



MICHIGAN STATE UNIVERSITY
BOARD OF TRUSTEES
Executive Action Summary

Budget & Finance-Attachment 2

APPROVED
SEPTEMBER 6, 2024
BOARD OF TRUSTEES
MICHIGAN STATE UNIVERSITY

Committee Name Budget & Finance

Date September 6, 2024

Agenda Item: Long-Term Ground Lease with MSU Research Foundation

Information

Discussion

Action

Resolution:

BE IT RESOLVED, that the Board of Trustees of Michigan State University hereby authorizes the Administration to enter into a long-term ground lease of up to five acres with the MSU Research Foundation, a development agreement and all other documents required in connection there with, upon such terms and conditions as may be acceptable to the President or designee.

Recommendation:

The Trustee Committee on Budget and Finance recommends that the Board of Trustees authorize Administration to enter into a long-term ground lease and development agreement with MSU Research Foundation, for up to five acres of land within the Crescent Road redevelopment area.

Prior Action by BOT:

On December 13, 2019, the Board of Trustees approved a recommendation to allow the Administration to enter into a long-term ground lease and development agreement with the MSU Foundation for an adjacent parcel of land. The MSU Foundation developed the new TechSmith headquarters facility under that ground lease.

Responsible Officers:

- Daniel Bollman, Vice President for Strategic Infrastructure Planning and Facilities
- David Washburn, Executive Director, MSU Research Foundation

Summary:

The Michigan State University Research Foundation is planning the construction and operation of a new headquarters facility. The multi-tenant, multi-use building will serve the university research and

innovation ecosystem, benefiting the greater Lansing community and the state of Michigan while co-anchoring the Crescent Road site along with TechSmith corporation.

The Foundation envisions a new facility adjacent to TechSmith in East Lansing that will serve as a hub of research, innovation, and commercialization. The facility and extensive programming within will drive the growth of and collaboration with science companies within the MSU ecosystem pursuant to Crescent Road strategic planning process and seeks to:

- Integrate and connect with the innovation ecosystem including a portfolio of venture backed startup companies, MSU's corporate research partners, students and faculty researchers.
- Incorporate a complementary mix of uses and users with open-access ground floor with space for showcases, events, co-working, etc. that function as a common platform.
- Be dynamic and adaptable in layout and amenities to accommodate flexible tenant and use scenarios that are welcoming to all.
- Support the physical and mental wellbeing of staff, tenants, guests and users that inspire discovery and collaboration.
- Drive a healthy and sustainable environment in mid-Michigan where individuals at all stages of life and career can choose to stay and grow.

Background Information:

In 2018, the university engaged in a planning effort around the redevelopment of what is known as the Crescent Road property, a 140-acre area between Mount Hope Road and Trowbridge Road (north and south) and Harrison Road and U.S. 127 (east and west). In the Spring of 2023, the University embarked on a renewed planning effort to update the plan and align the property master plan with the university's vision.

The MSU Crescent Road property will be developed into a space that connects academic research in close proximity with private industry to create a central hub of organizations and people that enables and accelerates discovery and innovation with direct business applications, spurs new business development and technology transfer, and serves as an economic development engine for the local region. The property will be developed to cluster liked-minded industry partners with adjacency to relevant areas of strengths within MSU's research portfolio and a purposeful mix of commercial entities to make Crescent Road an attractive destination for world-class researchers and companies.

Source of Funds:

There are no MSU funds required. MSU will receive revenue from land lease.

Resource Impact: Not Available