

September 19-21, 2007

ITEM 136-2001-R0907

Authorization to Execute an Office Building Lease for Grant Funded Programs; Montana State University

THAT:

The Board of Regents of the Montana University System authorizes Montana State University-Bozeman to execute a ten year lease for space in a private facility located south of campus.

EXPLANATION:

MSU proposes to enter into a ten year lease for 27,060 square feet of space in a new building on University Way, one block south of the campus. The space will be used by the Western Transportation Institute (WTI). WTI's grant funded portfolio has expanded significantly since they first moved off campus in 2005. They will vacate their existing leased office space (about 8,000 square feet) and move into this new building in order to accommodate the office needs of staff that have been hired to perform the expanded grant funded activities. The space they vacate will be occupied by TechLink. TechLink is currently leasing space in a facility that is inadequate for their needs.

Annual lease payments will be \$47,355 per month, subject to adjustments as outlined in the Office Building Lease. Rent payments will be funded by Facilities and Administration [F&A] funds generated from sponsored research activity. Other terms and conditions of the lease are outlined in the Office Building Lease. The lease has been reviewed and approved by the campus Legal Counsel. The lease terms are similar to the terms previously agreed upon for other leases for off-campus space.