

CITY OF NORTHFIELD, MINNESOTA  
CITY COUNCIL RESOLUTION 2024-082

A RESOLUTION BY THE MAYOR AND CITY COUNCIL OF THE CITY OF  
NORTHFIELD, MINNESOTA APPROVING THE SALE OF CITY-OWNED REAL  
PROPERTY IN NORTHFIELD, MINNESOTA, AND DISPENSING WITH REVIEW OF THE  
SALE BY THE NORTHFIELD PLANNING COMMISSION

- WHEREAS, the City of Northfield, Minnesota (“City” or “Seller”) desires to sell a portion of the real property located at 1280 Bollenbacher Drive, in the City of Northfield, Rice County, Minnesota (PID Nos. 2201351001, 2201351002, 2201351003) consisting of approximately 3.35 acres in substantially the location depicted on Exhibit A attached hereto and referred to herein as the “Property City Will Convey”; and
- WHEREAS, the buyer of the Property, LTJ Investments, LLC (“Buyer”) is willing to purchase the Property City Will Convey from the City for the total purchase price of One Million Twenty-Five Thousand and 00/100 Dollars (\$1,025,000.00); and
- WHEREAS, the entirety of the City-owned real property, located at 1280 Bollenbacher Drive consisting of approximately 4.75 acres will be surveyed and subdivided by Seller, at Seller’s expense, prior to closing on the sale, in order to create new accurate legal descriptions for the portion of the Property to be sold to and purchased by Buyer depicted on Exhibit A (consisting of approximately 3.35 acres with the City retaining ownership of the remaining approximately 1.4 acres), with the exact legal description of the Property City Will Convey, Exhibit A, to Buyer to be determined by a surveyor and shall follow approval of a minor subdivision/lot consolidation process undertaken by Seller pursuant to City Code; and
- WHEREAS, the Property City Will Convey to Buyer consists of the following: (1) all buildings and improvements constructed or located on the Property City Will Convey, consisting the existing ice arena structure of approximately 24,200 square feet of improved space; and
- WHEREAS, a draft purchase agreement has been prepared and is attached hereto as Exhibit B (the “purchase agreement”); and
- WHEREAS, the draft purchase agreement also includes a lease agreement (the “lease agreement”), attached to the purchase agreement as Exhibit C, and an easement agreement (the “easement agreement”), attached to the purchase agreement as Exhibit D; and
- WHEREAS, the lease agreement gives the City the right to continue to use the Property City Will Convey for municipal ice arena purposes for twenty four (24) months following the commencement date along with two options to extend the term of

the lease as follow: (1) prior to the expiration of the first 12 months of the term, the City may extend the term of the lease for up to six (6) additional months, by providing written notice at least ten (10) days prior to expiration of such first 12 months of the term, and (2) during the second 12 months of the term, the City may extend the term for up to two (2) additional periods of one (1) month each by providing written notice at least six (6) months prior to expiration of the term, with any extensions of the term under the same terms and conditions as contained in the original lease except that Base Rent during such extension period shall increase by 10% above the Base; and

WHEREAS, the lease agreement provides that the “Base Rent” payable by the City during the (i) first year of the term of the lease on a monthly basis shall be \$9,000 per month, or \$108,000 annually, and (ii) second year of the term on a monthly basis shall be \$10,000 per month, or \$120,000 annually; and

WHEREAS, the lease agreement further provides that the City shall be responsible for operation, repairs, improvements, and maintenance costs, including some replacement costs as defined in the lease agreement, for continued use of the ice arena as well as other costs for property taxes applicable to the Leased Premises, reimbursements, charges, insurance, costs, and expenses that the City assumes or agrees to pay in the lease agreement; and

WHEREAS, the easement agreement reserves a permanent easement in favor of the City, 20 feet in width, on the eastern 20 feet of the Property City Will Convey for emergency vehicle access, pedestrian and bike trail, and water drainage purposes; and

WHEREAS, in accordance with the attached draft purchase agreement, the City and Buyer expressly understand and agree that the sale of the Property City Will Convey is contingent upon approval by the City Council of the City of Northfield; and

WHEREAS, if any transaction approval as provided in the purchase agreement is not obtained by the closing date stated in the purchase agreement, the purchase agreement shall then be null and void, without further obligation by either of the parties; and

WHEREAS, Minnesota Statutes, Section 462.356, subdivision 2 states that no publicly owned interest in real property within a city shall be acquired or disposed of until after the planning commission has reviewed the proposed acquisition or disposal and reported in writing to the governing body its findings as to compliance of the proposed acquisition or disposal with the comprehensive plan; and

WHEREAS, the same statute further states, however, that the governing body may, by resolution adopted by two-thirds vote, dispense with the requirements of this subdivision when in its judgment it finds that the acquisition or disposal of real property has no relationship to the comprehensive plan.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL THAT:  
The City Council hereby finds that the proposed sale of the Property City Will Convey by the City of Northfield has no relationship to the City's Comprehensive Plan, and therefore review of the proposed sale by the Northfield Planning Commission is not required under Minn. Stat. § 462.356, Subd. 2, and is hereby dispensed with as allowed by that statute.

