

Contact: John Nash

INSTITUTIONAL AGREEMENTS, LEASES AND EASEMENTS

Action Requested: Recommend the Board approve two proposed leases for the benefit of the University of Iowa and one proposed easement for the benefit of Iowa State University.

SUI Lease #1: SUI would lease 12,081 square feet of office/clinic space in Bettendorf AJS Holdings, LLC for \$15.50 per square foot for ten years or \$187,255.50 per year.

SUI Lease #2: SUI would lease a radio tower and building from Radio Communications Company, Inc. of Cedar Rapids to build a \$35,000 FM translator station to better serve Cedar Rapids.

ISU Easement: ISU would grant an easement to Interstate Power and Light (Alliant Energy) to make utility repairs at four ISU property locations near the Curtiss Farm in exchange for a \$35,000 underground conduit system installed by Interstate Power near the Curtiss Farm.

- *Iowa Code* §262.9(8) authorizes the Regents to acquire real estate for the proper uses of the institutions and dispose of real estate, when not necessary for their purposes.
- *Policy Manual* Chapter 2.3.2.B.ii requires that leases over 10,000 gross square feet, over \$150,000 in base rent per year or more than five years in duration be approved by the Board.

UNIVERSITY OF IOWA Lease #1 of 2

Executive Summary: The University of Iowa requests Board approval of a lease agreement with AJS Holdings, LLC, the landlord, for 12,081 square feet of office/clinic space and parking at 865 Lincoln Road in Bettendorf for use by UI Health Care for an outpatient medical clinic near the Quad Cities.

Background: This space is currently a medical clinic, but is in need of certain renovations to modernize the space and make it suitable for UIHC's needs. AJS Holdings would provide an \$8.00 per square foot (\$96,648) allowance toward renovations. UIHC would pay any additional costs.

Within this medical office building, UI Health Care currently has a sublease for 6,100 square feet that expires soon. This new lease would absorb the expiring 6,100 square feet and add 5,981 more square feet for a total of 12,081 square feet. This square footage expansion would allow growth at this location, better patient service, lower support costs and expanded market share.

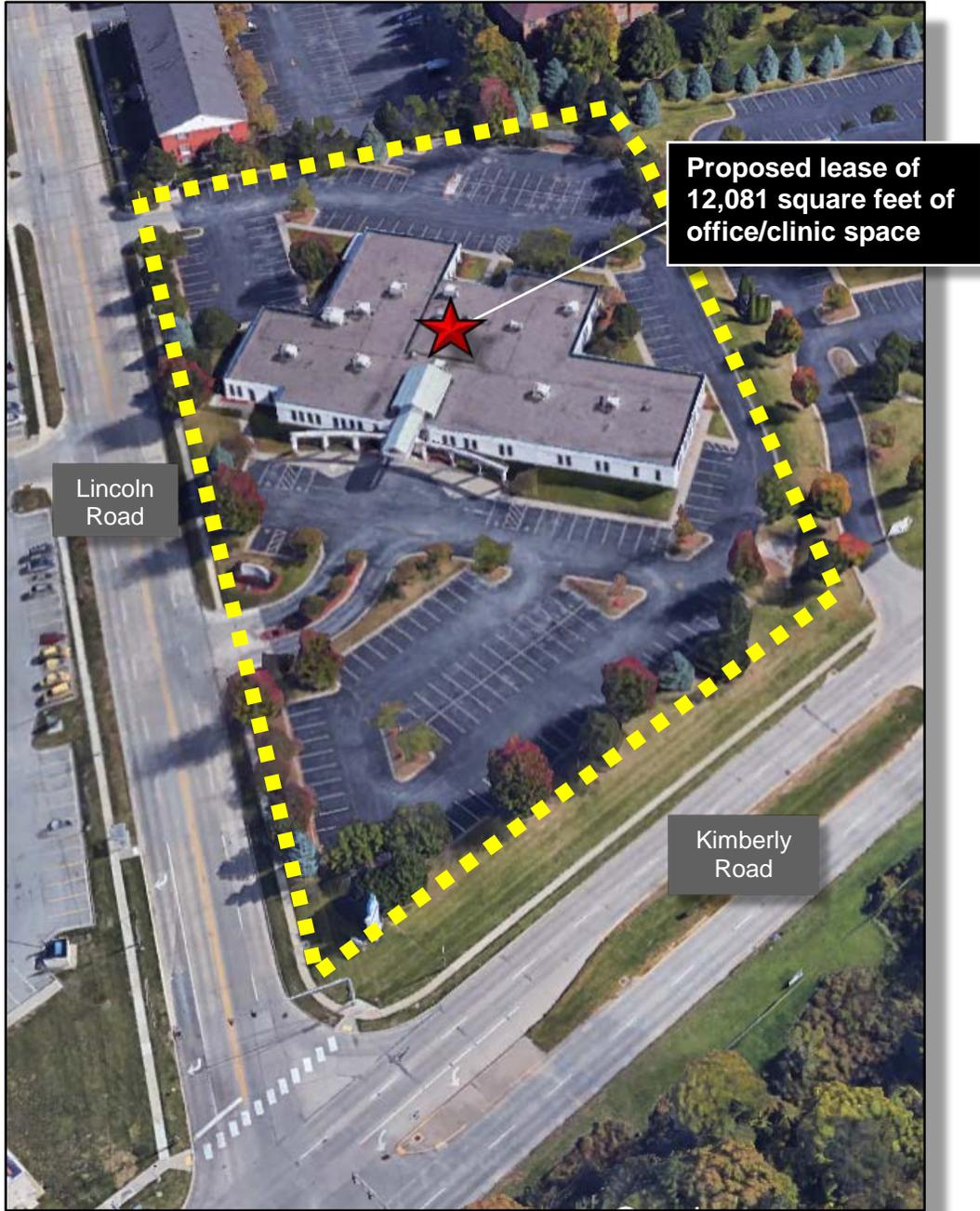
The UIHC providers currently in this building include Child Health Specialty Services, Pediatric Specialty Services, adult dermatology, transplant and gastroenterology. The expanded space through this lease would allow adult cardiology, adult and pediatric ophthalmology and additional pediatric specialties to locate in this building.

