



Date: June 19, 2025

To: Xavier Leonard, Legislative Services Agency

From: Adam Steen, Director

RE: Lease by and between Blu Sky Properties, LLC and Iowa Department of Administrative Services on behalf of and for the benefit of the Iowa Department of Health and Human Services, Targeted Case Management

Leased Premises: Approximately, 2,482 Square Feet of office space located at 1140 E. Kimberly Street, Unit A, Davenport, Iowa 52801

Term of Lease: The lease shall commence on October 1, 2025 and shall end on September 30, 2028.

Cost of the Lease: For the lease term commencing on October 1, 2025 through September 30, 2028, the annual cost of this lease will be approximately, \$33,507.00.

The total cost of this lease is estimated to be \$100,521.00

Source of Funding: The Health & Human Services, Targeted Case Management does not receive a state appropriation. It supports itself as a provider by billing Medicaid for case management services. Budget projections support the ability of the unit to support the obligations under this lease.

Consequences of delaying or abandoning the lease: The Davenport office serves individuals on HCBS Waivers in the Eastern area of the state. The Davenport area has a high concentration of individuals served, resulting in one of the largest TCM teams in the state. The next closest offices are Dubuque to the North and Burlington to the South. Delaying or abandoning the lease would significantly increase travel expenses, decrease level of support to a significant number of individuals who are at risk of institutionalization, and create significant risk of the unit being out of compliance with federal and state Medicaid regulations.

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.