

# Business Item

Transportation Committee



Committee Meeting Date: November 25, 2024

For the Metropolitan Council: December 11, 2024

## Business Item: 2024-293

METRO Blue Line Extension – Contract #22M024 Amendment with CBRE, Inc and Middleton Partners, LLC to extend Blue Line Project Office Lease

<b>District(s), Member(s):</b>	District 2 (Chamblis), District 7 (Osman), District 8 (Cameron)
<b>Policy/Legal Reference:</b>	Council Policy 3-3 Expenditures, Federal Transit Administration Circular 4220.1F Third Party Contracting Guidance
<b>Staff Prepared/Presented:</b>	Nick Thompson, Deputy General Manager, 612-349-7507 Nick Landwer, BLE Director of Design and Engr, 651-373-3847 Annie Xiong, BLE Agreement Manager, 651-602-1996
<b>Division/Department:</b>	METRO Blue Line Extension Project Office (BPO)

### Proposed Action

That the Metropolitan Council authorize the Regional Administrator to negotiate and execute an amendment to contract 22M024 with Middleton Park Place Investors, LLC, for the lease agreement in the amount of \$1,989,430.86.

### Background

In 2022, the Council and Hennepin County approved the lease of 12,432 SF on the 6<sup>th</sup> floor of Park Place West, for the Blue Line Extension (BLE) Project Office. The space has been furnished with furniture from the original Blue Line Project Office located in Crystal, MN and includes two large video conference rooms.

The lease for the space will expire in April 2025 and a lease amendment is needed to extend the termination date. The lease amendment will also increase the SF of space rented by BLE Project Office from 12,432 SF on 6<sup>th</sup> floor to 22,757 SF which includes 5<sup>th</sup> floor and 6<sup>th</sup> floor.

The BLE Project Office is leasing an additional 10,325 SF of space on the 5<sup>th</sup> floor beginning October 1, 2024, through December 31, 2027, in an amount not to exceed \$591,398. In addition, the amendment will extend the lease of 12,432 SF of the 6<sup>th</sup> floor space by thirty-two months beginning May 1, 2025, and ending December 31, 2027, in an amount not to exceed \$561,512. The additional space is needed to accommodate anticipated expansion as BLE transitions from engineering phase to construction phase.

The total cost over the term of the 32-month lease agreement is \$1,989,430.86 and includes CAM.

### Rationale

Council Policy requires amendments exceeding 10% of the original authorized contract value be approved by the Council for services contract if the cumulative value exceeds \$500,000. Amendments to contracts of this value that exceed 10% of the original value constitute sole source procurements requiring Council approval.

### **Thrive Lens Analysis**

Investing in high-quality transportation options will bolster the Thrive outcome of prosperity by enhancing the region's economic competitiveness. This will be achieved through improved access to employment for workers and by assisting employers in accessing a larger workforce through affordable and convenient transportation options.

The Project contributes to the Equity outcome by equitably distributing transit resources across the region. It aims to enhance access to jobs, educational opportunities, and health services for diverse communities.

Advancing the BLE Project aligns with the Livability outcome by expanding transit connectivity to the broader METRO system. This includes existing and planned light rail and bus rapid transit lines, benefiting communities throughout the region.

### **Funding**

Funds for this contract are included in the project budget and are eligible for project costs that will be funded by the Federal Transit Administration and local funding partners.

### **Small Business Inclusion**

The Office of Equity and Equal Opportunity (OEEO) does not assign DBE goals for sole source procurements.

