

## Legislation Text

**M2017-116**

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**File #:** 17-1073, **Version:** 1

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**City Council Meeting Date:** October 17, 2017

**To:** Mayor and City Council  
City Administrator

**From:** Ben Martig, City Administrator  
Nate Carlson, Economic Development Coordinator

Consideration of NDDC Contract for Services (2018-2020).

**Action Requested:**

Northfield City Council makes a motion to approve the proposed service contract with the Northfield Downtown Development Corporation (NDDC).

**Summary Report:**

On September 5<sup>th</sup>, NDDC Executive Director Jenni Roni presented a two-year budget request to the City Council to continue services for the City. Economic Development Coordinator Carlson has prepared amendments to the Scope of Services related to a three-year contract of services with the NDDC at the requested funding level of \$35,000 per year. The purpose of the three-year contract is to align with the City three year strategic plan and as such ensure financial commitments during that time period. The NDDC has indicated their satisfaction with a three-year contract, which will carry the organization through the end of FY 2020.

NDDC Director, Jenni Roney, and Economic Development Coordinator Carlson made revisions to the Scope of Services provided by the NDDC. The revisions included changes related to the Main Street America Program and alignment of work with the Chamber of Commerce, Convention and Visitors Bureau, and Economic Development Authority. Additionally, the NDDC will provide services that achieve strategic priorities of the City Council and Economic Development Authority.

NDDC Director, Jenni Roney, will present a 2017 year-end review at the second City Council meeting in January 2018.

There is additional background information provided as attachments that was included in the September 5<sup>th</sup> presentation.

**Alternative Options:**

- Consider a motion to request staff to explore amendments to service scope and/or contract amounts to be provided.
- Consider a motion for an alternative contract term for one or two-years.

**Financial Impacts:**

Funding of \$35,000 as requested is currently included in the proposed 2018 budget, and \$35,000 per year is budgeted for the preliminary 2019 and 2020 budget. Total cost over the three years is \$35,000.

This contract is funded through the Mayor and Council budgets and included in the current proposed budget for 2018 and 2019.

## CONSULTANT SERVICE CONTRACT

This Contract, made this 17th day of October, 2017, by and between the CITY OF NORTHFIELD, a Minnesota municipal corporation (the "CITY") 801 Washington Street, Northfield, MN 55057, and the NORTHFIELD DOWNTOWN DEVELOPMENT CORPORATION, a nonprofit corporation organized under the laws of the state of Minnesota, 105 E. Fourth Street, Suite 110, P.O. Box 55, Northfield, MN 55057 ("CONSULTANT"), (collectively the "Parties").

WHEREAS, the CITY requires professional services to assist the CITY in completing its economic development initiatives in the CITY's Downtown Business District (the "Project"); and

WHEREAS, CONSULTANT agrees to furnish the various professional services required by the 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.
- B. **Changes to Scope of Services/Additional Services.** Upon mutual agreement of the parties hereto pursuant to Section VI, Paragraph G 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, attached hereto, requires additional services by CONSULTANT, CONSULTANT shall be entitled to additional compensation consistent with Section III of this Contract. CONSULTANT shall give written notice to the CITY of any additional services prior to furnishing such additional services. The CITY may request an estimate of additional cost from CONSULTANT, and upon receipt of the request, CONSULTANT shall furnish such cost estimate in writing, prior to the CITY's authorization of the changed scope of services.
- C. **Standard of Care.** Services provided by CONSULTANT or its subcontractors and/or sub-consultants 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 trade.
- D. **Insurance.**
  - 1. CONSULTANT agrees to maintain, at CONSULTANT's expense, statutory worker's compensation coverage.
  - 2. CONSULTANT agrees to maintain, at CONSULTANT's expense, general

liability insurance coverage insuring CONSULTANT against claims for bodily injury, death or property damage arising out of CONSULTANT's general business activities (including automobile use).

- i. The liability insurance policy shall provide coverage for each occurrence in the minimum amount of \$2,000,000.
  - ii. The liability insurance policy shall name the City of Northfield as additional insured.
  - iii. The liability insurance policy shall provide a minimum aggregate limit of \$4,000,000.
3. True, accurate and current certificates of insurance, showing evidence of the required insurance coverages, are hereby provided to the CITY by CONSULTANT and are attached hereto as Exhibit 2.

