Teresa Reisdorfer
Finance Controller
Goodhue County Finance & Taxpayer Services
509 W. Fifth Street
Red Wing, MN 55066
651-385-3040

To: County Board of Commissioners

From: Teresa Reisdorfer, Finance Controller

Date: December 1, 2026

Re: Approve Health & Human Services Building 2027 Lease Agreement

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Background:
Historically the County Board has approved the annual lease agreement for the Health and Human Services Department's use of the Health and Human Services Citizen's Building.

Discussion:
There are no proposed changes with this lease agreement. All language is consistent with prior versions and the rental payments match budgeted amounts. The lease will need to be brought to the HHS Board for final approval.

Recommendation:
Staff recommends the Board approve the lease agreement as requested.

2027 LEASE AGREEMENT

This Agreement is made by and between the **Goodhue County Board of Commissioners, Government Center, Red Wing, Minnesota**, hereinafter referred to as "Lessor", and the **Goodhue County Health & Human Services Board,** hereinafter referred to as "Lessee".

1. The Lessor grants and the Lessee accepts a Lease of the following described premises in the City of Red Wing, County of Goodhue, Minnesota 55066, to wit:

   Approximately twenty-seven thousand five hundred (27,500) square feet of office space in all levels of the Citizen's Building located at 426 West Avenue.

2. The term of the Lease will be from January l, 2027 through December 31, 2027. This lease hereby supersedes all prior leases.

3. As rent for said premises, the Lessee agrees to pay to the Lessor the annual amount of $425,193 for CY 2027. Lease is to be paid in quarterly installments of $106,298.25.

4. Lessor will be responsible for and pay all utilities (water, sewer, gas, electric, garbage, etc.) for the premises as well as janitorial and maintenance services.

5. This Lease may be terminated by the Lessor or by the Lessee for any reason at any time upon giving one-hundred twenty-(120)-day written notice to the other party.

6. Insurance/Liability

   6.1 It shall be the duty of the Lessor to insure the building against damage from fire, tornado, civil disorder or any cause whatsoever. It is expressly understood that Lessee assumes by this Lease no liability for such damages, except as provided in this Lease.

   6.2 Lessor and Lessee agree that each party will be responsible for its own acts and the results thereof to the extent authorized by law and shall not be responsible for the acts of any others and the results thereof. The Lessee's liability shall be governed by the provisions of the Minnesota Tort Claims Act, Minnesota Statutes, Section 3.736 and other applicable law.

   6.3 Lessee agrees that Lessor assumes by this Lease no liability for the loss of Lessee's personal property resulting from fire, tornado, civil disorder, theft or any cause whatsoever, except as may be attributed to Lessor's negligence, acts or omissions by a court of law.

7. Maintenance and Repairs

   7.1 It shall be the duty of the Lessor to maintain, at its own expense, in working condition, all appurtenances within the scope of this Lease including the maintenance of proper plumbing, wiring, heating and cooling devices and ductwork.

7.2 Lessor shall, at its' own expense, make such necessary repairs so as to continue to provide all such service appurtenances as are required by this Lease provided, however, that Lessor shall not be responsible for repairs upon implements or articles which are the personal property of Lessee, nor shall the Lessor bear the expense of repairs to the Leased Premises necessitated by damage caused by Lessee beyond normal wear and tear.

8. Pursuant to Minnesota Statutes 1988, Section 16B.06, Subdivision 4, the books, records, documents and accounting procedures and practices of Lessor relevant to this Lease shall be subject to examination by the State and/or Legislative Auditor, during normal business hours and after reasonable notice to Lessor.

9. Lessor agrees that in exercising its management responsibilities of the leased premises, including particular and maintenance, repair, alterations and construction relating thereto, it shall comply with all applicable laws, rules, ordinances, and regulations as issued by any political subdivision having jurisdiction and authority in connection with said property.

10. Lessee agrees to observe reasonable precautions to prevent waste of heat, electricity, water, air-conditioning or any other utility or service.

11 The Lessor agrees to provide and maintain the Leased Premises with accessibility and facilities meeting code requirements to handicapped persons.

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

LESSOR: County of Goodhue

Goodhue County Board Chair	Goodhue County Administrator
Date	Date

LESSEE: Goodhue County Health & Human Services

Health & Human Services Board Chair	Health & Human Services Director
Date	Date