

MEMORANDUM

To: Board of Regents
From: Board Office
Subject: Institutional Agreements, Leases and Easements
Date: September 9, 2002

Recommended Action:

Approve the agreements, 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 agreements, leases and easements will be made at the September meeting.

A listing of principals is included as Attachment A to this docket memorandum.

Approval is requested for the following:

University of Iowa

Lease agreements with:

- Hawkeye North American Moving and Storage for the University's use of space to store the contents of the Old Capitol during the restoration of the building;
- The Wippler Group for the University's use of a residence in Iowa City for faculty housing;
- Village Court Associates for the University's use of apartment space in Johnston, Iowa, for a medical resident of the Carver College of Medicine Department of Ophthalmology; and
- Resource Development Associates for its use of business incubator space at the Oakdale Research Park.

Lease renewal with Greater Community Hospital, Creston, Iowa, for the University's continued use of space for a UIHC Child Health Specialty Clinic.

Lease amendments with:

- Ottumwa Regional Health Center, Ottumwa, Iowa, for additional space for a UIHC Child Health Specialty Clinic; and
- Thomas Alberhasky, extending the existing lease agreement for the University's use of office and warehouse space in Iowa City.

Easement agreement with the City of Iowa City, dedicating a portion of Mormon Trek Boulevard to the City.

Iowa State
University

Lease agreement with RegenaCorp for its use of business incubator space at the ISU Research Park.

Revised lease agreement with the City of Ames, increasing the area leased to the City for the Cyride maintenance facility to allow expansion of the facility.

Lease renewal with the Wallace Foundation for Rural Research and Development for the University's use of space in Lewis, Iowa, for the Southwest Iowa Area Extension Office.

Iowa School for
the Deaf

Water main extension agreement for the Iowa School for the Deaf's contribution to a public improvement project to be undertaken by the City of Council Bluffs Water Works, and temporary construction easement for the City's use of a portion of School property.

Lease renewal with Iowa Western Community College for its use of space on the Iowa School for the Deaf campus for the College's Alternative High School Program.

Background and Analysis:

UNIVERSITY OF IOWA

LEASES

Landlord	Hawkeye North American Moving and Storage (new)
Area/Location	6,000 square feet of climate-controlled warehouse space located at 2870 Stoner Court, North Liberty, Iowa.
Lease Term	One-year period commencing October 1, 2002, through September 30, 2003.
Lease Rate	\$5,100 per month (\$10.20 per square foot, \$61,200 per year).
Use of Space	Storage of contents from the Old Capitol during the building restoration project.
Liability	The 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.

Landlord	The Wippler Group (new)
Area/Location	3,600 square foot two-story house located at 720 McLean Street, Iowa City, Iowa.
Lease Term	18 month period commencing October 1, 2002, through March 31, 2004.
Lease Rate	\$2,200 per month (\$7.33 per square foot, \$26,400 per year).
Use of Space	Faculty housing.
Liability	The 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.

Landlord	Village Court Associates (new)
Area/Location	875 square feet of apartment space (Apartment #201) located at 5963 Greendale Place, Johnston, Iowa.
Lease Term	One-year period commencing September 1, 2002, through August 31, 2003.
Lease Rate	\$795 per month (\$10.90 per square foot, \$9,540 per year).
Use of Space	Housing for a Carver College of Medicine Department of Ophthalmology resident while on rotation at the Veterans Administration Hospital in Des Moines.
Additional Information	Funding for the lease would be provided by patient revenue generated from the Carver College of Medicine Faculty Practice Plan.
Liability	The medical resident would be required to obtain renters insurance for use of the space.

Tenant	Resource Development Associates (new)
Area/Location	286 square feet of space in the Technology Innovation Center at the Oakdale Research Park.
Lease Term	One-year period commencing September 1, 2002, through August 31, 2003.
Lease Rate	\$143 per month (\$6 per square foot, \$1,716 per year).
Use of Space	The space would be used to develop a variety of Internet and software products for use in the operation and management of healthcare facilities.
Liability	The tenant agrees to indemnify, defend, and hold harmless the University as customarily required.

Landlord **Greater Community Hospital, Creston, Iowa (renewal)**

Area/Location 779 square feet of office and clinic space located in the Community Hospital Building, Cottonwood and Townline, Creston, Iowa.

