

MEMORANDUM

To: Board of Regents
From: Board Office
Subject: Institutional Agreements, Leases and Easements
Date: October 20, 2004

Recommended Action:

Approve the leases for the benefit of the institutions as summarized below.
(ROLL CALL VOTE)

Executive Summary:

The Iowa Code requires that agreements, leases and easements involving real property be approved by the Board of Regents by roll call vote.

The leases have been reviewed by the Attorney General's Office and are recommended for approval.

Approval is requested for the following:

University of Iowa Lease agreements with Trinity Building Corporation, Fort Dodge, Iowa, and Covenant Medical Center, Waterloo, Iowa, for two UIHC Child Health Specialty Clinics.

Lease renewal with Resource Development Associates for its use of business incubator space in the Technology Innovation Center at the Oakdale Campus.

Iowa State University

New leases with:

Graceland University, Lamoni, Iowa, for Iowa State University's use of building space on the Graceland University campus to house equipment for KOWI-FM (Iowa State University's recently acquired public radio station), and for Graceland's use of Iowa State University's radio studio equipment.

Lyrix Wireless for its use of tower space near Leon, Iowa, to house cellular telecommunications equipment.

Background and Analysis:

UNIVERSITY OF IOWA LEASES

Landlord	Trinity Building Corporation (new)
Area/Location	1,160 square feet of office space located in Physicians Office Building West, Fort Dodge, Iowa.
Lease Term	One-year term commencing October 1, 2004, through September 30, 2005.
Lease Rate	\$775 per month (\$8 per square foot, \$9,300 per year).
Use of Space	Regional office and clinic space for the UIHC Child Health Specialty Clinics.
Additional Information	The Clinic, which is in need of additional space, is relocating from 336 square feet of space in the Prairie Lakes Area Education Agency Building in Fort Dodge to be in closer proximity to the Trinity Regional Medical Center and other medical clinics in Fort Dodge.
Liability	The University agrees to be responsible for claims arising from its use and occupancy of the space in accordance with <u>Iowa Code Chapter 669</u> .
Principal Information	The principal, Brian Wegener, CFO, has no affiliation with the University.

Landlord	Covenant Medical (renewal)
Area/Location	750 square feet of office space located in the Covenant Medical Center, Waterloo, Iowa.
Lease Term	One-year term commencing August 1, 2004, through July 31, 2005, with four additional one-year extensions.
Lease Rate	\$437.50 per month (\$7 per square foot, \$5,250 per year).
Use of Space	Office and clinic space for the UIHC Child Health Specialty Clinics.
Space/Rate Comparison	Decrease of 1,004 square feet; rate increase of \$1 per square foot. Because of a decline in the patient population in Waterloo, the University no longer needs a full-time Clinic.
Liability	The University agrees to be responsible for claims arising from its use and occupancy of the space in accordance with <u>Iowa Code Chapter 669</u> .
Principal Information	The principal, Jack Dusenbery, CEO, has no affiliation with the University.

Tenant **Resource Development Associates (renewal)**

Area/Location	286 square feet of space in the Technology Innovation Center at the Oakdale Research Park.
Lease Term	One-year period commencing November 1, 2004, through October 31, 2005.
Lease Rate	\$143 per month (\$6 per square foot, \$1,716 per year).
Use of Space	Development of a variety of Internet and software products for use in the operation and management of healthcare facilities.
Space/Rate Comparison	The square footage and lease rate are unchanged.
Liability	The tenant agrees to indemnify, defend, and hold harmless the University as customarily required.
Principal Information	One of the principals, Kristina Barber, is employed by the Iowa Consortium for Substance Abuse at the University of Iowa. The remaining principals have no affiliation with the University.

IOWA STATE UNIVERSITY LEASES

Landlord	Graceland University (new)
Area/Location	Building space on the campus of Graceland University, Lamoni, Iowa, to house a studio transmitter and other broadcasting equipment, and Iowa Communications Network (ICN) equipment, to be used for KOWI-FM, a joint venture between Iowa State University and Graceland University.
Lease Term	Five-year term commencing November 15, 2004, through November 14, 2009.
Lease Rate	Graceland University will lease the space to Iowa State University to house the studio, transmission and ICN equipment. In return, Iowa State University will lease the studio equipment to Graceland University, which may use the equipment to provide educational opportunities to Graceland students. Since this lease arrangement is of mutual benefit to both parties, no monetary rent would be paid by either party.
Additional Information	In February 2003, the Board authorized the WOI Radio Group at Iowa State University to purchase the broadcast facilities of KIIC-FM (commercial radio station) near Lamoni, Iowa, and to transition the facilities to a non-commercial public station (KOWI).

Liability	Iowa State University agrees to be responsible for claims arising from its use and occupancy of the space in accordance with <u>Iowa Code</u> Chapter 669. Graceland University agrees to indemnify, defend, and hold harmless Iowa State University for its use of the studio equipment.
Principal Information	The principal, Karen L. Mercer, Vice President for Business and Administrative Services of Graceland University, has no affiliation with Iowa State University.

Tenant	Lyrix Wireless (new)
Area/Location	WOI transmitter building and tower space at the KOWI tower site in Leon, Iowa.
Lease Term	Ten-year term commencing November 15, 2004, through November 14, 2014.
Use of Space	Tower space for wireless telephone system.
Lease Rate	\$25,000 in advance to be paid upon execution of this lease, and then \$700 per month (\$8,400 per year).
Additional Information	Lyrix has agreed to make the \$25,000 advance payment to facilitate WOI's purchase and installation of a large transmitter building to accommodate the Lyrix wireless equipment. The University has amortized the advance payment over the ten-year life of the lease which reduced the monthly lease payments to \$700. The lease revenue will be applied toward retiring the debt incurred in the University's acquisition of radio station KOWI .
Liability	The tenant agrees to indemnify, defend, and hold harmless the University as customarily required.
Principal Information	The principal, Robert Mauer, Vice President, has no affiliation with the University.


 Jean A. Friedrich

Approved: 
 Gregory S. Nichols

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