

ITEM 138-2002-R0308

Authorization to Lease Bobcat Stadium to MSU Foundation; Montana State University

THAT:

Consistent with the provisions of MCA 18-2-102(d) and MCA 20-25-309, the Board of Regents of the Montana University System authorizes MSU to lease Bobcat Stadium to the MSU Foundation and approves the proposed lease agreement.

EXPLANATION:

1. The 60th Legislature promulgated MCA 20-25-309, which permits leasing land and facilities to a private, non-profit foundation for the purpose of constructing or renovating athletic facilities.
2. The MSU Foundation is a private non-profit foundation as required by MCA 20-25-309.
3. The general terms, guarantees and agreements have been negotiated by MSU in the best interests of the state and will include guarantees that no commitment of state appropriations for design, construction, operations or maintenance is expressed or implied. See attached lease document.
4. Work to be completed under this authorization will be financed with non-state funds including gifts, grants, donations, in-kind contributions and facility revenues.
5. More than one discrete project will be completed under this authorization, such as new field turf, additional sky suites, seating, ancillary functions, and/or parking.
6. All necessary funds will be in hand before construction is initiated for each Project or major phase.
7. The lease between MSU and the MSU Foundation will be modified by addendum for each discrete Project. As each Project is completed, that segment of the Lease will be terminated and that portion of the facility, with its related improvements, will revert to university control and operation.
8. At the termination of each Project, MSU will submit a report to the Budget Director (Office of Budget & Program Planning), with a copy to the Commissioner of Higher Education, certifying that the conditions of MCA 20-25-309 have been satisfied.

ATTACHMENT:

Proposed Lease Document