Lease Term One-year period commencing January 1, 2003, through December 31, 2003.

Lease Rate \$536.66 per month (\$8.27 per square foot, \$6,439.92 per year).

Use of Space UIHC Child Health Specialty Clinic.

Space/Rate Comparison Space increase of 349 square feet (81 percent); rate increase of 1.2 percent per square foot.

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

Landlord **Ottumwa Regional Health Center (amendment)**

Area/Location Amendment would provide an additional 150 square feet of office space (2,037 square feet total) located at 317 Vanness Avenue, Ottumwa, Iowa.

Lease Term Effective July 1, 2002, through the remainder of the lease term, October 31, 2002.

Lease Rate An additional \$87.50 per month, for a total of \$1,188.25 per month (\$7 per square foot, \$14,259 per year).

Use of Space UIHC Child Health Specialty Clinic.

Space/Rate Comparison Space increase of 150 square feet (7.9 percent); the rental rate per square foot is unchanged.

Liability All other terms of the agreement would 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 Iowa Code Chapter 669.

Landlord **Thomas Alberhasky (amendment)**

Area/Location	19,649 square feet of office and warehouse space located at 620, 624 and 626 South Madison Street, Iowa City, Iowa.
Lease Term	Amendment would provide the option to extend the lease for two additional lease terms, effective November 1, 2002 through October 31, 2004, and November 1, 2004 through October 31, 2006.
Lease Rate	\$9,250 per month (\$5.65 per square foot, \$111,000 per year).
Use of Space	Storage space for the Departments of Physics and Astronomy and Information Technology, and the Facilities Service Group.
Space/Rate Comparison	The amount of space and rental rate are unchanged.
Liability	All other terms of the agreement would 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 <u>Iowa Code Chapter 669</u> .

EASEMENT

Grantee	City of Iowa City
Description/ Location	Permanent easement for Mormon Trek Boulevard from 600 feet south of Melrose Avenue to 200 feet south of the Iowa Interstate Railroad bridge, approximately 120 feet wide and 4,300 feet long. (A map indicating the location of the easement is included as Attachment B.)
Purpose	Dedication of this portion of Mormon Trek Boulevard to the City of Iowa City. <ul style="list-style-type: none">• Mormon Trek Boulevard is an arterial roadway with heavy traffic volume; it provides the only paved connection between the cities of Iowa City and Coralville on the west side of the community.• The University and the City of Iowa City have completed a joint project to widen and reconstruct this portion of Mormon Trek Boulevard; the construction project was administered by the City.• In recognition of the street's arterial status, it has been the long-term objective of the University and the City for the roadway to be dedicated to the City upon completion of the reconstruction project.
Consideration	Consideration to the University was the City's completion of the Mormon Trek reconstruction project consistent with the plans and specifications approved by the University and the City Engineer.

Liability The easement agreement requires the City to indemnify, defend and save the Board of Regents and the University from damages resulting from use of the easement area.

IOWA STATE UNIVERSITY

LEASES

Tenant	RegenaCorp (new)
Area/Location	134 square feet of space in the Iowa State Innovation System at the ISU Research Park.
Lease Term	Six-month period commencing August 15, 2002, through February 14, 2003.
Lease Rate	\$225 per month (\$20.15 per square foot, \$2,700 per year).
Use of Space	<p>The space would be used for a pilot program of the SRP-Gen dental procedure, which is a non-surgical periodontal treatment method used to regenerate tissue and bone, resulting from chronic periodontal disease.</p> <p>The program would involve the use of topically-applied misoprostol, an FDA-approved drug which is not available for commercial use and can only be obtained through a RegenaCorp licensed pharmacy.</p>
Liability	The tenant agrees to indemnify, defend, and hold harmless the University as customarily required.

