June 9, 2016

To: Ben Martig, City Administrator
Dana Graham, Mayor

Cc: Chris Heineman, Community Planning & Development Director

From: Save the Northfield Depot (STND)

Re: Proposed Council Agenda Item: STND TIF#4 funding request.

Save the Northfield Depot is asking that our request for TIF#4 funding be added to a City Council agenda within the next few weeks. Last December the EDA approved a recommendation to the Council to approve the request. While it is not immediately time sensitive, there are several relevant factors related to the timing of our request.

1) As noted in the attached timeline, the depot was one of three projects discussed in February as "in the que" for the TIF#4 funds. The other two were the #3 and 3rd St. Crossing (for which we believe TIF#4 funds have been allocated) and the west river wall (for which TIF#4 funds were approved this week).

2) We understand that the deadline for TIF#4 funds is July 2016.

3) We are starting our second construction phase and need to sequence the work to be completed; it also has implications for the budget and fund-raising schedule.

Please let us know when it will be on the agenda and what information we should provide for the Council packet. Thank you for your consideration.

Attachment: Timeline of TIF#4 Developments

Attachment: Timeline of TIF#4 Developments

Thursday, December 17, 2105. EDA Meeting
EDA voted to approve a recommendation to the Council to approve the request from STND for $99,000 from the TIF 4 District Steetscape Fund for the public components on the depot complex: pavement, curb & gutter, sidewalk, and lighting.

Tuesday, February 9, 2016 Council Work Session:
The Council reviewed the list of project items that had been identified for possible TIF#4 funding which included the STND request for $98,707. The STND request was one of three projects staff discussed at the February 9 Work Session; the other two were the 3rd St. & #3 intersection and the river west wall.

At the time, staff expressed concern that if all three were approved, there would be only $243,000 left in the TIF#4 funds, short of the $500,000 that Chris estimated the Crossing hotel development would be requesting $500,000 for their "funding gap". The hotel TIF#4 request was not yet formal because they had not yet submitted their site plan for approval.

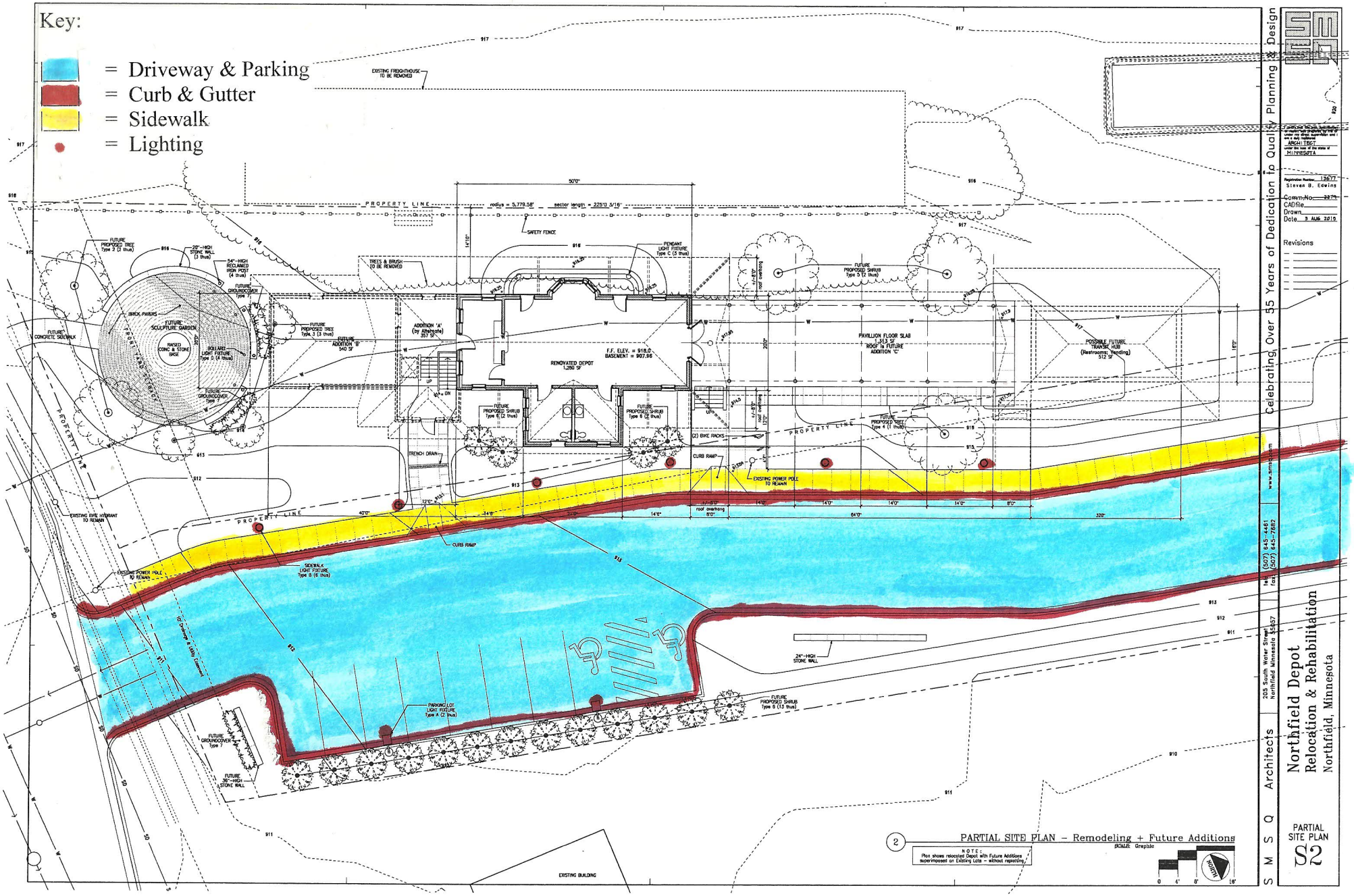
A Council member asked about the timing of the three requests. Staff indicated the intersection and river wall were likely to be addressed in April and the Depot sometime in the spring.

March 30: Request from Staff to STND
Chris Heineman asked STND for specific bid documents including costs, scope, and maps. The bid was received on May 2 and came in at $129,125; information was sent to Chris.

Tuesday, May 17: Regular Council Meeting
As directed by Council, staff proposed alternative options to using TIF#4 funding for the hotel requested funding.

Tuesday, June 7: Regular Council Meeting
Council approved TIF#4 funds for the river west wall.

Attachment C: Site Plan



PROPOSAL Page No. 1 Of 2 pages

203 NW 1st Ave, Suite A Faribault, MN 55021
PH: 507-332-0990 FX: 507-334-8350

PROPOSAL SUBMITTED TO: Save the Northfield Depot **PHONE:** 507-645-7579 **DATE**: April 12, 2016

STREET: 150 Water St. S. **JOB NAME**: Site Improvements

CITY, STATE, ZIP CODE: Northfield, MN. 55057 **JOB LOCATION:** 204 3rd Street W. Northfield, MN.

ARCHITECT: None **DATE OF PLANS:** **JOB PHONE:**

WE PROPOSE hereby to furnish material and labor - complete in accordance with specifications below, for the sum of:
One hundred twenty thousand one hundred twenty five and NO/100 ($120,125.00)
Payment to be made as follows:
Progress payments for work in place
All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from specifications below involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workmen's Compensation insurance.

Authorized
Signature
Note: This proposal may be
Withdrawn by us if not accepted within 90 Days

We hereby submit specifications and estimates for:

Scope of work

Parking Lot & Drive

- Install silt fence and other erosion control devices as needed to contain the work area
- Stake curb lines and set grades by surveyor
- Subcut & grade areas to receive bituminous, curbing & sidewalks
- Import, place and compact base material
- Install B612 concrete curb
- Backfill curb with material from site
- Remove and infill existing driveway approach on 3rd St. W.
- Remove existing curb and install new concrete driveway approaches from 3rd St. W. and 2nd St. W.
- Place bituminous paving
    - 2" base course
    - 1.5" wear course
- Stripe parking lot

Storm Sewer

- Construct (1) structure with cast iron casting to be located in southeast corner of parking lot
- Construct (1) structure over existing city storm sewer pipe
- Install pipe between structures
- Restore street, curb & gutter and sidewalk
- Restore turf adjacent to sidewalk

Electrical

- Provide & install eight 24" concrete bases for light fixtures
- Provide & install 1" and ¾" PVC from Depot Building to each light pole
- Provide & install two separate switch legs to light fixture – one for Type A light fixture and one for Type B light fixture
- Provide one single pole time clock and photo control to control parking lot Type A and Type B light fixtures

Signage

- Furnish and install (1) ADA compliant handicap parking sign & post

Alternate

Construct sidewalk along west side of curb (approximately 1,700 SF) Add: $9,000.00

Exclusions & Conditions

1. Sodding, seeding or temporary erosion control of site is not included
2. Proposal is based on Site Plan dated September 15, 2015
3. Does not include any utility relocations if needed

ACCEPTANCE OF PROPOSAL - The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above

Date of Acceptance:_____ Signature:_____

July 11, 2016

To: Mayor Graham and City Council Members

Cc: Ben Martig, City Administrator
Chris Heineman, Community Planning & Development Director

From: Save the Northfield Depot

Re: Updates

Save the Northfield Depot
414 Riley Drive
Northfield, MN 55057
www.northfielddepot.org

In preparation for the July 12th City Council Work Session, Administrator Martig suggested that we provide an update on the depot repair and renovation work, and a financial update.

Repair and Renovation Update

Significant progress has been made since the move in January, although some of it is not generally visible (see attachment for selected images).

- The most visible - the roofless building adjacent to the depot on the new site was removed by the railroad.
- The south roof eve was constructed (removed in 1944 when attached freight house was added).
- The two trackside window openings were restored to the original door openings. Doors were converted to windows in 1944. Doors will be added when station master's bay is built.
- The large window on the north side was converted into an opening for the future double door that will serve as the handicapped accessible entrance. That entrance will be level with the pavilion floor. Permanent doors will be added at the same time as the trackside doors.
- To serve the two trackside doors, concrete steps have been added using a design similar to the original steps, but meeting the current safety code. The design retains the visibility of the existing limestone water table as much as possible.
- Exterior stairs have been added for access to the basement.
- Sewer and water connections have been completed.
- In recent weeks, volunteer crews have removed the wall plaster and the lowered ceiling; both elements were added in the 1944 remodeling. The removed 1944 rafters will be reused in the project. The removal of the wall plaster revealed a significant amount of information about the original appearance of the depot interior including the original wooden walls which we have exposed and will retain (for details, see recent *The Depot Dispatch,* our on-line electronic newsletter).
- We notified the U.S. Geodetic Survey that the depot had been moved and the geodetic disk was no longer valid for survey purposes. The official who came from St. Paul gave us a new disk to place in concrete on the site later in the project – and we get to give it a name for their records; he suggested "Depot".
- White pine timber was purchased using a National Railway Historical Society Heritage Grant for the missing eleven brackets. The timber came from a mill in Wisconsin and was purchased wholesale from a relative of a board member. The wood is drying over the summer in a local warehouse and will be used to craft the brackets next winter. Bracket prototypes have been crafted.
- A qualified preservation expert has been hired using a Small Legacy Grant to assess the eligibility of the depot for listing as a National Historic Site. The assessment will take place this fall. In 1980 the Northfield Heritage Preservation Commission designated the depot as a local historical site.
- A second sculpture has been donated to the project for the sculpture garden. It was previously located downtown along the river before the riverside walk was built.

Now that the plaster and lowered ceiling have been removed, volunteers can re-install the ceiling at the original height and professionals can install the electrical wiring, insulate the walls and rebuild the station master's bay.

This week, volunteers will start exterior work on the underside of the roof eave and on the brackets with removal of paint and then re-painting. Soon, the original limestone will be sawed by volunteers and placed on the foundation by a professional.

After the limestone is in place on the foundation, we plan to grade the area around the depot and install the driveway and parking before winter. If that takes place as planned, some landscaping around the depot could take place early this fall.

Interior work will continue over the winter. The sculpture garden and pavilion floor will be built next spring and summer with the goal of occupancy by Fall 2017.

Financial Update

Our purchase agreement with the City included two letters of credit: $228,550 as a condition for the move and $65,000 by Spring 2016. Those requirements have been met.

Having reached the first fundraising milestone of $228,000 to move the building and to complete some initial repairs, we are currently focusing our efforts on the second milestone of $215,500 to renovate the interior and to complete the exterior of the building. Subsequent milestones will be set for the building of the pavilion (the pavilion floor with ramp will be necessary for occupancy) and the construction of the sculpture garden.

All projected costs are highly dependent on volunteer labor and donation of in-kind materials. The community has been very generous in that regard. Unskilled as well as professional volunteers have cleaned the bricks, mowed the grass, removed vermiculite in attic, removed 1944 ceiling, restored the door openings, created the double door opening and provided a temporary door, removed wall plaster, packaged the plaster and placed in dumpster, chased out the pigeons and covered the wall holes, removed the 1944 rafters, removed nails from the rafters for reuse, donated the use of scaffolding, donated doors and light fixtures, and donated sculptures. In addition, non-board members have volunteered their administrative time in such tasks as researching techniques for cleaning brick and stone, processing mailings, serving as book-keeper, maintaining web site, and fund-raising. Several carpenters, a landscape designer and other professionals have volunteered their time for some of the future work.

As might be expected, some expenses have been higher than anticipated. To assure that we make continuous progress we have established a construction line of credit. Some community members have personally collateralized the construction line of credit; the collateral does not include the building or property.

City contributions to the project known to us are as follows: EDA funds of $11,744 for the title clearance and Phase II environmental assessment, sale of the land for $1, donation of used bricks, and city attorney expenses to review purchase agreement and amendment.

The Fund Development Committee has a full schedule of planned fund raising activities and events. In addition to our May Community Breakfast which raised $38,000, our plans for fundraising for the rest of 2016 include the following:

1. June Match Letter with a goal to raise $20,000 by August,
2. Save the Northfield Depot Celebrity Event at the Grand on September 22 with the goal to raise $20,000,
3. Memorial Pavers Sale late this fall to raise an additional $20,000,
4. Give MN Day in November with a goal to raise $7,000, and
5. End of Year Letter in November/December to raise an additional $15,000.

Thus, from May through December of this year we anticipate raising $120,000. Thanks to our donors, volunteers and community support, we have always surpassed our planned fundraising goals. We anticipate that 2016 will meet these expectations and more. In addition, grant applications continue to be submitted.

Thank you for the opportunity to share our update with you in this memo. We believe that Save the Northfield Depot has made significant progress and has provided evidence of our ability to plan and execute both in fund-raising and project management to succeed as projected. We look forward to presenting our request for TIF#4 funding at Tuesday's meeting.

Attachment: Images of Progress

→

Track side view

→

Missing south roof eve and temporary roof patch.