BE IT FURTHER RESOLVED THAT: The City Council hereby approves the attached purchase agreement and exhibits thereto and authorizes and directs the Mayor and City Clerk to: (a) execute the purchase agreement substantially in the form hereby approved and allowing any necessary minor or technical changes as approved by the City Attorney; (b) execute such other documentation as necessary to close on the sale of the Property City Will Convey by the City of Northfield, including but not limited to the lease agreement and the easement agreement; and (c) require the Buyer to record such executed deed following closing and such other documentation with and as the Rice County Recorder's Office requires and pay such related fees consistent with the purchase agreement.

PASSED by the City Council of the City of Northfield on this 5th day of August, 2024.

ATTEST

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

VOTE:   \_\_\_ POWNELL   \_\_\_ HOLMES   \_\_\_ REISTER   \_\_\_ NESS  
          \_\_\_ SOKUP   \_\_\_ PETERSON WHITE   \_\_\_ ZUCCOLOTTO

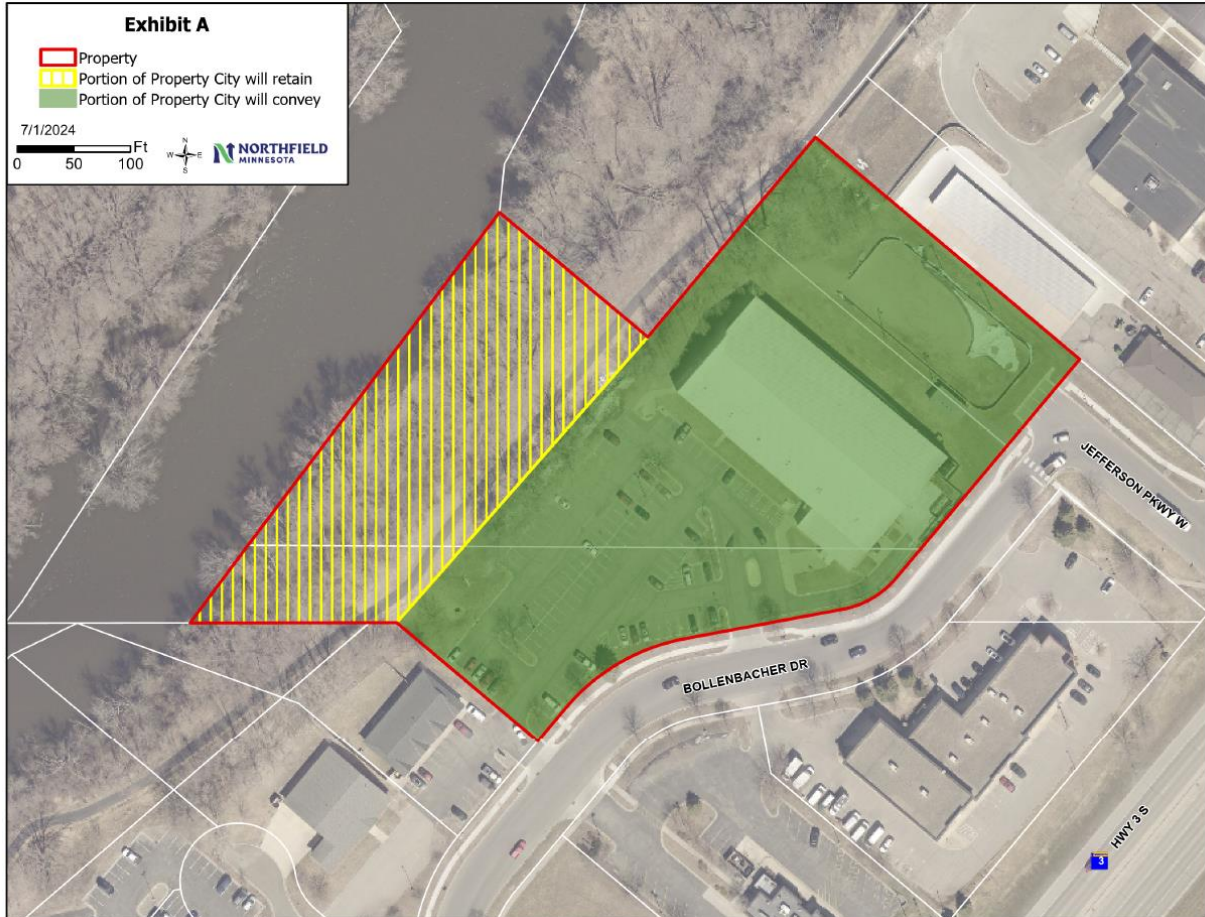
## **EXHIBIT A**

### **DEPICTION OF REAL PROPERTY TO BE CONVEYED TO BUYER**

(Subject to survey and minor subdivision prior to Closing to determine legal descriptions.

Property City will retain contains approximately 1.4 acres.

Property City will convey contains approximately 3.36 acres.)



**EXHIBIT B**  
**PURCHASE AGREEMENT**