Tenant	City of Ames (revised lease agreement)
Area/Location	An additional 2.3 acres of land (6 acres total) at the site of the Cyride Maintenance Facility on the University's east campus, west of Elwood Drive and east of the University Power Plant. (A map indicating the location of the site is included as Attachment C.)
Lease Term	Effective July 23, 2002, through the remainder of the lease term, July 31, 2081.
Lease Rate	The additional land would be leased to the City at no monetary cost, consistent with the existing lease for the City's use of the land.
Use of Space	Expansion of the existing Cyride maintenance facility at the site.
Liability	All other terms of the agreement would remain in effect, including the City's responsibility to indemnify and hold harmless the University from damages resulting from the City's use of the leased premises.
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Landlord	Wallace Foundation for Rural Research and Development (renewal)
Area/Location	1,500 square feet of space in the Learning Center Building on the Armstrong Research Farm, Lewis, Iowa.
Lease Term	Three-year period commencing November 1, 2002, through October 31, 2005.
Lease Rate	\$875 per month (\$7 per square foot, \$10,500 per year).
Use of Space	Southwest Iowa Area Extension Office.
Space/Rate Comparison	Rate increase of 16.7 percent per square foot; the amount of space is unchanged.
Liability	The 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.
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IOWA SCHOOL FOR THE DEAF

AGREEMENT/EASEMENT

City of Council Bluffs Water Works (water main extension agreement and temporary easement agreement)

Description	Agreement for the Iowa School for the Deaf's contribution to a public improvement project to be undertaken by the City of Council Bluffs Water Works, and a temporary construction easement for the City's use of a portion of School property.
Purpose	<p>Installation of a new water main (2,550 linear feet) by the City of Council Bluffs along the west side of Highway 275 adjacent to the Iowa School for the Deaf property, and installation of a new extension main (630 linear feet) on School property.</p> <ul style="list-style-type: none">• The project will replace an existing water main, which was installed approximately 80 years ago, and will improve the circulation and quality of water provided to the School.
Consideration	<p>The total project cost of \$180,870 would be shared by the Water Works (\$70,318), the Iowa School for the Deaf (\$56,402), and Lewis Central School (\$54,150).</p> <ul style="list-style-type: none">• The \$56,402 project cost represents the School's contribution for construction of the new City water main (\$28,603) and the full cost for a new extension water main to the School's existing water distribution system (\$27,799).• The project budget for the School's portion of the project was approved by the Board in June 2002.

LEASE

Tenant **Iowa Western Community College (renewal)**

Area/Location 800 square feet of space located in Room C of the Careers Building on the Iowa School for the Deaf campus.

Lease Term One-year period commencing September 1, 2002 through August 31, 2003.

Lease Rate \$850 per month (\$12.75 per square foot, \$10,200 per year).

Use of Space Classroom for the Alternative High School Program, which is administered by Iowa Western Community College and funded by the school districts that participate in the program.

Space/Rate Comparison Rate increase of 6.25 percent per square foot; the amount of space is unchanged.

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


Sheila Lodge

Approved: 
Gregory S. Nichols

Attachment A

Listing of Principals for Leases

September 2002

Lease

Principals

University of Iowa

Hawkeye North American Moving and Storage

Dan Gerot, Chief Operating Officer

The principal has a contract to provide moving services to the University.

The Wippler Group

Jessica Moreland

Jessica Moreland is an Assistant Professor in the Department of Pediatrics.

Village Court Associates

Pat Hoser, Property Manager

The principal has no affiliation with the University.

Resource Development Associates

Kirk Messier, Vice President

The principal has no affiliation with the University.

Greater Community Hospital

Ron Davis, Chief Executive Officer

The principal has no affiliation with the University.

Ottumwa Regional Health Center

Coleen Hospers, Vice President

The principal has no affiliation with the University.

Office/Warehouse Space

Thomas Alberhasky

The principal has no affiliation with the University.

The City of Iowa City

Ernest W. Lehman, Mayor
Marian Karr, City Clerk

The principals have no affiliation with the University.

Iowa State University

RegenaCorp

Frank Wingrove, Rex McKee, Tom Swegle

The principals have no affiliation with the University.

City of Ames

Ted Tedesco, Mayor

The principal has no affiliation with the University.

Wallace Foundation for Rural Research and Development

Daniel T. Morgan

The principal has no affiliation with the University.

Iowa School for the Deaf

City of Council Bluffs Water Works

Glen M. Mitchell, Chairman
Douglas P. Drummey, Secretary

The principals have no affiliation with the University.

Iowa Western Community College

Gary Faust, Board President

The principal has no affiliation with the School.