



### Request for City Council Committee Action From the Department of Public Works

**Date:** December 16, 2003  
**To:** Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee  
**Subject:** Amendment to Lease for BIS Space in Hennepin County Government Center

**Recommendation:**

1. Authorize appropriate staff to execute the First Amendment to Lease Contract No. 6282 for a new annual rent payment of \$62,302, a savings of \$139,314 per year over the previous rent.

**Previous Directives:**

- On April 16, 1993 city council authorized the city to enter into a lease with Hennepin County for space in the Government Center for the City's BIS staff.

**Prepared by:** Rebecca Law, Project Manager, 673-3252

**Approved by:**

*Klara A. Fabry*  
Klara A. Fabry, P.E., City Engineer, Director of Public Works

**Presenters:** Steven A. Kotke, Director of Property and Equipment Services

<p><b>Financial Impact</b> (Check those that apply)</p> <p><input checked="" type="checkbox"/> No financial impact - or - Action is within current department budget. (If checked, go directly to Background/Supporting Information)</p> <p><input type="checkbox"/> Action requires an appropriation increase to the Capital Budget</p> <p><input type="checkbox"/> Action requires an appropriation increase to the Operating Budget</p> <p><input type="checkbox"/> Action provides increased revenue for appropriation increase</p> <p><input type="checkbox"/> Action requires use of contingency or reserves</p> <p><input type="checkbox"/> Other financial impact (Explain): Net reduction in City's lease costs for BIS space</p> <p><input type="checkbox"/> Request provided to the Budget Office when provided to the Committee Coordinator</p>
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**Background/Supporting Information:**

The City of Minneapolis entered into a lease on May 11, 1993 with Hennepin County for space in the Government Center for the City's BIS staff. Changes to the City's information technology structure, which resulted in a reduction of staff, coupled with Hennepin County's request to quickly re-occupy part of the leased area, have resulted in both parties seeking an amendment to the existing lease.

The reduction in the Government Center space translates into rent savings of \$139,314 per year for the City for a new annual rent of \$62,302. Hennepin County drafted a lease amendment for these changes and requests City-authorized signatures on the document.

Therefore, we recommend that the appropriate staff be authorized to execute an amendment to the lease.