

Target Pays \$110 Million to Break Minneapolis Lease Amid Chaos in the City

Downtown Minneapolis has had a rough few years.

Between rolling protests, corporate culture clashes, fraud scandals, and periodic unrest tied to everything from DEI disputes to clashes over federal immigration enforcement, the city's core hasn't exactly been a model of post-pandemic revival.

And now, in a move that speaks louder than any news release, hometown retail giant Target is paying a staggering \$110 million just to walk away from a lease on largely unused office space.

That's not a rounding error. That's a Fortune 500 company effectively deciding it's cheaper to torch nine figures than to pretend downtown office life is going to bounce back anytime soon.

For a corporation that has found itself in the crosshairs of activists on multiple fronts – from progressive demonstrators upset that the retail giant was rolling back its DEI policies to unrest surrounding U.S. Immigration and Customs Enforcement operations – the retreat feels less like a routine real estate decision and more like another chapter in a city still struggling to find a stable footing.

Behind the symbolism and the political noise, however, are the nuts and bolts: a long-term lease signed in a very different economic climate, pandemic-driven shifts to remote work, and the cold calculus of corporate cost-cutting.

According to The Minnesota Star Tribune, last month, Target

officially broke its lease, coughing up \$110 million to do so.



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Minnesota's economy is in CRISIS. One of Minnesota's largest buildings is on the market after Target paid \$110 MILLION to leave Minneapolis, as yet another business flees our state.

Target originally had nearly a million square feet of office space in downtown Minneapolis' City Center.

However, much of that space has gone unused in recent years, following the COVID-19 pandemic, as the company transitioned to the work-from-home model that much of the country shifted to at the time.

At the time of leaving that office space, Target still had 10 years left on its lease. The deal was set to run through 2031.

Notably, despite the office space being unused, Target continued to pay rent. The retail conglomerate even tried to sublet the space, but was largely unsuccessful in doing so.

Last summer, Target ordered its largest corporate division back into the office three days per week.

The move shifted employees into other buildings clustered around the company's headquarters near Nicollet Mall, consolidating operations that had been spread out during the height of remote work.

Aside from the more general economic conditions leading to the exit, some have speculated that Target grew weary of the constant demands of left-leaning groups to bow to their agendas.

Minneapolis' 51-story City Center is currently owned by South Korean tech company Samsung, which paid a hefty \$320 million to acquire it in 2018.

At the time, downtown Minneapolis was drawing quite a bit of interest from international buyers, who viewed the city as a stable place of growth.

The pandemic obviously changed those calculations.

A building once seen as a symbol of steady Midwestern growth – attractive enough to command hundreds of millions from overseas investors – is now a reminder of how dramatically the ground has shifted beneath America's urban cores since 2020.

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