

**NORTHFIELD ICE ARENA
LOCKER ROOM NAMING RIGHTS AGREEMENT**

THIS NAMING RIGHTS AGREEMENT (the “Agreement”) is made this ____ day of _____ 2025, by and between the **CITY OF NORTHFIELD**, a municipal corporation under the laws of the State of Minnesota (the “City”), and **CHRIS KENNELLY, SHEILA KENNELLY, AND JAYNE KENNELLY**, individuals, on behalf of the Kennelly Family (together, the “Sponsor”); (collectively the “Parties”).

RECITALS

WHEREAS, the City is a home rule charter city organized under Minnesota Statutes, Chapter 410, with the authority to provide for the economic development and general welfare of the City in accordance with its authority under statute and the provisions of its duly adopted charter, including the ability to enter into agreements; and

WHEREAS, the City is planning to construct a new municipal ice arena facility (the “Facility” or “Project”) to be located on certain real property in the City of Northfield, Rice County, Minnesota (PID No. 22.11.1.54.009), legally described as Outlot C, in Gleason Third Addition, in the City of Northfield, Rice County, Minnesota (the “Property”); and

WHEREAS, the City has been working with the Northfield Hockey Association (the “NHA”) in an effort to secure various sources of funding for the Project, including but not limited to donations and sponsorships; and

WHEREAS, under the provisions of Minnesota Statutes, Sections 465.71, and 471.15 to 471.191, the City is authorized to acquire and construct the Project as a recreational facility, and to thereafter expend funds for the ongoing operation and maintenance of the Facility as a part of its program of public recreation and betterment of community health, and to directly or by agreement(s) operate such program(s); and

WHEREAS, the total cost to construct the Project with alternates is estimated to be approximately \$26 million; and

WHEREAS, NHA has been diligently seeking to raise funds, through donations and sponsorships, to support the City’s construction of the Project; and

WHEREAS, NHA has now assembled a list of sponsors for the Project at different levels of funding, including the Sponsor; and

WHEREAS, the City desires to grant recognition to the Sponsor in the form of naming rights related to the Facility; and

WHEREAS, in seeking sponsors for the Facility, the NHA sought sponsors who believe strongly in the health and wellness of the community and the community’s recreation facilities; and

WHEREAS, the Sponsor has strong ties to the Northfield community and the Northfield Hockey Association, in particular; and

WHEREAS, the City has determined that the Sponsor has the financial resources and commitment to the community to assist the City by supporting the construction of the Facility, and that the Sponsor's performance of its obligations in this Agreement will substantially benefit the Facility and the community; and

WHEREAS, the City believes adequate funding and support of the Project by Sponsor and from other sources will facilitate and assist the public in the City's construction of the Facility and will encourage the economic development of the City and promote recreation, health, and tourism for the betterment of the community; and

WHEREAS, in consideration of the Sponsor's contribution defined herein to provide partial funding for construction of the Project, the City desires to provide the Sponsor with certain recognition in the form of naming rights.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Sponsor Contribution.** The Sponsor agrees to pay, in accordance with the schedule herein, to the City the total amount of One Hundred Thousand Dollars (\$100,000.00) (the "Sponsor's Contribution") to assist in paying and/or financing the Project costs, including but not limited to construction of the Facility, as provided and subject to the terms and conditions herein. The City shall use the Sponsor's Contribution to pay one or more of the following Project expenses: (1) Project construction costs; (2) the principal, interest, redemption premiums, and other expenses when due on debt related to the Property, specifically including all debt obligations arising from the City's issuance of bonds to fund the construction of the Facility; and (3) the operating expenses of the Facility (collectively the "Project costs"). The Sponsor will pay the City in a form mutually acceptable to the Parties, on the schedule below:
 - a. On or before June 1, 2025, the Sponsor will pay the City \$20,000.00.
 - b. On or before June 1, 2026, the Sponsor will pay the City \$20,000.00.
 - c. On or before June 1, 2027, the Sponsor will pay the City \$20,000.00.
 - d. On or before June 1, 2028, the Sponsor will pay the City \$20,000.00.
 - e. On or before June 1, 2028, the Sponsor will pay the City \$20,000.00.

If the Sponsor requests an invoice from the City prior to payment, the Sponsor shall request the invoice at least thirty (30) days prior to the due date of the payment for which an invoice is requested.

2. **Sponsor Recognition.** In recognition of the Sponsor's Contribution to the funding of the Project costs, the City hereby agrees that the Sponsor will have the exclusive naming rights for a non-high school locker room (the "Locker Room") located at the Facility, in

consultation with and with the approval by the City and in compliance with the terms, conditions, and standards herein.

- a. Signage Recognition. The City hereby agrees the Sponsor will have the exclusive naming rights for signage in relation to a Locker Room, subject to Paragraphs 2.b and 3.b. below, and other sponsorship recognition signs, as determined by the City. The final name and design of any signage or logo used for the Locker Room shall be mutually approved by Sponsor and City prior to use.
 - b. Primary Sponsor and other Secondary Sponsors. Sponsor acknowledges that there will be a single primary sponsor with full naming rights of the Facility (the “Primary Sponsor”) and that the City may also grant naming rights to other areas or portions of the Facility utilizing a form of this Agreement for other sponsors (the “Secondary Sponsors”). The City reserves the right to grant naming rights of other current or future physical spaces and other portions of the Facility to other Secondary Sponsors as determined by the City. Sponsor acknowledges and agrees that there will be Secondary Sponsors with naming rights within other designated areas on the interior of the Facility and that such Secondary Sponsors’ signage and/or logos may be used pursuant to a Naming Rights Agreement with another Secondary Sponsor.
3. **Assets**. To effectuate the rights granted in Section 2 of this Agreement, the City agrees to produce and install signage for the Locker Room with final design and cost to be subsequently approved by the City, according to the following terms and conditions.
 - a. Initial Creation and Installation. The City will be responsible for the costs of the initial design, creation, and installation of the assets approved by the City for the purpose herein stated. If the Sponsor chooses to add additional assets or upgrade assets in excess of the City approved assets and subject to approval by the City, the Sponsor shall be responsible for all additional costs related to the design, compliance, creation, and installation of said enhanced assets. All installation and removal of assets shall be by the City or the City’s authorized agent at the expense of the Parties as described in this Section of this Agreement. All assets shall require City and Sponsor approval prior to installation.
 - b. Non-Scheduled Updates. If the Sponsor chooses to update or enhance the signage design, beyond what the City approves, or otherwise desires changes at any time during the Term of this Agreement and the same exceeds the City’s approved cost allocation for such future work or does not otherwise coincide with a scheduled City improvement project on the Facility, the Sponsor shall be responsible for all costs of modification and installation of the new, enhanced or updated assets.
 - c. Maintenance. Subject to Section 3.b. of this Agreement, the City will be responsible for the costs of ongoing maintenance of all assets, including replacement due to normal wear and tear.

4. Term and Termination.

- a. Term. The naming rights of this Agreement shall commence June 1, 2026 (the “Start Date”) and continue until May 31, 2046 (the “End Date”), unless this Agreement is earlier terminated pursuant to this Section or Section 9 of this Agreement. The City is not required to renew this Agreement at such time and may at its sole discretion and option allow this Agreement to expire.
- b. Termination. This Agreement may be terminated if there is an Event of Default pursuant to Section 9 of this Agreement or in the event of destruction of the Facility or sale thereof. This Agreement may also be terminated in the event that the City is no longer authorized by law to: 1) own the Facility; 2) operate the Facility; or 3) grant naming rights for the Facility.
- c. Actions Upon Termination. Upon termination of this Agreement, the City shall be free to rename the Locker Room and shall make reasonable efforts to notify parties contracting with the City or the Sponsor not to use the signage and/or logo for the Locker Room, provided, however, that the City shall have a maximum of 180 days to remove any references to, or displays of, the logo on the signs provided for in this Agreement, the costs of which shall be borne by the City in the event of the expiration of the Term or of a termination resulting from a City Default, and by the Sponsor in the event of a termination resulting from a Sponsor Default.

5. Operation of Facility. The Facility shall be operated and maintained by the City directly or by a third-party contracted by the City subject to an operating agreement, in accordance with all applicable laws, to provide recreational opportunities for the people of the City of Northfield and the surrounding community.

6. Council Approval. All obligations of the Parties set forth herein are subject to the condition precedent that the Northfield City Council must adopt a resolution authorizing the execution of this Agreement.

7. Indemnification.

- a. The Sponsor shall indemnify, protect, save, and hold harmless City, and its respective officers, directors, employees, and members and agents, from and against any claims, liability, damages, costs, judgments, or expenses, including reasonable attorney’s fees, to the extent attributable to or caused by the negligent or otherwise wrongful acts or omissions of the Sponsor or its agents, employees, contractors or subcontractors with respect the Sponsor’s obligations under this Agreement. All indemnification obligations shall survive termination, expiration or cancellation of this Agreement. Nothing in this Agreement shall be construed to waive any immunities or limitations to which City is entitled under Minnesota Statutes, Chapter 466 or otherwise.

- b. The City shall indemnify protect, save, and hold harmless the Sponsor, and its respective officers, directors, employees, and members and agents, from and against any claims, liability, damages, costs, judgments, or expenses, including reasonable attorney's fees, to the extent attributable to or caused by the negligent or otherwise wrongful acts or omissions of City or its agents, employees, contractors or subcontractors with respect to City's performance of its obligations under this Agreement. All indemnification obligations shall survive termination, expiration or cancellation of this Agreement. Nothing in this Agreement shall be construed to waive any immunities or limitations to which City is entitled under Minnesota Statutes, Chapter 466 or otherwise.

8. Compliance as to Bonds.

- a. Interest on any bonds issued for the Project is intended to be excludable from gross income for federal income tax purposes ("Tax-Exempt Bonds") and if the City determines, based upon the written notice of the City's bond counsel, that any action under this Agreement creates a significant risk that interest on any Tax-Exempt Bonds will not be excludable from gross income for federal income tax purposes, the Parties shall negotiate in good faith to agree on alternative action to avoid such a result. In no event shall the foregoing agreement require any Party to amend or modify any material term of this Agreement.
- b. The Sponsor irrevocably waives any claim for depreciation or investment credit with respect to the Property and shall not deduct any payments to the City provided for in this Agreement as rent.

9. Events of Default. An Event of Default includes the failure of either Party to perform its obligations hereunder and the breach or default of this Agreement by either Party, when the failure, breach or default is not remedied and cured in the manner and timeframe described in this Section. In addition, an Event of Default shall include:

- a. Sponsor Default.
 - i. The Sponsor's failure to pay any amounts as and when due and owing hereunder within the applicable cure period; or
 - ii. If the City determines in good faith that the Sponsor has engaged in criminal conduct involving moral turpitude or fraud, or has committed or does commit any act that tends to bring said Party into public disrepute, contempt, scandal, or ridicule, or that tends to shock, insult, or offend a reasonable person, or that in the sole discretion of the City, reflects unfavorably on the City's reputation, image, mission, or integrity.
- b. City Default.

- i. The City's failure to commence construction of the Facility on or before the three-year anniversary of the date of the deed executed to transfer the title of the Property to the City; or
 - ii. The City's failure to complete the installation of all assets, which have been approved by both Parties, at the time that the Facility is open for use by the public, unless otherwise agreed to in writing by the Sponsor to permit the use of the Facility during installation of the assets for the benefit of the community.
- c. Rights and Remedies Upon Default.
 - i. Upon an Event of Default, the Party who is not in default will provide notice to the other Party of the default. The Party in default will have Thirty (30) days to respond and remedy and cure the default. Either Party may waive an Event of Default in writing.
 - ii. Upon the occurrence of an Event of Default by the City, which is not subsequently cured to the Sponsor's reasonable satisfaction:
 - 1. The Sponsor shall be entitled to immediately terminate this Agreement by written notice to the City upon the City's failure to remedy and cure its default within such time.
 - 2. If this Agreement terminates as the result of an Event of Default by the City pursuant to Sections 9.b.i. or 9.b.ii., and such Event of Default is not waived by the Sponsor, the Sponsor's payment obligations shall immediately terminate, and any annual payments or Sponsor's Contribution made by Sponsor pursuant this Agreement shall be refunded to Sponsor prorated to the remaining term hereof of the respective payment.
 - 3. If this Agreement terminates as the result of an Event of Default through the City's failure to perform any other obligation of the City in this Agreement, Sponsor may terminate this Agreement, but shall not be refunded any payments made or Sponsor's Contributions.
 - iii. Upon the occurrence of an Event of Default by the Sponsor, which is not subsequently cured to the City's reasonable satisfaction:
 - 1. The City shall be entitled to immediately terminate this Agreement by written notice to the Sponsor upon the Sponsor's failure to remedy and cure its default within such time.

2. In the event the City exercises its right to terminate this Agreement upon an Event of Default due to no fault of the City, the City may require the Sponsor, at Sponsor's expense, to remove all signage bearing the Sponsor's name or logo from the Facility and associated damages cause by such removal, including restoration costs, at the Sponsor's expense by a contractor approved or selected by the City for such work. In such event, Sponsor shall reimburse the City for all costs and expenses incurred by the City related thereto within Thirty (30) days of receipt of the City's itemized invoice for the same.

10. General Terms.

- a. No Joint Venture. Nothing herein contained shall be construed to place the Parties in a relationship of partners or joint venturers and neither Party shall have the power to obligate or bind the other in any manner whatsoever.
- b. No Property Interest. Nothing contained herein shall be construed as granting to Sponsor any property interest in any City-owned property. The City maintains all of its rights as fee owner of real property and improvements thereon on behalf of itself and the public.
- c. Voluntary and Knowing Action. The Parties, by executing this Agreement, state that they have carefully read this Agreement and understand fully the contents hereof; that in executing this Agreement they voluntarily accept all terms described in this Agreement without duress, coercion, undue influence, or otherwise, and that they intend to be legally bound hereby.
- d. Authorized Signatories. The Parties each represent and warrant to the other that: (1) the persons signing this Agreement are authorized signatories for the entities represented; and (2) no further approvals, actions or ratifications are needed for the full enforceability of this Agreement against it; each Party indemnifies and holds the other harmless against any breach of the foregoing representation and warranty.
- e. Notices. All notices and other communications required or permitted under this Agreement shall be in writing, and hand delivered or sent by registered or certified mail, return-receipt requested, postage prepaid, or by overnight delivery service and shall be effective upon receipt at the following addresses or as either Party shall have notified the other Party. The Parties' representatives for notification for all purposes are:

CITY:

Ben Martig, City Administrator
City of Northfield

801 Washington Street
Northfield, MN 55057
Phone: 507-645-3060
Email: Ben.Martig@northfieldmn.gov

SPONSOR:

Chris Kennelly

Address: _____

Phone: _____

Email: _____

- f. Dispute Resolution. The Parties agree to negotiate all disputes between them in good faith for a period of thirty (30) days from the date of notice of dispute prior to proceeding to formal dispute resolution or exercising their rights under law.
- g. Liens. The Sponsor is prohibited from creating or allowing any voluntary lien or encumbrance or any involuntary lien or encumbrance upon the Property, except with the advance written consent of the City. The Sponsor hereby covenants and agrees that the Sponsor will not permit or allow any mechanic's or materialman's liens to be placed on the City's interest in the Facility or Property during the term hereof for labor performed or material supplied in connection with any work or assets, or any City approved alterations or improvements, performed or caused to be performed by the Sponsor as provided in this Agreement or with respect to the assets. Notwithstanding the previous sentence, however, in the event any such lien shall be so placed on the City's interest, the Sponsor shall take all steps necessary to see that it is removed within thirty (30) days of its being filed; provided, however, that the Sponsor may contest any such lien provided the Sponsor first provides adequate security protecting the City against such lien.
- h. Assignment. This Agreement may not be assigned by either Party without the written consent of the other Party.
- i. Modifications/Amendment. Any alterations, variations, modifications, amendments or waivers of the provisions of this Agreement shall only be valid when they have been reduced to writing, and signed by authorized representatives of the City and the Sponsor.
- j. Records—Availability and Retention. Pursuant to Minnesota Statutes, Section 16C.05, subd. 5, the Sponsor agrees that the City, the State Auditor, or any of their duly authorized representatives at any time during normal business hours and as often as they may reasonably deem necessary, shall have access to and the right to examine, audit, excerpt, and transcribe any books, documents, papers, records, etc., which are pertinent to the accounting practices and procedures of the Sponsor and involve transactions relating to this Agreement. The Sponsor agrees

to maintain these records for a period of six years from the date of termination of this Agreement.

- k. Force Majeure. The Parties shall each be excused from performance under this Agreement while and to the extent that either of them are unable to perform, for any cause beyond its reasonable control. Such causes shall include, but not be restricted to fire, storm, flood, earthquake, explosion, war, total or partial failure of transportation or delivery facilities, raw materials or supplies, interruption of utilities or power, and any act of government or military authority. In the event either Party is rendered unable wholly or in part by force majeure to carry out its obligations under this Agreement then the Party affected by force majeure shall give written notice with explanation to the other Party immediately.
- l. Governing Law. This Agreement shall be deemed to have been made and accepted in Rice County, Minnesota, and the laws of the State of Minnesota shall govern any interpretations or constructions of the Agreement without regard to its choice of law or conflict of laws principles.
- m. Data Practices. The Parties acknowledge that this Agreement is subject to the requirements of Minnesota's Government Data Practices Act (Act), Minnesota Statutes, Section 13.01 *et seq.*
- n. No Waiver. Any Party's failure in any one or more instances to insist upon strict performance of any of the terms and conditions of this Agreement or to exercise any right herein conferred shall not be construed as a waiver or relinquishment of that right or of that Party's right to assert or rely upon the terms and conditions of this Agreement. Any express waiver of a term of this Agreement shall not be binding and effective unless made in writing and properly executed by the waiving Party.
- o. Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision. Any invalid or unenforceable provision shall be deemed severed from this Agreement to the extent of its invalidity or unenforceability, and this Agreement shall be construed and enforced as if the Agreement did not contain that particular provision to the extent of its invalidity or unenforceability.
- p. Entire Agreement. These terms and conditions constitute the entire Agreement between the Parties regarding the subject matter hereof. All discussions and negotiations are deemed merged in this Agreement.
- q. Recitals. The Recitals set forth above are incorporated into and are made a part of this Amendment.
- r. Headings and Captions. Headings and captions contained in this Agreement are for convenience only and are not intended to alter any of the provisions of this

Agreement and shall not be used for the interpretation of the validity of the Agreement or any provision hereof.

- s. Survivability. All covenants, indemnities, guarantees, releases, representations and warranties by any Party of Parties, and any undischarged obligations of City and the Sponsor arising prior to the expiration of this Agreement (whether by completion or earlier termination), shall survive such expiration.
- t. Execution. This Agreement may be executed simultaneously in two or more counterparts that, when taken together, shall be deemed an original and constitute one and the same document. The signature of any Party to the counterpart shall be deemed a signature to the Agreement, and may be appended to, any other counterpart. Facsimile and email transmissions of executed signature pages shall be deemed as originals and sufficient to bind the executing Party.

[Remainder of page intentionally left blank.]

By: _____
Jayne Kennelly

Date: _____

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2025, by Jayne Kennelly, Sponsor.

Notary Public

CITY OF NORTHFIELD

By: _____
Erica Zweifel, Its Mayor

Date: _____

By: _____
Lynette Peterson, Its City Clerk

Date: _____

STATE OF MINNESOTA)
) ss.
COUNTY OF RICE)

The foregoing instrument was acknowledged before me this ____ day of _____, 2025, by Erica Zweifel, as Mayor, and Lynette Peterson, as City Clerk, of the City of Northfield, a municipal corporation under the laws of the State of Minnesota.

Notary Public