

September 21-22, 2022

ITEM 202-2010-R0922

Request for Authorization to Renew an Off-Campus Lease for Space on Behalf of MilTech; Montana State University

THAT

Consistent with the Board of Regents' authority to manage and control the Montana University System and Board of Regents Policy 1003.6, § III, the Board of Regents of the Montana University System authorizes Montana State University to renew an off-campus lease for space to accommodate required university research and development functions.

EXPLANATION

1. MSU-MilTech provides critical support and research to the Department of Defense (primarily the US Army and Marine Corps), as well as the Department of Homeland Security. MilTech currently has a staff position in Fort Lauderdale, Florida, who requires a shop facility to successfully house the equipment and materials to perform his work.
 2. MSU-MilTech has leased this space for the past two years; the initial lease term expires 10/31/2022.
 3. MSU-MilTech wishes to extend the lease term for an additional two years with an expiration date of 10/31/2024.
 4. The annual cost of the current lease is \$27,192 (\$17/sf). The annual cost of the new lease will be \$32,000 (\$20/sf).
 5. This increase is supported by fair market value indications in the Fort Lauderdale region.
 6. BOR Policy 1003.6, III, B, requires Regent approval for leases that exceed five (5) years in duration or for which total lease payments will exceed \$25,000 per year. Therefore, no lease renewal has been executed.
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ATTACHMENTS

None