

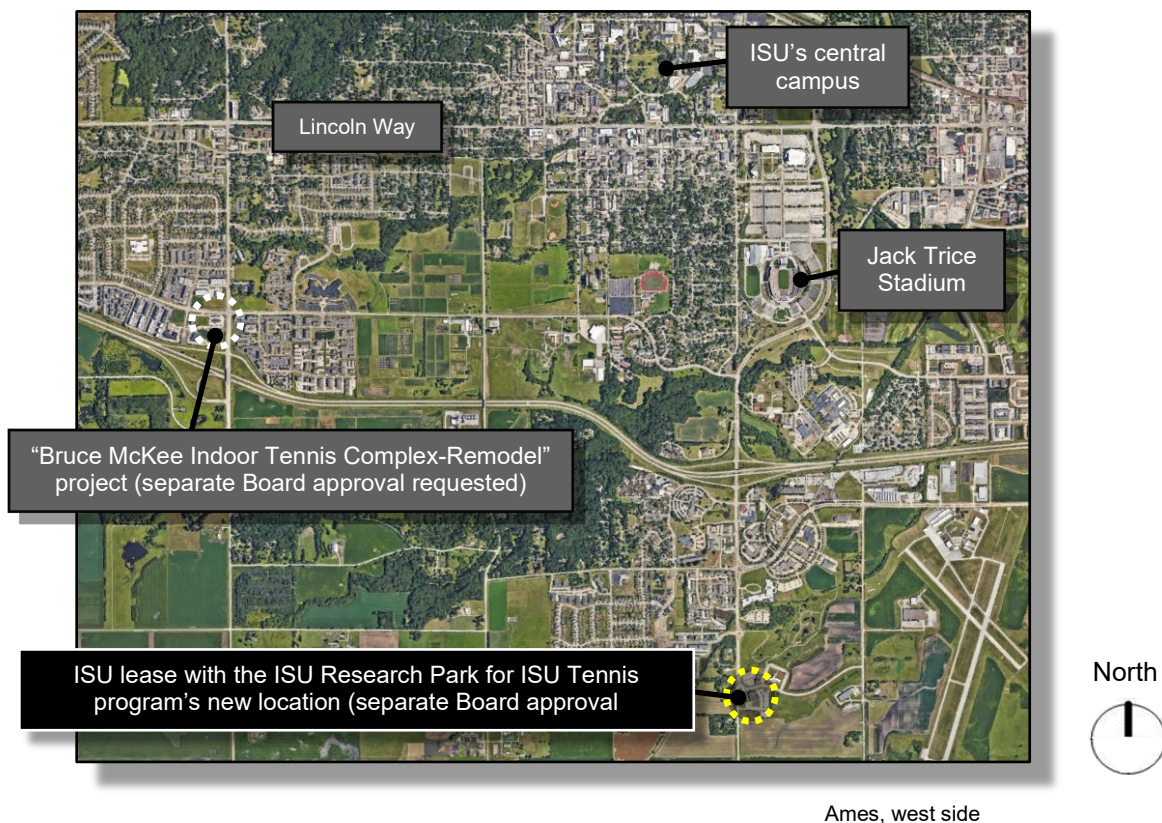
Contact: John Nash

INSTITUTIONAL AGREEMENTS, LEASES AND EASEMENTS

Action Requested: Iowa State University requests Board approval for a proposed 20-year lease agreement with the ISU Research Park to lease their tennis facility for the ISU Tennis program.

- *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, part 2.E.iv.b requires that leases over 10,000 gross square feet, more than \$150,000 in annual base rent or more than five years in duration receive Board approval.

Executive Summary: In September 2022, the Board approved a lease between ISU and Ames Racquet and Fitness Center (ARFC). However, after further conversations with ARFC and the ISU Research Park, the ISU Research Park will now purchase ARFC's existing four-court indoor tennis facility, expand the facility to approximately 34,000 square feet to house a total of six indoor courts and build a team building, which would include a team room, locker room, training room, office space and restrooms.



The ISU Research Park would also construct six new outdoor courts for a total of 12 tennis courts and build additional surface parking. ISU would provide input throughout the design process.

ISU Tennis: current facilities

The ISU tennis program currently uses two university-owned indoor courts in West Ames and six outdoor courts located south of the Forker Building.

The outdoor courts are shared with other university units. Due to the poor condition of the playing surfaces, the outdoor courts are unsuitable for intercollegiate competitive tennis.



south of the ISU Research Park

North



A minimum of three indoor courts is required to host indoor competitions. The intercollegiate tennis program must currently host competitions in West Des Moines or at Ames High School.

Term: The lease with ISU Research Park would have an initial 20-year term. ISU would have the ability to renew on a year-to-year basis, following the initial lease term.

Cost: The ISU Research Park would recover its construction costs, which are expected to be \$5.9 million, through rental and other payments made by ISU. Once the ISU Research Park has recovered its construction costs, ISU would have no obligation to pay rent. ISU would pay for operating costs.

Ames Raquet and Fitness: ISU also intends to enter into a long-term agreement for ARFC to use the facility during times approved by ISU. ARFC would pay ISU for its use.

Option to Purchase: The lease provides ISU with the right of first refusal to purchase the facility.