## SECTION II – THE CITY'S RESPONSIBILITIES

- A. The CITY shall promptly compensate CONSULTANT as services are performed to the satisfaction of the CITY's City Administrator, or their designee, in accordance with Section III of this Contract.
- B. The CITY shall provide access to any and all previously acquired information relevant to the scope of services detailed in Exhibit 1, attached hereto, in its custody to CONSULTANT for its use, at CONSULTANT's request.
- C. The CITY's City Administrator, or their designee, shall serve as the liaison person to act as the 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 the CITY's policies with respect to the Project and CONSULTANT's services.

Such person shall be the primary contact person between the CITY and CONSULTANT with respect to the services from CONSULTANT under this Contract. The CITY reserves the right to substitute the authorized contact person at any time and shall notify CONSULTANT thereof.

## SECTION III – CONSIDERATION

- A. **Fees.** The 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. If the CITY fails to make any payment due CONSULTANT for services performed to the satisfaction of the CITY's City Administrator, or their designee, as detailed in Exhibit 3,

CONSULTANT, without waiving any claim or right against the CITY and without incurring liability whatsoever to the CITY, suspend services due under this Contract until CONSULTANT has been paid in full all amounts due for services, expenses and charges.

#### SECTION IV – TERM AND TERMINATION

- A. **Term.** This Contract shall commence on January 1, 2018 written above and be in effect until December 31, 2020.
- B. **Termination.** This Contract may be terminated by either party for any reason or for convenience by either party upon ninety (90) 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, computed in accordance with Section III of this Contract.
- 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, attached hereto, pursuant to the requirements of Section I of this Contract, in such a manner as to endanger the performance of the 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, attorney and consultant fees reasonably incurred by CITY in enforcing this Contract.
- D. **Suspension of Work.** If any work performed by CONSULTANT is abandoned or suspended in whole or in part by the CITY, CONSULTANT shall be paid for any services performed to the satisfaction of the CITY's City Administrator, or their designee, prior to CONSULTANT's receipt of written notice from the 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 completed by CONSULTANT to the satisfaction of the CITY's City Administrator, or their designee, as determined by the CITY.

#### SECTION V – INDEMNIFICATION

- A. CONSULTANT shall indemnify, protect, save, hold harmless and insure the CITY, and its respective officers, directors, employees and members and agents, from and against any and all claims and demands for, or litigation with respect to, all damages which may arise out of or be caused by CONSULTANT or its agents, employees, contractors, subcontractors, or sub-consultants with respect to CONSULTANT's performance of its obligations under this Contract. CONSULTANT shall defend the CITY against the foregoing, or litigation in connection with the foregoing, at CONSULTANT's expense,

with counsel reasonably acceptable to the CITY. The 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. The indemnification provision of this Section shall not apply to damages or other losses proximately caused by the negligence or willful misconduct of the CITY. All indemnification obligations shall survive termination, expiration or cancellation of this Contract.

- B. Nothing contained in this Contract shall create a contractual relationship with or a cause of action in favor of a third party against the CITY or CONSULTANT. CONSULTANT's services under this Contract are being performed solely for the CITY's benefit, and no other entity shall have any claim against CONSULTANT because of this Contract or the performance or nonperformance of services 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 thereof; 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 thereby.
- 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.** The PARTIES' representatives for notification for all purposes are:

**THE CITY:**

City Administrator  
City of Northfield  
801 Washington Street  
Northfield, MN 55057

**CONSULTANT:**

Executive Director  
Northfield Downtown Development Corporation  
PO Box 55  
Northfield MN 55057

- D. **Independent Contractor Status.** CONSULTANT, at all times and for all purposes hereunder, shall be an independent contractor and is not an employee of the CITY for any

purpose. No statement contained in this Contract shall be construed so as to find CONSULTANT to be an employee of the CITY, and CONSULTANT shall not be entitled to any of the rights, privileges, or benefits of employees of the 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, 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/duties required by this Contract, withholding their taxes and paying all other employment tax obligations on their behalf.

