

MEMORANDUM

To: Board of Regents
From: Board Office
Subject: Institutional Agreements, Leases and Easements
Date: January 10, 2000

Recommended Actions:

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 presented this month have been reviewed by the Attorney General's Office and are recommended for approval. A listing of principals is included as an attachment to this docket memorandum.

The University of Iowa requests approval of lease agreements with Short's Travel Service for its use of office space in the General Hospital, and with George McDowell for the University's use of space in Davenport for studies by the Department of Pediatrics Infant Nutrition Unit.

The University of Northern Iowa requests approval of a lease agreement with the Cedar Rapids Television Company for the University's continued use of space on the KCRG-TV tower in Walker, Iowa, which provides a transmitter site for KUNI-FM.

Background and Analysis:

A. UNIVERSITY OF IOWA

1. SHORT'S TRAVEL SERVICE, INC. (Tenant)—The University requests approval to enter into a lease agreement with Short's Travel Service for its use of 400 square feet of office space in the General Hospital. The space will be leased at the rate of \$875 per month (\$26.25 per square foot, \$10,500 per year) for approximately a one-year period commencing February 15, 2000 through March 31, 2001.

Short's Travel is one of three "preferred travel agencies" under contract with the University to provide travel services. (The other two are Winebrenner Red Carpet Travel and Meacham Travel Service.) Short's Travel has been leasing 850 square feet of office space in the General Hospital since October 1997. The current lease term expired on September 30, 1999, and the University has extended the lease on a monthly basis in accordance with the lease agreement. The University plans to make available approximately half of the 850 square feet to provide a satellite office for Winebrenner Red Carpet Travel (which is currently located in downtown Iowa City), thereby reducing the space for Short's Travel as reflected in the new lease agreement. At a future date, the University will forward for Board approval the lease agreement with the new tenant (with identical terms). The University has indicated that Meacham Travel Service currently does not have an interest in leasing space on campus.

The proposed rental rate per gross square foot represents an increase of approximately 15 percent over the current rate. The new lease term will match the term of the University's contract with Short's Travel.

The tenant agrees to indemnify, defend, and hold harmless the University for damages or losses resulting from the tenant's use of the leased premises.

2. **GEORGE McDOWELL (Landlord)**—The University requests approval to enter into a lease agreement with George McDowell for the University's use of 847 square feet of office space located in Davenport, Iowa. The space will be used by the Department of Pediatrics Infant Nutrition Unit to conduct infant nutrition studies in the Quad Cities area. The space will be leased at the rate of \$625 per month (\$8.85 per square foot, \$7,500 per year) for a one-year period commencing February 1, 2000, through January 31, 2001.

The University agrees to be responsible for claims arising from its use and occupancy of the space in accordance with Iowa Code §669.

B. UNIVERSITY OF NORTHERN IOWA

1. CEDAR RAPIDS TELEVISION COMPANY (Landlord)—The University of Northern Iowa requests approval to enter into a new lease agreement with the Cedar Rapids Television Company, Cedar Rapids, Iowa, for the University's continued use of space on the KCRG-TV tower located near Walker, Iowa (approximately 35 miles southeast of Cedar Falls). The tower provides a transmitter site for KUNI-FM. The space will be leased at the rate of \$3,696 per month (\$44,352 per year), for a ten-year period commencing January 19, 2000, through January 16, 2010.

The University has leased tower and building space at the KCRG-TV tower since 1974 to house radio antennas and transmitting equipment for KUNI-FM. The existing lease expired in September 1999 and the University has continued to lease the space on a monthly basis in accordance with the lease agreement. For the past year, the University has been in negotiations with the Cedar Rapids Television Company for continued long-term use of the tower for the KUNI-FM equipment. Development of a new agreement has been delayed to accommodate completion of an engineering study of the tower. The study was undertaken to verify that the tower could continue to accommodate the KUNI equipment with the installation of new digital television equipment which will be required of KCRG-TV. Based on information from the engineering study, the Cedar Rapids Television Corporation indicated that it was prepared to proceed with KUNI-FM's continued use of the tower. This will allow KUNI-FM to continue to transmit from a tall tower site, which will preserve the station's current coverage area.

The proposed rental rate of \$3,696 per month is the same rate currently paid by the University for use of the tower space. Following the initial ten-year term, the lease provides automatic extensions for three additional five-year periods, and annual inflationary adjustments in the rental rate.

The agreement requires both the landlord and tenant to be responsible for any claims resulting from the equipment installed on the tower or other use of the space in accordance with Iowa Code §669.

Sheila Lodge

Approved:

Frank J. Stork

Attachment

Listing of Principals for Leases

January 2000

Lease _____ Principals _____

University of Iowa

Short's Travel Service

David LeCompte

The principal has no affiliation with the university.

Department of Pediatrics Infant Nutrition Unit

George McDowell

The principal has no affiliation with the university.

University of Northern Iowa

Cedar Rapids Television Company

Ladkey Family of Cedar Rapids, Iowa

The principals have no affiliation with the university.