

## SUBJECT

### **BOARD RESOLUTION NO. 25-1099**

Pertaining to a Lease Amendment and Termination for the Hillcrest Reservoir Property Lease with the City of Saint Paul.

## **2025 STRATEGIC PLAN GOALS:** Stakeholder Understanding and Support

On September 15, 2021, the Board of Water Commissioners entered into a 20-year lease agreement with the City of Saint Paul for use of a portion of the Hillcrest Reservoir property located at 2115 Hoyt Avenue East. The lease allowed the City's Department of Parks and Recreation to construct and operate public recreational facilities on the site. The agreement was set to expire on December 31, 2041 and provided for lease termination only in cases of cause.

The lease included terms requiring the City to maintain the leased area and allowed the Board access for reservoir maintenance, emergency response, and future improvements.

### **Recent Developments**

After further evaluation and interdepartmental discussions, both the Board and the City have agreed that it is in the best interest of both parties to terminate the lease early. The parties have negotiated a lease amendment that permits mutual termination without cause.

On May 21, 2025, the Saint Paul City Council adopted Resolution RES 25-770, authorizing City officials to execute the lease amendment and proceed with termination. The resolution was approved by Mayor Carter on May 28, 2025. The attached Board resolution would mirror the City's action by approving the same lease amendment and formally authorizing termination.

### **Next Steps**

Upon approval by the Board:

- The lease amendment will be signed by both parties.
- Staff will coordinate with City representatives to finalize site turnover.

### **Attachments**

- Board Resolution
- Amended Lease Agreement
- City Council Resolution RES 25-770

## RECOMMENDATION

Staff recommends that the Board of Water Commissioners adopt the attached resolution:

- Approving the Lease Amendment with the City of Saint Paul; and
- Authorizing execution of the amendment and termination of the lease agreement.