Repaired roof, reconstruction of roof 8' wide eave (removed in 1944 when attached freight house was added) and added basement steps on right (temporary railings will be replaced later). Wall awaits bricks and brackets.

→

Double door in center added in 1944 replacing station master's bay; two windows on the side replaced two single doors in 1944.
There are indications that the two doors that were removed were used for the double doors in the center (visible in the right photo). Our plans are to use the two doors in the original door openings.

The two trackside window openings were restored to the original door openings. Station master's bay will be restored in the opening of the 1944 double door space in center.
Concrete steps have been added using a design similar to the original steps, but meeting the current safety code. The design retains the visibility of the existing limestone water table as much as possible.
The center raised area enclosed with board is the floor of the new station master's bay.

Large window on the north end of the depot.

→

The large window opening was converted into an opening for the future double door that will serve as the handicapped accessible entrance. That entrance will be level with the pavilion floor.

Walls: Plaster board and plaster added in 1944; plaster board cracked at seams during move (somewhat visible in above image). Arrow points to a hole we made in the ¾"plaster which confirmed our suspicion that there was wood beneath.

→

All plaster removed.
Top arrow = top 2 ft. of wall covered by the lowered ceiling added in 1944.
Middle arrow = The vertical shadow (unpainted area) in the center of the room, was the location of the wall separating the men's and women's waiting rooms.
Bottom arrow = The shadow of the horizontal board where the wainscoting trim is missing. A scrap piece found in attic will guide reproduction of the wainscoting.

1888 Depot – our inspiration.

- Photo used with permission of Carleton College Archives.

Consistency of Depot Complex with City Goals

Based on 1917 Plan

Sculpture Garden	Depot Building	Pavilion & Trail (west side)	Transit Hub
Walking path, flowers, sculptures, water feature, seating	Visitor information, public amenities, display of local history and products	Sheltered area for events, seating, way-finding signs, bike racks and repair station	Easy pick-up and drop off (City project)

We believe this multi-functional complex will be a valuable public resource and economic catalyst, serve as a tourist attraction, be a source of community pride, benefit the down town businesses, enhance the neighborhood and provide a community gathering place and an attractive city gateway for visitors as well as residents.

In past documents to the Council, we have identified the consistencies of the depot complex with goals in city documents; they warrant repeating. Summaries are presented below and include the following:

Economic Development Priorities - from 10-18-2011: STND Status Report

- *Retain and grow existing businesses*. Increased traffic in the area with a visitor information center and a transit hub will serve as a catalyst for business and development on the west side and have a multiplier benefit for businesses down town. Transit businesses expect to grow and local industries anticipate transit facility will improve their ability to attract a larger pool of employees.
- *Maintain and enhance Northfield's downtown and its distinctive quality of place*. The location of the historic depot adds significantly to the distinctive quality of place and extends that distinctive downtown across the highway, an area that once looked very much like our historical district..

2008 Comprehensive Plan – from 8-16-12: A Proposal to City Council

- *Community Identity* –preserve historic structures, provide public gathering places
- *Land Use* – protect and enhance the small town character, encourage "redevelopment"
- *Transportation* – encourage public transit and multi-modal transportation
- *Economic Development* – support existing businesses & enhance tourism opportunities

TIF#4 Guidelines include – from 5-11-16: Council TIF#4 Fund Decisions

- *Community wide project* (broad support, provides a diverse range of community services, venues & functions)
- *Economic development catalyst* (increase activity on the west side, easy pick up & drop off, enhances opportunity for expansion of local industries filling employee transportation needs and expansion of local transportation businesses)

Greenstep City Best Practices – from 8-16-12: A Proposal to City Council

- *Building and Lighting – Reuse* (repurpose existing buildings)
- *Transportation - Promote walking, biking and transit use* (add infrastructure, e.g., shelters, benches, signage)

Northfield Heritage Preservation Commission Goals – from 10-18-2011: STND Status Report

- Safeguard the heritage of Northfield; preserve sites and structure that reflect its history.
- Protect and enhance the City of Northfield's appeal to residents, visitors and tourists, and serve as a support and stimulus to business and industry.
- Foster civic pride in the beauty and notable accomplishments of the past.
- Promote the preservation and continued use of historic sites and structures for the education and general welfare of the people of the City of Northfield.

June 2, 2016

To: Ben Martig, City Administrator
Cc: Chris Heineman, Community Planning & Development Director

From: Save the Northfield Depot (STND) Board

Re: June 6, 2016 Update on Save the Northfield Depot Project

We are looking forward to meeting with you to review the background of the Save the Northfield Depot project and to share our planned future work to complete our mission: save, renovate and reuse the 1888 depot, a locally designated historical building.

Below is an abbreviated review of the major events and activities since 2008:

2008.

- America in Bloom-Northfield expressed concern to Canadian Pacific Railway about the deteriorating condition of the 1888 depot. The railway contacted the City Administrator and offered to give it to the city for fire department practice or sell the building for $1 with the condition that the building be moved from railroad land.
- The City of Northfield expressed interest in having the depot preserved, but did not believe they were in a financial condition to own the property. The City did indicate, however, that it would be willing to work with any non-profit or private entity interested in preserving the building.
- Unrelated at the time, but relevant later, was the 2007 FTA grant for a transit hub.

2009.

- "Save the Northfield Depot" became incorporated and established as a 501 (C) (3) with eight board members and the sole purpose of saving, restoring and reusing the 1888 depot building for the benefit of the community (see Attachment A for board members and identified project benefits).
- The Northfield Preservation Commission reaffirmed the designation of the 1888 depot as a local heritage site (originally designated in 1980).

2010.

- STND held three public workshops to identify a preferred site and preferred uses that would benefit the community. The Q-block location and the public use as visitor center and transit hub were identified.
- STND held a design charrette with 84 community members and three architects (see Attachment B for proposed depot complex based on a 1917 plan).
- FTA rejected initial selected site for the transit hub and requested that the city identify an alternative.

2011.

- After much planning, STND presented a collaborative proposal to the City for the project which included preliminary site plan, budget, pro forma, fund development plan, analysis of consistency with city policies (e.g., GreenStep Cities, Comprehensive Plan, Economic Development Plan) and project timeline.

2012.

- The City and STND signed the Commercial Property Purchase and Redevelopment Agreement. Fund-raising for the project started.
- City Council recommended that the location for the Transit Hub to be co-located with the depot on the future site. Note: At that time, the Transit Hub was expected to be built on the site before the depot was moved.
- The Northfield Economic Development Authority approved a resolution to provide funding of up to $14,000 to assist in the Phase II Environmental Assessment and the title work for city property on the Q-Block, the future site of the 1888 Depot; $11,744.12 was used.
- Original FTA Grant for transit hub expired; a one-year extension granted to the City to identify alternative site.

2013.

- STND submitted progress report to City Council; Council determined adequate progress had been made and the depot project could continue.
- STND obtained new preliminary site plans and estimates for work on the current site.
- FTA transit hub grant expired and City request for extension was not granted.

2014.

- Phase I and II assessments conducted in 2011 and 2012 by the City for the Transit Hub grant expired. STND obtained a Targeted Brownfields grant for a new Phase I and II and a RAP for the future site.
- STND started negotiations with Canadian Pacific and drafted a contract for conditions for the sale of the depot.
- City Council passed a resolution indicating their interest in a transit hub and asked Hiawathaland, as the new transit provider, to conduct a needs assessment required for a FTA grant reapplication.

2015.

- City Council approved an agreement amendment to reduce the funding level of $293,550 required in the Letter of Credit before depot could be moved. The total was divided into two stages: $228,550 before closing and move and $65,000 by April 1, 2016.
- Site plan and variances were approved by the Planning Commission/Zoning Board.
- Closed on the property with satisfaction of $228,550 Letter of Credit requirement.
- Phase I and II assessments and the RAP were completed.
- Agreement with Canadian Pacific Railways was signed.
- General contractor was hired; the depot and the new site were prepared for the move.

2016.

- Depot was moved in early January – with great fanfare and celebration.
- Old site ground was restored; Canadian Pacific removed roofless white freight building next to depot on the new site.
- EDA voted to recommend to Council to allocate funds from the TIF 4 District funds for public access components at the Depot complex: driveway, sidewalk, parking and lighting.
- Satisfaction of $65,000 Letter of Credit requirement.
- Repairs in progress on exterior and interior: foundation, handicapped ramp, brick replacement, installation of doors and windows, exposure of original interior wood walls, installation of electricity, water and sewer and handicapped bathroom.

Our work ahead on the collaborative project includes our efforts to raise funds and use them to rehabilitate the depot and complex for a public use occupancy projected to be Summer 2017. Our projected future collaboration with the City includes several diverse aspects: 1) As required by the agreement with the City, we will be documenting our in-kind donations of labor and materials for

the second Letter of Credit; 2) The TIF #4 funding request of STND and recommendation of the EDA has been discussed in a City Council Work Session and is expected to be brought to the Council soon; 3) The Council has requested the needs assessment for the Transit Hub be completed by Hiawathaland; we are not able to ascertain the stage of that assessment, and 4) Discussions have taken place among various groups about a bike path connection between 2nd and 3rd St.; we are supportive of that, but assume the City and its committees need to be involved.

Again, we are looking forward to our meeting next Monday. As background, we are also enclosing the 2012-2015 Annual Reports.

Attachment A: Board and Community Benefits

Founding Board Members of Save the Northfield Depot:

The Steering Committee includes the following individuals, their position or committee facilitator assignment, and a brief summary of their qualifications as of 2010.

Rob Martin, Co-Chair, Fund Development Committee

Owner of Rob Martin Insurance Agency, the Farmers Insurance Group of companies since 1983; active member of the Northfield Rotary Club; past board member of Prairie Creek Community School and member of Friends of the Library.

Lynn Vincent, Co-Chair, Fund Development Committee

Retired CEO of The Girl Scouts of Cannon Valley Council, past CEO of two other Girl Scout councils; owner of Vincent & McBride, Inc. specializing in nonprofit consultation; serves on Healthy Community Initiative board and HCI finance and personnel committees; and served on other local non-profit boards.

Clark Webster, Treasurer

Resident of Northfield, 45 yrs.; Project and Application Engineer, Printed Circuit Industry, 45 yrs; member of Gopher State Railroad Museum; past member Minnesota Transportation Museum; past Northfield Arts Guild President/board member, 42yrs.; Adult Boy Scout Leader, 25 yrs.; and active in railroad preservation.

Alice Thomas, Secretary and Communications Committee Chair

Resident of Northfield, 42 yrs.; administrator in higher education, 35 yrs; current member of the Northfield Planning Commission, Northfield Round Table, and Northfield Historical Society Board; served on various other local and state boards in areas of youth, education and health.

Pat Allen, Events Committee Chair

Owner of Learning Innovations, Inc., a consulting firm specializing in organizational development including strategic/tactical planning, team building and executive coaching for non-profit and for-profit organizations, 20 years; service on a number of boards of directors such as Northfield Planning Commission, Northfield School Board, and WINGS; volunteers for many community projects such as Senior Center Advancement, Northfield in Bloom.

Steve Edwins, Design Committee Chair (Deceased in 2014)

Resident of Northfield, 33 yrs; architect, owner of SMSQ Architects; adjunct Assistant Professor of Art and Art History at St. Olaf; founding member of the City of Northfield Heritage Preservation Commission; member of the Northfield Downtown Development Corporation Design Committee, Northfield Streetscape Task Force, and the Minnesota Historical Society's Partnership Legacy Grants Review Committee.

Chip DeMann, Advisor on Building Move

Farmer and businessman; briefly owned Northfield depot to preserve it from demolition in the 1980's; experience in remodeling and moving of large buildings; expert in history of Northfield, role of the railroad in the development of Northfield, and the history of railroads in Minnesota.

Baird Jarman, Advisor on Renovation

Associate Professor of Art History with specialization in nineteenth-century American visual culture; teaches courses on art, architecture, historic preservation, and other related areas; and serves as an architectural historian on the State Review Board of the Minnesota Historical Society which considers nominations to the National Register of Historic Places.

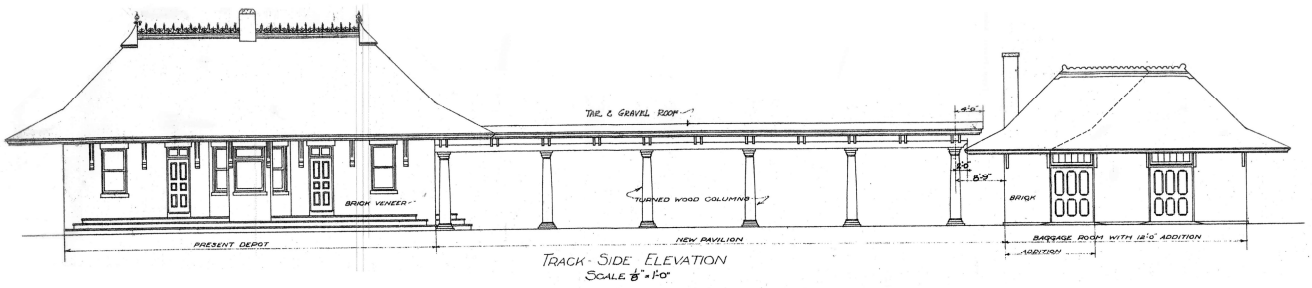
Benefits to the City and Larger Community:

A wide range of inter-connected and mutually-supportive benefits are evident as a result of this site and the Visitor Center/Transit Hub concept.

1. **Economic Catalyst:** This development will serve as a catalyst for the west-side., which for decades as been identified as an important site in several City development plans.
2. **Blight Removal:** Restoration of the derelict depot with appropriate landscaping will address its current, blighted context.
3. **Connectivity between East and West Sides:** The attractive, restored building will be an aesthetic link and a connective link between the west-side and the east-side downtown and its Historical District.
4. **Leverage of Resources**: Opportunity for City to leverage its scarce resources with those of a non-profit to gain a benefit for the community.
5. **Green Step City**: Reuse of existing buildings is valued by Northfield citizens as a responsible use of resources. Preservation is a prime sustainability effort and fulfills goals of the GreenStep City initiative.
6. **Comprehensive Plan**: Restoration and reuse fits well with the Objectives and Strategies in the Northfield Comprehensive Plan.
7. **Northfield Heritage Preservation Site**: An historically and architecturally significant building in Northfield will not be destroyed – consistent with designation as a local historical site by the Northfield Heritage Preservation Commission.
8. **Community Awareness and Pride**: The building will be a source of pride in our community and our railroad heritage, and a tribute to the vision of our city founders for a vibrant community.
9. **Tourist Attraction**: The historical depot Visitor Center at this highly visible site would serve as city core area attraction for visitors, tours, and enhance commerce through tourism.
10. **Community Gathering Place**: The depot and its site will serve as an event and gathering place – a center of community activity close to downtown.

