Minneapolis
Park & Recreation Board

Resolution 2018-220

Resolution Approving Lease Agreement with the Cultural Wellness Center Leasing Commercial Space at 3104 Pacific Street North, Suites #200 I and J, Located Within Above the Falls Regional Park for a Term of Eighteen (18) Months Effective June 21, 2018

Whereas, The Minneapolis Park and Recreation Board (MPRB) was created by the Minnesota Legislature in April 1883 and has the authority to manage and operate park facilities;

Whereas, MPRB owns and operates a commercial building at 3104 Pacific Street North, which is located within the Above the Falls Regional Park;

Whereas, A prospective tenant, the Cultural Wellness Center, a 501(c) 3 entity, desires to lease space for a term of eighteen (18) months at 3104 Pacific Street North for general business purposes as storage for bicycles;

Whereas, MPRB and the Cultural Wellness Center desire to enter into a lease for Suites #200 I and J at 3104 Pacific Street North; and

Whereas, This resolution is supported by the MPRB 2007-2020 Comprehensive Plan, which envisions “Dynamic parks that shape city character and meet diverse community needs;”

RESOLVED, That the Board of Commissioners approves the Lease Agreement with the Cultural Wellness Center, leasing commercial space at 3104 Pacific Street North, Suites #200 I and J, for a term of eighteen (18) months effective June 21, 2018; and

RESOLVED, That the President of the Board and Secretary to the Board are authorized to take all necessary administrative actions to implement this resolution.

Minneapolis
Park & Recreation Board

TO: Administration & Finance Committee

FROM: Michael Schroeder,

DATE: June 20, 2018

SUBJECT: Resolution Approving Lease Agreement with the Cultural Wellness Center Leasing Commercial Space at 3104 Pacific Street North, Suites #200 I and J, Located Within Above the Falls Regional Park for a Term of Eighteen (18) Months Effective June 21, 2018

BACKGROUND

The property at 3104 Pacific Street North was purchased in November 2015 with nearly 25 existing tenants in place. The subject of this action is Suites 200 I and J. The suites have been vacant since the purchase of the building as they are office spaces that do not have central air conditioning.

The Minneapolis Park & Recreation Board (MPRB) has contracted with The C. Chase Company to manage the building and leases. The C. Chase Company is managing the site until the building's leases expire and the building is vacated to avoid the added costs of relocation. This arrangement then allows existing net rent to be set aside for demolition and site preparation costs before the site is ready for development into a park.

The Cultural Wellness Center has expressed interest in leasing Suites 200, I and J beginning on June 21, 2018 and continuing for a term of eighteen (18) months (see proposed Lease Agreement – *Attachment A* and a floor plan that includes Suites 200, I and J – *Attachment B*). The proposed rent rate is nominal, $25.00 monthly, due to the prolonged vacancy of space and the non-profit status of the Tenant.

This action approves the execution of the Agreement.

Legal Counsel has reviewed and approved the Agreement as to form and legality.

Due to an issue of timing and the tenant's desire to occupy the space immediately, staff requests the Board of Commissioners review and approve this action at Committee and full Board at the June 20, 2018 meeting.

RECOMMENDATION

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Staff recommends approval of the Lease Agreement with the Cultural Wellness Center leasing commercial space at 3104 Pacific Street North, Suites #200 I and J, for a term of 18 months, effective June 21, 2018.

This action is supported by the following vision and goal statements in the MPRB 2007-2020 Comprehensive Plan:

Vision Theme 3: Dynamic parks that shape city character and meet diverse community needs
Goal: Focused land management supports current and future generations

ATTACHMENTS:

- ATTACHMENT A - LEASE - 3104 Pacific St N - Units 200 I and J - Cultural Wellness Center (PDF)
- ATTACHMENT B - Exhibit A - FLOOR PLAN - Units 200 I and J (PDF)

Prepared By: Christine Downey,, Strategic Planning
Review:
Cindy Anderson Completed 06/11/2018 10:27 AM
Adam Arvidson Completed 06/11/2018 12:48 PM
Michael Schroeder Completed 06/11/2018 3:42 PM
Mary Merrill Completed 06/11/2018 4:54 PM
Administration & Finance Committee Pending 06/20/2018 5:10 PM