
Sponsor: Property Management

Meeting Date: 2/6/2024

Title: Seventh Amendment to Lease Agreement with State of Minnesota for Space at Metro Square

File Number: 2024-030

Background and Rationale:

The state of Minnesota occupied 57,395 square feet of office space under lease at Metro Square for the Department of Employment and Economic Development - Disability Determination Services ("DEED") through December 31, 2022. In 2021, Property Management advised DEED of the county's desire to end the lease arrangement at Metro Square at the end of the term so that the space could be utilized by county staff. The state of Minnesota requested an extension of the lease through April 30, 2023, which was approved under the third lease amendment, to accommodate the additional time required for DEED to complete its relocation.

Early in 2023, the state of Minnesota informed Property Management of its inability to fully vacate Metro Square by April 30, 2023. The state of Minnesota agreed to vacate 18,640 square feet as of April 30, 2023, and the fourth amendment was approved for 29,755 square feet of continued use through October 31, 2023.

In August 2023, the state of Minnesota informed Property Management of its need to extend the lease for an additional two months through December 31, 2023 to accommodate for delays in the buildout of DEED's new location. DEED requested an additional month to accommodate further delays related to its transition to the new location for January 2024. DEED was subsequently unable to relocate within the additional lease time. DEED has now requested an additional month to accommodate further delays related to its transition to its new location. A one-month extension at 250% rental rate is proposed. All other terms and conditions of the existing lease remain in effect.

Recommendation:

The Ramsey County Board of Commissioners resolved to:

1. Approve the seventh lease amendment to the lease agreement with the state of Minnesota, 50 Sherburne Avenue, #309, Saint Paul, MN, for space at Metro Square, 121 7th Place East, Saint Paul, MN, for the period from February 1, 2024, through February 29, 2024, for the total amount of \$143,678, with all other material terms remaining in effect and unchanged.
2. Authorize the Chair and Chief Clerk to execute the lease amendment.
3. Increase Property Management's 2024 Revenue and Expenditure Budget by \$143,678.

A motion to approve was made by Commissioner Moran, seconded by Commissioner McGuire. Motion passed.

Aye: - 6: Frethem, McGuire, Moran, Ortega, Reinhardt, and Xiong

Absent: - 1: Martinson