- E. **Subcontracting.** CONSULTANT shall not enter into any subcontract for performance of any services contemplated under this Contract without the prior written approval of the CITY. CONSULTANT shall be responsible for the performance of all subcontractors and/or sub-consultants.
- F. **Assignment.** This Contract may not be assigned by either Party without the written consent of the other Party.
- G. **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 the CITY and CONSULTANT.
- H. **Records—Availability and Retention.** Pursuant to Minn. Stat. § 16C.05, subd. 5, CONSULTANT 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 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.
- I. **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, 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.

- J. **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.
- K. **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.
- L. **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 the CITY.
- M. **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.
- N. **Interest by City Officials.** No elected official, officer, or employee of the CITY shall during his or her tenure or employment and for one year thereafter, have any interest, direct or indirect, in this Contract or the proceeds thereof.
- O. **Work Product.** All materials such as reports, exhibits, models, graphics, computer files, maps, charts, and supporting documentation produced under work authorized by this Contract ("Materials") shall become the property of CITY upon completion of the 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.
- P. **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.



- Q. **Data Practices.** The PARTIES acknowledge that this Contract is subject to the requirements of Minnesota's Government Data Practices Act, Minnesota Statutes, Section 13.01 *et seq.*
- R. **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.
- S. **Patented Devices, Materials and Processes.** If this Contract requires, or the 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 and a copy of said agreement shall be filed with CITY. If no such agreement is made or filed 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, and shall indemnify and defend CITY for any costs, liability, expenses and attorney's fees that result from any such infringement.
- T. **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 the City's interest in any 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.
- U. **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.
- V. **Entire Contract.** These terms and conditions constitute the entire Contract between the PARTIES regarding the subject matter hereof. All discussions and negotiations are deemed merged in this Contract.
- W. **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.

- X. **Survivability.** All covenants, indemnities, guarantees, releases, representations and warranties by any Party or PARTIES, and any undischarged obligations of the CITY and CONSULTANT arising prior to the expiration of this Contract (whether by completion or earlier termination), shall survive such expiration.
  
- Y. **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: NORTHFIELD DOWNTOWN DEVELOPMENT CORPORATION

By: Daniel R Bergeson  
(Signature)  
Title: PRESIDENT  
Print Name: DANIEL R BERGESON

Date: 1/12/18

By: \_\_\_\_\_  
(Signature)  
Title: \_\_\_\_\_  
Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

CITY OF NORTHFIELD:

By: Rhonda Pownell  
Rhonda Pownell, Its Mayor

Date: 10-17-17

By: Deb A Little  
Deb Little, Its City Clerk

Date: 10/17/2017

## EXHIBIT 1

### SCOPE OF SERVICES

Subject to the terms of this Contract, CONSULTANT shall perform the following services as its contractual obligation to the CITY:

1. Develop and implement a strategy for CONSULTANT's organizational sustainability as well as to potentially serve as a funding option for other priority projects in the downtown.
  - a. Complete a comprehensive report on Special Service Districts as a potential model for long term financial sustainability for the administration services of the Northfield Downtown Development Corporation and services that are not ordinarily provided throughout the city or are provided at an increased level than the rest of the City, in accordance with Minnesota Statute 428A, or applicable law, which authorizes the City to establish Special Service Districts and impose annual service charges on eligible properties within the District.
    - i. Illustrate how this may be applicable for implementation in the context of financial sustainability.
2. Implement Main Street America Program in collaboration with Economic Development Partners (i.e. Chamber of Commerce, Convention and Visitors' Bureau and Northfield Enterprise Center).
3. Develop strong collaborative relationships with City staff, Northfield Economic Development Authority (EDA), and the Northfield Area Chamber of Commerce & Tourism on projects and programs which relate to the support and improvement of downtown Northfield.
  - a. Work collaboratively with the Northfield Area Chamber of Commerce & Tourism to accomplish a single source community events calendar.
  - b. Work collaboratively with the Northfield Area Chamber of Commerce & Tourism to accomplish single source location maps.
  - c. Work collaboratively with the Northfield Area Chamber of Commerce & Tourism to accomplish single source marketing materials.
  - d. Pursue options for a co-located operation with the Northfield Area Chamber of Commerce & Tourism for more direct alignment of resources and coordinated work plans.
4. Communicate with businesses, both in person and through other means, to assemble a useful picture of the needs and concerns of the business district in general, to inform of CITY projects affecting the district, and address specific issues of recruitment and retention.
5. Support CITY strategic initiatives pertaining to the opportunity of

expanding and revitalizing the Cannon River corridor in the downtown area.