Rent: \$15.50 per square foot x 12,081 square feet = \$187,255.50 per year

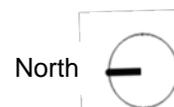
There are additional costs for actual common area maintenance (CAM) expenses, taxes, and insurance. The \$15.50 rate is favorable, increases to only \$16.50 over the ten-year term.

Term: Ten years: November 1, 2019 to October 31, 2029

UNIVERSITY OF IOWA
Lease #1 of 2: Site Photo



University of Iowa lease #1,
one mile north of downtown Bettendorf



UNIVERSITY OF IOWA
Lease #2 of 2

Executive Summary: The University of Iowa requests Board approval of a lease agreement with Radio Communications Company, Inc. of Cedar Rapids to lease a portion of their radio tower and building at 2131 North Towne Lane NE in Cedar Rapids to build an FM translator station, allowing WSUI-AM to better serve the Cedar Rapids area.

Background: WSUI is a public AM radio station in Iowa City. It is operated by the University of Iowa and is a member of Iowa Public Radio's news network.

The University of Iowa and Iowa Public Radio have an opportunity to better serve Cedar Rapids and grow its WSUI-AM audience. Per FCC rules, many AM stations, including WSUI-AM, must reduce power or shut down after sundown, greatly reducing their service area after dark. This affects WSUI's potential audience, particularly in the winter when it gets dark early. Recognizing this issue, the FCC offered an opportunity for AM stations to extend their signals through FM translators as proposed in this docket item.

SUI and IPR have secured an FCC construction permit to build such an FM translator station for WSUI-AM in Cedar Rapids, better serving Iowa's second largest city and bringing them WSUI's all-news format 24 hours a day.

