ACTION ITEM #5
Olympia Office Lease
(Dan Bernardo/Roger Patterson/Mel Taylor)

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: Olympia Office Lease for facility used by the WSU Energy Program

SUBMITTED BY: Roger Patterson, Vice President for Business and Finance

PROPOSED: That the WSU Board of Regents delegate authority to the President or his designee to enter into and execute a lease and any related transactional documents for the facility at 905 Plum Street SE, Olympia, Washington.

SUPPORTING INFORMATION: The WSU Energy Program is a self-supported department within the College of Agricultural, Human, and National Resource Sciences (CAHNRS). The Energy Program provides energy-related services to the State of Washington, and other organizations regionally, nationally and internationally. Its areas of expertise include energy information centers, building efficiency, industrial and agricultural efficiency, renewable energy, economic development, institutional support, technology development and evaluation.

Due to the program’s success, the Program staff has doubled in size, going from approximately 50 employees in 2009 to over 100 employees today. These employees are comprised of energy engineers, energy specialists, technical experts, software developers, energy research librarians and more.

While there is a small satellite office in Spokane, the majority of employees work at the Olympia Office, in leased space at the Town Square Building Complex, located at 905 Plum Street SE, Olympia, Washington (ATTACHMENT A). This office space has been leased under three separate lease agreements. The original lease was executed in 2007, and two additional leases were entered into as the program and space needs grew. Two of the three leases for the current space terminate on November 30, 2012. The third lease expires September 30, 2014.
The WSU Energy Program proposes to remain in its current location and combine the three separate lease agreements into one lease over a proposed 5 year lease term of December 1, 2012, to November 30, 2017. The lease is for approximately 27,776 square feet of office space, for the same footprint currently occupied by the Program.

The building is in the downtown corridor and offers communal meeting space, and parking for staff and visitors. The location is convenient to the WA State Legislature and provides easy access to the I-5 corridor, and nearby public transportation.

The current lease rate is $40,394.03 per month. The proposed renewal rate is $42,204.88 per month, representing a 4.5% increase of $1,810.85 per month or $21,730.20 per year. With the new lease, the landlord has authorized approximately $106,000 in tenant improvements. As a self-supporting unit, the Energy Program uses grant/contract funds and other non-state sources to cover the lease payments.

Attachment: A: Building Photograph
BOARD OF REGENTS  
WSU Energy Program, Olympia Lease  
Resolution #121116-446

WHEREAS, the Board of Regents of Washington State University by virtue of RCW 28B.10.528 has authority to delegate by resolution to the President of the University, or designee, powers and duties vested in or imposed upon the Board by law and to enable the President, or designee to act on behalf of the Board of Regents in matters relating to the administration and governance of the University.

RESOLVED: That the WSU Board of Regents delegate authority to the President or his designee to enter into and execute a lease and any related transactional documents for the facility at 905 Plum Street SE, Olympia, Washington.

DATED this 16th day of November, 2012.

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Chair, Board of Regents

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Secretary, Board of Regents