

November 19-20, 2020

ITEM 191-2005-R1120

Request for Authorization to Extend and Add Additional Space to an Existing Lease at Molecular Biosciences Building; Montana State University

THAT

Consistent with BOR Policy 1003.6, the Board of Regents authorizes Montana State University to extend and add additional square footage to an existing off campus lab lease at the Molecular Biosciences Building (MBB).

EXPLANATION

1. Montana State University requests the extension of an existing lab lease within the MBB building that expires on January 31, 2021. The extension will ensure critical research grants and ongoing work continues including essential services with assisting the State of Montana's COVID-19 lab testing results as well as providing space for new grants in microbiology and immunology work.
 2. Office of Research, Economic Development and Graduate Education (REDGE) has secured a \$1 million NIH grant to assist with COVID-19 related research and has increased external grant awards to \$167 million for fiscal year 2020, a 5.7% increase from the previous year.
 3. The current lab space is 2,512 square feet with a monthly lease rate of \$3,125 (annual base rent is \$14.93 per square foot) and houses critical lab space for REDGE.
 4. The additional lab space is required due to rapidly growing research expenditures which include SARS-CoV-2 research on GI work; as well as deployment of the LAMP and saliva based methodologies for DPHHS utilizing a recent \$770K award from the Governor's office.
 5. There is limited lab space on campus to pursue the above research and lab needs during this critical research time.
 6. The existing lease rate is below market and contains right of first refusal language for MSU to obtain additional square footage as it becomes available.
 7. REDGE will occupy 3 additional lab spaces (approximately 2,000 SF) within the building per the updated lease to offset space constraints in both the COVID-19 testing lab as well as to support additional microbiology and immunology research endeavors.
 8. The annual lease rate for this new space is expected to be approximately \$19.00/SF plus utilities, janitorial and other operational costs. The current leased space within the building will remain at \$14.92/SF plus utilities, janitorial and other operational costs.
 9. The term for this entire lease will be for 24 months, with options for up to three additional 12-month periods.
 10. BOR Policy 1003.6, III, B, requires Regents' approval for leases that exceed five (5) years in duration or for which total lease payments will exceed \$25,000 per year.
-

ATTACHMENTS

None