

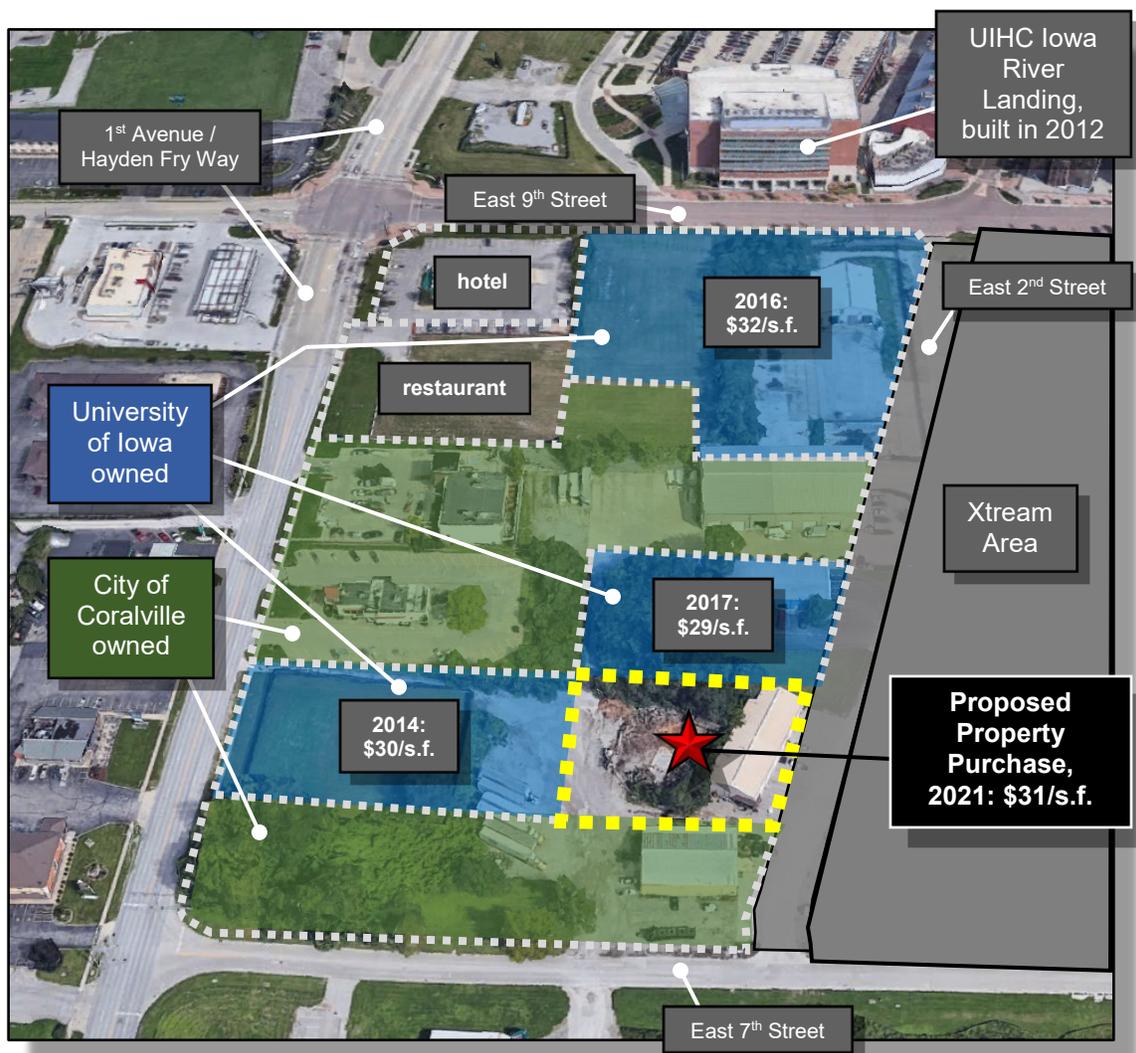
Contact: John Nash

**UNIVERSITY OF IOWA PROPOSED PROPERTY PURCHASE**

**Action Requested:** Consider recommending to the Board approval of a proposed purchase of 29,971 square feet of land at 704 East 2nd Avenue in Coralville from TJC Properties, LLC of North Liberty for \$929,000 or \$31 per square foot. The purchase would be funded by UIHC Gifts and Earnings, providing UIHC with future development opportunities for both clinical services and parking. Waiver of Board policy requiring purchases be based upon appraisals is also requested.

- *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.

**Executive Summary:** Located within the Iowa River Landing (IRL) District development, where UIHC owns and operates the UIHC River Landing medical office building and leases another building, the land would provide UIHC with future development opportunities for both clinic services and parking, and allow UIHC to control frontage and vehicle movement from 1<sup>st</sup> and 2<sup>nd</sup> Avenues.



One block south of UIHC Iowa River Landing, Coralville

North



UIHC has already purchased three other parcels of land at IRL District development (see site plan), where two of those are adjacent to this property to the north and west. This property is the one remaining privately owned parcel that has not been redeveloped on this block. All the other parcels are either owned by the UIHC or the City of Coralville.

UI also requests waiver of the Board policy of approving property purchases based on recent appraisals of the property. The University and City have purchased all the surrounding land to the subject property over the past few years. The UI purchase prices are listed below and on the site plan on the first page. The \$31 per square foot is in line with other recent University property purchases:

- 2014 UIHC purchase of adjacent property to the west = \$30/sf (707 1<sup>st</sup> Avenue)
- 2016 UIHC purchase of land in same block south of existing medical office building = \$32/sf (116 East 9<sup>th</sup> Street)
- 2017 UIHC purchase of adjacent property to the north = \$29/sf (716 East 2<sup>nd</sup> Avenue)
- **2021 UIHC Proposed Property Purchase = \$31/sf (704 East 2<sup>nd</sup> Avenue)**

There currently are two tenants in a 5,600 square foot building on this property. The tenants are on a month-to-month lease. UIHC would collect the rents and allow the tenants to operate in the facility, until the University needs the land for redevelopment.

The purchasing and closing are subject to UI receiving and reviewing the property's Environmental Assessment and the real estate Purchase Agreement being reviewed by the Board Office.