

November 16-17, 2023

ITEM 209-2705-R1123

Request for Authorization to Lease Parking Spaces to McDonald Hall; Montana State University Billings

THAT

Consistent with BOR Policy 1003.6, the Board of Regents authorizes Montana State University Billings (MSUB) to lease 125 Parking Spaces to the lessee of McDonald Hall.

EXPLANATION

1. In the summer of 2023, MSUB vacated McDonald Hall which is owned by the Montana State University Billings Foundation.
2. Montana State University Billings Foundation intends to lease McDonald Hall to a third party.
3. MSUB owns the parking area near McDonald Hall and plans to lease 125 parking spaces to the Lessee.
4. A parking rate analysis was provided by NAI Business Properties (NAI). NAI determined a range from \$37 - \$60/month for each space. MSUB will charge \$45/month per space for the first year with a negotiated escalation rate for subsequent years.
5. McDonald Hall is approximately 37,500 square feet.
6. BOR Policy 1003.6.III.A requires Board of Regents approval when the lease is for a term in excess of two years.
7. Lease shall be for five years with an option to renew it for an additional two years.

ATTACHMENTS

None