

Contact: John Nash

MINUTES OF JUNE 2, 2021 COMMITTEE MEETING

**PROPERTY AND FACILITIES COMMITTEE
LEVITT CENTER
UNIVERSITY OF IOWA**

Committee Members Present

Regent Milt Dakovich, Chair
Regent Jim Lindenmayer, Vice Chair
Rod Lehnertz, University of Iowa Senior Vice President for Finance and Operations
Pamela Cain, Iowa State University Senior Vice President for Operations and Finance
Michael Hager, University of Northern Iowa Senior Vice President for Finance and Operations
John Nash, Board of Regents Director of Facilities
Laura Dickson, Board of Regents Executive Assistant

Other Board Members in Attendance

Regent David Barker
Regent Sherry Bates
Regent Nancy Boettger
Regent Nancy Dunkel
Regent Greta Rouse
Regent Abby Crow

Others in Attendance:

David Kieft, University of Iowa Business Manager
John Keller, University of Iowa Interim President
Kevin Kregel, University of Iowa Provost
Wendy Wintersteen, Iowa State University President
Jonathan Wickert, Iowa State University Provost
Mark Nook, University of Northern Iowa President
Patrick Pease, University of Northern Iowa Interim Provost
Mark Braun, Board of Regents Executive Director
Rachel Boon, Board of Regents Chief Academic Officer
Jason Pontius, Board of Regents Associate Chief Academic Officer
Aimee Claeys, Board of Regents Board Counsel
Kristin Bauer, Board of Regents Assoc. Counsel & Director of Human Resources & Merit Systems
Josh Lehman, Board of Regents Senior Communications Director
Brock Ascher, Board of Regents Assistant Communications Director

Chair Dakovich called the meeting to order at 1:00 p.m.

Agenda Item 1 - Minutes of April 7, 2021 Committee Meeting

➤ By GENERAL CONSENT, the minutes of the April 7, 2021 meeting were accepted.

Agenda Item 2 – Register of University of Iowa Capital Improvement Business Transactions

SVP Lehnertz presented. He said he would like to pull the UI's Permission to Proceed with Project Planning request for the **Multi-component Project to Modernize and Reduce Campus Space** project to further develop it and bring it back to the Board within the next six months.

SVP Lehnertz requested Board approval of the following items:

1. Schematic Design, Project Description and Budget for the:
 - **Hillcrest Residence Hall – Renovate Student Living Space** (\$23,000,000) project with the understanding that approval is authorization to proceed with construction.
2. Project Description and Budget for the:
 - **Roy J. and Lucille A. Carver Biomedical Research Building – Replace Lab Exhaust** (\$2,879,500) project with the understanding that approval is authorization to proceed with construction.
3. Ratification of the Use of Construction Manager at Risk project delivery method:
 - **UIHC John Pappajohn Pavilion – Expand Level 5 Main Operating Room** (\$18,000,000 to \$22,000,000) project.

➤ By GENERAL CONSENT, the Committee recommended Board approval.

Agenda Item 3 – University of Iowa Finkbine Development, Phase 1

Business Manager Kieft requested Board approval of the:

1. 30-year ground lease that would allow a private developer, Melrose Partners, LP, to develop 6.12 acres of land southeast of Finkbine Golf Course. The University would receive \$130,000 per year in ground lease rent, escalated 10% every five years for the duration of the lease.
2. Development agreement between the Board of Regents and Melrose Partners, LP that would allow Melrose Partners, LP to build, own and manage a new 110-unit, four-story residential active adult (55+) rental complex (see below) with one level of underground parking on the 6.12 acres.
3. Conveyance of 1.25 acres of undeveloped land from the University to the City of University Heights. This would be done in consideration of the City of University Heights voluntarily transferring 3.61 acres of land to the City of Iowa City to allow this development to take place, all within the City of Iowa City.

The UI has no financial interest in the project, nor providing any equity or capital.

In response to a question from Chair Dakovich, Business Manager Kieft said at the end of the 30-year ground lease, the UI and Melrose Partners have several options. For example, both parties could extend the 30-year lease up to 90 years. If Melrose Partners walks away at the end of the 30 years, UI would then own the property to use, sell or raze. While not yet fully developed yet, Phase 2 could be a small condominium project. Phase 3 could be a retail/entertainment area.

In response to a question from Regent Barker, Business Manager Kieft said the ground lease's 10% escalation rate every five years would continue beyond the initial 30-year term, if necessary.

➤ By GENERAL CONSENT, the Committee recommended Board approval.

Agenda Item 4 - Iowa State University Emergency Contract Authorization

SVP Cain requested Board ratification of Executive Director Braun's emergency contracting authorization on April 16, 2021 allowing ISU to hire Mainline Construction of Bondurant to excavate some leaking underground 48" diameter cooling water piping that feeds the Power Plant across the street.

➤ By GENERAL CONSENT, the Committee recommended Board approval.

Agenda Item 5 – Iowa State University Acceptance of Real Estate Gift

SVP Cain requested Board approval to accept the generous real estate gift of 5.79 acres, "Hill Swine Farm" six miles northeast of ISU's central campus, from Howard and Nancy Hill of Nevada. The real estate gift includes multiple agricultural swine buildings, land, a residence and associated infrastructure.

➤ By GENERAL CONSENT, the Committee recommended Board approval.

Agenda Item 6 – Institutional Agreements, Leases and Easements

SVP Cain requested Board approval of the **Iowa State University Permanent Easement**. ISU would grant a permanent, 15' x 30' underground electrical utility easement to the City of Ames to assist the city with a new residential development, just west of the ISU Arboretum.

SVP Hager requested Board approval of the **University of Northern Iowa Temporary Easement**: UNI would grant a quarter-mile-long temporary construction easement to the Cedar Falls Community School District to assist them in building a new high school.

➤ By GENERAL CONSENT, the Committee recommended Board approval.

Other Business:

Director Nash said the "FY 2022 Campus Sustainability Report" is on tomorrow's Consent Agenda.

Chair Dakovich adjourned the meeting at 1:19 p.m.