

Rebound Development Partners

October 26, 2018

Mr. Mike Ericson
Interim Community Development Director
City of Northfield
801 Washington Street
Northfield, MN 55057
Re: Development of Lot 5 Extension

Dear Mike,

This letter is to serve as a request to extend the timing for the development of lot 5 as outlined in the Contract for Private Development between the City of Northfield and Big Ten Residential, LLC. Rebound Development Partners, LLC acquired lot 5 from Big Ten Residential in September 2016. And has been pursuing development opportunities since that time.

The basis/reasons for this extension include the following:

1. The development of the Fairfield Inn and Suites experienced substantial delays that resulted in in the opening of the hotel 6 months later than planned. The first delay related to issues surrounding the dewatering of the site during excavation and the installation of geopiers for the foundation. In May of 2017, heavy rain required the site to begin dewatering to continue with construction. During initial dewatering, a fuel odor was sensed by city staff, and a request to stop dewatering and water tested was requested. Due to the length of time to test the water samples, the geopier contractor pulled off the project to go to another job and was not able to return for two months.
 - This delay had a domino effect on getting the remaining subs back into a schedule. The project also experienced delays during the fall and winter due to both rain and snow conditions.
 - The extreme cold weather during several periods in the winter also resulted in slower construction of framing and enclosing the building. The original schedule had the building fully enclosed by fall, which thereby would have minimized winter related weather delays. This did not happen, and the project was subjected to lost construction days almost on a weekly basis.
 - These delays hampered the marketing of the commercial pads fronting Hwy 3 (Lot's 4 and 5 were necessary for site mobilization for the sub-contractors of the hotel. Site fencing and storage of construction materials limited the visibility and accessibility to present potential users the opportunities of the two lots, and therefore hindered the marketing.

2. The three commercial pads in the Crossings development are challenging. Footprints are small and off-street parking is limited. Though in the C-1 downtown zone, potential users/tenants in this location view this as retail/commercial that requires off-street parking to be successful. This limits the pool of interested parties and requires additional marketing efforts now with the hotel in place.
3. RDP did bring forward a development request for Starbucks Coffee shop to the Planning Commission in the spring of 2018. This request required several setback variances and a conditional use permit for a drive through. This request was not approved. RDP has had several other letters of intent from other interested parties, but those also were contingent on the site allowing a drive through.

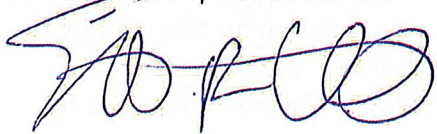
RDP continues to be committed to the development opportunities for Lots, 5, 4, and 3 of the Crossings development. We believe that that a great development requires the ability to work all three properties together to develop the right mix of users/tenants to maximize the possibilities of the location with tenants that can complement and support the surrounding businesses.

Rebound is asking for a two year extension for the development of lot 5. (Construction commencement December 2020). This is based on the many reasons noted above, and the fact that, prior to Big Ten/RDP acquiring the parcels, these have sat empty for over 10 years.

Thank You for your consideration.

Respectfully Submitted,

Rebound Development Partners

A handwritten signature in blue ink, appearing to read "S. Koester", with a stylized flourish at the end.

Scott Koester, Partner

A handwritten signature in blue ink, appearing to read "Chris Kennelly", with a stylized flourish at the end.

Chris Kennelly, Partner