6. Support Economic Development Authority (EDA) strategic initiatives related to development, redevelopment, and other business opportunity in the downtown.
7. Educate downtown business owners on C-1 District signage regulations and CITY regulations and resources pertaining to the C-1 District.
8. Assist CITY, as requested, in providing downtown stakeholder input related to items such as downtown parking initiatives, acting as primary coordinator for garbage enclosure initiative, marketing downtown projects and others that may arise. Identify private funds and volunteer opportunities to achieve these ideas.
9. Report to the CITY twice per year during 2018, 2019 and 2020, at mid-year and year-end. The CONSULTANT will report on CONSULTANT's activities, specifically identifying those areas of work CONSULTANT has undertaken to assist the CITY in accomplishing its economic development initiatives and the CITY's Economic Development Authority's work plan initiatives. The CONSULTANT will submit a written report before the meeting and make a verbal presentation at the meeting. Finally, the CONSULTANT will also submit its year-to-date financial report for the meeting.

**EXHIBIT 2**

**CERTIFICATES OF REQUIRED INSURANCE COVERAGES**

*[Certificates of Insurance attached hereto]*



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
11/09/2017

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).

<b>PRODUCER</b> Heartman Insurance 1186 South Highway 3 Northfield, MN 55057	<b>CONTACT NAME:</b> PHONE (A/C, No, Ext): <b>(507) 645-5693</b>		FAX (A/C, No): <b>(507) 645-8539</b>
	<b>E-MAIL ADDRESS:</b> info@heartman.com		
		<b>INSURER(S) AFFORDING COVERAGE</b>	<b>NAIC #</b>
		<b>INSURER A : Selective Insurance Group, Inc</b>	<b>19259</b>
<b>INSURED</b> Northfield Downtown Development Corp PO Box 55 Northfield, MN 55057	<b>INSURER B : SFM</b>		<b>11347</b>
	<b>INSURER C :</b>		
	<b>INSURER D :</b>		
	<b>INSURER E :</b>		
	<b>INSURER F :</b>		

**COVERAGES**      **CERTIFICATE NUMBER:**      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	X		S 1793488	07/17/2017	07/17/2018	EACH OCCURRENCE	\$ 2,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 100,000
							MED EXP (Any one person)	\$ 5,000
							PERSONAL & ADV INJURY	\$ 2,000,000
							GENERAL AGGREGATE	\$ 4,000,000
							PRODUCTS - COMP/OP AGG	\$ 4,000,000
								\$
							COMBINED SINGLE LIMIT (Ea accident)	\$
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
PROPERTY DAMAGE (Per accident)	\$							
	\$							
	<input type="checkbox"/> <b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <input type="checkbox"/> <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED    RETENTION \$						EACH OCCURRENCE	\$
							AGGREGATE	\$
								\$
B	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	73013.202	02/22/2017	02/22/2018	<input checked="" type="checkbox"/> PER STATUTE	<input type="checkbox"/> OTH-ER
							E.L. EACH ACCIDENT	\$ 500,000
							E.L. DISEASE - EA EMPLOYEE	\$ 500,000
							E.L. DISEASE - POLICY LIMIT	\$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
The City of Northfield is additional insured on the general liability only as their interest may appear.

<b>CERTIFICATE HOLDER</b>  City of Northfield 801 Wshington St Northfield, MN 55057	<b>CANCELLATION</b>  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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### EXHIBIT 3

#### COMPENSATION

Subject to the limitations and conditions set forth in this Exhibit, the CITY will pay CONSULTANT a fee not to exceed \$105,000.00 ("Contract price") for CONSULTANT's services, including expenses, under this Contract for the Term hereof.

