

## Management Committee

Meeting date: May 27, 2015

For the Metropolitan Council meeting of June 10, 2015

**Subject:** Authorization to Negotiate and Execute a Lease for Office Space in St Paul

**District(s), Member(s):** All

**Policy/Legal Reference:**

**Staff Prepared/Presented:** Ia Xiong, Real Estate Manager; Mary Bogie, Chief Financial Officer

**Division/Department:** Regional Administration, Community Development, Environmental Services and Metropolitan Transportation Services

### Proposed Action

That the Metropolitan Council authorize the Regional Administrator to negotiate and execute a lease for additional office space in St Paul not to exceed \$350,000 annually.

### Background

The Robert Street Building is the Metropolitan Council's central office and is occupied by staff from Regional Administration, Community Development, Environmental Services and Metropolitan Transportation Services.

When the Council moved into the building in 2006, there were 360 employees working in the building and the maximum capacity of was estimated at 400. It is projected that there will be over 500 employees working in the central office building by the end of 2015. Growth in the number of employees working in the building has been across all divisions and is the result of centralizing functions and meeting increasing demands.

The increased occupancy has put pressure on meeting space and there is a need for more and larger conference rooms.

Real Estate Department staff have surveyed office buildings near the Robert Street Office Building and identified three potential opportunities to lease space. Three building have been identified that meet our proximity and size requirements. All three are very similar in both size and cost.

### Rationale

Given the current need for space, staff is recommending the Regional Administrator be authorized to negotiate the terms of a lease for office space in St Paul. If it is determined that a budget amendment is warranted, that action will be taken prior to committing funds not covered under the current budget.

### Funding

The negotiated terms will determine if a 2015 budget amendment is necessary prior to executing the lease.

### Known Support / Opposition

None