

# Business Item

Transportation Committee



Committee Meeting Date: February 23, 2026

For the Metropolitan Council: February 25, 2026

## Business Item: 2026-32 SW

2550 University Ave Lease, Contract 25I069 for Engineering and Construction

<b>District(s), Member(s):</b>	District 14, Toni Carter
<b>Policy/Legal Reference:</b>	FM 14-2 Expenditures for Procurement of Goods, Services, and Real Estate Policy, Minn. Stat. 473.129 subd. 7; and 473.405 subd. 4
<b>Staff Prepared/Presented:</b>	Lesley Kandaras, General Manager, 612-349-7513 Nick Thompson, Deputy General Manager, 612-349-7507 Jim Harwood, Director, Engineering & Construction, 612-349-7339 Robert Rimstad, Manager, Engineering, 612-349-7768 Kelly Jameson, Director Real Estate, 651-602-1556
<b>Division/Department:</b>	Metro Transit / Planning and Capital Programs

### Proposed Action

That the Metropolitan Council authorize the Regional Administrator to negotiate and execute contract 25I069 with Suntide Commercial Realty, Inc, for the 10-year lease agreement in the amount of \$6,770,836.94, which includes a Tenant Improvement Allowance (TIA) to build out the space and Common Area Maintenance (CAM) expenses.

### Background

In 2025, Metro Transit opened the Gold Line, B Line, and E Line and increased the number of Transit Rider Investment Program (TRIP) agents to support the Safety and Security Action Plan. The TRIP team is currently utilizing around 1,200 square feet of space at 570 North 6th Avenue in Minneapolis and 200 square feet of space at 340 West Broadway Street in St. Paul and is over capacity as the program continues to expand. At the end of 2025, Metro Transit executed a lease for 2,390 square feet of space at 501 North 5th Street in Minneapolis, adjacent to Target Field Station, and is currently building out this space for some of these TRIP agents to operate from.

In 2026, Metro Transit is expected to hire an additional 57 TRIP Agents. Space is needed for TRIP to check-in, perform daily roll call, prepare for shifts, receive training, take lunch breaks, and perform administrative tasks. Metro Transit plans to continue to increase the number of TRIP agents over the next 5 years to increase the number of riders who report feeling safe.

Engineering and Construction staff have been working with the Real Estate department to secure a long-term lease that will meet the TRIP team's space needs for agents, administrative staff, secured storage, shared meeting space, and accommodate the team's projected staff growth over the next 5-10 years. The leased facility will serve as a home base for the TRIP, Contract Management, and Employee Experience (Great Workplace and Peer Support) teams. The 2550 University Avenue location meets the team's future space needs and supports meeting future service requirements.

The proposed facility is in St. Paul adjacent to the Green Line and E Line Westgate stations. The tenant office space is 18,069 square feet and includes 63 exterior parking spaces. Council staff have evaluated several properties with potential to meet the criteria set for selection. Staff have determined the 2550 University Avenue location best meets the criteria based on size, amenities, price, and location. Staff have determined that the lease terms are fair and reasonable and in the best interest of the Council.

### **Rationale**

Contracts for the acquisition of interests in real property, such as leases, that exceed \$2,000,000 require Council approval.

### **Thrive Lens Analysis**

On Feb. 12, 2025, the Council adopted Imagine 2050, which builds on policy direction in Thrive MSP 2040. Under the Thrive lens, successful operations of the METRO system will advance the following outcomes. This action promotes Stewardship and Prosperity through needed facility expansion to support expanded transit service and transit way investments. This new facility will provide additional space to support continued growth in ridership demand and upcoming service expansion. This lease agreement promotes Equity and Livability by supporting the expansion of the transit lines and platforms to increase Mobility and Access to Opportunities.

### **Funding**

Funds have been identified and are available in the Council's authorized operating budget.

### **Small Business Inclusion**

There are no direct impacts to small businesses with this action.

