



KIM REYNOLDS, GOVERNOR

Department of  
Administrative Services

ADAM STEEN, DIRECTOR

Date: December 30, 2024

To: Xavier Leonard, Legislative Services Agency

From: Adam Steen, Director

RE: Lease renewal by and between 535 SW 7<sup>th</sup> Street, LLC and Iowa Department of Administrative Services on behalf of the Disability Determination Services, a Division of Iowa Workforce Development

Leased Premises: Approximately, 36,071 Square Feet of office space located at 535 SW 7<sup>th</sup> Street, Des Moines, Iowa 50309

Term of Lease: The lease shall commence on March 1, 2025 and shall end on August 31, 2025.

Cost of the Lease: For the lease term commencing on March 1, 2025 through August 31, 2025, the total cost of this lease for the 6-month term will be approximately, \$306,603.53.

Source of Funding: 100% federally funded through the Social Security Administration.

Consequences of delaying or abandoning the lease: Cessation of this contract for space would stop the business of the DDS in processing over 35,000 disability claims per year, including the review of continuing eligibility. There would be a major impact to disabled citizens in delayed decisions, economic security, and access to medical services and coverage. Per CFR 404.1503, State Agencies make disability and blindness determinations for the Commissioner for most persons living in the State. They make these decisions under federal regulation. Failure to provide the funded infrastructure for this program would incur a loss of federal money for the administration of services and withdrawal of over \$32 million/yr. to the State of Iowa. Further, the DDS may be required to reimburse the federal government. Service delivery may be taken over by the Social Security Administration. Finally, Social Security disability benefits may be delayed to the citizens of Iowa, including Medicare, Medicaid, survivors' benefits and disbursements to health care providers.

We are submitting the above information, pursuant to Iowa Code sec. 8A.321 (16) (2023). If you have questions or comments, please do not hesitate to contact Barbara Bendon at 515-281-8887 or email [Barbara.Bendon@Iowa.gov](mailto:Barbara.Bendon@Iowa.gov).