The CITY will make periodic payment of the Contract Price to CONSULTANT, in the following manner and according to the following schedule of payments:

1. \$ 17,500.00 following the signing of this Consultant Service Contract by all Parties payable after January 1, 2018 and before January 15, 2018;
2. \$ 17,500.00 within thirty (30) days of completion of CONSULTANT's mid-year report to the CITY Council, which report shall be made in either June or July 2018;
3. \$ 17,500.00 within thirty (30) days of completion of CONSULTANT's 2018 year-end report to the CITY Council, which report shall be made in January 2019; and
4. \$ 17,500.00 within thirty (30) days of completion of CONSULTANT's mid-year report to the CITY Council, which report shall be made in either June or July 2019.
5. \$ 17,500.00 within thirty (30) days of completion of CONSULTANT's 2019 year-end report to the CITY Council, which report shall be made in January 2020; and
6. \$ 17,500.00 within thirty (30) days of completion of CONSULTANT's mid-year report to the CITY Council, which report shall be made in either June or July 2020.

The CITY's responsibility to make the payments described above after the first payment shall be contingent upon CONSULTANT first demonstrating, to the CITY's satisfaction when reporting to the CITY Council, progress in:

1. Accomplishing its responsibilities listed in Exhibit 1; and
2. Improving cooperation and collaboration with the CITY and all its partnering organizations related to this Contract.



# Northfield Downtown

DEVELOPMENT CORPORATION

August 2, 2017

Dear Northfield City Staff and Council,

We are looking forward to presenting an update from the NDDC next week on our progress in the first half of 2017. I started as the new Executive Director in January and have enjoyed building new relationships through the Northfield Rotary Club, the Northfield Roundtable, the CVB Board, and my work with downtown stakeholders. I have also been meeting quarterly and collaborating regularly with the Economic Development Partners, which includes staff from the City, the Chamber, the NEC and the CVB.

The NDDC currently has a board of nine members: Dan Bergeson (President), Steve Schmidt (VP), Felicia Crosby (Secretary), Angela Humann (Treasurer), Brett Reese, Joe Hargis, Greg Heymans, Charlie Kyte and Dave Neuger.

We also have a group of community members who meet monthly as a part of our Vision in Action taskforce. They presented their ideas to Council along with the Roundtable as a part of the City's strategic planning process.

Attached you will find our mid-year report which outlines eight tasks specified in our contract for services with the City. Our work is still ongoing, but we have addressed our accomplishments thus far in each area. We look forward to discussing it further with you on August 8<sup>th</sup>.

The NDDC applauds the City for your work in creating a Strategic Plan and we look forward to supporting you in executing those initiatives for Downtown Northfield.

Sincerely,



Jenni Roney  
Executive Director

# Northfield Downtown

## DEVELOPMENT CORPORATION

August 8, 2017

### Mid-year progress report from the NDDC on fulfilling its 2017 contract with the City of Northfield

1

Develop and implement a strategy for CONSULTANT's organizational sustainability as well as to potentially serve as a funding option for other priority projects in the downtown.

#### Special Services District

Minnesota Statute 428A authorizes municipalities to establish Special Service Districts and impose annual service charges on eligible properties within the District. One of the services that is usually supported by this funding is the management of the district on behalf of the district stakeholders and in collaboration with the municipality. The NDDC researched this concept with an eye toward becoming more financially self-sustaining over time.

The following Minnesota communities have Special Services Districts (SSDs) or Business Improvement Districts (BIDs). Some are no longer active.

1. Crookston (1 district)
2. Duluth (1 district)
3. Little Falls (1 district)
4. Mankato (1 district)
5. Minneapolis (18 districts)
6. New Ulm (1 district)
7. Rochester (1 district)
8. St. Louis Park (6 districts)
9. White Bear Lake (1 district)

They have been used for a variety of purposes, including: storefront improvements, flood control, waterfront expansion, parking, lighting, banners, snow removal, landscaping, security, marketing of special events, waste removal and general upkeep.

#### Benefits of SSDs

- Provide stable, multi-year funding
- Services are measurable
- Demonstrate property-owner support
- Equitable because all who benefit pay for the services. Assessments are proportionate to the benefit received and tax-exempt properties participate because they receive services/benefits.
- Encourages financial participation from property owners who benefit from the NDDC but do not make voluntary financial contributions.

## Special Services District Cost/Benefit model

Example Building Value	\$300,000	\$600,000	\$900,000
SSD Assessment at .003	\$900	\$1800	\$2700
Clean and Safe Snow Removal, Sidewalk Cleaning	\$450	\$900	\$1350
Marketing/Events Downtown ads, Events	\$180	\$360	\$540
Physical Improvements Banners, Benches	\$180	\$360	\$540
District Services Garbage Collection	\$90	\$180	\$270
<b>Total Benefits per building</b>	<b>\$900</b>	<b>\$1800</b>	<b>\$2700</b>

### Direction of the SSD

The SSD would be managed by the NDDC Board of Directors. With the help of the NDDC Executive Director and/or other staff, they will manage collecting the funds, providing services and implementing the district improvements.

### Sources of Financing

There are three models of SSD financing. The Private model collects fees from its members. The Public model sets up a special assessment district. The Private-Public model is a combination of these sources.

### Financing Assessment

Financing can be assessed by (1) percentage of real estate value, (2) percentage of sales volume, or (3) square footage.

### Potential Boundaries

The SSD could cover either the entire C1 district or just the historic district. This SSD concept could be used by other advisory boards in areas outside of Downtown Northfield. The NDDC will continue to conduct more research in cooperation with the City in the coming months to determine the feasibility of a Special Services District in Downtown Northfield.

**2**

Complete a review and report on consideration of pursuing Main Street America Community Designation status and present findings to the CITY.

## Main Street Program

Staff attended the MN Main Street Basic Training Workshop on April 11th. It was a fantastic opportunity to meet other directors of main street programs from around the state. Here is a summary of her findings:

1. **Current MN Main Street cities**
  - a. Faribault, MN--Affiliate
  - b. Owatonna, MN--Affiliate
  - c. Red Wing, MN--Affiliate
  - d. New Ulm, MN--Affiliate
  - e. Shakopee, MN--Accredited
  - f. Winona, MN—Accredited
  - g. Willmar, MN--Affiliate

2. **Most Minnesota Main Street cities receive City funds to run their programs**

- a. 5 out of 7 programs currently receive City funds with the average amount being \$23,400/year.

**Most share offices/partner with their Chamber/CVB**

- a. 5 out of 7 programs are housed within a Chamber/CVB. One nonprofit has an office in the same building as the Chamber and partners often.

4. **Main Street programs deliver measurable outcomes to their cities**

- a. In 2016, for every \$1 spent to run a local Main Street program, \$35.33 was reinvested in the community (in 2015, it was \$24.71)
- b. From 2010 to 2016, local designated Main Street communities recorded \$48.4 million in public and private financial reinvestment; 115 net new businesses; 543 net new jobs; 426 property improvements.
- c. Main Street program advantages
- i. The Main Street Approach is so successful because it provides local community-based organizations with a road map for how to set strategies for their downtowns that will comprehensively improve the overall economy and quality of life.
  - ii. The Main Street Approach helps communities get started with revitalization, and grows with them over time. It isn't a quick fix or "beginner" program, but evolves to suit a community's needs.
  - iii. Main Street empowers communities to set their own goals, leverage local leadership, and achieve results that are meaningful to them.
  - iv. Main Street builds leaders from within communities. It relies on the expertise and commitment from community members, and helps activate local citizens in their own community transformation.
  - v. Here is a video with more info: <https://vimeo.com/213724565>

To become a designated Accredited Main Street program we would need to reach 40 hours FTE status, but all hours spent on downtown related programs by the NDDC, Chamber, the CVB and the City could count toward the total. In the meantime, we can apply to become a designated Affiliate Main Street program (most programs are Affiliates working towards becoming Accredited) by sharing hours among different organizations, but the program couldn't be designated as a Nationally Accredited program unless all of the hours come from one organization.

The NDDC would pay a \$2000 fee but we would then get access to \$7000 in technology funds which can be used for things like: branding, website updates, hosting a social media seminar for businesses, doing a market study, hiring grant writers, etc. Designation would give us access to valuable networking, idea exchange, conferences, seminars, access to statistics and available grants, help writing workplans, sample budgets, etc.

Some main street programs collaborate with their Chamber through a "Friends of Downtown" program. Downtown businesses who donate to the NDDC would get a listing on our website. Chamber members would be included for free, businesses who don't want to be Chamber members would just donate to the NDDC be a Friend of Downtown. Different donation rates would get different perks, i.e. event sponsorships, additional social media marketing, etc.

