

Contact: John Nash

INSTITUTIONAL AGREEMENTS, LEASES AND EASEMENTS

Action Requested: Consider recommending to the Board approval of two lease amendments for the benefit of the University of Iowa, three leases for the benefit of Iowa State University, and one lease for the benefit of the Iowa Braille and Sight Saving School subject to approval of the final documents by the Board Office and Attorney General's Office.

Executive Summary: Iowa Code §262.11 requires that certain agreements, leases, and easements be approved by the Board of Regents by roll call vote. An indemnification clause is included in both lease amendments for which approval is requested.

The University of Iowa currently leases six off-campus apartment buildings to house University students. These buildings have served an important role in managing annual changes in student enrollment and have served as interim housing while new on-campus residence halls were constructed.

Following the 2016-2017 academic term, the University would end (and not renew) three of the six building leases as the new Elizabeth Catlett residence hall opens in Summer 2017. One of the remaining three off-campus leases has one more year remaining in its term. The University of Iowa requests Board approval to enter into lease amendments with Svoboda Rentals LLC for the other two off-campus leases to extend their terms by one year.

University of Iowa with the Board as Tenant for the following two lease amendments:

Svoboda Rentals LLC

The first property at 427 North Dubuque Street consists of 11 four-bedroom units and 5 three-bedroom units. The second property at 112 East Bloomington Street consists of 12 four-bedroom units (see Attachment A for locations).

The Board approved both original leases with Svoboda Rentals LLC and their property management entity, Campusview Management, in December 2012. In October 2014, the Board approved two-year extensions for both which expire July 31, 2017. After July 31, 2017, both leases would have no remaining renewal options.

These lease amendments would provide a one-year extension to both leases from August, 1, 2017 to July 31, 2018 with an annual rental rate of \$447,607 for 427 North Dubuque Street and \$362,279 for 112 East Bloomington Street. This cost represents a 2% increase over the previous lease term. All other terms would remain the same. Funding for the lease extensions would be from University Housing and Dining Operating Funds.

Iowa State University with the Board as Landlord for the following three leases:

City of Ames

Iowa State University requests Board approval to enter into three leases with the City of Ames (City) to allow University land to continue to be used as public parks. For at least the last thirty years, the City has leased from ISU the following property:

- Lease #1: Brookside Park, on the eastern boundary of campus (66.92 acres)
See Attachment B for location.
- Lease #2: Stuart Smith Park, east of the Iowa State Center (26.11 acres)
See Attachment C for location.
- Lease #3: Franklin Park, west of campus (4 acres)
See Attachment D for location.

The parks are generally located near campus or in housing areas with student residents, thus providing park and recreational areas for the students and the Ames community. The parks include picnic areas, shelters, trails, tennis and basketball courts, skate park, playground, and passive recreation and are used as outdoor teaching laboratories. These parks are generally located in flood plains or woodlands rendering them unsuitable for the development of academic facilities for the foreseeable future.

Both the City of Ames and ISU desire that these parcels continue to be used as public parks. The City of Ames would remain responsible for maintaining the parks at its expense.

The lease term for the Brookside Park and Stuart Smith Park would be for 20 years from January 1, 2017 to December 31, 2037. The west side of the Brookside Park consists of an improved baseball field and a parking area. Should the University need to utilize all or a portion of the area to meet programmatic needs, the University and the City would cooperate in good faith to develop mutually acceptable scheduling for use of the area.

During the term of the lease for the Stuart Smith Park, the City may also construct and maintain shelter houses and other permanent buildings for park purposes after obtaining the University's prior approval of plans, specifications, and costs. The approval by the University shall not be unreasonably withheld. At the time the plans are approved, the City and ISU are to mutually agree in writing as to whether the City would be required to remove the approved improvement upon termination or expiration of the lease, and if not, the amount of any compensation the University is to pay the City for the approved improvement.

The lease term for the Franklin Park would be for 4.5 years from January 1, 2017 to June 30, 2021. At the end of the lease term, ISU intends to dispose of the property. At any time prior to the end of the lease term, the City can purchase the premises at the then appraised value, consistent with Board of Regents policies and subject to approval by the Board and the Ames City Council.

These three leases would be for the continued benefit and enjoyment of the Ames community and the University.

Iowa Braille and Sight Saving School with the Board as Landlord for the following lease:



City of Vinton

Iowa Braille and Sight Saving School (IBSSS) requests Board approval to enter into a lease with the City of Vinton (City) to allow 7.2 acres of land at the south end of the IBSSS's 48 acres to continue to be used as a public park (see Attachment E for location). The park is called "Kiwaniis Park" and has been leased by the City every ten years. This lease contains a new provision to allow the City to build a "splash pad" on the park. The splash pad would be a 200 square foot recreational water feature including a concrete slab-on-grade and various spraying equipment to allow for outdoor water play.

This lease term is ten years from January 1, 2017 to December 31, 2026 at a rental rate of \$1 per year with no options to extend the lease.

UNIVERSITY OF IOWA
Svoboda Rentals LLC, Map of Leases



 <p>THE UNIVERSITY OF IOWA</p> <p>Monday, October 31, 2016 Document Name: 20160803_BOR_112_E_Bloomington_St</p>	 <p>1" = 200'</p>	<p>Location Map: 112 E Bloomington Street</p>
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IOWA STATE UNIVERSITY
Map of the Brookside Park Lease



Brookside Park



IOWA STATE UNIVERSITY
Map of the Stuart Smith Park Lease



Stuart Smith Park



IOWA STATE UNIVERSITY
Map of the Franklin Park Lease



Franklin Park



IOWA BRAILLE AND SIGHT SAVING SCHOOL
City of Vinton Lease