Attachment B: 1917 Plan and Proposed Depot Complex

1917 Plan.



Depot-Transit Hub Concept Drawings* – Steve Edwins, AIA

Multi-use complex:

- highly visible, attractive gateway to the city
- depot (left) and transit hub (city project, right) linked by sheltering pavilion
- easy pick up and drop off by car, transit vans, and buses

Depot interior:

- information for visitors
- public amenities: restrooms, snacks and beverages, map of local artists, self-guided tours, recreational businesses/opportunities
- public display of items: local artwork, historical artifacts, and other items

Depot grounds:

- open pavilion for events: weddings, art shows, markets, and musical performances; and space for sculptures, way-finding signs, bike racks, and a bike repair station

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* Plan is copied from a 1917 plan that proposed additions to the 1888 depot: a baggage house on the right with a connecting pavilion. The baggage house was built but since destroyed.

Dear Members of the Northfield City Council and Staff:

Northfield Lines is writing to reiterate our earlier two letters written in 2011 that were in support of the location of the transit hub on the Q-block and the value a transit hub at that location would be to our business.

We were disappointed when the Transit Hub grant expired and was not renewed, but optimistic when the Council directed Hiawatha Lines to conduct a needs assessment for use in a reapplication. We have not heard about the status of that assessment but want to clarify to new Council members and new administrators since 2011 that we are highly supportive of the efforts to bring a transit hub to that area of our community.

As we noted in the attached letters –

- our business continues to grow; a bus stop at the Transit Hub that provides shelter would assist in that growth.
- the location of the proposed transit hub is an ideal stop for the bus (is in the center of town and easy access for motor coaches); our partner transportation providers (e.g., local transit and taxis) could serve our customers at the site.
- the comfort and ease of such a transportation facility will enhance the visitor experience and promote tourism in Northfield.

Such a central transportation hub has long been an unmet need in this community's effort to attract tourism and to serve the transportation needs of those constituents who most rely on those services, e.g., the colleges, retirement communities, and employees working in the community. The latter has been identified by several local employers.

Thank you for your attention to this matter.

Sincerely,

John Benjamin
President, Northfield Lines

1034 Gemini Road | Eagan, Minnesota 55121
866-645-1256 | 651-203-8888 | Fax: 651-242-5660
www.northfieldlines.com

ABA AMERICAN BUS ASSOCIATION
Certified Member IMG International
MCBOA Minnesota Charter Bus Operator's Association
UMA United Motorcoach Association

FIRST AMENDMENT TO COMMERCIAL PROPERTY PURCHASE AND REDEVELOPMENT AGREEMENT

That certain Commercial Property Purchase and Redevelopment Agreement ("Agreement") made and entered into the 13th day of July, 2012, by and between the City of Northfield, Minnesota, a Minnesota municipal corporation, 801 Washington Street, Northfield, Minnesota 55057-2565 ("City"), and Save the Northfield Depot ("Developer"), a Minnesota nonprofit corporation, 414 Riley Drive, Northfield, Minnesota 55057, (collectively the "Parties"), is hereby amended as follows:

1. Section 3.11 of the Agreement is amended as follows (deleted material is crossed out; new material is underlined):

> 3.11 ~~The construction of Phase I of the Redevelopment Project will~~ Developer shall have in place a Response Action Plan that has been approved by the Minnesota Pollution Control Agency (MPCA), and which details any required work to cleanup or otherwise remediate any pollution or other contamination of the Redevelopment Property identified in the phased Environmental Assessment process, ~~commence~~ on or before ~~July~~September 1, 2015, and barring Unavoidable Delays, Developer will ~~be~~ substantially completed construction of the Redevelopment Project by December 31, 2016 (refer to section 7.3).

2. Section 4.7 of the Agreement is amended as follows (deleted material is crossed out; new material is underlined):

> 4.7 Security. To guarantee compliance with the terms of this Agreement and payment of the Redevelopment Costs, Developer shall furnish the City with ~~an~~ irrevocable letters of credit from a bank in a form substantially consistent with that attached hereto as Exhibit F, as follows:, ~~dated at least 30 days before the date of Closing, in the form attached hereto as Exhibit F from a bank for $293,550, which figure represents 100 percent of the estimated Redevelopment Costs summarized on Exhibit E.~~
>
> (1) A letter of credit dated at least 30 days before the date of Closing in the amount of $228,550, which figure represents approximately 78 percent of the estimated Redevelopment Costs and equals the estimated funds required to move the Depot, demolish its 1944 addition, perform clean up of the Redevelopment Property pursuant to a Response Action Plan approved by the MPCA pursuant to Section 3.11, renovate the exterior of the Depot and landscape the Redevelopment Property to produce an attractive site;

and

(2) An additional letter of credit, separately funded from that required prior to the date of Closing pursuant to subparagraph (1) above, and dated no later than April 1, 2016, in the amount of $65,000, which figure represents the difference between the amount of the letter of credit required prior to closing in subparagraph (1) above and the total estimated Redevelopment Costs. Alternatively, Developer may submit a superseding letter of credit dated no later than April 1, 2016 in the full amount of the estimated Redevelopment Costs ($293,550).

~~This~~ The breakdowns set forth in subparagraphs (1) and (2) above are ~~is~~ for historical reference; ~~it is~~ they are not ~~a~~ restrictions on the use of the security. The City Administrator shall administratively reduce amount of the letters of credit required by this section to reflect the dollar value of any in-kind donations secured by Developer upon Developer's submission of proof of such donations satisfactory to the City Administrator. The bank shall be subject to the approval of the City Administrator. The security for both letters of credit shall be for a term ending December 31, 2017. Individual security instruments may be for shorter terms provided they are replaced at least thirty (30) days prior to their expiration. The City may draw down the security, without notice, as necessary to remedy any violation of the terms of this Agreement or if the security is allowed to lapse prior to the end of the required term. If the Redevelopment Project is not completed at least thirty (30) days prior to the expiration of the security, the City may also draw it down. If the security is drawn down, the proceeds shall be used to cure the default. Upon receipt of proof satisfactory to the City Administrator that the Redevelopment Project has been completed and financial obligations to the City have been satisfied, with City Administrator approval the security will be reduced from time to time by ninety percent (90%) of the financial obligations that have been satisfied. Ten percent (10%) of the amounts certified by the Developer's design professional shall be retained as security until the Redevelopment Project has been completed, and all financial obligations to the City have been satisfied.

3. Section 5.2 of the Agreement is amended as follows (deleted material is crossed out; new material is underlined):

5.2 Transit Hub location reserved. The City and Developer acknowledge that an as yet unspecified portion of the

Redevelopment Property has received preliminary consideration from FTA as the site of a federally funded transit hub proposed to be located in the City, which would require that said transit hub location remain under City ownership. In the event that FTA, the City, and Developer collectively determine prior to the Closing Date that a portion of the Redevelopment Property is a suitable location for the transit hub and that such transit hub could be constructed in a manner that would not unreasonably interfere with the Redevelopment Project, the Parties shall cooperate as necessary to effect the subdivision of that portion of the Redevelopment Property necessary to host the transit hub from the remainder of the Redevelopment Property, and only the remainder of the Redevelopment Property shall be conveyed to Developer under this Article (the Form Limited Warranty Deed attached hereto as Exhibit B being amended accordingly before its delivery to Developer). Alternatively, in the event that such determination has not been made prior to the Closing Date, the City shall have the option after the Closing Date to repurchase the easterly of the two parcels comprising the Redevelopment Property (Property Identification Number 22.36475.033) pursuant to Section 5.3 (the Form Limited Warranty Deed attached hereto as Exhibit B being amended accordingly before its delivery to Developer). Further, in such event, the City agrees that any structures to be constructed in connection with the Transit Hub shall be architecturally compatible with the Depot. Developer and City additionally agree to collaborate to explore possible shared site amenities that serve both the Transit Hub and the Depot Building, e.g., accessible parking, a sheltering pavilion, site lighting, informational signage, bike racks, trash receptacles, and benches.

4. Section 5.3 of the Agreement is amended as follows (deleted material is crossed out; new material is underlined):

5.3 Options to repurchase.

(a) The City shall retain a conditional option to repurchase the Redevelopment Property valid for a period of 10 years from and after the Closing Date for an amount equivalent to the Purchase Price. The City's option shall only vest upon Developer's breach or default of the terms and conditions of this Agreement, including a failure to devote the Depot and Redevelopment Property to a viable use or uses within the time provided for in Section 4.6 herein. The City may, following the occurrence of a triggering Default Event, in its sole discretion and judgment, exercise the option to repurchase as provided

herein.

(b) The City shall additionally retain a conditional option to repurchase fee title to the easterly parcel comprising the Redevelopment Property (Property Identification Number 22.36475.033, as the same is legally described on the survey attached to the Agreement as Exhibit A) for the consideration of One Dollar ($1.00). The City's option shall only vest upon FTA's approval of grant funding for a transit hub to be located on such parcel, and shall expire upon the earlier of (1) a period of 10 years from and after the Closing Date; or (2) the City's issuance of a building permit to Developer for new construction on such parcel. The City may, upon the vesting of this option, in its sole discretion and judgment, exercise the option to repurchase as provided herein. In the event that the City exercises its option to repurchase as provided in this subparagraph (b) prior to the expiration of the City's option to repurchase the entirety of the Redevelopment Property as provided in the subparagraph (a) above, the City's option to purchase the entirety Redevelopment Property as provided in subparagraph (a) shall continue only with respect to the westerly parcel comprising the Redevelopment Property (Property Identification Number 22.36478.001, as the same is legally described on the survey attached to the Agreement as Exhibit A).

5. Section 5.10(b) of the Agreement is amended as follows (deleted material is crossed out; new material is underlined; material that is unchanged is omitted):

(5) Security. Developer shall have submitted the irrevocable letter of security required to be submitted prior to the Closing Date as provided in Section 4.7 herein to the City.

6. Section 8.8 of the Agreement is amended as follows (deleted material is crossed out; new material is underlined; material that is unchanged is omitted):

If to the City: ~~Tim Madigan~~Nick Haggenmiller, City Administrator
City of Northfield
801 Washington Street
Northfield, MN 55057-2565

Except as expressly amended by this Amendment, the entirety of the Agreement's terms and conditions remain in full force and effect and the PARTIES remain bound thereto.

[*Signature pages to follow*]

IN WITNESS WHEREOF, the PARTIES have hereunto executed this document the day indicated below.

THE CITY:
City of Northfield

Date: 3/4/15

By: Dana S Graham
Dana Graham, Its Mayor

Date: 3/4/15

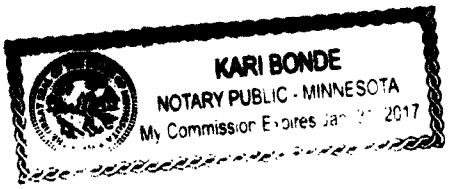
ATTEST:

By: Deb A Little
Deb Little, Its City Clerk

STATE OF MINNESOTA)
) ss.
COUNTY OF RICE)

The foregoing instrument was acknowledged before me this 4th day of March, 2015, by Dana Graham, as Mayor, and Deb Little, as City Clerk, for the City of Northfield, Minnesota.

Kari Bonde
Notary Public



ORIGINAL

(Top 3 inches reserved for recording data)

COMMERCIAL PROPERTY PURCHASE AND REDEVELOPMENT AGREEMENT

THIS AGREEMENT is made as of July 13, 2012, between the City of Northfield (the City), a Minnesota municipal corporation, 801 Washington Street, Northfield, Minnesota 55057-2565, and Save the Northfield Depot (Developer), a Minnesota nonprofit corporation, 414 Riley Drive, Northfield, Minnesota 55057.

RECITALS

WHEREAS, Northfield's historic Milwaukee Road Depot was constructed in 1888, and is located south of Third Street along and on the east side of the railroad tracks operated by the Canadian Pacific Railroad; and

WHEREAS, the Northfield Depot has not been used since 2000, has fallen into disrepair, neglect and abandon, and is scheduled for demolition by the Railroad; and

WHEREAS, Developer formed as a Minnesota nonprofit corporation in 2010 to raise the money necessary to acquire, relocate and restore the Depot in order to prevent its demolition by the Railroad and put the Depot to a productive reuse in the community; and

WHEREAS, Developer has identified two City-owned parcels of property totaling .79 acres located on 3rd Street West, adjacent to Railroad property on the east side of the railroad tracks, as the preferred new location for the Depot; and

WHEREAS, Developer has requested that the City convey or lease these City-owned parcels of property to it for less than the property's fair market value in order to facilitate Developer's efforts to renovate, redevelop and reuse the Depot; and

WHEREAS, pursuant to Minn. Stat. § 469.185, the City finds that the preservation

and redevelopment of the Depot as proposed by Developer would further the public interest by kindling interest in the City's history, redeveloping a blighted building, stimulating economic development, promoting industry and providing employment for citizens of Northfield; and

WHEREAS, the City, in order to facilitate the relocation, renovation and redevelopment of the Depot in the City and thereby promote industry and provide employment for its citizens, is willing to transfer title of the Development Property to Developer pursuant to the terms and conditions established herein.

AGREEMENT

NOW THEREFORE, In consideration of the covenants and agreements of the parties hereto, the City and Developer agree as follows:

ARTICLE 1. DEFINITIONS. All capitalized terms used and not otherwise defined herein shall have the following meanings unless a different meaning clearly appears from the context:

1.1 Agreement means this Agreement, as the same may be from time to time modified, amended or supplemented, including the following exhibits which are attached hereto and incorporated by reference as though fully set forth herein:

EXHIBIT A: Surveys of the Redevelopment Property dated April 13, 1998 and November 6, 1990, respectively

EXHIBIT B: Form Limited Warranty Deed conveying Redevelopment Property to Developer

EXHIBIT C: Phase I Environmental Assessment of Redevelopment Property dated November 4, 2011

EXHIBIT D: Redevelopment Project proposal and concept design

EXHIBIT E: Redevelopment Costs

EXHIBIT F: Form Letter of Credit

EXHIBIT G: List of Encumbrances on the Property

1.2 City means the City of Northfield, Minnesota.

1.3 Closing means the closing on Developer's purchase of the Redevelopment Property from the City pursuant to Article 5 herein.

1.4 Closing Date means the date on which Developer closes on its purchase of the Redevelopment Property from the City pursuant to Article 5 herein.

1.5 County means Rice County, Minnesota.

1.6 Depot means Northfield's historic Milwaukee Road Depot currently located south of Third Street along and on the east side of the railroad tracks operated by the Canadian Pacific Railroad.

1.7 Developer means Save the Northfield Depot, its successors and assigns.

1.8 Parties means the City and Developer.

1.9 Purchase Price means Developer's payment to the City in consideration for its purchase of the Redevelopment Property pursuant to Section 5.1 herein.

