



MEMORANDUM

DATE: December 3, 2024

To: Honorable Mayor & City Council

CC: Dave Bennett, Director of Public Works/City Engineer; Jeff Schroepfer, Police Chief; Jake Reilly, Community Development Director; Lynette Peterson, City Clerk; Michelle Mahowald, Communications & Human Resources Director; Natalie Draper, Director of Library; Brenda Angelstad, Finance Director; Chris Hood, City Attorney

From: Ben Martig, City Administrator

RE: "Supplemental Agenda Background Memo" for December 3, 2024 No. 2.

Summary Report:

The following is an update on agenda items as supplemental background agenda information made available for Tuesday December 3, 2024:

8. Res. 2024-128 Consider Adopting Schedule for 2025 Park and Recreation Advisory Board Meetings

The Northfield Park and Recreation Advisory Board reviewed and approved this item at their meeting on Monday, December 2.

19. Res. 2024-130 Consider Resolution Requesting Minnesota State Capital Investment Bonds for Bridge Square Street and Park Improvements in the City of Northfield

See attached Resolution 2024-130.

20. Res. 2024-131 Consideration of Professional Service Contract with TSP Architects for 5th and Washington Street Redevelopment Project.

See attached Memo and Resolution 2024-131.

City Council Meeting Date: December 3, 2024

To: Mayor and City Council

From: Ben Martig, City Administrator

RE: Resolution 2024-131 Approving Professional Service Contract with TSP Architects for 5th & Washington Street Redevelopment Project and Update of Delegating the Northfield Economic Development Authority (EDA) to Provide an Advisory Role to the City Council Related to Potential Redevelopments Related to the Projects Currently Known as the “5TH AND WASHINGTON STREET REDEVELOPMENT” and “5TH AND WATER STREET REDEVELOPMENT” projects.

Action Requested:

The Northfield City Council approves Resolution 2024-131.

Summary Report:

The attached resolution re-confirms the City Council’s commitment to this project. As summarized, the resolution does authorize some conceptual design work that has been mostly completed in order to accomplish the Council direction. Also, added in the resolution is to continue to work and clarify one additional goal of the liquor store project that focuses also on operational effectiveness of providing excellent customer service.

Alternative Options:

None recommended.

Financial Impacts:

The funding for is \$52,500 and is being expensed to the Redevelopment project fund. The planning will be reimbursed back on the final financing. This is the same as other project funds such as street funds and facility projects. The work has been completed and further phases will be presented at the next update.

Tentative Timelines:

The project update for Council is likely going to be in late Q1 of 2025. The EDA will commence work on this in January. Staff is currently soliciting interest from prospective developer partners as a next step.

CITY OF NORTHFIELD, MN
CITY COUNCIL RESOLUTION 2024-131

APPROVING PROFESSIONAL SERVICE CONTRACT WITH TSP ARCHITECTS FOR 5TH & WASHINGTON STREET REDEVELOPMENT PROJECT AND UPDATE OF DELEGATING THE NORTHFIELD ECONOMIC DEVELOPMENT AUTHORITY (EDA) TO PROVIDE AN ADVISORY ROLE TO THE CITY COUNCIL RELATED TO POTENTIAL REDEVELOPMENTS RELATED TO THE PROJECTS CURRENTLY KNOWN AS THE “5TH AND WASHINGTON STREET REDEVELOPMENT” AND “5TH AND WATER STREET REDEVELOPMENT”

WHEREAS, the City Council of the City Northfield, Minnesota (“City”) desires to facilitate a mixed use, multi-phase downtown redevelopment project, containing certain public improvements included as part of the construction of such projects on the areas identified as the “5th and Washington Street Redevelopment” and the “5th and Water Street Redevelopment” hereafter referred together as “the Projects”; and

WHEREAS, the City Council approved the attached Resolution 2024-044; and

WHEREAS, the Economic Development Authority, in coordination with staff, presented an initial update on recommendations to the City Council on September 10, 2024; and

WHEREAS, to complete this work TSP Architects have assisted and completed conceptual design work for the City as outlined in the attached agreement and scope of services; and

WHEREAS, the existing Northfield Liquor Store located at 116 5th Street West is obsolete and the City Council has been pursuing a new construction or re-construction of a new store that will be profitable, will pay its own way to be built, and will achieve the following previous Council stated goals for the Liquor Store:

1. Control the sale of alcohol; and
2. Provide revenue to supplement traditional tax and fee revenues; and
3. Provide an economic stimulus to the Central Business District; and
4. Provide a convenient location for residents to purchase alcohol; and

And is recommended to add the additional goal:

5. Provide a convenient and accessible place for *all* legal customers to purchase alcohol, while providing excellent customer service and selection.

WHEREAS, the Projects are a priority of the City Council and are thus supporting the Northfield Economic Development Authority to advise and assist in moving them forward.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL THAT:

1. The City Council approves the attached Professional Services Contract with TSP Architects for 5th and Washington Street Redevelopment Project; and
2. The Council re-confirms Northfield Liquor Store located at 116 5th Street West is obsolete and the City Council has been pursuing a new construction or re-construction of a new store that will be profitable, will pay its own way to be built, and will achieve the following previous Council stated goals for the Liquor Store:

- A. Control the sale of alcohol; and

- B. Provide revenue to supplement traditional tax and fee revenues; and
 - C. Provide an economic stimulus to the Central Business District; and
 - D. Provide a convenient location for residents to purchase alcohol; and
 - E. Provide a convenient and accessible place for all legal customers to purchase alcohol, while providing excellent customer service and selection.
3. The Northfield Economic Development Authority to continue to provide an advisory role to the City Council regarding the potential redevelopment of the City-owned properties known as the *5th and Washington Street Redevelopment* located at the intersection of 5th Street East and Washington Street (PID 22.06.2.25.040, PID 22.06.2.25.041, and PID 22.06.2.25.042) shown on the attached *Exhibit A* currently used for municipal parking in accordance with the previous Resolution 2024-044; and
4. The resolution will remain in effect until amended or terminated by the City Council as they deem appropriate.

PASSED by the City Council of the City of Northfield on this 3rd day of December, 2024.

ATTEST

City Clerk

Mayor

VOTE: ___ POWNELL ___ HOLMES ___ NESS ___ PETERSON WHITE
 ___ REISTER ___ SOKUP ___ ZUCCOLOTTO

CONSULTANT SERVICE CONTRACT

This Contract (the “Contract”) is made this third day of December, 2024, by and between the CITY OF NORTHFIELD, a Minnesota municipal corporation, 801 Washington Street, Northfield, MN 55057 (“CITY”), and TSP, INC., a corporation under the laws of the State of South Dakota, 1500 Highway 52 North, Rochester, MN 55901 (“CONSULTANT”); (collectively the “PARTIES”).

WHEREAS, CITY requires certain professional services in conjunction with the 5th and Washington Mixed Use Development (the “Project”); and

WHEREAS, CONSULTANT agrees to furnish the various professional services required by CITY.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the Parties agree as follows:

SECTION I – CONSULTANT'S SERVICES AND RESPONSIBILITIES

- A. **Scope of Services.** CONSULTANT agrees to perform various Project services as detailed in Exhibit 1, Scope of Services, attached hereto and incorporated herein by reference (the “services”). The services in Exhibit 1 and corresponding compensation in Exhibit 3 for such services are for the preliminary phase of the Project. CONSULTANT may be called upon to perform additional on-call professional services (“additional services”) for subsequent phases of the Project on an as-needed basis as requested by CITY. Additional services may in general include, but are not limited to the following: studies and reports; design and preparation of working drawings and specifications; construction work evaluation, observations and site visits; checking of shop drawings; estimates and recommendations regarding work and acceptance of work; preparation of bidding, construction and contract documents; review, evaluation and analysis of bids; assistance with negotiations and development of proposals with contractors or subcontractors for work; review, evaluation and analysis of selection of contractors or subcontractors; administration of contracts between CITY and contractors or subcontractors including payments to contractor or contractors; management, coordination, administration, negotiation and resolution of contractor and subcontractor claims, change orders, changes in work, disputes and correction of deficient or incomplete work; and such other related tasks of a type normally associated with facilities, utilities, structures and buildings planning, design, construction, installation, repair, replacement, operation and/or maintenance. Some of these services may be financed in part by grant or other aid programs of the State or Federal governments and the professional services shall include administration or such other services as required by CITY to apply for, secure, maintain and meet the reporting requirements for such sources of funding.
- B. **Changes to Scope of Services/Additional Services.** Upon mutual agreement of the PARTIES hereto pursuant to Section VI, Paragraph K of this Contract, a change to the

scope of services detailed in Exhibit 1, attached hereto, may be authorized. In the event that such a change to the scope of services detailed in Exhibit 1 requires additional services by CONSULTANT or CITY requests other additional services, CONSULTANT shall promptly respond with a written proposal for each additional services project for which CITY desires assistance and include a proposal form (referred to herein as a "Task Order"), which shall contain at a minimum the following:

1. A description of the additional services project;
2. The CITY'S responsibilities with respect to the additional services project;
3. The incorporation by reference of the terms and conditions of this Contract directly into the Task Order;
4. The dates upon which the additional services are to be commenced and completed; and
5. The compensation to be paid to the CONSULTANT for the additional services project and any schedule of fees, as applicable, if other than as provided in Exhibit 3 to this Contract.

CONSULTANT shall not proceed with any Task Order for an additional services project unless and until CITY confirms its acceptance of CONSULTANT'S Task Order in writing. This Contract will be incorporated by reference into each Task Order accepted by CITY, or an additional contract or contracts may be required by CITY in a form acceptable to CITY for additional services and/or subsequent Project phases in CITY'S sole judgment and discretion. In the event of any inconsistency or conflict between the terms contained in this Contract and any project Task Order, the terms contained in this Contract shall govern.

- C. **Changed Conditions.** If CONSULTANT determines that any services it has been directed or requested to perform by CITY are beyond the scope of services detailed in Exhibit 1, or that, due to changed conditions or changes in the method or manner of administration of the Project, CONSULTANT'S effort required to perform its services under this Contract exceeds the estimate that formed the basis for CONSULTANT'S compensation, CONSULTANT shall promptly notify CITY of that fact. Upon mutual agreement of the PARTIES hereto pursuant to Section VI, Paragraph K of this Contract, additional compensation for such services, and/or an extension of time for completion thereof, may be authorized. In the absence of such a mutual agreement, amounts of compensation and time for completion shall be equitably adjusted, provided that CONSULTANT first provides notice to CITY as required by this Paragraph and CITY has not terminated this Contract pursuant to Section IV, Paragraph B.
- D. **Standard of Care.** Services provided by CONSULTANT or its subcontractors under this Contract will be conducted in a manner consistent with that level of care and skill ordinarily exercised by members of CONSULTANT'S profession or industry. CONSULTANT shall be liable to the fullest extent permitted under applicable law, without limitation, for any injuries, loss, or damages proximately caused by CONSULTANT'S breach of this standard of care. CONSULTANT shall put forth reasonable efforts to complete its duties in a timely manner. CONSULTANT shall not be

responsible for delays caused by factors beyond its control or that could not be reasonably foreseen at the time of execution of this Contract. CONSULTANT shall be responsible for costs, delays or damages arising from unreasonable delays in the performance of its duties or services.

E. **Insurance.** CONSULTANT shall not commence work under this Contract until CONSULTANT has obtained all insurance required herein and such insurance amounts specified herein have been verified by CITY, nor shall CONSULTANT allow any subcontractor to commence work on a subcontract until such subcontractor has obtained like insurance covering as to worker's compensation, liability, and automobile insurance. All such insurance coverage shall be maintained at all times while this Contract is in effect.

1. CONSULTANT agrees to procure and maintain, at CONSULTANT's expense, the following insurance policies, subject to the requirements in this Paragraph E and including the minimum coverages and limits of liability specified below, or as specified in the applicable insurance certificate(s), or as otherwise required by law, whichever is greater (coverages under umbrella or excess policies may be combined with primary policies to meet the below stated insurance coverage requirements):

Worker's Compensation	Statutory Limits
Employer's Liability	\$500,000 bodily injury by accident \$500,000 bodily injury by disease aggregate \$500,000 bodily injury by disease per employee
Commercial General Liability	\$2,000,000 property damage and bodily injury per occurrence \$4,000,000 annual aggregate \$2,000,000 annual aggregate Products – Completed Operations
Automobile Liability	\$1,000,000 per occurrence combined single limit for Bodily Injury and Property Damage (shall include coverage for all owned, hired and non-owned vehicles)
Umbrella or Excess Liability	\$2,000,000

2. Except as provided below, CONSULTANT's Workers' Compensation insurance must provide coverage for all its employees. If Minnesota Statutes, section 176.041 exempts CONSULTANT from Workers' Compensation insurance, or if

CONSULTANT has no employees in the City, CONSULTANT must provide a written statement, signed by an authorized representative, indicating the qualifying exemption that excludes CONSULTANT from the Minnesota Workers' Compensation requirements. If at any time while this Contract is in effect CONSULTANT ceases to be exempt from the requirement to maintain Workers' Compensation coverage, CONSULTANT must comply with the Workers' Compensation insurance requirements herein and provide CITY with a certificate of insurance documenting such coverage.

3. CONSULTANT's Commercial General Liability ("CGL") and business automobile liability insurance coverages shall insure CONSULTANT against claims for bodily injury or death, or for damage to property, including loss of use, which may arise out of operations by CONSULTANT or by any subcontractor or by anyone employed by any of them or by anyone for whose acts any of them may be liable (including automobile use). The following coverages shall, at a minimum, be included in the CGL insurance: Premises and Operations Bodily Injury and Property Damage, Personal and Advertising Injury, Blanket Contractual Liability, and Products and Ongoing and Completed Operations Liability. The required automobile liability coverage must include coverage for "any auto," which extends coverage to owned autos, non-owned autos, and hired autos. Such insurance shall include, but not be limited to, minimum coverages and limits of liability specified in this Paragraph, or as otherwise required by law. CITY shall have additional insured status and be listed by name on an endorsement attached to such policy(ies) (for purposes of clarity, CITY shall not be an additional insured on CONSULTANT's professional liability policy if such insurance is required in this Contract) for the services provided under this Contract and shall provide that CONSULTANT's coverage shall be primary and noncontributory in the event of a loss.
4. Professional/Technical (Errors and Omissions) Liability Insurance. CONSULTANT agrees to procure and maintain, at CONSULTANT's expense, Professional/Technical (Errors and Omissions) Liability Insurance. The required policy will provide coverage for all claims CONSULTANT may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to CONSULTANT's professional services required under the Contract. CONSULTANT is required to carry the following minimum limits: \$2,000,000 – per claim; \$4,000,000 – annual aggregate; or as specified in the applicable insurance certificate(s), or as otherwise required by law, whichever is greater. Any deductible will be the sole responsibility of CONSULTANT and may not exceed \$75,000 without the written approval of CITY. If CONSULTANT desires authority from CITY to have a deductible in a higher amount, CONSULTANT shall so request in writing, specifying the amount of the desired deductible and providing financial documentation by submitting the most current audited financial statements so that CITY can ascertain the ability of CONSULTANT to cover the deductible from its own resources. The retroactive or prior acts date of such coverage shall not be after the effective date of this

Contract and CONSULTANT shall maintain such insurance for a period of at least three (3) years, following completion of the services/work. If such insurance is discontinued, extended reporting period coverage must be obtained by CONSULTANT to fulfill this requirement.

5. True, accurate and current certificates of insurance, showing evidence of the required insurance coverages, are hereby provided to CITY by CONSULTANT and are attached hereto and incorporated herein by reference as Exhibit 2.
6. Any insurance limits in excess of the minimum limits specified herein above shall be available to CITY in the event of claims.
7. CONSULTANT's insurance policies and certificate(s) shall not be cancelled without at least Thirty (30) days' advance written notice to CITY, or Ten (10) days' prior written notice to CITY for nonpayment of premium.
8. CONSULTANT's policies shall be primary insurance and noncontributory to any other valid and collectible insurance available to CITY with respect to any claim arising out of CONSULTANT's performance under this Contract.
9. CONSULTANT is responsible for payment of Contract related insurance premiums and deductibles. If CONSULTANT is self-insured, a Certificate of Self-Insurance must be attached in Exhibit 2. Any program of self-insurance shall be subject to CITY's approval, which shall not be unreasonably withheld, conditioned or delayed.
10. CONSULTANT shall ensure that all subcontractors comply with the insurance provisions contained in this Contract and such insurance is maintained as specified.
11. CONSULTANT's policies shall include legal defense fees in addition to its liability policy limits, with the exception of the professional liability insurance and technology errors and omissions insurance, if applicable.
12. All policies listed above, except professional liability insurance (or other coverage not reasonably available on an occurrence basis), shall be written on a per "occurrence" basis ("claims made" and "modified occurrence" forms are not acceptable) and shall apply on a "per project" basis.
13. CONSULTANT shall obtain insurance policies from insurance companies having an "AM BEST" rating of A- (minus); Financial Size Category (FSC) VII or better, and authorized to do business in the State of Minnesota, or as approved by CITY.
14. CITY reserves the right to immediately terminate this Contract if CONSULTANT is not in compliance with the insurance requirements contained herein and retains

all rights to pursue any legal remedies against CONSULTANT.

SECTION II – CITY’S RESPONSIBILITIES

- A. CITY shall promptly compensate CONSULTANT as services are performed to the satisfaction of the CITY’s City Administrator, in accordance with Section III of this Contract.
- B. CITY shall provide access to any and all previously acquired information relevant to the scope of services detailed in Exhibit 1 in its custody to CONSULTANT for its use, at CONSULTANT’s request.
- C. CITY will, to the fullest extent possible, grant access to and make all provisions for entry upon both public and private property as necessary for CONSULTANT’s performance of the services detailed in Exhibit 1.
- D. Ben Martig, CITY’s City Administrator, shall serve as the liaison person to act as CITY’s representative with respect to services to be rendered under this Contract. Said representative shall have the authority to transmit instructions, receive instructions, receive information, interpret and define CITY’s policies with respect to the Project and CONSULTANT’s services. Such person shall be the primary contact person between CITY and CONSULTANT with respect to the services performed by CONSULTANT under this Contract. CITY reserves the right to substitute the authorized contact person at any time and shall notify CONSULTANT thereof.

SECTION III – CONSIDERATION

- A. **Fees.** CITY will compensate CONSULTANT as detailed in Exhibit 3, Compensation, which is attached hereto and incorporated herein by reference, for CONSULTANT’s performance of services under this Contract.
- B. **Suspension for Nonpayment.** Except for a good faith dispute, if CITY fails to make any payment due CONSULTANT for services performed to the satisfaction of the CITY’s City Administrator and expenses within Thirty (30) days after the date of CONSULTANT’s invoice, CONSULTANT may, after giving Seven (7) days written notice to CITY, and without waiving any claim or right against CITY and without incurring liability to CITY, suspend services and withhold Project deliverables due under this Contract until CONSULTANT has been paid in full all amounts due for services rendered to the date of suspension along with applicable expenses and charges related to the services rendered by CONSULTANT to CITY to the date of suspension.

SECTION IV – TERM AND TERMINATION

- A. **Term.** This Contract shall be in effect until such time as the Project is completed, or as otherwise provided in this Contract, whichever occurs first.

- B. **Termination.** This Contract may be terminated by either PARTY for any reason or for convenience by either PARTY upon Thirty (30) days written notice. In the event of termination, CITY shall be obligated to CONSULTANT for payment of amounts due and owing, including payment for services performed or furnished to the date and time of termination to the satisfaction of the CITY's City Administrator, computed in accordance with Section III of this Contract. Termination shall not act to discharge any liability incurred by either PARTY during the term of this Contract. Such liability shall continue until discharged by law, this Contract, adjudication, or another subsequent agreement between the PARTIES discharging, settling, waiving, and/or releasing such liability.
- C. **Default.** If CONSULTANT fails to satisfy any of the provisions of this Contract, or so fails to perform and/or administer the services detailed in Exhibit 1 pursuant to the requirements of Section I of this Contract, in such a manner as to endanger the performance of this Contract or the services provided hereunder, this shall constitute default. Unless CONSULTANT's default is excused by CITY, CITY may, upon written notice, immediately cancel this Contract or exercise any other rights or remedies available to CITY under this Contract or law. In the event of CONSULTANT's default, CONSULTANT shall be liable to CITY for any and all costs, disbursements, attorneys and consultant fees reasonably incurred by CITY in enforcing this Contract.
- D. **Suspension of Services / Work.** If any services/work performed by CONSULTANT are abandoned or suspended in whole or in part by CITY, CONSULTANT shall be paid for any services/work performed to the satisfaction of the CITY's City Administrator prior to CONSULTANT's receipt of written notice from CITY of such abandonment or suspension, but in no event shall the total of CITY's payments to CONSULTANT under this Contract be required to exceed a percentage of the total contract price (calculated by either the Contract price or the maximum price set forth in Exhibit 3, attached hereto) equivalent to the percentage of the scope of services in Exhibit 1 completed by CONSULTANT to the satisfaction of the CITY's City Administrator, as determined by CITY.

SECTION V – INDEMNIFICATION

- A. CONSULTANT shall indemnify, protect, save, and hold harmless CITY, and its respective officials, directors, employees, 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, including breach of a specific contractual duty, of CONSULTANT or CONSULTANT's subcontractors, agents, employees, members, vendors, or delegates with respect to this Contract, the Project, or the services. CONSULTANT shall defend CITY against the foregoing, or litigation in connection with the foregoing, at CONSULTANT's expense, with counsel reasonably acceptable to CITY, except that for professional liability claims, CONSULTANT shall have no upfront duty to defend CITY, but shall reimburse defense costs to CITY to the same extent of CONSULTANT's indemnity obligation herein. CITY, at its expense, shall have the right to participate in the defense of any claims or litigation and shall have the right to approve any settlement,

which approval shall not be unreasonably withheld, conditioned, or delayed. The indemnification provisions of this Section shall not apply to damages or other losses proximately caused by or resulting from the negligence or willful misconduct of CITY. All indemnification obligations shall survive termination, expiration or cancellation of this Contract. CONSULTANT agrees, that in order to protect itself and CITY under the indemnity provisions set forth above, CONSULTANT will at all times during the term of this Contract keep in force policies of insurances required in Section I of this Contract. Nothing in this Contract shall be construed to waive any immunities, defenses, or limitations to which CITY is entitled under Minn. Stat. Chapter 466 or otherwise.

- B. CITY shall indemnify protect, save, and hold harmless CONSULTANT, and its respective officers, directors, employees, 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 Contract. CITY shall defend CONSULTANT against the foregoing, or litigation in connection with the foregoing, at CITY's expense. CONSULTANT, at its expense, shall have the right to participate in the defense of any Claims or litigation. The indemnification provision of this Section shall not apply to damages or other losses proximately caused by or resulting from the negligence or willful misconduct of CONSULTANT. All indemnification obligations shall survive termination, expiration or cancellation of this Contract.
- C. Nothing contained in this Contract shall create a contractual relationship with or a cause of action in favor of a third party against CITY or CONSULTANT. CONSULTANT's services under this Contract are being performed solely for CITY's benefit, and no other entity shall have any claim against CONSULTANT because of this Contract or the performance or nonperformance of services by CONSULTANT provided hereunder.

SECTION VI – GENERAL TERMS

- A. **Voluntary and Knowing Action.** The PARTIES, by executing this Contract, state that they have carefully read this Contract and understand fully the contents hereof; that in executing this Contract they voluntarily accept all terms described in this Contract without duress, coercion, undue influence, or otherwise, and that they intend to be legally bound hereby.
- B. **Authorized Signatories.** The PARTIES each represent and warrant to the other that; (1) the persons signing this Contract are authorized signatories for the entities represented, and (2) no further approvals, actions or ratifications are needed for the full enforceability of this Contract against it. Each PARTY indemnifies and holds the other harmless against any breach of the foregoing representation and warranty.
- C. **Notices.** All notices and other communications required or permitted under this Contract shall be in writing, and hand delivered or sent by registered or certified mail, 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
(507) 645-3009
Ben.Martig@northfieldmn.gov

CONSULTANT:

Von J Petersen, Principal
TSP, Inc.
1500 Hwy. 52 North
Rochester, MN 55901
(507) 216-8284
petersenvj@teamtsp.com

- D. **Dispute Resolution.** CITY and CONSULTANT 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.
- E. **Electronic/Digital Data.** Because of the potential instability of electronic/digital data and susceptibility to unauthorized changes, copies of documents that may be relied upon by CITY are limited to the printed copies (also known as hard copies) that are signed or sealed by CONSULTANT. Except for electronic/digital data, which is specifically identified as a Project deliverable by this Contract, or except as otherwise explicitly provided in this Contract, all electronic/digital data developed by CONSULTANT as part of the Project is acknowledged to be an internal working document for CONSULTANT's purposes solely and any such information provided to CITY shall be on an "as is" basis strictly for the convenience of CITY without any warranties of any kind. In the event of any conflict between a hard copy document and the electronic/digital data, the hard copy document governs. The electronic/digital data shall be prepared in the current software in use by CONSULTANT and is not warranted to be compatible with other systems or software.
- F. **Opinions or Estimates of Construction Cost.** Where provided by CONSULTANT as part of Exhibit 1 or otherwise, opinions or estimates of construction cost will generally be based upon public construction cost information. Since CONSULTANT has no control over the cost of labor, materials, competitive bidding process, weather conditions and other factors affecting the cost of construction, all cost estimates are opinions for general information of CITY and CONSULTANT does not warrant or guarantee the accuracy of construction cost opinions or estimates. CITY acknowledges that costs for project financing should be based upon contracted construction costs with appropriate contingencies.

- G. **Independent Contractor Status.** CONSULTANT, at all times and for all purposes hereunder, shall be an independent contractor and is not an employee of CITY for any purpose. No statement contained in this Contract shall be construed so as to find CONSULTANT to be an employee of CITY, and CONSULTANT shall not be entitled to any of the rights, privileges, or benefits of employees of CITY, including but not limited to, workers' compensation, health/death benefits, and indemnification for third-party personal injury/property damage claims. CONSULTANT acknowledges that no withholding or deduction for State or Federal income taxes, FICA, FUTA, or otherwise, will be made from the payments due CONSULTANT under this Contract, and that it is CONSULTANT's sole obligation to comply with the applicable provisions of all Federal and State tax laws. CONSULTANT shall at all times be free to exercise initiative, judgment and discretion as to how to best perform or provide services identified herein. CONSULTANT is responsible for hiring sufficient workers to perform the services/work required by this Contract, withholding their taxes, and paying all other employment tax obligations on their behalf.
- H. **Acceptance of Deliverables.** Each deliverable shall be subject to a verification of acceptability by CITY to ensure such deliverable satisfies stated requirements. The acceptability of any deliverable will be based on CITY's satisfaction or non-satisfaction with the deliverable based on requirements of this Contract. If any deliverable is not acceptable, CITY will notify CONSULTANT specifying reasons in reasonable detail, and CONSULTANT will, at no additional cost, conform the deliverable to stated requirements of this Contract.
- I. **Subcontracting.** CONSULTANT shall not enter into any subcontract for performance of any services contemplated under this Contract without the prior written approval of CITY. CONSULTANT shall be responsible for the performance of all subcontractors. As required by Minn. Stat. § 471.425, CONSULTANT must pay all subcontractors, less any retainage, within Ten (10) calendar days of CONSULTANT's receipt of payment from CITY for undisputed services provided by the subcontractor(s) and must pay interest at the rate of one and one half percent per month or any part of a month to the subcontractor(s) on any undisputed amount not paid on time to the subcontractor(s).
- J. **Assignment.** This Contract may not be assigned by either PARTY without the written consent of the other PARTY.
- K. **Modifications/Amendment.** Any alterations, variations, modifications, amendments or waivers of the provisions of this Contract shall only be valid when they have been reduced to writing, and signed by authorized representative of CITY and CONSULTANT.
- L. **Records—Availability and Retention.** Pursuant to Minn. Stat. § 16C.05, subd. 5, CONSULTANT agrees that 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 CONSULTANT and involve transactions relating to this Contract. CONSULTANT agrees to maintain these records for a period of six years from the date of termination of this Contract.

- M. **Force Majeure.** The PARTIES shall each be excused from performance under this Contract 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, pandemic, 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 Contract then the PARTY affected by force majeure shall give written notice with explanation to the other PARTY immediately.
- N. **Compliance with Laws.** CONSULTANT shall abide by all Federal, State and local laws, statutes, ordinances, rules and regulations now in effect or hereinafter adopted pertaining to this Contract or to the facilities, programs and staff for which CONSULTANT is responsible.
- O. **Covenant Against Contingent Fee.** CONSULTANT warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for CONSULTANT to solicit or secure this Contract, and that it has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift or any other consideration, contingent upon or resulting from award or making of this Contract.
- P. **Covenant Against Vendor Interest.** CONSULTANT warrants that it is not employed by any vendor of equipment or service provider that could result in a commission, percentage, brokerage, or contingent fee as a result of CONSULTANT's association with CITY.
- Q. **Non-Discrimination.** The provisions of any applicable law or ordinance relating to civil rights and discrimination shall be considered part of this Contract as if fully set forth herein.
- R. **Interest by City Officials.** No elected official, officer, or employee of CITY shall during their tenure or employment and for one year thereafter, have any interest, direct or indirect, in this Contract or the proceeds thereof.
- S. **Work Product.** All materials such as reports, exhibits, models, graphics, computer files, maps, charts, and supporting documentation produced under services/work authorized by this Contract ("Materials") shall become the property of CITY upon completion of the services/work. CITY may use the information for the Project for which they were prepared. Such use by CITY shall not relieve any liability on the part of CONSULTANT. Notwithstanding any of the foregoing to the contrary; (a) CONSULTANT may reuse standard details of its Materials in the normal course of its business, and (b) CITY

understands that the Materials have been prepared for a specific project and are not intended to be reused for other purposes. If CITY reuses the Materials for any other purpose, CITY waives any claims against CONSULTANT arising from such reuse and agrees to defend and indemnify CONSULTANT from any claims arising from such reuse.

- T. **Governing Law.** This Contract 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 Contract without regard to its choice of law or conflict of laws principles.
- U. **Data Practices.** The PARTIES acknowledge that this Contract is subject to the requirements of Minnesota's Government Data Practices Act ("Act"), Minnesota Statutes, Section 13.01 *et seq.* CONSULTANT agrees to abide by the applicable provisions of the Act, HIPAA requirements, and all other applicable state or federal rules, regulations or orders pertaining to data privacy or confidentiality. CONSULTANT understands that all of the data created, collected, received, stored, used, maintained or disseminated by CONSULTANT in performing those services, work, and functions that the CITY would perform is subject to the requirements of the Act, and CONSULTANT must comply with those requirements as if it were a government entity. This does not create a duty on the part of CONSULTANT to provide the public with access to public data if the public data is otherwise available from CITY, except as required by the terms of this Contract.
- V. **Cybersecurity Incident Reporting.** CONSULTANT acknowledges that CONSULTANT by virtue of this Contract is subject to the requirements of Minn. Stat. § 16E.36 for reporting cybersecurity incidents impacting CITY.
- W. **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 Contract 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 Contract. Any express waiver of a term of this Contract shall not be binding and effective unless made in writing and properly executed by the waiving PARTY.
- X. **Data Disclosure.** Under Minn. Stat. § 270C.65, Subd. 3, and other applicable law, CONSULTANT consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to CITY, to federal and state agencies and state personnel involved in the payment of CITY obligations. These identification numbers may be used in the enforcement of federal and state laws, which could result in action requiring CONSULTANT to file state tax returns, pay delinquent state tax liabilities, if any, or pay other CITY liabilities.
- Y. **Patented Devices, Materials and Processes.** If this Contract requires, or CONSULTANT desires, the use of any design, device, material or process covered by letters, patent or copyright, trademark or trade name, CONSULTANT shall provide for such use by suitable legal agreement with the patentee or owner. If no such agreement is

made as noted, CONSULTANT shall indemnify and hold harmless CITY from any and all claims for infringement by reason of the use of any such patented designed, device, material or process, or any trademark or trade name or copyright in connection with the services agreed to be performed under the Contract by CONSULTANT, and shall indemnify and defend CITY for any costs, liability, expenses and attorney's fees that result from any such infringement.

- Z. **Mechanic's Liens.** CONSULTANT hereby covenants and agrees that CONSULTANT will not permit or allow any mechanic's or materialman's liens to be placed on CITY's interest in CITY property that is the subject of the Project during the term hereof. Notwithstanding the previous sentence, however, in the event any such lien shall be so placed on CITY's interest, CONSULTANT shall take all steps necessary to see that it is removed within Thirty (30) days of its being filed; provided, however, that CONSULTANT may contest any such lien provided CONSULTANT first posts a surety bond, in favor of and insuring CITY, in an amount equal to 125% of the amount of any such lien.
- AA. **Construction and Services Observation.** CONSULTANT shall visit the Project at appropriate intervals during the Project to become familiar with the progress and quality of the construction/services/work being performed for CITY under this Contract and to determine if the construction/services/work are proceeding in general accordance with the Project plans and specifications, and shall be responsible for notifying CITY of any errors or omissions in such construction/services/work or any deviations in the construction/services/work from the Project plans and specifications developed by CONSULTANT.
- BB. **Severability.** The invalidity or unenforceability of any provision of this Contract shall not affect the validity or enforceability of any other provision. Any invalid or unenforceable provision shall be deemed severed from this Contract to the extent of its invalidity or unenforceability, and this Contract shall be construed and enforced as if the Contract did not contain that particular provision to the extent of its invalidity or unenforceability.
- CC. **Entire Contract.** 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 Contract.
- DD. **Headings and Captions.** Headings and captions contained in this Contract are for convenience only and are not intended to alter any of the provisions of this Contract and shall not be used for the interpretation of the validity of the Contract or any provision hereof.
- EE. **Survivability.** All covenants, indemnities, guarantees, releases, liability, representations and warranties by any PARTY or PARTIES, and any undischarged obligations of CITY and CONSULTANT arising prior to the expiration of this Contract (whether by completion or earlier termination), shall survive such expiration.

FF. **Execution.** This Contract 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 Contract, 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.

SECTION VII –SIGNATURES

IN WITNESS WHEREOF, the PARTIES have hereunto executed this document the day and year first above written.

CONSULTANT:

TSP, INC.

By: 
Von J. Petersen, Its Principal

Date: December 3, 2024

CITY OF NORTHFIELD

By: _____
Rhonda Pownell, Its Mayor

Date: _____

By: _____
Lynette Peterson, Its City Clerk

Date: _____



1500 Highway 52 North
Rochester, MN 55901
Phone: 507-288-8155
www.teamtsp.com

SCOPE OF SERVICES

EXHIBIT 1

Client: City of Northfield, MN
To: Ben Martig, City Administrator
From: Von Petersen, AIA, Principal / Architect - TSP, Inc
Date: November 26, 2024
Project: 5th and Washington Mixed Use Development
Service Type: Site Evaluation and Project Feasibility

SECTION 1: SCOPE OF PROFESSIONAL SERVICES

1. PROJECT UNDERSTANDING

- A. Site evaluation and project feasibility for a mixed use development consisting of a municipal liquor store, parking structure, housing, and commercial leasable space.

2. DISCIPLINES BY TSP

- A. Architecture
- B. Structural Engineering
- C. Mechanical Engineering
- D. Electrical Engineering
- E. Interior Design

3. DISCIPLINES BY SUBCONSULTANTS

- A. KIMLEY-HORN
 - I. Civil Engineering
 - II. Landscape Architecture
 - III. Parking Ramp Engineering

4. PLANNING AND/OR DESIGN SERVICES

- A. Preliminary Assessment of Owner's Development Objectives
 - I. Provide a preliminary assessment of the Owner's Development Objectives and identify constraints and opportunities that will impact them.
- B. Site Evaluation
 - I. Evaluate the site by, as applicable: (1) performing on-site observations; (2) assessing the physical characteristics of the site; (3) assessing codes, ordinances, and regulations that impact the Owner's Development Objectives; (4) assessing utilities available to the site; and (5) assessing the access, circulation, and parking for the site. The Architect shall make recommendations to the Owner based on its site evaluation.
- C. Site Context Description
 - I. Describe the physical characteristics and context of areas immediately surrounding the site, including existing land uses, proposed development, and public transportation. The Architect shall also describe land use patterns, trends, or potential uses of areas immediately surrounding the site and assess the impact of the Owner's Development Objectives on the surrounding sites and community.



D. Conceptual Drawings

- I. Analysis of alternative approaches to the building development to achieve Owner's Project Requirements. There is no limit on the number of alternative approaches to be developed. One primary option will be decided on and will be the option that is developed for the final report.
- II. Prepare conceptual development drawings based on the Owner's Development Objectives. The drawings may show, as the Architect deems appropriate, land use, building placement, access and circulation of vehicles and pedestrians, parking, utilities, site drainage, landscaping, and development phasing.

E. Estimate of the Cost of Work

- I. Based on the Conceptual Drawings and other services provided, prepare an estimate of the cost of the work for the development of the site.

F. Public Hearings and Meetings

- I. Attend public hearings and citizen information meetings as required to perform the services or as requested by the Owner. Prepare presentation materials as necessary for such public meetings and hearings.

G. Assist in Project Housing Partner Engagement

- I. Architect will assist Owner in engagement of other project partners, such as contractors, developers and the like. Assistance will include, but is not limited to, providing connections to potential partners, submitting preliminary drawings and/or estimates and other similar work to support efforts.

H. Preliminary Sustainable Design Programming

- I. Conduct a workshop with Owner and other stakeholders during which the participants will: review and discuss Minnesota B3 requirements, establish the Sustainable Objective, discuss potential sustainable measures, examine strategies for implementation of the sustainable measures, and discuss the potential impact of the Sustainable Measures on the Project schedule, the Owner's program and the Owner's budget for the cost of work.

I. Project Meetings

- I. Attend meetings with required project stakeholders to discuss and review project process, owner's criteria and other required development of project.

5. **SERVICES NOT INCLUDED**

- A. Identification of environmental requirements
- B. Cultural Factor Assessment
- C. Historic Resource Inventory
- D. Existing Building Evaluation
- E. Development of design beyond feasibility and conceptual design
- F. Construction Procurement
- G. Construction Administration



1500 Highway 52 North
Rochester, MN 55901
Phone: 507-288-8155
www.teamtsp.com

SCOPE OF SERVICES

EXHIBIT 1

SECTION 2: PROJECT SCHEDULE

1. Project Start: April 2024
2. Council Update: September 2024
3. Housing Partner RFP: December 2024
4. Select Housing Partner: February 2025
5. Pre-Design: February/March 2025
6. Start Schematic Design: March 2025 (under separate agreement)

SECTION 3: PROJECT DELIVERABLES

Site evaluation and feasibility report based on the services by TSP noted above. The report can include, but is not limited to, the following:

1. Owner's Development Objectives
2. Facts upon which the report is based
3. Conceptual Drawings
4. Concept Cost Estimates
5. Conceptual Renderings
6. Analysis diagrams, as required.
7. Alternative Options, as required.
8. Conclusions and recommendations, as required.

EXHIBIT 2

CERTIFICATES OF REQUIRED INSURANCE COVERAGES

[Certificates of Insurance attached hereto]



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

9/27/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Marsh & McLennan Agency LLC 300 N. Cherapa PL Sioux Falls SD 57103	CONTACT NAME: D'one Hanisch, CISR Elite, CCIP PHONE (A.C. No. Ext): 605-339-3874 FAX (A.C. No): 605-339-3620 E-MAIL: ADDRESS: d.hanisch@marshmma.com												
INSURER(S) AFFORDING COVERAGE													
INSURED TSP Inc TSP Construction Services Inc 1112 N West Ave Sioux Falls SD 57104-1333	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">INSURER A : First Dakota Indemnity</td> <td style="width: 20%; text-align: center;">NAIC #</td> </tr> <tr> <td>INSURER B : Continental Insurance Company</td> <td style="text-align: center;">10351</td> </tr> <tr> <td>INSURER C : Continental Casualty Company</td> <td style="text-align: center;">35289</td> </tr> <tr> <td>INSURER D : American Casualty Company of Reading PA</td> <td style="text-align: center;">20443</td> </tr> <tr> <td>INSURER E :</td> <td style="text-align: center;">20427</td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </table>	INSURER A : First Dakota Indemnity	NAIC #	INSURER B : Continental Insurance Company	10351	INSURER C : Continental Casualty Company	35289	INSURER D : American Casualty Company of Reading PA	20443	INSURER E :	20427	INSURER F :	
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INSTR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
D	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			2067044182	7/1/2023	7/1/2024	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 15,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COM/OP AGG \$ 2,000,000 \$
C	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY			2067044196	7/1/2023	7/1/2024	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Medical Payments \$ 5,000
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$			2076230375	7/1/2023	7/1/2024	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y / N <input type="checkbox"/> / <input type="checkbox"/> A	WC02000251572023A	7/1/2023	7/1/2024	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
C	Professional Liability Claims-Made Basis			AEH254080534	10/1/2023	10/1/2024	Limit Per Claim 2,000,000 Annual Aggregate 2,000,000 Deductible 125,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Proof of Insurance

CERTIFICATE HOLDER To Whom It May Concern	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS, AUTHORIZED REPRESENTATIVE
---	--

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ACORD 25 (2016/03)

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Rochester, MN 55901
Phone: 507-288-8155
www.teamtsp.com

COMPENSATION

EXHIBIT 3

Client: City of Northfield, MN
To: Ben Martig, City Administrator
From: Von Petersen, AIA, Principal / Architect - TSP, Inc
Date: November 26, 2024
Project: 5th and Washington Mixed Use Development
Service Type: Site Evaluation and Project Feasibility

The Owner shall compensate TSP for the Site Evaluation and Project Feasibility Services as described in Exhibit 1 as follows:

1. Work previously completed for liquor store programming
 - a. Three Thousand Five Hundred Dollars (\$3,500)
2. For scope of work identified in this document
 - a. Forty Six Thousand Five Hundred Dollars (\$46,500)
3. Compensation for expenses associated with additional professional liability insurance in excess of what is normally maintained
 - a. Two Thousand Five Hundred Dollars (\$2,500)
- 4. Total Compensation for Site Evaluation and Project Feasibility**
 - a. Fifty-Two Thousand Five Hundred Dollars (\$52,500)**

Professional architecture and engineering fees are highly dependent on the unique nature of each specific project. This professional fee proposal is the opening dialogue to help clearly establish your anticipated and desired scope of services. Our ensuing joint conversations will define a project that fits your budget and provides a reasonable and fair fee for the high-quality services tailored to your specific needs and objectives.

Occasionally, due to changes in program, scope, or budget, it may become necessary to make revisions to previously approved documents. In such instances, TSP will provide the Owner with a proposal and obtain written authorization to proceed prior to commencing with the changes in our services.

CITY OF NORTHFIELD, MN
CITY COUNCIL RESOLUTION 2024-44

DELEGATING THE NORTHFIELD ECONOMIC DEVELOPMENT AUTHORITY (EDA) TO
PROVIDE AN ADVISORY ROLE TO THE CITY COUNCIL RELATED TO POTENTIAL
REDEVELOPMENTS RELATED TO THE PROJECTS CURRENTLY KNOWN AS THE “5TH AND
WASHINGTON STREET REDEVELOPMENT” AND “5TH AND WATER STREET
REDEVELOPMENT”

- WHEREAS, the City Council of the City Northfield, Minnesota (“City”) desires to facilitate a mixed use, multi-phase downtown redevelopment project, containing certain public improvements included as part of the construction of such projects on the areas identified as the “5th and Washington Street Redevelopment” and the “5th and Water Street Redevelopment” hereafter referred together as “the Projects”; and
- WHEREAS, on March 22, 2022, in pursuit of the foregoing objective, the City Council approved the acquisition of properties located at 411 Water Street and 115 5th Street West in downtown Northfield; and
- WHEREAS, the City has since closed on and has fee title to both 411 Water Street and 115 5th Street West and is holding the same currently for purposes of subsequent use and/or conveyance of the same for a downtown redevelopment project; and
- WHEREAS, the City has approved the sale of 115 5th Street West to Loon Liquors for a destination distillery that draws people to Northfield with multiple goals proposed to achieve the idea of maximizing that property for redevelopment and re-use; and
- WHEREAS, the existing Northfield Liquor Store located at 116 5th Street West is obsolete and the City Council has been pursuing a new construction or re-construction of a new store that will be profitable, will pay its own way to be built, and will achieve the following previous Council stated goals for the Liquor Store:
1. Control the sale of alcohol; and
 2. Provide revenue to supplement traditional tax and fee revenues; and
 3. Provide an economic stimulus to the Central Business District; and
 4. Provide a convenient location for residents to purchase alcohol; and
- WHEREAS, 411 Water Street is currently an underutilized property in the downtown area and should be redeveloped to meet the above-mentioned need as well as provide additional options for potential uses including, but not limited to, residential housing, additional commercial space and parking to support existing and new businesses and residents in downtown Northfield; and
- WHEREAS, redevelopment in the downtown area has been limited by the need for a more comprehensive mixed-use redevelopment project containing significant opportunities for private housing and commercial redevelopment as well as opportunities for public uses such as a new municipal liquor store and parking facilities; and
- WHEREAS, the Project meets a number of strategic priorities of the City’s strategic plan including economic vitality, quality facilities and service excellence, and this includes maximizing redevelopment opportunities in the urban edge that encourages a more

integrated relationship between the downtown and the river and is based on the following plans:

1. Comprehensive Plan: preserving and enhancing the city's unique "small town" heritage, preserving its historic and environmental character, and providing a high quality of life through a sustainable development pattern; and, preserving and enhancing the quality of its neighborhoods, the quality of education, the diversity of employment opportunities, and a diversity of arts, cultural and recreational pursuits; and, maintaining downtown as the focal point of the community and maintaining a prosperous economic base.
2. Comprehensive Economic Development Plan (June 2006): T.I.P Strategies to deploy strategies to advance the factors that will have the greatest impact on Northfield's economic vitality: diversifying the economic base (tax base), maintaining a sense of place and attracting and retaining talented workers.
3. Riverfront Action Plan: "The urban edge encourages a more integrated relationship between the river and downtown." "With building uses spilling out onto the water's edge, the Riverwalk has the potential to become a world class riverfront experience."
4. Downtown Streetscape Framework Plan: Reinforce a positive, genuine character. Design a hierarchy of streetscape elements. "String of Pearls" concept identifies a series of focal points or pearls in the streetscape. Improve the gateway experience into downtown.

WHEREAS, the Projects are being undertaken to accomplish the following City goals and objectives:

1. Support the 'greening' of the riverfront and construction of 'The Promenade'; and
2. Construct a new municipal liquor store; and
3. Support existing and new business with new parking inventory and management; and
4. Enhance walkability and improve mobility options downtown; and
5. Recycle, reuse, and improve infill development in downtown Northfield to enhance tax base; and
6. Creation and retention of jobs and local businesses; and
7. Evaluate the potential to incorporate new residential housing in downtown Northfield; and
8. Evaluate the potential to relocate and maintain the U.S. post office in downtown Northfield and allow better future use and redevelopment of the historic post office building; and
9. Address the City's Climate Action Plan.

WHEREAS, the prior City Council Resolution 2023-072 Regarding Preliminary Authorization for a Downtown Redevelopment Project after a good faith effort did not result in any agreements and the relationship with the prior developer has since mutually terminated; and

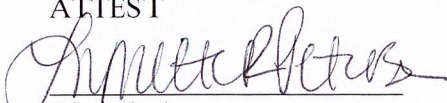
WHEREAS, the Projects are a priority of the City Council and are thus seeking additional time and resources be allocated by the Northfield Economic Development Authority to advise and assist in moving them forward.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL THAT:

1. The Northfield Economic Development Authority to provide an advisory role to the City Council regarding the potential redevelopment of the City-owned properties known as the *5th and Washington Street Redevelopment* located at the intersection of 5th Street East and Washington Street (PID 22.06.2.25.040, PID 22.06.2.25.041, and PID 22.06.2.25.042) shown on the attached *Exhibit A* currently used for municipal parking; and
2. The City of Northfield Municipally owned off-sale liquor store, currently doing business as “Northfield Liquor Store,” is the proposed re-location of a new Northfield Liquor Store to the *5th and Washington Street Redevelopment* that will better meet the overall goals of the City and liquor store customers; and
3. The *5th and Washington Street Redevelopment* will also include at a minimum parking replacement and explore other potential uses including parking expansion, post office relocation, housing, office and retail uses; and
4. The Northfield Economic Development Authority to provide an advisory role to the City Council regarding the potential redevelopment of the City-owned properties as shown on known as the *5th and Water Street Redevelopment* shown on Exhibit B; and
5. The *5th and Water Street Redevelopment* shall include a primary redevelopment area that would include at least these existing properties as illustrated on Exhibit B; and
6. The *5th and Water Street Redevelopment* shall explore the possibilities of an expanded potential redevelopment area as illustrated on Exhibit B; and
7. The Northfield Economic Development Authority, in cooperation and coordination with staff as delegated by the City Administrator, will provide regular updates, options, considerations, and recommendations back to the City Council with the goal to keep a strong connection and ultimate decision-making with the City Council; and
8. The Northfield Economic Development Authority, in coordination with staff, will present an initial update on recommendations to the City Council by the end of September of 2024; and
9. The resolution will remain in effect until amended or terminated by the City Council as they deem appropriate.

PASSED by the City Council of the City of Northfield on this 7th of May, 2024.

ATTEST


 City Clerk


 Mayor

VOTE: Y POWNELL Y HOLMES Y NESS Y PETERSON WHITE
Y REISTER Y SOKUP Y ZUCCOLOTTO

EXHIBIT A – “5TH & WASHINGTON STREET REDEVELOPMENT” SITE LOCATION



Property PID#22.06.2.25.040, PID#22.06.2.25.041, and PID# 22.06.22.25.042

EXHIBIT B – “5TH & WATER STREET REDEVELOPMENT” SITE LOCATION



LEGEND

Primary Redevelopment Area 

Potential Expanded Redevelopment Area 