The NDDC is a vital partner, working in collaboration with the City, the Chamber and the CVB. Together we each play important but unique roles in ensuring a bright future for the Northfield area. As a designated Main Street City, the NDDC can continue to fulfill our mission of sustaining a vibrant downtown where people want to live, work and play.

Develop strong collaborative relationships with City staff, Northfield Economic Development Authority (EDA), and the Northfield Area Chamber of Commerce & Tourism on projects and programs which relate to the support and improvement of downtown Northfield.

## Collaboration with Partner Organizations

In researching other cities, we have seen a common partnership model comprised of the City, the Chamber, the CVB and the Main Street organization. While each organization has a slightly different mission, together we can strengthen our community.

The Chamber serves its members across the entire Northfield area, the CVB increases tourism in that same area, the NDDC sustains a vibrant downtown, and the City supports these partners' work and vice versa. It has been powerful to participate together in the recent ribbon cutting and groundbreaking ceremonies of the Fairfield Inn and Suites Hotel, Content Bookstore and Imminent Brewing. We are also discussing the option of sharing a common office space to better align our resources and reduce duplication of efforts. The Executive Committee of the NDDC and the Executive Board of the Chamber are planning to meet in August to further this conversation.

The NDDC has been increasing collaboration with partners community-wide in the first six months of 2017 including: the City, the Chamber, the CVB, the NEC, the Northfield Historical Society, the Northfield Arts Guild, the Heritage Preservation Commission, the Arts & Culture Commission, the Roundtable, Northfield Promise, Northfield Shares, the Northfield Rotary Club, WINGS and the NDDC's Vision into Action Taskforce.

## Communication with Businesses

- Staff has communicated in person, by phone and via email with more than 75 downtown businesses. As we seek feedback regarding needs and concerns of the district, recurring themes have included more parking and flood control for riverfront properties. We started a closed Facebook group called the NDDC Neighborhood where downtown stakeholders can communicate with one another and the NDDC about downtown-related issues.
- Staff attends monthly "Be Local Buy Local" committee meetings at the Chamber. We participate in quarterly meetings with the Economic Development Partners: the City, the Chamber, the CVB and the NEC to coordinate our efforts.
- We continue to promote Downtown Northfield and its businesses through Facebook, Instagram and our blog/website. We nominated Downtown Northfield in the "America's Main Street" contest and reached the quarterfinals (top 25 in the nation), yielding nationwide publicity for our city.
- We are communicating with the City about available space in the district. We are assisting the City with issues like: individuals seeking information on available space, sidewalk sign use reminders for businesses and event inquiries.
- Our Vision into Action Taskforce presented their ideas to Council. They continue to meet monthly and will begin taking action as they work on the use of parklets and start First Fridays Art Walks this fall downtown.
- We hosted the first Downtown Northfield Taste Tour food crawl on June 15th and sold over 3000 tickets in two hours. Eleven downtown restaurants shared 70% of the profits and 30% went to the NDDC.
- All Carleton and St. Olaf freshmen will receive a map and listing of downtown businesses as a part of our annual Welcome Students Campaign, in partnership with the Northfield News.

Communicate with businesses, both in person and through other means, to assemble a useful picture of the needs and concerns of the business district in general, and address specific issues of recruitment and retention.

5

Maintain and expand the database of downtown property (including storefronts, offices and apartments) and businesses.

### Downtown Property Database

The NDDC Board feels that maintaining this database may not be the best use of part-time staff and could result in not fulfilling other tasks on the organization's work plan. However, the NDDC is in conversation with the other economic development partners about how to accomplish this necessary activity. The Chamber website usually has a listing of properties for sale in the area.

### River Corridor Expansion

We look forward to supporting the City's Strategic Plan in this area in the future. There is currently a marked canoe/kayak takeout south of the 5th Street bridge. To offer a true canoe portage opportunity, the NDDC Vision into Action Task Force recommends creating a canoe launch north of the 2nd Street bridge. This is a feature that was part of the original plan for the Crossing site, but it has never been developed. Extending the Riverwalk path on the west side of the river north of the 2nd Street bridge and putting a canoe/kayak launch at the north terminus of the path would further strengthen the recreational appeals of the CVB and bring additional economic benefits to the City.

