

Request for Board Action Details

File #: 2022-443

Type: Administrative Item **Status:** Passed

In control: Board of Commissioners

On agenda: 8/23/2022 **Final action:** 8/23/2022

Title: Third Amendment to Lease Agreement with Badger Properties Riverview, LLC.

Sponsors: Property Management, Property Tax, Records & Election Services

Indexes:

Code sections:

Attachments: 1. Third Amendment to Lease Agreement, 2. Resolution

Date	Ver.	Action By	Action	Result
8/23/2022	1	Board of Commissioners	approved	Pass

Sponsor: Property Management & Property Tax, Records & Election Services

Title
Third Amendment to Lease Agreement with Badger Properties Riverview, LLC.

Recommendation

1. Approve the Third Amendment to the Lease Agreement with Badger Properties Riverview, LLC, 421 Wabasha Street North, Suite 200, Saint Paul, Minnesota 55102 for an additional 5,000 square feet of warehouse space in the Riverview Business Center located at 105 State Street, Suite 200, Saint Paul, MN, 55107, for the period of September 1, 2022 through July 31, 2027.
2. Authorize the Chair and Chief Clerk to execute the lease amendment.

Background and Rationale

Ramsey County Elections is the largest elections office in Minnesota, administering the state and county elections and carrying out the election's duties for 11 cities and five school districts. Elections' mission is to administer elections in Ramsey County in a fair, honest, impartial, accurate and efficient manner.

Since 2020, Ramsey County Elections has leased warehouse space with Badger Properties Riverview, LLC, to accommodate expanded operations due to the dramatic increase of physical supplies associated with the increase in voter participation, growth of mail balloting, personal protective equipment needed for 170 election-day polling places and up to 10 employees.

Ramsey County Elections is required by the state of Minnesota to retain certain election materials, such as completed ballots and voter registration applications, for 22 months following an election. To meet this requirement, Ramsey County Elections requires space that can securely store between 60 to 80 pallets of the retained election materials. The retained materials can assume over 1,000 square feet per election and there are regularly multiple elections falling within a single 22-month retention cycle.

Ramsey County Elections was notified in March 2022 that the current storage space in the Ramsey County Sheriff's Water Patrol building at 5 South Owasso Boulevard East, Little Canada, MN 55117 would no longer be available for use. With the loss of the space at the Water Patrol building, Ramsey County Elections requires

additional storage space to meet the state of Minnesota retention requirement. Property Management negotiated the third lease amendment with Badger Properties Riverview, LLC, for additional space adjacent to the existing leased warehouse space, to accommodate the ongoing storage needs. All other terms and conditions of the lease remain the same.

County Goals (Check those advanced by Action)

- Well-being Prosperity Opportunity Accountability

Racial Equity Impact

The leased space is a key resource for Ramsey County Elections’ service delivery as it provides for the safe and efficient handling of the physical supplies necessary to accommodate the recent increase in voter participation, growth of mail balloting, and continuing need for personal protective equipment for the county’s 170 election-day polling places. With this added capacity for necessary physical supplies, Ramsey County can continue to provide high-quality and safe election services while minimizing wait times for voting, which have been shown to disproportionately impact minority communities.

Community Participation Level and Impact

There is no community participation for this lease amendment.

- Inform Consult Involve Collaborate Empower

Fiscal Impact

The terms of the lease amendment include: an additional 5,000 square feet, five-year term; base rent of \$2,795 per month with 3% annual increases beginning in year two. Estimated real estate taxes and common area maintenance (CAM) charges for 2022 are \$3.26 per square foot, or \$1,358 per month. The amended lease term dates will coincide with the existing leased space. The base rent, real estate taxes and CAM will be added to the existing rent amounts.

The revised estimated rent schedule with the additional 5,000 square feet is as follows:

Date	Monthly Base Rent	Monthly Estimated CAM Charge	Total Monthly Rent	Annual Rent	Price Per Square Foot
Expansion Date - July 31, 2023	\$ 5,434	\$ 2,798	\$ 8,232	\$ 98,784	\$ 9.59
August 1, 2023 - July 31, 2024	\$ 5,597	\$ 2,798	\$ 8,395	\$ 100,740	\$ 9.78
August 1, 2024 - July 31, 2025	\$ 5,765	\$ 2,798	\$ 8,563	\$ 102,756	\$ 9.98
August 1, 2025 - July 31, 2026	\$ 5,938	\$ 2,798	\$ 8,736	\$ 104,832	\$ 10.18
August 1, 2026 - July 31, 2027	\$ 6,116	\$ 2,798	\$ 8,914	\$ 106,968	\$ 10.39
			TOTAL	\$ 514,080	

In addition, the county is responsible for utility costs directly to the space including gas, electric and water service. In 2020-2021 the utility costs were approximately \$500 per month.

All costs are included in the approved 2022-23 Ramsey County Elections operating budget.

Last Previous Action

On February 1, 2022, the Ramsey County Board of Commissioners approved the second lease amendment with Badger Riverview Properties, LLC, for the lease extension of warehouse space at 240 Fillmore Ave. East, Saint Paul, MN 55107 (Resolution B2022-019).

Attachments

1. Third Amendment to Lease Agreement