

Request for Council Action

Originator Community Development	Item Alpha Business Center Lease to Elite6Ops Minnesota, Inc.
Agenda Section Consent	Date 6/22/2015

Description

Staff has negotiated a lease with Elite6Ops Minnesota, Inc., a tenant looking to locate in the Alpha V building and operate a combat simulation (lasertag) entertainment business. The negotiated lease would go through December 2017. With this lease, the building would be 90% occupied. Staff and the tenant have tentatively agreed to the terms of a lease which include the following:

- Elite6Ops' lease would be for 14,640 square feet and would expire December 31, 2017
- Net lease rate would be \$3.90/sf for the term of the lease
- Tenant's utilities (gas and electric) will be paid by the tenant
- Tenant will lease space in its current, broom-clean condition without any tenant improvements
- Tenant will be required to update lighting in parking lot prior to occupancy due to change in use
- Lease is contingent upon getting City Council approval
- City pays typical broker commission fees to our broker and tenant's broker per agreement with them
- Tenant is required to pay the five Sewer Availability Charge (SAC) units required by the Met Council for the space to be used for entertainment rather than office/warehouse. The SAC fee must be paid prior to occupancy.

The City's Legal Department has reviewed and approved the lease, which is available upon request.

Requested Action

The Council is requested to approve the lease for Elite6Ops Minnesota, Inc. to lease space in the Alpha V building until December, 2017.

Attachments: