agreement.</p> <p>In the event UNI is required to repay the "Contribution Amount", it is required to be repaid without interest in annual installments of \$10,000 until the "Contribution Amount" is repaid in full.</p>
28E "Joint Use" Agreement	<p>The "Joint Use" 28E Agreement generally addresses the City of Cedar Falls' ability to utilize certain UNI recreation and athletic facilities for public programming activities as mutually agreed upon which shall not interfere with UNI's usage and programming in the facilities.</p>
Fees and direct costs	<p>The "Joint Use" 28E agreement provides for a reduced fee, if any, to the City for rental of UNI recreation and athletic facilities. The City agrees to payment of reasonable actual direct cost to UNI for supervision and maintenance required, if any, for each City sponsored event and activity.</p>
Duration	<p>The duration of the "Joint Use" 28E agreement is from date of execution and filing through June 30, 2024.</p>


 Thomas A. Evans

Approved: 
 Gregory S. Nichols