1.10 Railroad means the Canadian Pacific Railroad.

1.11 Redevelopment Costs means the costs of the first phase of the Redevelopment Project as estimated and summarized on Exhibit E attached hereto, including but not limited to (1) preparing the Depot (including asbestos removal) for relocation and relocating the Depot to the Redevelopment Property; (2) restoring the present site of the Depot as required by City Code 5.5.8 subsections A-E to comply with applicable law and ordinances; (3) demolishing existing structures on the Redevelopment Property and other site preparation required at the Redevelopment Property; and (4) renovating the Depot for use or uses permitted by its zoning.

1.12 Redevelopment Project means the relocation of the Depot from its existing location to the Redevelopment Property and the renovation of the first phase of the Depot for use as permitted under the C1 zoning and depicted on the Phase I concept design included in Exhibit D.

1.13 Redevelopment Property means the two City-owned parcels of real property located in the County totaling .79 acres identified as Property Identification Numbers 22.36478.001 and 22.36475.033, which are legally described on the survey attached hereto as Exhibit A.

1.14 State means the State of Minnesota.

1.15 Title Commitment means a commitment for an owner's policy of title insurance with respect to the Redevelopment Property.

1.16 Title Company means a Title Insurance Company authorized to do business in the State of Minnesota and approved by Developer.

1.17 Title Policy means a policy of title insurance issued by a title company with respect to the Redevelopment Property.

1.18 Unavoidable Delays means delays, outside the control of the party claiming its occurrence, which are the direct result of strikes, other labor troubles, unusually severe or prolonged bad weather, seasonal weather changes, acts of God, fire or other casualty to the Redevelopment Project, litigation commenced by third parties which, by injunction or other similar judicial action or by the exercise of reasonable discretion, directly results in delays, or acts of any federal, state or local governmental unit (other than the City) which directly result in delays.

1.19 Commercial use means a land use of the Redevelopment Property which is permitted in the zone for that area.

1.20 Default Event means circumstances by which either City or Developer do not meet the requirements of this Agreement.

ARTICLE 2. REPRESENTATIONS AND WARRANTIES OF THE CITY. The City makes the following representations and warranties:

2.1 The City is a municipal corporation organized and existing under and by virtue of and pursuant to the laws of the State of Minnesota and its Home Rule Charter and has the power to enter into this Agreement and carry out its obligations hereunder.

2.2 There is not pending, nor to the best of the City's knowledge is there threatened, any suit, action or proceeding against the City before any court, arbitrator, administrative agency or other governmental authority that materially and adversely affects the validity of any of the transactions contemplated hereby, the ability of the City to perform in its obligations hereunder, or as contemplated hereby or thereby, or the validity or enforceability of this Agreement.

2.3 The Redevelopment Project contemplated by this Agreement is consistent with the development objectives set forth in the City's Comprehensive Plan.

2.4 The City has not received any notice from any local, state or federal official that the activities of Developer or the City with respect to the Redevelopment Project may or will be in violation of any environmental law or regulation (other than those notices, if any, of which Developer has been notified). The City is not aware of any state or federal claim filed or planned to be filed by any party relating to any violation of any local, state or federal environmental law, regulation or review procedure, and the City is not aware of any violation of any local, state or federal law, regulation or review procedure which would give any person a valid claim under the Minnesota Environmental Rights Act or other state or federal environmental statute.

2.5 The City makes no representation or warranty, either express or implied, as to the Redevelopment Property or its condition or the soil conditions thereon, or that the Redevelopment Property shall be suitable for Developer's purposes or needs.

2.6 The City is entering into this Agreement to facilitate Developer's proposed relocation, renovation and redevelopment of the Depot and to thereby promote industry in the City and provide employment for its citizens.

2.7 The City makes the following representations and warranties with specific respect to the sale of the Redevelopment Property to Developer under Article 5 herein as of the date hereof and as of the Closing Date, as follows:

(a) Title to the Redevelopment Property. The City has good and marketable title to all of the Redevelopment Property and has not caused the Redevelopment Property to become encumbered beyond those encumbrances listed on Exhibit G.

(b) No Conflict or Breach. The sale of the Redevelopment Property to Developer, the consummation of the transactions contemplated by this Agreement, and the performance by the City of the covenants, warranties, and obligations to be performed by it under this Agreement will not conflict with, result in the breach of any term or provision of, any indenture, mortgage, deed of trust, or other agreement, instrument, undertaking, understanding, decree, order, stipulation, or consent to which the City is a party or by which the City is bound.

(c) The Accuracy of the City's Representations and Warranties. No representation or warranty made by the City and no documents or other information furnished or to be furnished to Developer by or on behalf of the City pursuant to this Agreement contains or shall contain any untrue statement of material fact, or omits or shall omit any material fact necessary to make the statement contained therein not misleading. Further, the City's representations and warranties are true and accurate as of the effective date of this Agreement, and will be true and accurate continuously through the Closing Date.

(d) The Completeness of the City's Disclosures. The City does not know of and has no reason to know of any facts or information regarding the City or regarding the Redevelopment Property that could possibly affect the decision of a reasonably prudent developer to purchase the Redevelopment Property under the terms and conditions set out in this Agreement.

ARTICLE 3. REPRESENTATIONS AND WARRANTIES OF DEVELOPER. Developer makes the following representations and warranties:

3.1 Developer has the power to enter into this Agreement and to perform its obligations hereunder and is not in violation of the laws of the State.

3.2 Developer is a nonprofit corporation duly formed and validly existing under the

laws of this State and has full power and authority to enter into this Agreement and carry out the covenants contained herein.

3.3 Developer will cause the Redevelopment Project to be constructed in accordance with the terms of this Agreement, the specific site plan it will be required to submit to the City and the zoning certificate it is required to secure under Section 4.4, and Developer is responsible for compliance with applicable local, state and federal laws and regulations (including, but not limited to, environmental, zoning, energy conservation, building code and public health laws and regulations).

3.4 Developer will obtain or cause to be obtained, in a timely manner, all required permits, licenses and approvals, and will meet, in a timely manner, all requirements of all applicable local, state, and federal laws and regulations which must be obtained or met before the Redevelopment Project may be lawfully constructed.

3.5 Developer has not received any notice or communication from any local, state or federal official that the activities of Developer or the City with respect to the Redevelopment Project may or will be in violation of any environmental law or regulation. As of the date of the execution of this Agreement, Developer is aware of no facts the existence of which would cause it to be in violation of any local, state or federal environmental law, regulation or review procedure, which would give any person a valid claim under the Minnesota Environmental Rights Act.

3.6 The construction of the Redevelopment Project would not be undertaken by Developer, and in the opinion of Developer would not be economically feasible within the reasonably foreseeable future, without the assistance and benefit to Developer provided for in this Agreement.

3.7 Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented, limited by or conflicts with or results in a breach of, the terms, conditions or provision of any contractual restriction, evidence of indebtedness, agreement or instrument of whatever nature to which Developer is now a party or by which it is bound, or constitutes a default under any of the foregoing.

3.8 Developer will cooperate fully with the City with respect to any litigation commenced with respect to the Redevelopment Project.

3.9 Developer agrees to pay the total amount of any costs, charges, expenses and attorneys fees reasonably incurred or paid at any time by the City because of any Event of Default by Developer as to any stipulation, agreement, and covenant of this Agreement, resulting in any suit or proceeding at law or in equity to which the City shall become a party in reference to Developer's interest in the Redevelopment Property or the Redevelopment Project.

3.10 Developer will cooperate fully with the City in resolution of any traffic, parking, trash removal or public safety problems which may arise in connection with the construction and operation of the Redevelopment Project.

3.11 The construction of Phase I of the Redevelopment Project will commence on or before July 1, 2015, and barring Unavoidable Delays, will be substantially completed by December 31, 2016 (refer to section 7.3).

ARTICLE 4. RESPONSIBILITIES OF DEVELOPER.

4.1 Redevelopment Project. Developer shall continue all efforts to effectuate the Redevelopment Project pursuant to the concept design included in Exhibit D. Developer shall keep the City advised of its progress in meeting its obligations under this Agreement and any changes or alterations that may become necessary to the concept design included in Exhibit D.

4.2 Redevelopment Costs. The Redevelopment Costs, as estimated and summarized on Exhibit E, are essential to the successful completion of the Redevelopment Project. Developer shall be responsible for the entirety of the Redevelopment Costs, and shall make payment for such expenses as they are incurred. Developer agrees that City shall bear no responsibility for any operational expenses for the Depot or the Redevelopment Property following the completion of the Redevelopment Project, and further agrees not to seek subsidies or other financial assistance from the City to cover any such operational expenses.

4.3 Fundraising. Developer shall diligently continue its efforts to raise the funds necessary to cover the Redevelopment Costs and provide the security required in Section 4.7 herein. If, at any time, Developer concludes that it will be unsuccessful in raising the funds necessary to perform its obligations under this Agreement, it shall promptly notify the City of its conclusion, which notification will constitute a Default Event and permit the City to proceed under Section 7.2 herein.

4.4 Permits. Developer shall obtain or require its contractors, subcontractors or other authorized agents to obtain all necessary permits required by any applicable federal, state or local law or regulation, including but not limited to:

(a) Building Moving Permit. Developer shall adhere to the requirements of City Code § 16-31 to apply for and secure a permit to move the Depot from its present location to the Redevelopment Property. In addition to the requirements of § 16-31, Developer shall have secured the site plan permit required in paragraph (b) of this Section and provided the security required in Section 4.7 before the City will issue such permit.

(b) Zoning Certificate. Developer shall adhere to the requirements of City Code § 5.5.1 to apply for and secure a zoning certificate for the specific site plan to be proposed for the Redevelopment Project.

4.5 Environmental review. The City shall at its cost perform a Phase I Site Environmental Assessment of the Redevelopment Property. Developer shall be responsible for all subsequent environmental review required, including, if necessary, a Phase II Environmental Assessment. Developer shall be further responsible for any and all clean up or remediation of any pollutants or other environmental hazards present on the Redevelopment Property that may be discovered in any stage of environmental review, except that nothing in this Section shall be interpreted to limit Developer's right to terminate this Agreement pursuant to Section 7.1.

4.6 Development Land use. Developer shall complete the work to relocate the Depot to the Redevelopment Property and renovate the Depot pursuant to the specific site plan it will be required to submit to the City and the zoning certificate it is required to secure under Section 4.4 and City-approved plans and specifications, to make it suitable for a viable use or uses within 10 years of the date Developer assumes title to the Redevelopment Property pursuant to Article 5 of this Agreement. Thereafter for a period of 10 years, Developer shall devote the Redevelopment Property to the continued use of the Redevelopment Property as a viable use or uses as permitted by zoning for the property and building(s) at the date of purchase, or as approved through the Planning Commission processes. The conversion of any portion of the Redevelopment Project to any other use(s) shall trigger the City's option to repurchase the Redevelopment Property pursuant to Section 4.6 herein and constitute a default and permit the City to proceed under Section 7.2 herein, unless the City first approves said change in use(s) in writing.

4.7 Security. To guarantee compliance with the terms of this Agreement and payment of the Redevelopment Costs, Developer shall furnish the City with an irrevocable letter of credit, dated at least 30 days before the date of Closing, in the form attached hereto as Exhibit F from a bank for $293,550, which figure represents 100 percent of the estimated Redevelopment Costs summarized on Exhibit E. This breakdown is for historical reference; it is not a restriction on the use of the security. The City Administrator shall administratively reduce amount of the letter of credit required by this section to reflect the dollar value of any in-kind donations secured by Developer upon Developer's submission of proof of such donations satisfactory to the City Administrator. The bank shall be subject to the approval of the City Administrator. The security shall be for a term ending December 31, 2017. Individual security instruments may be for shorter terms provided they are replaced at least thirty (30) days prior to their expiration. The City may draw down the security, without notice, as necessary to remedy any violation of the terms of this Agreement or if the security is allowed to lapse prior to the end of the required term. If the Redevelopment Project is not completed at least thirty (30) days prior to the expiration of the security, the City may also draw it down. If the security is drawn down, the proceeds shall be used to cure the default. Upon receipt of proof satisfactory to the City Administrator that the Redevelopment Project has been completed and financial obligations to the City have been satisfied, with City Administrator approval the security will be reduced from time to time by ninety percent (90%) of the financial obligations that have been satisfied. Ten percent (10%) of the amounts certified by the Developer's design professional shall be retained as security until the Redevelopment Project has been completed, and all financial obligations to the City have been satisfied.

ARTICLE 5. AGREEMENT FOR SALE AND PURCHASE OF REDEVELOPMENT PROPERTY. Subject to the terms and conditions hereof, the City agrees to sell to Developer, and Developer agrees to purchase from the City for the amounts and on the terms provided in this Agreement, all the City's right, title and interest in and to the Redevelopment Property, excepting any portion thereof identified prior to the Closing date by the United States Department of Transportation Federal Transit Administration (FTA) as its preferred location for a transit hub within the City of Northfield pursuant to Section 5.2 below, and further excepting any easements and rights benefiting or appurtenant to the Redevelopment Property and improvements including any right, title or interest in the bed of any street, road, highway, alley or other public way adjoining the Redevelopment Property.

5.1 Purchase Price for the Redevelopment Property. Developer agrees to pay the City a total of One dollar and No/100 Dollars ($1.00), in cash funds, for the Redevelopment Property. The City hereby acknowledges receipt of the sum of One Dollar and No/100 Dollars ($1.00) from Developer as earnest money hereunder. Developer shall pay the balance of the Purchase Price for the Real property in cash funds to the City on the Closing Date.

5.2 Transit Hub location reserved. The City and Developer acknowledge that an as yet unspecified portion of the Redevelopment Property has received preliminary consideration from FTA as the site of a federally funded transit hub proposed to be located in the City, which would require that said transit hub location remain under City ownership. In the event that FTA, the City, and Developer collectively determine prior to the Closing Date that a portion of the Redevelopment Property is a suitable location for the transit hub and that such transit hub could be constructed in a manner that would not unreasonably interfere with the Redevelopment Project, the Parties shall cooperate as necessary to effect the subdivision of that portion of the Redevelopment Property necessary to host the transit hub from the remainder of the Redevelopment Property, and only the remainder of the Redevelopment Property shall be conveyed to Developer under this Article (the Form Limited Warranty Deed attached hereto as Exhibit B being amended accordingly before its delivery to Developer). Further, in such event, the City agrees that any structures to be constructed in connection with the Transit Hub shall be architecturally compatible with the Depot. Developer and City additionally agree to collaborate to explore possible shared site amenities that serve both the Transit Hub and the Depot Building, e.g., accessible parking, a sheltering pavilion, site lighting, informational signage, bike racks, trash receptacles, and benches.

5.3 Option to repurchase. The City shall retain a conditional option to repurchase the Redevelopment Property valid for a period of 10 years from and after the Closing Date for an amount equivalent to the Purchase Price. The City's option shall only vest upon Developer's breach or default of the terms and conditions of this Agreement, including a failure to devote the Depot and Redevelopment Property to a viable use or uses within the time provided for in Section 4.6 herein. The City may, following the occurrence of a triggering Default Event, in its sole discretion and judgment, exercise the option to repurchase as provided herein.

