

Transportation Committee

For the Metropolitan Council meeting of August 27, 2014

Subject: Authorization for Lease Agreement Amendment with US Bank Center, LLC

Proposed Action

That the Metropolitan Council authorizes the Regional Administrator to execute a 20 year extension to the existing lease agreement with US Bank Center LLC via contract amendment. In addition to the extension, the amendment provides a renewal option for three additional 5 year periods. This will be the third time extension of the lease, and will ensure the Council's tenancy of a climate controlled transit waiting area in downtown Saint Paul until 2034. The amendment obligates the Council to pay a total of \$575,000 in operating funds over the next 20 years and requires the Council to invest a minimum of \$350,000 of renovation in the leased property.

Summary of Committee Discussion/Questions

Project Manager George Serumgard made a short presentation about Business Item 2014-185 to the committee.

Chair Duininck asked a question about the threshold or level of service that determines which stops become Transit Centers. Serumgard deferred the question to Maurice Roers (Manager, Facility Planning) who explained that there was not a defined level of usage that moved a bus stop into the "transit center" category. Roers added that multiple routes are typical features of transit centers and that MCES had published guidelines for locating Transit Centers on "Transit Ways" but not for normal route service.

Motion Elkins, second Rodriguez, adopted. **Consent to Council.**

Transportation Committee

Meeting date: August 11, 2014

For the Metropolitan Council meeting of August 27, 2014

Subject: Authorization for the Regional Administrator to Enter into a Long-term Lease Agreement with US Bank Center LLC for a Transit Waiting Area in Downtown Saint Paul

District(s), Member(s): District 13, Richard Kramer

Policy/Legal Reference: Minnesota Statutes 473.129, 473.405, 117.025 and 117.042

Staff Prepared/Presented: Brian Lamb, General Manager, 612-349-7510
Marilyn Porter, Director, E&F, 612-349-7689
Julie Quinn, Planner, E&F, 612-349-7333
George Serumgard, Project Manager E&F, 612-349-7697

Division/Department: Metro Transit/ Engineering & Facilities

Proposed Action

That the Metropolitan Council authorizes the Regional Administrator to execute a 20 year extension to the existing lease agreement with US Bank Center LLC via contract amendment. In addition to the extension, the amendment provides a renewal option for three additional 5 year periods. This will be the third time extension of the lease, and will ensure the Council's tenancy of a climate controlled transit waiting area in downtown Saint Paul until 2034. The amendment obligates the Council to pay a total of \$575,000 in operating funds over the next 20 years and requires the Council to invest a minimum of \$350,000 of renovation in the leased property.

Background

The Council's lease on 1026 square feet of street level property at 101 East 5th Street was executed with the building's owner, American National Bank and Trust Company, on May 27, 1993. The first lease extension (for 10 years) was made via amendment #1 on October 13, 2003. The second lease extension (for 5 years) was made via amendment #2 on June 1, 2013.

This lease extension is needed in order that Federal Transit Administration ("FTA") Bus Livability Grant funds can be used to renovate and improve the interior and exterior of the US Bank transit facility. As a prerequisite for spending federal funds on this privately owned space, the FTA requires proof of long-term tenure (at least 20 years).

Rationale

The bus stop on northbound Minnesota Street and 6th Street is one of the busiest stops in downtown Saint Paul with an estimated 800-1,000 customers boarding each day. This bus stop provides important connections to the METRO Green Line as well as other bus routes serving downtown Saint Paul. Retaining a comfortable, high quality waiting environment at this location is a high priority.

Funding

Funding for the lease payments will be available in the Engineering & Facilities operating budget. Funding for capital improvements to renovate the waiting space will be funded through an FTA Bus Livability Grant and local match.

Known Support / Opposition

US Bank Center LLC is a willing partner and the City of Saint Paul supports retaining and improving this space for a transit waiting area. There is no known opposition.

Exhibit A: US Bank Center Transit Waiting Area on Minnesota Street & 6th Street, Saint Paul





1. Exterior View Looking to the Southeast



2. Exterior View of the Northwest Building Corner



3. Interior View Looking to the South



4. Interior View Looking to the Northwest