

Contact: Jean Friedrich

INSTITUTIONAL AGREEMENTS, LEASES AND EASEMENTS

Action Requested: Consider approving the lease agreements for the benefit of the University of Iowa and Iowa State University 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 and leases be approved by the Board of Regents by roll call vote. Agreements 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 agreements.

UNIVERSITY OF IOWA

With Board as Tenant for the following lease amendment:

Ryan Companies, US Inc. (amendment)

Additional 10,000 square feet of shelled space for a total of 45,000 square feet in a building being constructed by Ryan Companies on Lot One of the Oakdale Research Park in Coralville, Iowa. The terms of the lease amendment will run concurrently with the original lease for a fifteen year period. The base rental rate for the shelled space is estimated at \$12.00 per square foot per year for the first five years; \$13.00 per square foot per year for the fifth through tenth years, and \$14.15 per square foot per year for the tenth through the fifteenth year. The space will be used as a Technology Innovation Center (business incubator) and will include wet and dry laboratories, as well as offices and support spaces to serve start-up companies which will sub-lease the space from the University.

All of the other original terms of the lease apply. The building is expected to be completed in spring 2008.

With Board as Landlord for the following lease:

Optherion, Inc. (new)

5,175 square feet of space at 2660 Crosspark Road in Coralville, Iowa, for twenty seven months commencing October 1, 2007, through December 31, 2009 (with four, two-year renewal options) at the base rate of \$11,415.25 per month (\$26.47 per square foot, \$136,983 per year). Tenant will also pay additional rent of \$5,282.81 for utilities, maintenance, custodial services, payment in lieu of property taxes and taxes. (These amounts will be adjusted annually based upon actual costs.) Optherion, Inc. will use the space to research and develop diagnostic tools and a therapeutics platform for age-related Macular Degeneration (AMD), which is the most common cause of irreversible ocular blindness. Currently, no effective treatment to prevent or delay onset of the disease exists. Optherion, Inc. proposes to develop a therapeutic strategy based on discoveries by University of Iowa investigators. Optherion, Inc. was supported by FY 2006 Grow Iowa Values funding for infrastructure.

IOWA STATE UNIVERSITY

With Board as Tenant for the following lease:

ISU Research Park Corporation (new)

6,770 square feet of space, for a five-year period commencing on December 1, 2007, through November 30, 2012, at the rate of \$5,923.75 per month (\$10.50 per square foot, \$71,085 per year). Operating costs to be paid by the tenant are estimated at \$34,595 per year for the space. The University and the ISU Research Park will share the cost to finish the 6,770 square feet.

The Iowa State University Center for Survey Statistics and Methodology (CSSM) is currently located in Snedecor Hall, which will be renovated in 2008-2009. The renovation will require the relocation of some of the programs for the Department of Statistics. Since CSSM could function outside of Snedecor and works closely with the Institute for Social and Behavioral Research currently located at the ISU Research Park, it was determined that a relocation to the same building as the Institute would support and enhance their collaborative efforts. The University will pay to relocate the current tenant at a cost not to exceed \$8,065.

Additional information is available from the Board Office.