5.4 No assumption of liabilities or obligations by Developer. Except as may otherwise be expressly provided in this Agreement, all commitments, liabilities, and obligations of the City of every kind or nature whatever, whether known or unknown, liquidated or unliquidated, fixed or contingent, which in any way relate to the Redevelopment Property or to the operation of the Redevelopment Property before the Closing Date, shall remain the commitments, liabilities, and obligations of the City. The Parties agree that Developer shall have no commitments or obligations nor assume any liabilities or responsibilities as successor to the City by operation of law, or as a result of the City's operation of the Redevelopment Property prior to the Closing Date.

5.5 Survey. The City previously commissioned a survey of the Redevelopment Property that contains all information required to (a) provide an accurate legal description for the Redevelopment Property, and (b) accurately reflect the locations of all buildings and other improvements and fixtures located thereon. A copy of the survey is attached hereto as Exhibit A. The City represents and warrants that it owns the Redevelopment Property free of any encumbrances not indicated on Exhibit G. Developer may obtain, at its own cost and expense, an updated survey for the purposes of project development.

5.6 Title Insurance and Marketable Title to the Redevelopment Property.

(a) The Delivery of the Title Commitment. Developer may obtain, at its own expense, a Title Commitment. Developer shall pay all costs associated with obtaining a Title Policy including, but not limited to, updating of the abstract or obtaining a new abstract of title for the Redevelopment Property, title insurance premiums and title examination fees, issued by a Title Company. The Title Commitment shall be based upon the description of the Redevelopment Property provided in Exhibit A and shall show fee title in the City, subject only to the City's option to repurchase the Redevelopment Property under Section 5.3, any encumbrances indicated on Exhibit G, and other permitted encumbrances waived in writing by Developer, and shall provide for extended coverage risks and include special endorsements for zoning, contiguity and such other matters as Developer may request.

(b) The Making and Curing of Title Objections. Developer shall be allowed 20 days after receipt of the Title Commitment in which to make objections to the content of the commitment, said objections to be made in writing. If there are any objections to the title which are not remedied by the Closing Date, the City shall have 120 days from the date of receipt of said written objections in which to remedy said objections.

(c) The Consequences of Failing to Cure Title Objections. If said objections are not remedied within 120 days from the date of the City's receipt of said objections, then Developer shall have the following two alternatives:

(1) Developer may accept title to said Redevelopment Property subject to said objections; or

(2) Developer may declare this entire transaction to be null and void.

If Developer declares this transaction to be null and void pursuant to this paragraph, any earnest money paid by Developer to the City shall be immediately refunded by the City to Developer.

5.7 The Closing. The Closing shall occur on a date mutually acceptable to the City and Developer after such time as each of the conditions precedent to closing set forth in Section 5.10 below have been satisfied or waived by the party benefitting from the condition. The Closing shall take place at the offices of City Hall, 801 Washington Street, Northfield, Minnesota 55057-2565, or at such other place as may be agreed to mutually by the Parties. The City agrees to deliver possession of the Redevelopment Property to Developer at the Closing.

(a) The City's Closing Documents. On the Closing Date, the City shall execute and/or deliver to Developer the following:

(1) Deed. A Limited Warranty Deed, in a form reasonably satisfactory to Developer, so as to vest in Developer good and marketable title to the Redevelopment Property, free and clear of all liens and encumbrances apart from (1) those indicated on Exhibit G; (2) the City's conditional option to repurchase the Redevelopment Property under Section 5.3, and (3) any other permitted encumbrances that may be waived by Developer.

(2) Seller's Affidavit. An Affidavit of Title by the City indicating that on the Closing Date there are no outstanding unsatisfied judgments, tax liens or bankruptcies against or involving the City or the Redevelopment Property; that there has been no skill, labor or material furnished to the Redevelopment Property for which payment has not been made or for which mechanics' liens could be filed; and that there are no unrecorded interests in the Redevelopment Property not reflected on Exhibit G, together with whatever standard owner's affidavit and/or, indemnity (ALTA Form) which may be reasonably required by a title company to issue an Owner's Title Insurance Policy, if required by Developer.

(3) Well Certificate. The City shall provide to Developer a Well Certificate in the form required by Minn. Stat. § 103I.25, subd. 1, paragraph (j), signed by the City, disclosing all wells located on the Redevelopment Property within the meaning of Minn. Stat. § 103I.005, subd. 22 as they exist on the Closing Date.

(4) Storage Tanks. If the Redevelopment Property contains or contained a storage tank, an affidavit with respect thereto, as required by Minn. Stat. § 116.48.

(5) Other Documents. All other documents reasonably determined by Developer to be necessary to transfer the Redevelopment Property to Developer free and clear of all encumbrances, including Phase I Site Environmental Assessment, other than Permitted Encumbrances or as otherwise provided for herein.

(b) Developer's Closing Documents. On the Closing Date, Developer will execute and/or deliver to the City the following:

(1) Payment for the Redevelopment Property. The Purchase Price for the Redevelopment Property of One Dollar ($1.00).

(2) Title Documents. Such affidavits of Developer, Certificates of Value or other documents as may be reasonably required by a title company to record the City's Closing Documents.

5.8 Proration of Costs. The City and Developer agree to the following prorationing and allocation of costs regarding this Agreement:

(a) Title Insurance and Closing Fee. City shall pay the cost of compiling the abstract and will pay all additional premiums required for the issuance of the Title Policy, if required by Developer. Developer will pay any reasonable and customary closing fee or charge imposed by any closing agent designated by the Title Company.

(b) Deed Tax. City shall pay all state deed tax regarding the deed to be delivered by the City under this Agreement pursuant to Section 5.7(a)(1).

(c) Property Taxes and Special Assessments. Developer shall assume responsibility for property taxes payable beginning on the Closing Date and thereafter (including unpaid installments of special assessments, if any).

(d) Recording Costs. Developer will pay the cost of recording all documents necessary to place record title in the condition warranted and requested by the City in this Agreement. Developer will pay the cost of recording all other documents.

(e) Attorneys' Fees. Each of the Parties will pay its own attorneys' fees, except that a party defaulting under this Agreement or any closing document will pay the reasonable attorneys' fees and court costs incurred by the non-defaulting party to enforce its rights regarding such default.

(f) Title Policy. Developer may obtain, at Developer's expense, at closing a title policy issued by a title company, or a suitably marked up commitment initiated by a title company undertaking to issue such a title policy required by the commitment as approved by Developer.

5.9 Survival of representations, warranties, agreements and claims. All representations, warranties, and agreements made in connection with this Agreement will survive for 10 years past the Closing Date and the termination of this Agreement.

5.10 Conditions Precedent to Closing.

(a) Conditions Precedent by City to Obligations of Developer. The obligations of Developer to consummate the transaction contemplated by this Agreement are subject to the fulfillment by the City on or before the Closing Date of all of the following conditions, which conditions may only be waived by Developer in writing:

(1) Representations and Warranties True. All of the representations and warranties of the City contained in this Agreement shall be true and correct on and as of the Closing Date.

(2) Covenants and Agreements Performed. Prior to or on the Closing Date, the City shall have performed and complied with all covenants, agreements or conditions and delivered all documents required by this Agreement to be performed, complied with or delivered by the City.

(3) Environmental Conditions. The environmental condition of the Redevelopment Property shall be acceptable to Developer in its sole discretion.

(4) Title. Title to the Redevelopment Property has been found to be, or is made acceptable in accordance with the terms of Section 5.6 hereof. Developer shall also have received, on or prior to the Closing Date, title insurance coverage effective as of the Date of Closing in the form and content required by Section 5.6 hereof.

(b) Conditions by Developer Precedent to Obligations of the City. The obligations of the City to consummate the transaction contemplated by this Agreement are subject to the fulfillment on or before the Closing Date of all of the following conditions, any of which may be waived by the City in writing:

(1) Representations and Warranties True. All of the representations and warranties of Developer contained on this Agreement shall be true and correct in all material respects on and as of the Closing Date.

(2) Demolition permit. Developer shall have successfully applied for and secured demolition permits from the City for the existing Depot and for the existing Freight-house south of Third Street, having acquired permission from the railroad for this demolition work on their property, and with the City's cooperation of this permit process prior to the land transfer.

(3) Building Moving Permit. Developer shall have successfully applied for and secured a building moving permit from the City as required in Section 4.4 herein.

(4) Zoning Certificate. Developer shall have submitted a proposed site plan for the Redevelopment Property and successfully applied for and received a zoning permit from the City as required in Section 4.4 herein.

(5) Security. Developer shall have submitted the irrevocable letter of security required in Section 4.7 herein to the City.

(6) Covenants and Agreements Performed. Developer shall have performed and complied with all covenants and agreements or conditions contained in this Agreement and delivered all documents required by this Agreement to be performed, complied with or delivered to the City.

ARTICLE 6. INDEMNIFICATION OF CITY.

6.1 Developer releases from and covenants and agrees that the City, its governing body members, officers, agents, including the independent contractors, consultants and legal counsel, servants and employees thereof (hereinafter, for purposes of this Article, collectively the "Indemnified Parties") shall not be personally liable for and agrees to indemnify and hold harmless the Indemnified Parties against any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the Redevelopment Project or on the Redevelopment Property, provided that the foregoing indemnification shall not be effective for any actions of the Indemnified Parties that are not contemplated by this Agreement.

6.2 Except for any willful misrepresentation or any willful or wanton misconduct of the Indemnified Parties, Developer agrees to protect and defend the Indemnified Parties, now and forever, and further agrees to hold the aforesaid harmless from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from the actions or inactions of Developer (or if other persons acting on its behalf or under its direction or control) under this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, and operation of the Project; provided, that this indemnification shall not apply to the warranties made or obligations undertaken by the City in this Agreement or to any actions undertaken by the City which are not contemplated by this Agreement but shall apply to any pecuniary loss or penalty (including interest thereon from the date the loss is incurred or penalty is paid by the City at a rate equal to the Prime Rate) as a result of Developer's actions or inactions with respect to the Redevelopment Project.

6.3 All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City and not of any governing body member, officer, agent, servant or employee of the City, as the case may be.

ARTICLE 7. TERMINATION. This Agreement shall remain in effect until such time as the City's conditional option to repurchase the Redevelopment Property is exercised or expires, or upon such earlier occurrences as follows:

7.1 Termination by Developer. At any time before relocating the Depot to the Redevelopment Property, Developer may terminate this Agreement by providing 30 days written notice to the City. Upon termination under this section, the City shall release the irrevocable letter of credit and return any security provided by Developer under Section 4.7, less any expenses incurred by the City to which it is entitled to reimbursement under this Agreement. If termination under this Section occurs prior to the Closing Date, the City shall assume responsibility for the cleanup or remediation of any pollution or environmental hazards present on the Redevelopment Property that may be discovered in any stage of environmental review. If termination under this Section occurs after the Closing Date, the City may exercise its option to repurchase the Redevelopment Property pursuant to Section 5.3 above.

7.2 Termination by City.

(a) Developer Report. Within eighteen (18) months following the execution of this document, the Developer shall submit a report to the City Council documenting the status of its efforts to raise the funds necessary to cover the Redevelopment Costs and perform its obligations under this Agreement. If the City Council reasonably concludes from the report that Developer has made insufficient progress in fundraising such that the Developer will be unlikely to raise the funds required on or before July 15, 2015, the City Council may act to terminate this Agreement within 60 days of receipt of Developer's report by providing 30 days written notice to Developer.

(b) Developer Default. If Developer has failed to satisfy the conditions precedent to closing on Developer's purchase of the Redevelopment Property under Section 5.10(b) on or before July 15, 2015, or otherwise defaults on a material obligation under this Agreement, the City may terminate this Agreement by providing 30 days written notice to Developer. If Developer then fails to satisfy the conditions precedent to closing on Developer's purchase of the Redevelopment Property within such 30 day notice period, this Agreement will terminate and the City shall return any security provided by Developer under Section 4.7, less any expenses incurred by the City to which it is entitled to reimbursement under this Agreement.

7.3 Effect of Termination. If this Agreement is terminated pursuant to this Article, this Agreement shall be from such date forward null and void and of no further effect; provided, however, the termination of this Agreement shall not affect the rights of either party to institute any action, claim or demand for damages suffered as a result of breach or default of the terms of this Agreement by the other party, or to recover amounts which had accrued and become due and payable as of the date of such termination.

ARTICLE 8. GENERAL PROVISIONS.

8.1 Cumulative Remedies. The Parties agree that in the event of a breach of this Agreement, the party adversely affected by the breach shall not be required to elect a single remedy. Instead, that party shall be entitled to pursue any and all available legal and/or equitable

remedies, including but not necessarily limited to injunctive relief, specific performance, and the recovery of money damages. The Parties agree that the specific mention of certain remedies in this Agreement shall not in any way prevent the Parties from pursuing any other remedies available to them that may not have been specifically mentioned in this Agreement.

8.2 Voluntary and Knowing Action. The Parties, by executing this Agreement, state that they have carefully read this Agreement and understand fully the contents thereof; that in executing this Agreement they voluntarily accept all terms described in this Agreement without duress, coercion, undue influence, or otherwise, and that they intend to be legally bound thereby.

8.3 Authorized Signatories. The Parties each represent and warrant to the other that (1) the persons signing this Agreement are authorized signatories for the entities represented, and (2) no further approvals, actions or ratifications are needed for the full enforceability of this Agreement against it; each party indemnifies and holds the other harmless against any breach of the foregoing representation and warranty.

8.4 Assignment. This Agreement may not be assigned by either party without the written consent of the other party.

8.5 Modifications/Amendment. Any alterations, variations, modifications, amendments or waivers of the provisions of this Agreement shall only be valid when they have been reduced to writing, and signed by authorized representative of the City and Developer.

8.6 Records—Availability and Retention. Pursuant to Minn. Stat. § 16C.05, subd. 5, Developer agrees that the City, 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 Developer and involve transactions relating to this Agreement. Developer agrees to maintain these records for a period of six years from the date of termination of this Agreement.

8.7 Compliance with Laws. Developer shall abide by all Federal, State and local laws, statutes, ordinances, rules and regulations now in effect or hereinafter adopted pertaining to this Agreement or to the facilities, programs and staff for which Developer is responsible.

8.8 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 Agreement or the proceeds thereof.

8.9 Governing Law. This Agreement shall be deemed to have been made and accepted in Rice County, Minnesota, and the laws of the State of Minnesota shall govern any interpretations or constructions of the Agreement without regard to its choice of law or conflict of laws principles.

8.10 Data Practices. The Parties acknowledge that this Agreement is subject to the requirements of Minnesota's Government Data Practices Act, Minnesota Statutes, Section 13.01 *et seq.*

8.11 No Waiver. Any party's failure in any one or more instances to insist upon strict performance of any of the terms and conditions of this Agreement or to exercise any right herein conferred shall not be construed as a waiver or relinquishment of that right or of that party's right to assert or rely upon the terms and conditions of this Agreement. Any express waiver of a term of this Agreement shall not be binding and effective unless made in writing and properly executed by the waiving party.

8.12 Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision. Any invalid or unenforceable provision shall be deemed severed from this Agreement to the extent of its invalidity or unenforceability, and this Agreement shall be construed and enforced as if the Agreement did not contain that particular provision to the extent of its invalidity or unenforceability.

8.13 Entire Agreement. These terms and conditions constitute the entire Agreement between the Parties regarding the subject matter hereof. All discussions and negotiations are deemed merged in this Agreement.

8.14 Headings and Captions. Headings and captions contained in this Agreement are for convenience only and are not intended to alter any of the provisions of this Agreement and shall not be used for the interpretation of the validity of the Agreement or any provision hereof.

8.15 Survivability. All covenants, indemnities, guarantees, releases, representations and warranties by any party, and any un-discharged obligations of the City and Developer arising prior to the expiration of this Agreement (whether by completion or earlier termination), shall survive such expiration.

8.16 Execution. This Agreement may be executed simultaneously in two or more counterparts that, when taken together, shall be deemed an original and constitute one and the same document. The signature of any party to the counterpart shall be deemed a signature to the Agreement, and may be appended to, any other counterpart. Facsimile and email transmissions of executed signature pages shall be deemed as originals and sufficient to bind the executing party.

8.17 Other Documents. Each party to this Agreement agrees, both at the Closing and after the Closing, to execute such other documents as may be reasonably requested by the other party in order to complete the transactions contemplated by this Agreement.

8.18 Notices. Any notice required or permitted to be given by any party upon the

other is given in accordance with this Agreement if it is directed to the City by delivering it personally to the City Administrator of the City; or if it is directed to Developer, by delivering it personally to an officer of Developer; or if mailed in a sealed wrapper by United States registered or certified mail, return receipt requested, postage prepaid; or if transmitted by facsimile, copy followed by mailed notice as above required; or if deposited cost paid with a nationally recognized, reputable overnight courier, properly addressed as follows:

If to the City:	Tim Madigan, City Administrator City of Northfield 801 Washington Street Northfield, MN 55057-2565
Copies to:	Christopher M. Hood, City Attorney Flaherty & Hood, P.A. 525 Park Street, Suite 470 St. Paul, MN 55103-2122
If to Developer:	John M. Ophaug Schmitz Ophaug & Dowd, L.L.P. 220 Division St. 5 Northfield, MN 55057
	Rob Martin, Co-chair Save the Northfield Depot 414 Riley Drive Northfield, MN 55057

Notices shall be deemed effective on the earlier of the date of receipt or the date of deposit as aforesaid; provided, however, that if notice is given by deposit, that the time for response to any notice by the other party shall commence to run one business day after any such deposit. Any party may change its address for the service of notice by giving written notice of such change to the other party, in any manner above specified, 10 days prior to the effective date of such change.

[*Signature pages to follow*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed effective as of the day and year first set forth above.

THE CITY:
City of Northfield

Date: 7/13/12

By: _____
Mary Rossing, Its Mayor

Date: 7/13/12

ATTEST:

By: _____
Deb Little, Its City Clerk

STATE OF MINNESOTA)
) ss.
COUNTY OF RICE)

The foregoing instrument was acknowledged before me this 13th day of July, 2012, by Mary Rossing, as Mayor, and Deb Little, as City Clerk, for the City of Northfield, Minnesota.

_____
Notary Public

KATHLEEN K. FREDRICKSON
NOTARY PUBLIC - MINNESOTA
My Commission Expires Jan. 31, 2015

DEVELOPER:
Save the Northfield Depot

Date: July 13, 2012 By:RobMartin Rob Martin

Its: Co-chair

Date: July 13, 2012 By: Lynn Vincent C. Lynn Vincent

Its: Secretary

STATE OF MINNESOTA)
) ss.
COUNTY OF RICE)

The foregoing instrument was acknowledged before me this 13th day of July, 2012, by Rob Martin, as co-Chair, and C. Lynn Vincent, as co-Chair, for Save the Northfield Depot.

Sandra Bremer

Notary Public

SANDRA BREMER
NOTARY PUBLIC - MINNESOTA
My Commission Expires Jan. 31, 2015

EXHIBIT A

Surveys of the Redevelopment Property dated April 13, 1988
and November 6, 1990, respectively

APPENDIX H: County Plat Documents (7 pages)

WESTSI

KNOW ALL MEN BY THESE PRESENTS: That the City of Northfield, a municipal corporation under the laws of the State of Minnesota, owner and proprietor of the following described property situated in the County of Rice, State of Minnesota, to wit:

That part of Lots 1, 2, 3 and 10 in Block 1 in School Section Addition to the City of Northfield, bounded and described as follows: Beginning at the point of intersection of the Southerly line of said Block 1 and the Southeasterly right-of-way line of the former Chicago, Milwaukee and St. Paul Railway Company; thence Northeasterly along said Southeasterly right-of-way line to the North line of Lot 3 in said Block 1; thence Easterly along said North line of Lot 3 a distance of 42 feet, more or less, to a point distant 40 feet Southeasterly, measured radially, from said Southeasterly right-of-way line of the former Chicago, Milwaukee and St. Paul Railway Company; thence Southwesterly parallel with said Southeasterly right-of-way line to the South line of said Lot 3; thence Westerly along said South line of Lot 3 a distance of 10 feet, more or less, to a point distant 30 feet Southeasterly, measured radially, from said Southeasterly right-of-way line; thence Southwesterly parallel with said Southeasterly right-of-way line to the South line of Lot 2 in said Block 1; thence Easterly along said South line of Lot 2 to a point distant 20 feet Easterly, measured at right angles, from the center line of the main track of the Chicago and North Western Transportation Company (formerly the Chicago Great Western Railway Company), as said main track center line was originally located and established; thence Southwesterly parallel with said last described original main track center line to the South line of said Block 1; thence Westerly along said South line of Block 1 to the point of beginning.

ALSO: That part of vacated First Street lying Westerly of a straight line drawn from a point on the North line of Lot 5 in Block 6 in School Section Addition to the City of Northfield, distant 15 feet Easterly of the Northwest corner thereof, to a point on the South line of Block 1 in said School Section Addition, distant 20 feet Easterly, measured at right angles, from the center line of the main track (now removed) of the Chicago Great Western Railway Company (now the Chicago and North Western Transportation Company), as said main track center line was originally located and established, and lying Easterly of the Easterly right-of-way line of the former Chicago, Milwaukee, St. Paul and Pacific Railroad Company as said right-of-way line is now located.

ALSO: That part of Lots 4, 5, 6, 7, 8, 9 and 10 in Block 6 in School Section Addition to the City of Northfield, bounded and described as follows: Beginning at the point of intersection of the South line of said Block 6 and the Southeasterly right-of-way line of the former Chicago, Milwaukee and St. Paul Railway Company; thence Northeasterly along said Southeasterly right-of-way line to the North line of said Block 6; thence Easterly along said North line of Block 6 to a point distant 15 feet Easterly of the Northwest corner of Lot 5 in said Block 6; thence Southwesterly along a straight line to the Southwest corner of Lot 4 in said Block 6; thence Southerly along the East line of Lot 8 in said Block 6 to a point distant 190 feet Northerly, measured at right angles, from the South line of said Block 6; thence Westerly parallel with the South line of said Block 6 a distance of 30 feet, more or less, to a point distant 6.5 feet Southeasterly, measured at right angles, from the center line of the most Southeasterly side track of the Chicago and North Western Transportation Company (formerly the Chicago Great Western Railway Company), as said side track was located prior to its removal; thence Southwesterly parallel with said side track center line to the South line of said Block 6; thence Westerly along said South line of Block 6 a distance of 80 feet, more or less, to the point of beginning.

ALSO: That part of vacated Spring Street and Lots 6, 7, 8 and 9 in Block 7, all in School Section Addition to the City of Northfield, bounded as follows: On the South by the Westerly extension of the South line of said Block 7; On the Southeasterly side by a line parallel with and distant 9 feet Southeasterly, measured at right angles from the center line of the main track of the Chicago and North Western Transportation Company (formerly the Chicago Great Western Railway Company), as said main track is now located; On the Northwesterly side by a line parallel with and distant 50 feet Northwesterly, measured at right angles, from said main track center line, as said main track was originally located; And on the North by the North line of said Block 7 and the Westerly extension thereof.

ALSO: That part of Lots 4 and 5 in Block 17 in School Section Addition to the City of Northfield, lying Southeasterly of a line parallel with and distant 20 feet Northwesterly, measured at right angles and radially, from the center line of the main track of the Chicago and North Western Transportation Company (formerly the Chicago Great Western Railway Company), as said main track center line was originally located and established.

ALSO: That part of vacated Spring Street lying Southerly of the South line of Third Street, extended, and lying Northerly of a line parallel with and distant 10 feet Northerly, measured radially, from the center line of a spur track of the former Chicago, Milwaukee, St. Paul and Pacific Railroad Company, and lying Westerly of State Trunk Highway No. 3.

ALSO: That part of Lot 3, Block 21 in the City of Northfield, lying Easterly of a line distant 30 feet Northwesterly, measured radially, from the original main track center line of the Chicago and North Western Transportation Company and lying Northerly of a line distant 10 feet Northwesterly, measured radially, from the center line of the spur track of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company.

Has caused the same to be surveyed and platted as WESTSIDE ADDITION and do hereby donate and dedicate to the public for public use forever the easements as shown on the plat for drainage and utility purposes only.

DE ADDITION

In witness whereof said City of Northfield has caused these presents to be signed in its corporate name by its mayor and city clerk this 11 day of April, 1988.

William R. Gill, Mayor — Karl Huber, Jr., City Clerk

STATE OF MINNESOTA
COUNTY OF RICE
The foregoing instrument was acknowledged before me this 11 day of April, 1988, by William R. Gill, Mayor and Karl Huber, Jr., City Clerk of the City of Northfield, a municipal corporation under the laws of the State of Minnesota.

Notary Public, Rice County, Minnesota
My Commission Expires 12-14-89

I hereby certify that I have surveyed and platted the property described on this plat as WESTSIDE ADDITION, that this plat is a correct representation of the survey, that all distances are correctly shown on the plat in feet and hundredths of a foot, that all monuments have been correctly placed in the ground as shown, that the outside boundary lines are correctly designated on the plat and that there are no wet lands or public highways to be designated other than as shown.

LeRoy H. Bohlen, Land Surveyor
Minnesota Registration No. 10795

STATE OF MINNESOTA
COUNTY OF Rice
The foregoing Surveyor's Certificate was acknowledged before me this 30th day of MARCH, 1988, by LeRoy H. Bohlen, Minnesota Registration No. 10795.

Notary Public, Rice County, Minnesota
My Commission Expires Jan. 24, 1994

Approved by the Planning Commission of the City of Northfield, Minnesota, at a regular meeting thereof, on the 14th day of March, 1988.

Chairman

We do hereby certify that on the 21st day of March, 1988, the City Council of Northfield, Minnesota approved this plat.

Mayor
Clerk

I hereby certify that the taxes for the year 1986 for the land described on this plat as WESTSIDE ADDITION have been paid on this ____ day of ____, 1988.

County Treasurer, Rice County, Minnesota

No delinquent taxes due and transfer entered this 13 day of April, 1988.

County Auditor, Rice County, Minnesota

Document Number 328.068
I hereby certify that this instrument was filed in the office of the County Recorder for record this ____ day of ____, 1988, at ____ o'clock ____ M., and was duly recorded in Book ____ on page ____.

County Recorder, Rice County, Minnesota

April 13, 1988

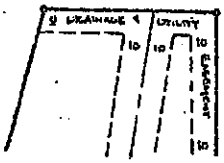
SHEET 1 OF 2

WEST

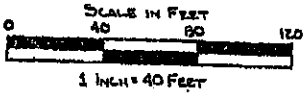
Denotes ½ Inch By 14 Inch Iron Pipe Monument, Set and Marked By Registration No. 10795, Unless Otherwise Shown.

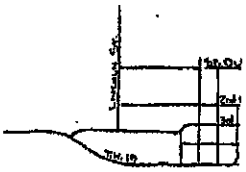
The South Line of Blocks 7 And 8 is Assumed To Have A Bearing of N 88° 38' 55" W

Drainage and Utility Easements Are Shown Thus

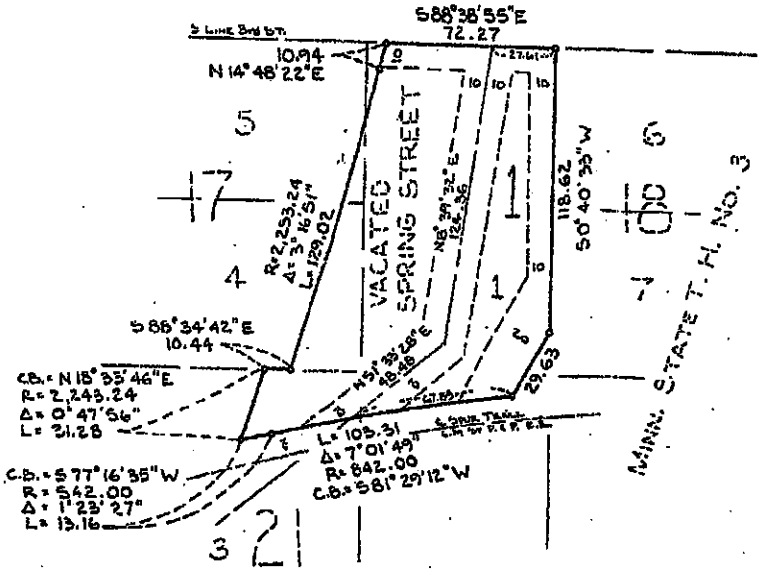


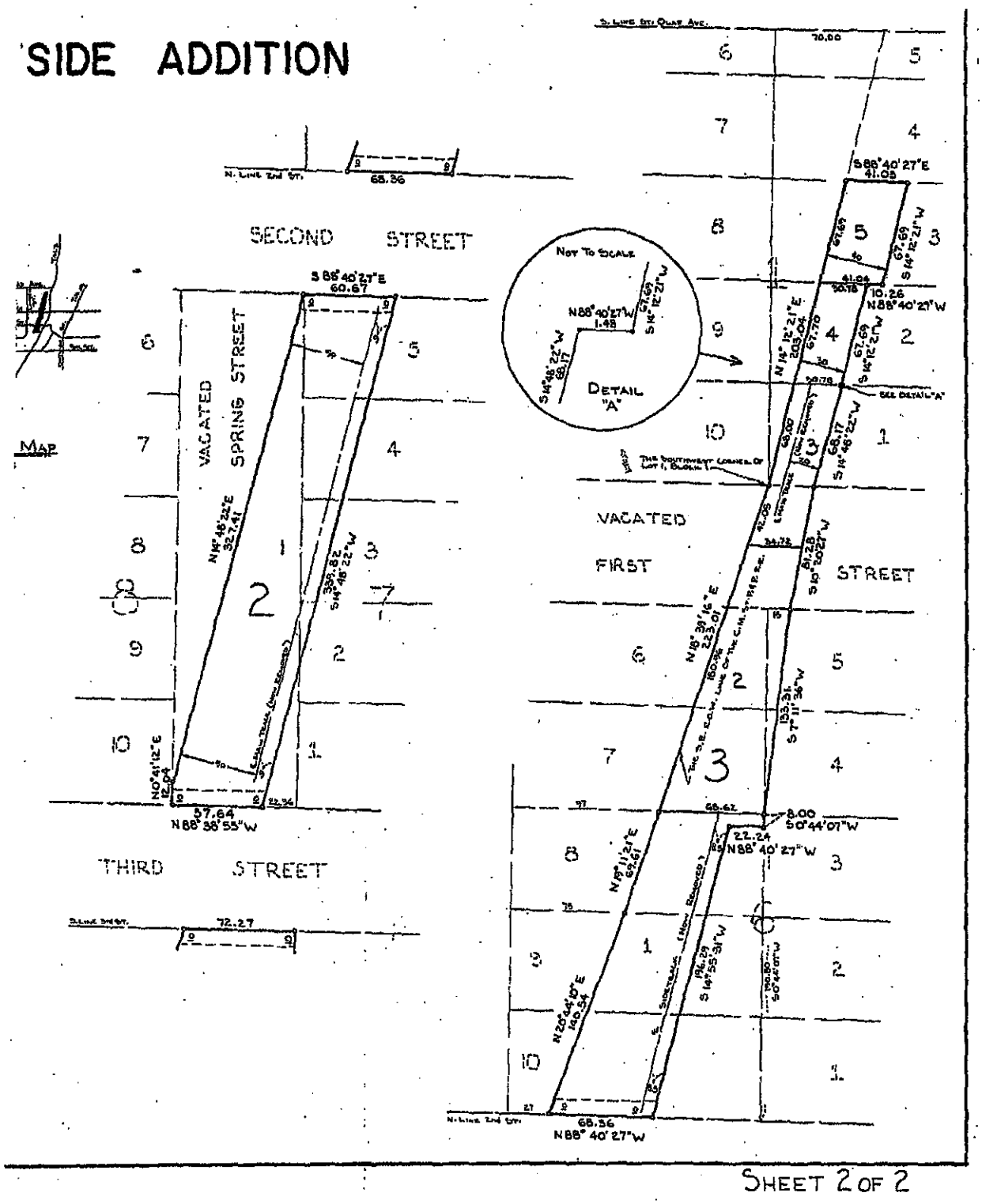
Being 10 Feet In Width and Adjoining Street Lines Unless Otherwise Indicated





LOCATION
No Scale




'SIDE ADDITION
SECOND STREET
THIRD STREET
VACATED SPRING STREET
VACATED FIRST STREET
MAP
NOT TO SCALE
DETAIL "A"
S 88°40'27"E 60.67
N 88°38'55"W 57.64
72.27
68.36
S 88°40'27"E 41.05
N 88°40'27"W 10.26
N 88°40'27"W 22.24
S 0°44'07"W 8.00
N 88°40'27"W 68.36
N 88°40'27"W 1.48
SEE DETAIL "A"
THE SOUTHWEST CORNER OF LOT 1, BLOCK 1
S 14°48'22"W 68.17
S 14°12'21"W 67.69
N 14°12'21"E 203.04
N 18°39'16"E 223.01
N 19°11'21"E 69.61
N 20°44'10"E 140.54
S 14°55'31"W 196.29
S 10°20'27"W 81.28
S 7°11'36"W 133.31
N 14°48'22"E 327.41
S 14°48'22"W 339.82
N 0°41'12"E 12.04
S. LINE 2ND ST.
N. LINE 2ND ST.
S. LINE ST. OLIVE AVE.
SIDETRACK (NOW REMOVED)
70.00
41.04
50.78
67.70
68.00
68.17
68.62
22.36
97
75
27
1
2
3
4
5
6
7
8
9
10

SHEET 2 OF 2

KNOW ALL MEN BY THESE PRESENTS: That the City of Northfield, a municipal corporation under the laws of the State of Minnesota, owner and proprietor of the following described property situated in the County of Rice, State of Minnesota, to wit:

That part of Block 21, Original Town Plat of Northfield, Rice County, Minnesota and that part of Block 17, School Section Addition, City of Northfield, Rice County, Minnesota, described as follows: Commencing at the northwest corner of Block 1, WESTSIDE ADDITION, City of Northfield, Rice County, Minnesota; Thence N88° 38' 55"W, along the south line of Third Street, a distance of 45.00 feet to the point of beginning of the land to be described; Thence S31° 34' 04"W, a distance of 156.31 feet to a point on the south line of said Block 17, distant 42.00 feet easterly of the southwest corner of Lot 4, said Block 17; Thence S88° 34' 42"E, along said south line, a distance of 15.00 feet; Thence S31° 29' 31"W, a distance of 112.11 feet to a point on the east line of Lot 5, of said Block 21, distant 8.50 feet southeasterly, measured radially, of the centerline of a spur track of Soo Line Railroad Company, formerly known as the Chicago, Milwaukee, St. Paul and Pacific Railroad Company; Thence S0° 55' 47"W, along said east line, a distance of 1.06 feet to its intersection with a line distant 9.50 feet southeasterly of and parallel with the centerline of said spur track; Thence southwesterly, parallel with said spur track, along a non-tangential curve, concave to the southeast, having a chord bearing of S54° 47' 53"W, a radius of 506.49 feet, a central angle of 14° 40' 29", a distance of 129.72 feet; Thence S47° 27' 39"W, parallel with said spur track, a distance of 3.50 feet to its intersection with the north line of vacated Fourth Street; Thence N89° 44' 41"W, along said north line, a distance of 13.97 feet to a point hereinafter referred to as "Point A"; Thence N89° 44' 41"W, along said north line, a distance of 3.84 feet to its intersection with a line distant 50 feet southeasterly of and parallel with the centerline of the main track of Soo Line Railroad Company, formerly known as the Chicago, Milwaukee, St. Paul and Pacific Railroad Company; Thence northeasterly, parallel with said main track, along a non-tangential curve, concave to the northwest, having a chord bearing of N31° 52' 48"E, a radius of 1482.69 feet, a central angle of 7° 55' 36", a distance of 205.12 feet to a point of compound curve; Thence northeasterly, parallel with said main track, along a tangential curve, concave to the northwest, having a chord bearing of N27° 09' 57"E, a radius 5779.58 feet, a central angle of 1° 30' 07", a distance of 151.51 feet to its intersection with the south line of Third Street; Thence S88° 38' 55"E, along said south line, a distance of 74.12 feet to the point of beginning.

Subject to a 19 foot wide easement for railroad purposes, the centerline of which is described as follows: Beginning at said "Point A"; Thence N47° 27' 39"E, a distance of 13.75 feet; Thence northeasterly, along a tangential curve, concave to the southeast, having a radius of 513.99 feet, to the easterly line of the above described property and there terminating.

Subject to a 16 foot wide easement for railroad purposes, the centerline of which is described as follows: Beginning at said "Point A"; Thence N47° 27' 39"E, a distance of 36.11 feet; Thence northeasterly, along a tangential curve, concave to thenorthwest, having a radius of 776.95 feet, a central angle of 17° 55' 32", a distance of 243.08 feet; Thence N29° 32' 07"E, a distance of 92 feet and there terminating:

And that part of Block 8 and vacated Spring Street, in School Section Addition, City of Northfield, Rice County, Minnesota, described as follows: Beginning at the southwest corner of Block 2, WESTSIDE ADDITION, City of Northfield, Rice County, Minnesota; Thence N88° 38' 55"W, along the north line of Third Street, a distance of 81.49 feet to its intersection with a line distant 50 feet southeasterly of and parallel with the centerline of the main track of Soo Line Railroad Company, formerly known as the Chicago, Milwaukee, St. Paul and Pacific Railroad Company;

Thence northeasterly, parallel with said main track, along a non-tangential curve, concave to the northwest, having a chord bearing of N23° 46' 12"E, a radius of 5779.58 feet, a central angle of 3° 32' 39", a distance of 357.91 feet to its intersection with the easterly extension of the south line of Second Street; Thence S88° 40' 27"E, a distance of 21.20 feet to the northeast corner of said Block 2, WESTSIDE ADDITION; Thence S14° 48' 22"W, along the westerly line of said Block 2, a distance of 327.41 feet; Thence S0° 41' 12"W, along the west line of said Block 2, a distance of 12.04 feet to the point of beginning.

And that Paul L. Hanson and Barbara H. Hanson, husband and wife; owners and proprietors, and Community National Bank, a United States corporation, mortgagee of the following described property situated in the County of Rice, State of Minnesota, to wit:

That part of Block 21, Original Town Plat of Northfield, Rice County, Minnesota and that part of Block 17, School Section Addition, City of Northfield, Rice County, Minnesota, described as follows: Beginning at the northwest corner of Block 1, WESTSIDE ADDITION, City of Northfield, Rice County, Minnesota; Thence N88° 38' 55"W, along the south line of Third Street, a distance of 52.73 feet; Thence S31° 34' 04"W, a distance of 156.31 feet to a point on the south line of said Block 17, distant 42.00 feet easterly of the southwest corner of Lot 4, said Block 17; Thence S88° 34' 42"E, along said south line, a distance of 15.00 feet; Thence S31° 29' 31"W, a distance of 80.06 feet to its intersection with a line distant 8.50 feet northwesterly, measured radially, of the centerline of a spur track of the Soo Line Railroad, formerly the Chicago, Milwaukee, St. Paul and Pacific Railroad Company; Thence northeasterly, parallel with said spur track, along a non-tangential curve, concave to the southeast, having a chord bearing of N70° 47' 49"E, a radius of 540.50 feet, a central angle of 11° 21' 59", a distance of 107.23 feet to its intersection with the southerly extension of the westerly line of said Block 1, WESTSIDE ADDITION; Thence northeasterly, along a non-tangential curve, concave to the northwest, having a chord bearing of N18° 59' 05"E, a radius of 2243.24 feet, a central angle of 0° 02' 43", a distance of 1.78 feet to the southwesterly corner of said Block 1; Thence northeasterly and easterly along the westerly line of said Block 1 to the point of beginning.

Have caused the same to be surveyed and platted as WESTSIDE THIRD ADDITION and do hereby donate and dedicate to the public for public use forever the easements as shown on the plat for drainage and utility purposes only.

In witness whereof said City of Northfield has caused these presents to be signed in its corporate name by its mayor and city clerk this 5th day of January, 1990

Mayor — Karl Huber, Jr., City Clerk

STATE OF MINNESOTA
COUNTY OF RICE
The foregoing instrument was acknowledged before me this 5 day of January, 1990 by Gerald R. Anderson, Mayor and Karl Huber, Jr., City Clerk of the City of Northfield, a municipal corporation under the laws of the State of Minnesota.

Notary Public, Rice County, Minnesota
My Commission Expires 10-26-95

In Witness whereof said Paul L. Hanson and Barbara H. Hanson, husband and wife, have hereunto set their hands this 3 day of January, 1990

Paul L. Hanson — Barbara H. Hanson

STATE OF MINNESOTA
COUNTY OF RICE
The foregoing instrument was acknowledged before me this 3rd day of January, 1990 by Paul L. Hanson and Barbara H. Hanson, husband and wife.

Notary Public, Rice County, Minnesota
My Commission Expires 10-26-95

In Witness whereof said Community National Bank, a United States corporation, has caused these presents to be signed by its proper officers this 26 day of February, 1990

Community National Bank

By F. Donavon Kuehnast, President — By Thomas J. Posch, Vice President

STATE OF MINNESOTA
COUNTY OF RICE
The foregoing instrument was acknowledged before me this 26th day of February, 1990 by F. Donavon Kuehnast, President and Thomas J. Posch, Vice President, of Community National Bank, a United States corporation.

Notary Public, Rice County, Minnesota
My Commission Expires 9-27-92

I hereby certify that I have surveyed and platted the property described on this plat as WESTSIDE THIRD ADDITION, that this plat is a correct representation of the survey, that all distances are correctly shown on the plat in feet and hundredths of a foot, that all monuments have been correctly placed in the ground as shown, that the outside boundary lines are correctly designated on the plat and that there are no wet lands or public highways to be designated other than as shown.

LeRoy H. Rohlen, Land Surveyor
Minnesota Registration No. 10795

STATE OF MINNESOTA
COUNTY OF Rice
The foregoing Surveyor's Certificate was acknowledged before me this 27 day of December, 1989, by LeRoy H. Rohlen, Minnesota Registration No. 10795

Notary Public, Rice County, Minnesota
My Commission Expires 1/11/91

Approved by the Planning Commission of the City of Northfield, Minnesota, at a regular meeting thereof, on the 10th day of April, 1989.

Chairman

We do hereby certify that on the 17th day of April, 1989, the City Council of Northfield, Minnesota approved this plat.

Mayor

Clerk

I hereby certify that the taxes for the year 1990 for the land described on this plat as WESTSIDE THIRD ADDITION have been paid on this 24 day of October, 1990

Dorothy Gallagher
County Treasurer, Rice County, Minnesota

No delinquent taxes due and transfer entered this 24 day of October, 1990

Lorraine Nelson
County Auditor, Rice County, Minnesota

Document Number 350982
I hereby certify that this instrument was filed in the office of the County Recorder for record this 6 day of November, 1990 at __ o'clock __M., and was duly recorded in Book ___ on page ___.

