

Preliminary
TERM SHEET

User:

- Edward Jones: <https://www.edwardjones.com/index.html>.
- This would be considered a professional services/ office type user.
- Edward Jones would start with 2-3 employees (LT anticipated max of 4-8).
- Customers (appointments) would range from 2-10 per day to begin (LT anticipated max of 10-20 per day).

Preliminary Specs:

- 1,200-1,600 square feet.
- Would take up about 1/2 of the available 3,000 square foot space.
- Tenant is flexible on which side of the space to use.
- 5-10 year lease (Edward Jones is willing to go up to 10)
- \$18.50 psf (\$27,750 annually for 1,500 sf) –price to be further negotiated
- \$18.50 psf is “gross” rent—which includes CAM (about \$4 psf) and Taxes (about \$3 psf)
- Would like at least one window office (may be interested in two).
- Would include use of common areas (i.e. lunch room, lobby, bathrooms, etc.).
- Edwards Jones interested in a “permit” to use meeting rooms (details need to be negotiated).
- Maintenance would be completed by City staff (paid for via “CAM” chargers below)—same arrangement as Anoka County.

Tenant Improvements:

- The proposed lease will require that the larger available space to be “sub-divided” via a new wall, the creation of a new entrance, and various other tenant improvements.
- \$30,000-\$60,000 of tenant improvements estimated initially, tenant would ask for a portion of this cost to be discounted in the rent (specific structure to be negotiated).
- The topic of “tenant improvements” was generally discussed in closed session with the Council in August of 2014—it was identified by Premier Commercial Realty that it is common for the landlord to participate in the cost of tenant improvements (often times a discount in year one of rent).
- Re the Council discussion above—at the time of the original discussion, the Council indicated they were comfortable with sharing the cost of tenant improvements (based on market standards).

Staff Review:

- This proposed user/ lease was reviewed by Staff (Building Official, Fire Marshal, and various other Staff). From a preliminary perspective, Staff is comfortable with the proposed use and the proposed user—and believe it will be in compliance with any applicable laws/ regulations.
- This opportunity benefits the City by (A) generating dollars to help offset debt service payments for the Ramsey Municipal Center, (B) generating dollars to offset the cost of maintenance to common areas in the Ramsey Municipal Center, (C) getting “use” out of a major public investments (parking ramp, municipal center, other nearby infrastructure, etc.), and (D) ancillary economic benefits (i.e. driving traffic to The COR).