

MEMORANDUM

To: Board of Regents
From: Board Office
Subject: Institutional Agreements, Leases and Easements
Date: September 5, 2000

Recommended Action:

Approve the leases and easements 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. A report of the Attorney General's Office review of the items presented for Board approval will be made at the September meeting. A listing of principals is included as Attachment A to this docket memorandum.

The University of Iowa requests approval to renew its lease with the American Institute of Sustainable Science and Technology for the firm's use of business incubator space in the Technology Innovation Center at the Oakdale Campus, and easement agreements with the City of Coralville for the widening of a portion of First Avenue near the University softball complex.

Iowa State University requests approval of an amendment to its lease agreement with Determan Investments for the University's use of space in Mason City for the Child Welfare Research and Training Project of the Department of Human Development and Family Studies, and to renew its lease with Dayton Road Development Corporation for the University's use of space in Ames for the Small Business Development Center.

Iowa State University also requests approval to enter into lease negotiations with Marfair Joint Venture for the University's use of office space in Washington, D.C, to accommodate the University's federal governmental relations staff. The University also requests that the Executive Director be authorized to sign the negotiated agreement on behalf of the Board. The lease agreement would be subject to review and approval by the Attorney General's Office.

The Iowa School for the Deaf requests approval to renew its lease with Iowa Western Community College for the College's use of classroom space on the Iowa School for the Deaf campus.

Background and Analysis:

A. UNIVERSITY OF IOWA

1. AMERICAN INSTITUTE OF SUSTAINABLE SCIENCE AND TECHNOLOGY, INC. (Tenant)—The University requests approval to renew its lease with the American Institute of Sustainable Science and Technology for its use of 308 square feet of business incubator space at the Technology Innovation Center. The space will be leased at the rate of \$218.17 per month (\$8.50 per square foot, \$2,618.04 per year) for a one-year period commencing October 1, 2000, through September 30, 2001. This is the same rate as paid under the current lease agreement.

Sustainable Science International provides consulting services on engineering research, development, design, software and manufacturing. The firm promotes sustainability of finite resources and environmental balance through technological innovations.

The tenant agrees to indemnify, defend, and hold harmless the University as customarily required.

2. CITY OF CORALVILLE—The University requests approval to enter into permanent and temporary easement agreements with the City of Coralville. The easements have been requested by the City for the reconstruction and widening of the intersection of First Avenue and Highway 6 adjacent to the University's softball complex. The improvements will be undertaken by the City to increase the safety of this major arterial intersection. A map which indicates the location of the reconstruction project is included as Attachment B on page 7 of this docket memo.

The permanent easement will consist of a strip of land approximately 900 feet in length and ranging in width from 20 feet to 45 feet along the east side of First Avenue. The temporary construction easement will provide an area along the east side of the permanent easement for the construction project.

The proposed project will benefit the University and the Iowa City/ Coralville community. The easements will be provided to the City of Coralville at no cost.

The City agrees to indemnify, defend and save the University, the Board, and the State of Iowa, harmless from damages resulting from its use of the easement areas, except that which may be due to unavoidable casualty beyond the City's control, or from which the City may be exempt under state law.

B. IOWA STATE UNIVERSITY

1. DETERMAN INVESTMENTS (Landlord)—The University requests approval of an amendment to its lease as lessee with Determan Investments for the University's use of 1,400 square feet of office space located in Mason City, Iowa, for the Child Welfare Research and Training Project of the Department of Human Development and Family Studies. The amendment will extend the lease for a one-year period commencing July 1, 2000 through June 30, 2001, at the rate of \$640 per month (\$5.49 per square foot, \$7,680 per year). This is the same rate as paid under the current lease agreement.

All other terms of the existing agreement will remain in effect including the requirement for the University to be responsible for claims arising from its use and occupancy of the space in accordance with Chapter 669 of the Iowa Code.

2. DAYTON ROAD DEVELOPMENT CORPORATION (Landlord)—The University seeks approval to renew its lease as lessee with Dayton Road Development Corporation for the University's use of 2,401 square feet of office space located in Ames, Iowa, for the Small Business Development Center. The lease will be renewed at the rate of \$2,551 per month (\$12.75 per square foot, \$30,612 per year) for a one-year period commencing October 1, 2000, through September 30, 2001. This rate is an increase of 2 percent over the rate paid under the current lease agreement.

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

3. LEASE OF OFFICE SPACE IN WASHINGTON, D.C.—The University requests authorization to enter into lease negotiations with Marfair Joint Venture, Washington, D.C., for the University's use of office space to accommodate its federal governmental relations staff. The University's proposal to locate a staff member in Washington, D.C. will support University federal initiatives and federal regulatory issues, and improve the University's competitive position. The proposal is also consistent with the University's strategic plan and operating budget.

During the past year, the University received \$128.3 million in federal funds, which, with a multiplier, had more than a \$320 million impact on the Iowa economy. The need for continued interaction with federal agencies such as the United States Department of Agriculture, Department of Energy (Ames Laboratory), National Science Foundation, and Department of Education, is critical. Additionally, travel and communication costs are becoming less reliable and more expensive.

Gary Steinke, Iowa State University Director of Governmental Relations, has explored a number of alternatives in the Washington, D.C. area and has identified space located in the Fairchild Building at 499 South Capital Street, S.W., as the best alternative. This location would provide for the lease of 720 square feet of office space to house the University's federal governmental relations program.

The University also requests that the Executive Director be authorized to sign the negotiated agreement on behalf of the Board. The negotiated lease agreement would be subject to review and approval by the Attorney General's Office.

C. IOWA SCHOOL FOR THE DEAF

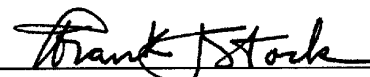
1. IOWA WESTERN COMMUNITY COLLEGE (Tenant)—The Iowa School for the Deaf requests approval to renew its lease as lessor with Iowa Western Community College for its use of 800 square feet of space located in Room C of the Careers Building on the Iowa School for the Deaf campus. The lease will be renewed at the rate of \$800 per month (\$12 per square foot, \$9,600 per year) for a one-year period commencing September 1, 2000, through August 31, 2001. This is the same rate as paid under the current lease agreement.

The space is used as a classroom for the Alternative High School Program which is administered by Iowa Western Community College. The program is funded by the school districts that participate in the program.

The tenant agrees to indemnify, defend, and hold harmless the school as customarily required.


Sheila Lodge

Approved:


Frank J. Stork

Attachment A

Listing of Principals for Leases

September 2000

Lease

Principals

University of Iowa

American Institute of Sustainable Science
and Technology

I. Al Khattat, President

The principal is an Adjunct Associate Professor in the Department of Civil and Environmental Engineering.

City of Coralville

James Fausett, Mayor

The principal is not affiliated with the University.

Iowa State University

Dayton Road Development Corporation

Marvin J. Walter

The principal is not affiliated with the university.

Determan Investments

J. D. Determan

The principal is not affiliated with the university.

Iowa School for the Deaf

Iowa Western Community College

Gary Faust, Board President

The principal is not affiliated with the school.