

July 18-19, 2016

**ITEM 172-1002-R0716**

**Request for Authorization To Enter Into An Off-Campus Lease for spectrUM – University of Montana-Missoula**

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**THAT**

In accordance with Board of Regents Policy 1003.6, the Board of Regents of the Montana University System authorizes the University of Montana-Missoula to enter into a five-year lease agreement on behalf of spectrUM, with Zenith Holding Company, to relocate the spectrUM program to Toole Crossing located at 812 Toole Street, Missoula, MT 59802.

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**EXPLANATION**

In January 2013, the Board of Regents approved a request to relocate spectrUM to the Maya Building located at 218 East Front Street, Suite 100, Missoula, MT on board item #158-1009-R0113. The relocation has been wildly successful until recently when new owners of the building began remodeling surrounding space that resulted in operational deficiencies for spectrUM.

University legal counsel was able to successfully negotiate the termination of the original lease which was scheduled to expire January 31, 2017.

spectrUM's Advisory Board and Vice President Scott Whittenburg approved the relocation and new lease with Toole Crossing. The new lease projects an annual savings of \$13,776 annually and results in 600 additional square feet of designated usable programming space.

**Old Lease:** 4,200 square feet (600 is non-programming common space) @ \$23/sq. ft or \$8,050 per month and \$96,600 per year

**New Lease:** 4,200 square feet of designated usable programming space @\$19.72/sq. ft or \$6,902 per month and \$82,824 per year

The Toole Crossing commercial space is in the initial phases of construction and spectrUM will have the opportunity to build the space to fit the unique needs of hands on science exhibits through a building owner provided tenant allowance of \$25/sq. ft.

The new location is in the heart of a challenged socio-economic segment of the Missoula population and gives spectrUM a greater opportunity to serve its mission of offering hands-on science for all, with the ultimate goal of inspiring young Montanans to pursue higher education and possibly careers in science, technology, engineering and mathematics.

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**ATTACHMENTS**

None