Another recommendation of the NDDC Vision into Action Task Force is to place directional signage on both trail approaches to the Peggy Prowe bridge indicating the direction and distance to Downtown Northfield. They recommend placing another sign at the trail divide on the east end of the trail underpass under HWY for the same purpose. When the bicycle and pedestrian trail is completed on the east side of the Cannon River between Northfield and Dundas in the very near future, it will make economic sense to let visitors know where they can rest and spend some money in downtown establishments.

6

Assist the CITY in pursuing the opportunity of expanding and revitalizing the Cannon River corridor in the downtown area.

7

Assist the CITY economic development staff efforts as requested related to interest in development, redevelopment, and other business opportunity in the downtown.

The NDDC has been quietly working for the past couple of years to recruit restaurant operators to expand their business or relocate their business to Downtown Northfield. We have a project on the horizon that could come to fruition within the next year.

The NDDC has recently been asked by the City to assist in reminding downtown businesses about the allowed uses of sidewalk signs in the downtown district. We have created an illustrated flyer with illustrated dos and don'ts and will be personally delivering these flyers to appropriate businesses.

The NDDC Vision into Action Task Force has proposed deploying a concept in the use of public spaces in urban areas. Commonly referred to as a "parklet", this concept involves temporarily repurposing an on-street parking space to an accessible public park or "parklet". The infrastructure would be designed with portability in mind so that it could easily be removed for street cleaning or snow removal.

### Citizen Requests

8

Assist CITY, as requested, in providing downtown stakeholder input related to citizen requests related to items such as parking restrictions, pedestrian safety enhancements, and conversion of parking to temporary park/patio, bicycle rack locations and others that may arise. Identify private funds and volunteer opportunities to achieve these ideas.



# **Northfield Downtown** DEVELOPMENT CORPORATION

## **Contract For Services 2018-2019** **Funding Request**



## ● Co-officing Approved ●

● We are pleased to announce that the NDDC Board and the NEC Board voted unanimously to share an office space with the Chamber and CVB in Downtown Northfield, pending lease negotiations.



- **NDDC Workplan in Progress** ●

We are working with City Staff to finalize a 2018 workplan based on the needs of the City for Downtown Northfield. We will have a scope of services draft in the packet for the October 3rd Council meeting.

# ● ● Continuation of Activities ●

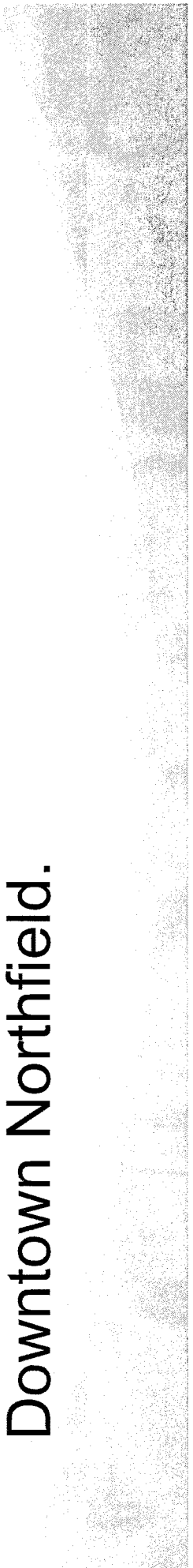
We will continue the progress made in 2017:

- Collaboration with partner organizations
- Promotion and marketing of downtown
- Communication with business and property owners
- Pursuing MN Main Street Designation
- Facilitating the Vision In Action group
- Downtown events like the Taste Tour Food Crawl
- Handling citizen requests, connecting with colleges

# ● ● ● NDDC Financial Status

○ We will have to draw on our cash reserves in 2017, projecting a \$7000 loss with our current funding. Leasing an office with the Chamber and CVB will add an additional \$6000 in annual expenses.

○ We would like to ask the Council to reinstate our former funding level so we can partner with the City of Northfield to implement Strategic Plan initiatives, working together to sustain a vibrant Downtown Northfield.



- ●  
**Contract for Services  
2018-2019**

The Northfield Downtown Development Corporation is requesting a **2-year contract for services** with the City of Northfield in the amount of **\$35,000 per year** for 2018 and 2019.

# Northfield Downtown

## DEVELOPMENT CORPORATION

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Funding Request • September 5, 2017

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