



Scott O. Arneson
County Administrator
Goodhue County

509 W. Fifth St.
Red Wing, MN 55066
Office (651) 385.3001

To: Goodhue County Board of Commissioners

Re: Driver's License Office Space Lease renewal

Date: April 24, 2023

Attached you will find the proposed lease agreement with the Department of Public Safety, Driver and Vehicle Services for the Driver's License office space occupied one day a week on the lower level of the Government Center. The proposed three-year agreement includes an increase of 7% for the first year, 6% for the second year, and 5% for the third year. The Lessee is aware of the possibility of the county reorganizing offices on the lower level and have agreed to work with the county should the office location change. In addition, the lease provides for a 30 day notice should either party wish to terminate. The proposed agreement has been reviewed by the County Attorney's Office.

GOODHUE COUNTY BOARD OF COMMISSIONERS

LINDA FLANDERS
1st District
1121 W 4th St.
Red Wing, MN 55066

BRAD ANDERSON
2nd District
10679 375TH St. Way
Cannon Falls, MN 55009

TODD GRESETH
3rd District
46804 Hwy 57 Blvd
Wanamingo, MN 55992

JASON MAJERUS
4th District
39111 Co. 2 Blvd
Goodhue, MN 55027

SUSAN BETCHER
5th District
30133 Lakeview Ave.
Red Wing, MN 55066

An Equal Opportunity Employer

STATE OF MINNESOTA

AMENDMENT OF LEASE

Amendment No. 5

Lease No. PS0274

THIS AMENDMENT, made by and between Goodhue County, 509 West 5th Street, Red Wing, MN 55066, hereinafter referred to as LESSOR, and the State of Minnesota, Department of Administration, hereinafter referred to as LESSEE, acting for the benefit of the Department of Public Safety, Driver and Vehicle Services, shall be an amendment to Lease No. PS0274.

WHEREAS, LESSOR and LESSEE entered into Lease No. PS0274, involving the lease of approximately five hundred forty (540) square feet of space in the lower levels of the Government Center at 509 West 5th Street, county of Goodhue;

WHEREAS, the parties deem certain amendments and additional terms and conditions mutually beneficial for the effective continuation of said Lease;

NOW THEREFORE, LESSOR and LESSEE agree to substitution and/or addition of the following terms and conditions, which shall become a part of Lease No. PS0274 effective as of the date set forth herein.

1. **RENEWAL TERM** This Lease shall be renewed for a period of three (3) years, commencing July 1, 2023 and continuing through June 30, 2026 (“Renewal Term”), at the same terms, conditions and rental rate.

2. **RENT**

2.1 As rent for the Leased Premises and in consideration for all covenants, representations and conditions of this Lease, LESSEE agrees to pay to LESSOR a quarterly amount in accordance with the rent schedule set for below, to be paid on the last day of the month of the quarter:

| <u>Lease Period</u> | <u>Yearly Rent</u> | <u>Quarterly Rental Rate</u> |
|-------------------------|--------------------|------------------------------|
| 07/01/2023 - 06/30/2024 | \$2,140.00 | \$535.00 |
| 07/01/2024 - 06/30/2025 | \$2,270.00 | \$567.50 |
| 07/01/2025 - 06/30/2026 | \$2,380.00 | \$595.00 |

3. LEASE TERMINATION section 5 to the lease is hereby deleted and replaced with the following:

3.1 In the event that the Minnesota State Legislature does not appropriate to the Department of Public Safety funds necessary for the continuation of this Lease, or in the event that Federal Funds necessary for the continuation of this Lease are withheld for any reason, this Lease may be terminated by LESSEE upon giving thirty (30) days written notice.

3.2 Pursuant to Minn. Stat. §16B.24, subd. 6, this Lease is subject to cancellation upon thirty (30) days written notice by LESSEE for any reason except lease of other non-state-owned land or premises for the same use.

3.3 Notwithstanding Clauses 3.1 and 3.2 above, this Lease may be terminated by LESSEE for any reason at any time upon giving thirty (30) days prior written notice to LESSOR.

4. Except as modified by the provisions of this Amendment, said Lease is ratified and confirmed as originally written.

NO ATTACHMENTS

IN WITNESS WHEREOF, the parties have set their hands on the date(s) indicated below intending to be bound thereby.

LESSOR: GOODHUE COUNTY

LESSOR certifies that the appropriate person(s) have executed the Lease on behalf of LESSOR as required by applicable articles, bylaws, resolutions or ordinances.

By _____

Title _____

Date _____

By _____

Title _____

Date _____

LESSEE:
STATE OF MINNESOTA
DEPARTMENT OF ADMINISTRATION
COMMISSIONER
Delegated To:

By _____

Title _____

Date _____

APPROVED:
STATE OF MINNESOTA
DEPARTMENT OF PUBLIC SAFETY

By _____

Title _____

Date _____

STATE ENCUMBRANCE VERIFICATION
Individual signing certifies that funds have been encumbered as required by Minn. Stat. §16A.15 and §16C.05.

By _____

Date _____

Contract No. _____

Purchase Order No. _____