



**Request for City Council Committee Action  
From the Department of Finance and Property Services**

**Date:** August 3, 2015

**To:** Honorable John Quincy, Chair Ways & Means Committee

**Subject:** **Contract Amendment – Office Space at the Crown Roller Mill Building - 105 Fifth Avenue South**

**Recommendation:**

That the proper City officers be authorized to negotiate and execute an Amendment to Contract #25352 with Canal Street Limited Partnership to extend the office space lease in the Crown Roller Mill Building at 105 Fifth Avenue South

**Previous Directives:**

- 10/29/2012 - Lease was amended to provide funding for tenant improvements
- 6/29/2102 – Lease was amended to reduce the leased area by 6652 square feet
- 1/19/2001 – Lease was amended to expand the leased area for a 15 year term
- 7/1/1991 – Minneapolis Community Development Agency entered into a 15 year lease with Canal Street Limited Partnership

**Prepared by:** Rebecca Law, Project Manager, Property Services, 673-5064

**Approved by:**

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Kevin Carpenter, Chief Financial Officer, Finance and Property Services Dept.

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Spencer Cronk, City Coordinator

**Presenters:** Greg Goeke, Director of Property Services

**Reviews**

Permanent Review Committee (PRC):	Approval _NA
Civil Rights Approval	Approval _NA
Policy Review Group (PRG):	Approval _NA

**Financial Impact**

Action is within current department budget for 2015. Rent is to be paid from Fund 00100-8900130-508001.

## **Community Impact**

City Goals: A City that works: City government runs well and connects to the community it serves

## **Background/Supporting Information**

Since 1991, the City has leased several floors of the Crown Roller Mill Building for office space. The existing lease encompasses 57,865 square feet and is set to expire August 31, 2016.

Canal Street Ltd. Partnership has proposed a two (2) year extension of the lease with Base Rent starting at \$13 per square foot. The building owner is also offering three one-year options to further extend the lease at the City's prerogative.

## **Recommendation**

Finance and Property Services recommends that the proper City officers be authorized to negotiate and execute an Amendment to City Contract No. 25352 with Canal Street Limited Partnership. Said Amendment will extend the lease of office space at 105 Fifth Avenue South (Crown Roller Mill building) until August 31, 2018 with additional options for one-year extensions.