Cost to build the FM translator station: \$35,000 which includes equipment on the radio tower and in the building, funded by Iowa Public Radio fundraising

Construction: Prior to June 30, 2020 (FCC construction permit expires May 2021)

Maintenance cost: \$500 per year, including rental of the radio tower

Term: Five years: Commences on the earlier of the start of equipment installation or three months after full execution of the agreement

UNIVERSITY OF IOWA
Lease #2 of 2: Site Photo



University of Iowa lease #2,
3.5 miles north of downtown Cedar Rapids

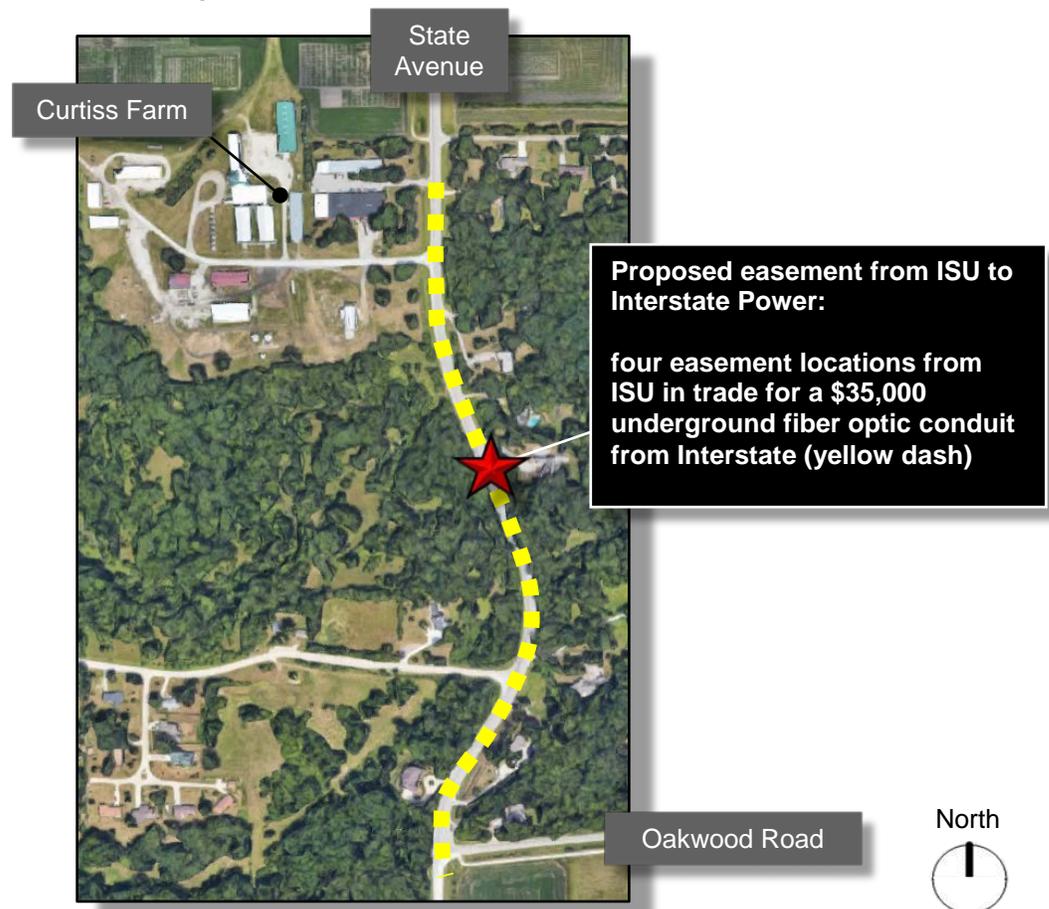


IOWA STATE UNIVERSITY Easement

Executive Summary: Iowa State University requests Board approval of a proposed easement agreement between ISU and Interstate Power and Light (Alliant Energy) to allow Interstate Power and Light to make overhead and underground repairs to electrical and natural gas utilities on ISU property.

Background: The easement is needed to support Interstate Power and Light's (dba Alliant Energy) construction, reconstruction, operations, maintenance and repairs of overhead and underground electrical systems and natural gas pipelines, including all appurtenances required, together with the right of access. The easement is under ISU property running along Oakwood Road, State Ave, 520th Ave and Zumwalt Station Road, southwest of Central Campus.

Instead of a one-time payment to ISU for the easement, Interstate Power and Light would compensate ISU by providing and installing an underground conduit system near the Curtiss Farm from the State Ave Office Building to the intersection of the Oakwood and State Avenue to allow the future extension of fiber optic cables to the Animal Science Teaching Facilities. The value of the underground conduit system being installed by Interstate Power and Light is estimated to be approximately \$35,000, if ISU designed and installed it themselves.



Iowa State University easement,
two miles southwest of central campus