

ITEM #: 9
DATE: 12-12-23
DEPT: ADMIN

COUNCIL ACTION FORM

**SUBJECT: APPROVAL OF REQUEST FROM HEARTLAND OF STORY COUNTY TO
SUBLEASE OFFICE SPACE**

BACKGROUND:

In February 2022, the City entered into a fifty year land lease with Heartland allowing the construction of a new building to be constructed on City property with the stipulation that it be used solely for the purpose of providing senior services to the public. In order to assure that this restriction is maintained, the lease prohibits Heartland from sub-leasing any portion of the building or site to a third party without the prior approval of the City.

The City Council received the attached request from Heartland's Associate Executive Director seeking approval to sublease a portion of the space in their new building to Bethany Life and Central Iowa Retired and Senior Volunteer Program. These two agencies share a common goal with Heartland to support people 60+ to participate in the community and remain in their homes as long as possible.

The term of the proposed subleases coincides with the length of the land lease term between the City and Heartland of Story County. The City Attorney has reviewed the two subleases and is satisfied that terms restrict their use of space to the same use as required in the City's land lease. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1 and thereby approve the ability for Heartland to sublease a portion of its new building to Bethany Life and Central Iowa Retired and Senior Volunteer Program.

ALTERNATIVES:

1. Approve Heartland of Story County's request to sublease a portion of its new building to Bethany Life and Central Iowa Retired and Senior Volunteer Program.
2. Approve Heartland of Story County's request to sublease a portion of its new building to Bethany Life only.
3. Approve Heartland of Story County's request to sublease a portion of its new building to Central Iowa Retired and Senior Volunteer Program only.
4. Deny Heartland of Story County's request to sublease to either party.

CITY MANAGER'S RECOMMENDED ACTION:

The new facility being built by Heartland of Story County will result in a broader array of much needed programs being available to our residents over 60 years of age. The two agencies that are seeking to lease space in this new building are committed to the same broad mission of Heartland. Therefore, in accordance with Paragraph 14 of the attached land lease, it is the recommendation of the City Manager that the City Council approve Alternative #1 and thereby authorize Heartland to sublease a portion of its new building to Bethany Life and Central Iowa Retired and Senior Volunteer Program.

ATTACHMENT(S):

[Heartland Lease Agreement.pdf](#)

[Sublease Request to City.pdf](#)