



RESOLUTION

concerning

LEASE OF A PORTION OF JENNINGS HALL
AT
SOUTHERN CONNECTICUT STATE UNIVERSITY
TO
SPRINT SPECTRUM L.P.

December 12, 2003

WHEREAS, Section 4b-38 of the Connecticut General Statutes provides that the Board of Trustees may lease land or buildings, and facilities under their control and supervision, and

WHEREAS, Sprint Spectrum L.P. has requested permission from Southern Connecticut State University to lease a portion of the penthouse of Jennings Hall for installation of antennas and related equipment, and

WHEREAS, It has been determined by Southern that the space is not needed for use by the university, and

WHEREAS, The Treasurer of the State of Connecticut has determined that the agreement does not affect the status of any tax-exempt obligations issued by the State of Connecticut, and

WHEREAS, The lease agreement stipulates that use of the property is contingent upon meeting all policies, regulations and laws of local, state and federal agencies, therefore be it

RESOLVED, That the Board of Trustees for the Connecticut State University System approve the lease of space at Southern Connecticut State University to Sprint Spectrum L.P. for the installation of communications equipment.

A Certified True Copy:

William J. Cibes, Jr.
Chancellor

ITEM

Lease of a portion of Jennings Hall at Southern Connecticut State University to Sprint Spectrum L.P.

BACKGROUND

The Board of Trustees under its statutory authority – Section 4b-38 – “...may lease land or buildings, or both, and facilities under the control and supervision of such board when such land, buildings or facilities are otherwise not used or needed for use by the constituent unit and such action seems desirable to produce income or is otherwise in the public interest, provided the treasurer has determined that such action will not affect the status of any tax-exempt obligations issued or to be issued by the State of Connecticut...”

ANALYSIS

Sprint Spectrum L.P. has requested permission from management at Southern Connecticut State University to lease approximately 143 square feet of Jennings Hall’s penthouse to accommodate their equipment. They would like to lease this space for the installation and maintenance of wires, cable, conduits and pipes associated with antenna structures. All improvements and alterations made to the space as part of the installation of the antennas will be at Sprint’s expense and subject to approval by Southern.

The lease agreement stipulates that Sprint’s ability to use the property is contingent upon meeting all obligations of compliance with any and all environmental laws, including permits, regulations, guidelines, standards, or policies of all local, state and federal agencies. The agreement was reviewed by the Office of the State Treasurer to ensure that it does not affect the State’s tax-exempt status. In addition, the CSU Assistant Attorney General has reviewed it.

The initial term of the lease is for ten (10) years with an annual rental of \$22,200, thereafter increasing by 3% per annum. The agreement will be automatically extended for two (2) six-year terms and one (1) three-year term for a total of 25 years unless terminated by the lessee or lessor by giving written notice of at least 12 months prior to the end of the then current term, with the annual rental continuing to increase by 3% per annum. Upon termination the lessee will remove all equipment and restore the equipment shelter to its original condition within 90 days.

The net present value of this lease, as well as those of the latest two approved leases at Southern, are as follows:

Lease	Net Present Value per Square Foot
SCSU lease to Sprint Spectrum L.P.	\$ 2,991.81
SCSU lease to AT&T (November 2002)	\$ 2,425.79
SCSU lease to Nextel Communications (December 1999)	\$ 1,326.37

CHANCELLOR'S RECOMMENDATION

Approve the lease of space in the penthouse of Jennings Hall at Southern Connecticut State University to Sprint Spectrum L.P.