

MEMORANDUM

To: Board of Regents
From: Board Office
Subject: Institutional Agreements, Leases and Easements
Date: June 9, 2003

Recommended Action:

Approve the leases for the benefit of the University of Northern Iowa 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.

A report of the Attorney General's Office review of the leases will be made at the June meeting.

Approval is requested for the following:

University of
Northern Iowa

Lease renewals with Tau Kappa Epsilon Fraternity and Gamma Phi Beta Sorority for their use of residences on the University of Northern Iowa campus.

Tenant property rental rates for FY 2004 for the University's remaining residences, reflecting proposed rate increases ranging from 6.2 percent to 6.7 percent for these rental units.

Background and Analysis:

UNIVERSITY OF NORTHERN IOWA

Tenant	Tau Kappa Epsilon Fraternity (renewal)
Area/Location	Fraternity house located at 1203 West 23 rd Street, Cedar Falls, Iowa.
Lease Term	Five-year period commencing August 1, 2003, through July 31, 2008.
Lease Rate	\$1,130 per month (\$13,560 per year), for the period of August 1, 2003 to July 31, 2004. The rental rate is subject to increase on July 1 of each year of the lease term in an amount to be approved by the Board.
Space/Rate Comparison	Rate increase of 6.1 percent; the amount of space is unchanged.
Use of Space	Fraternity house.
Liability	The tenant agrees to indemnify, defend, and hold harmless the University as customarily required.
Principal Information	The principals, Preston Podaril, President, and Keith Jorgensen, Chapter Advisor, have no affiliation with the University.

Tenant	Gamma Phi Beta Sorority (renewal)
Area/Location	Sorority house located at 1209 West 23 rd Street, Cedar Falls, Iowa.
Lease Rate	\$1,130 per month (\$13,560 per year).
Lease Term	One-year period commencing August 1, 2003, through July 31, 2004.
Space/Rate Comparison	Rate increase of 6.1 percent; the amount of space is unchanged.
Use of Space	Sorority house.
Liability	The tenant agrees to indemnify, defend, and hold harmless the University as customarily required.
Additional Information	The lease renewal is for one year only since the sorority is currently negotiating with the University for the lease of a different University property beginning in August 2004.
Principal Information	The principals, Brittany Willman, President, and Elizabeth Gerdes, Chapter Advisor, have no affiliation with the University.

TENANT PROPERTY RENTAL RATES, FY 2004

Background The Board annually approves the fiscal year rental rates charged by the University for its tenant properties which include single family residences.

The proposed rental rates are established based on market rates, residence hall rate increases, and operating costs.

The University's lease agreements provide for annual increases of not more than 10 percent per year.

Proposed FY 2004 Rental Rate Summary A total of six single family residences will be rented in FY 2004; the University proposes rate increases ranging from approximately 6.2 percent to 6.7 percent for the units.

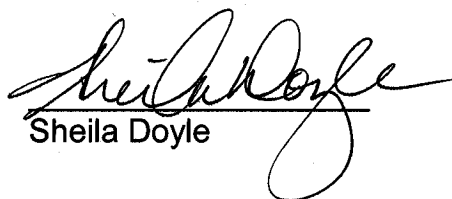
Single-Family Residences The University's tenant property rental schedule lists a total of four faculty/staff rental properties.

- The property located at 2115 Merner Avenue would be rented at the rate of \$945 per month, an increase of 6.2 percent.
- The property located at 3204 Panther Lane would be rented at the rate of \$800 per month, an increase of 6.7 percent. (This home is smaller than the Merner Avenue property.)
- Two short-term rental properties, which are rented by the month for a period not to exceed one year, would be rented at the rate of \$680 per month, an increase of 6.3 percent.

The University's tenant property rental schedule also lists two student rental properties.

- The property located at 1233 West 22nd street would be rented at the rate of \$600 per month, an increase of 6.2 percent.
- The property located at 2604 College Street would be rented at the rate of \$640 per month, an increase of 6.7 percent. (This home is larger than the West 22nd Street property.)

The agreement with each tenant is subject to approval of the Executive Director.


Sheila Doyle

Approved: 
Gregory S. Nichols