Ralph Brunel by Meredith Trumman Deputy
County Recorder, Rice County, Minnesota

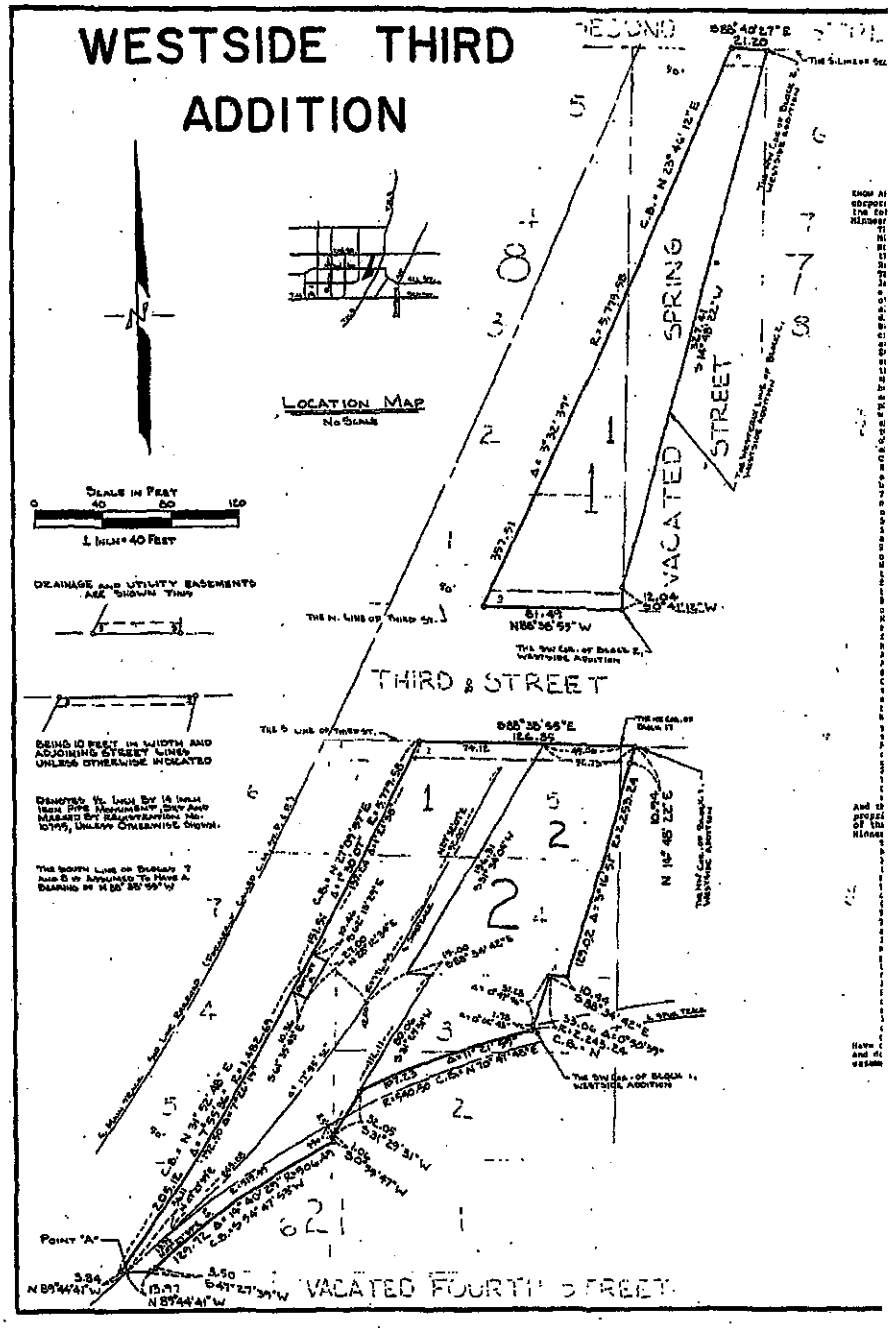

WESTSIDE THIRD ADDITION
LOCATION MAP
No Scale
SCALE IN FEET
0 40 80 120
1 INCH = 40 FEET
DRAINAGE AND UTILITY EASEMENTS ARE SHOWN THUS
BEING 10 FEET IN WIDTH AND ADJOINING STREET LINES UNLESS OTHERWISE INDICATED
SECOND STREET
SPRING STREET
VACATED
THIRD STREET
VACATED FOURTH STREET
POINT "A"
N 89°44'41" W
S 89°44'41" W
S 41°27'39" W
S 88°36'55" E
N 88°36'55" W
N 23°46'12" E
N 16°48'22" E
N 1°48'22" E
R = 5,779.58
R = 2,250.24
R = 1,540.50
Δ = 4°32'39"
Δ = 2°50'07"
Δ = 4°34'10"
Δ = 2°10'30"
L.D. = 1°00'00"
L.D. = 1°59'47"
L.D. = 3°43'46"
L.D. = 3°43'46"
C.B. = N 21°27'09" E
C.B. = N 23°46'12" E
C.B. = N 1°48'22" E
C.B. = N 3°34'27" E
C.B. = N 21°17'21" W
C.B. = N 15°41'05" E
C.B. = N 16°48'22" E
C.B. = N 1°48'22" E
292.93
81.49
120.02
120.74
1017.25
1540.50
1 2 3 4 5 6 7 8

EXHIBIT B
Form Limited Warranty Deed conveying Redevelopment Property to Developer

(Top 3 inches reserved for recording data)

LIMITED WARRANTY DEED

DEED TAX DUE: $_____ DATE: _____, 2012

FOR VALUABLE CONSIDERATION, City of Northfield, Minnesota, a body politic and corporate under the laws of the state of Minnesota ("**Grantor**"), hereby conveys and quitclaims to Save the Northfield Depot, a nonprofit corporation under the laws of the state of Minnesota ("**Grantee**"), real property in Rice County, Minnesota, legally described on the attached Exhibit "A", together with all hereditaments and appurtenances belonging thereto, subject to the following restrictions, covenants, and conditions:

1. The real property herein conveyed shall be devoted to the following use: operating a financially viable property and building use or uses with Northfield's historic 'Milwaukee Road' Depot on the premises.

2. The real property shall be devoted to such use by the Grantee in accordance with the provisions of this Deed.

3. The Grantee shall devote the real property to its intended use within 1 year from the date of this Deed and maintain such use for a minimum period of five years thereafter. If the Grantee fails to devote the real property to its intended use or fails to devote the real property to its intended use at any time as required herein, Grantor shall have the option to repurchase fee title to the real property for the consideration of One Dollar ($1.00), less any taxes and other encumbrances affecting marketability of title. Notwithstanding the foregoing, Grantor may, at its option, consider an extension of time for good cause shown by Grantee. In the event an extension is granted, it (a) shall be to a date certain, (b) may be conditioned by Grantor to protect the public interest, and (c) during the period Grantee shall not transfer title to the real property without the express written consent of Grantor.

After the Grantee has devoted the real property to its intended use, the Grantor shall provide to Grantee a certificate of compliance/completion in recordable form within 30 days from the determination thereof by Grantor.

4. The Grantee shall not transfer title to the real property within 6 years after the date of this Deed without the express written consent of the Grantor.

5. Any transfer of title to the real property made pursuant to the provisions of paragraphs 3 and 4 hereof shall be made only to a party who demonstrates to the satisfaction of Grantor that such party has the ability to perform in place of Grantee.

6. Incorporated herein by reference are all of the conditions of Minnesota Statutes, Sections 469.048 to 469.068, and all of said conditions and the conditions stated herein relative to the use of the real property are covenants running with the land;

This Deed conveys after-acquired title. Grantor warrants that Grantor has not done or suffered anything to encumber the property from and after April 13, 1998.

The total consideration for this deed is less than $500.00.

The Seller certifies that the Seller does not know of any wells on the described real property.

Grantor

The City of Northfield, Minnesota

By: _____
Its: Mayor

By: _____
Its: City Clerk

State of Minnesota, County of Rice

This instrument was acknowledged before me on _____, 2012, by _____, as its Mayor, and by _____, as its City Clerk, of the City of Northfield, Minnesota.

(Stamp)

_____
Notary Public

THIS INSTRUMENT WAS DRAFTED BY:

Robert T. Scott
Flaherty & Hood, P.A.
525 Park Street, Suite 470
St. Paul, MN 55103
(651) 225-8840

TAX STATEMENTS FOR THE REAL PROPERTY DESCRIBED IN THIS INSTRUMENT SHOULD BE SENT TO:

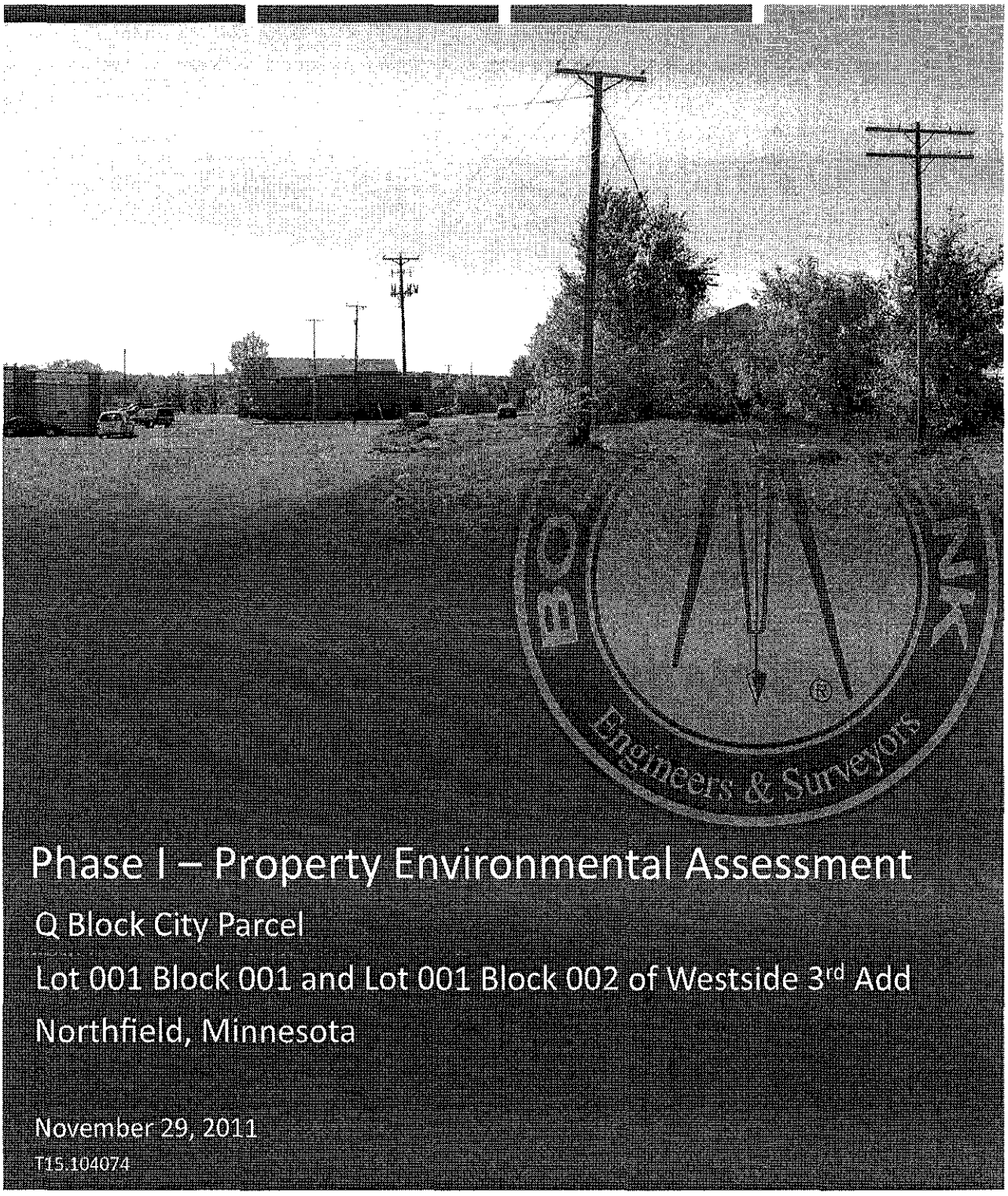
Save the Northfield Depot
414 Riley Drive
Northfield, MN 55057

EXHIBIT C

Phase I Site Environmental Assessment of Redevelopment Property dated November 4, 2011

BOLTON & MENK, INC.

Consulting Engineers & Surveyors



Phase I – Property Environmental Assessment

Q Block City Parcel

Lot 001 Block 001 and Lot 001 Block 002 of Westside 3rd Add

Northfield, Minnesota

November 29, 2011

T15.104074

TABLE OF CONTENTS

1. SUMMARY 1
2. INTRODUCTION 1
3. SITE DESCRIPTION 2
4. USER PROVIDED INFORMATION 4
5. RECORDS REVIEW 7
6. SITE RECONNAISSANCE INFORMATION 11
7. INTERVIEWS 12
8. FINDINGS 13
9. OPINION 13
10. CONCLUSIONS 14
11. DEVIATIONS 14
12. ADDITIONAL SERVICES 14
13. REFERENCES 14
14. SIGNATURE OF ENVIRONMENTAL PROFESSIONAL 14
15. QUALIFICATIONS OF ENVIRONMENTAL PROFESSIONAL 16

APPENDICES

Appendix A – Site Visit Report
Appendix B – EDR Historical Topographic Map Report
Appendix C – EDR Historical Aerial Photo Decade Package
Appendix D – Selections from the EDR Radius Report
Appendix E – Interviews
Appendix F – EDR Environmental Lien Search Report and Chain of Title
Appendix G – Certified Sanborn Map Report,
Appendix H – EDR City Directory Image Report
Appendix I – EDR Building Permit Report
Appendix J – EDR Property Tax Map Report
Appendix K – City-Provided Historical Information

1. SUMMARY

At the request of the City of Northfield, Bolton & Menk, Inc. has performed this Phase I Property Environmental Site Assessment of the property located at Lot 001 Block 001 and Lot 001 Block 002 of Westside 3rd Addition, Northfield, MN, 55057 (herein referred to as "the Property").

This Property is made up of two parcels: 2236475033 and 2236478001. This Phase I report treats these two parcels as one property.

Currently, the Property is a gravel parking lot.

This assessment revealed no evidence of recognized problem environmental conditions in connection with this Property. However, due to the nature of the land use (railroad freight loading/unloading adjacent to a lumber yard), it is unknown what activities and events occurred at this site before environmental regulations required more detailed record-keeping. If the property is to continue to be used as a gravel parking lot and no excavation will occur, there should be no need for a Phase II Environmental Assessment. If construction excavation is planned for the site, then a Phase II Environmental Assessment should be conducted.

2. INTRODUCTION

2.1 Purpose

The purpose of this assessment is to identify to the extent feasible and as described in ASTM E1527-05, recognized problem environmental conditions in connection with the above-identified Property.

2.2 Detailed Scope-of-Services

The methodology used in this assessment is as described in ASTM Standards E1527-05.

2.3 Significant Assumptions

EDR, Inc. was used to do historical research. It is assumed that EDR, Inc. has access to all available appropriate environmental databases and has provided all available data as part of the research results.

2.4 Limitations and Exceptions of Assessment

The limitations and exceptions of this assessment are those described in ASTM E1527-05. The level of inquiry and scope of this assessment are consistent with those described in that ASTM standard. The limiting conditions associated with this assessment are those of the costs associated with and time available for the assessment. These conditions are consistent with good commercial and customary practice.

2.5 Special Terms and Conditions

There are no special terms or conditions associated with this report.

2.6 User Reliance

This report is intended for use by parties who wish to assess the environmental conditions of this Property, taking into account commonly known and reasonably ascertainable information. This report is intended to identify recognized environmental conditions in connection with the Property.

3. SITE DESCRIPTION

3.1 Location and Legal Description

The Property is located in the city of Northfield, Rice County, Minnesota. The site is west of State Highway 3, west of South Linden Street, south of 2nd Street West and north of 3rd Street West.

This Property is made up of two parcels: 2236475033 and 2236478001. This Phase I report treats these two parcels as one property. The Rice County parcel website printouts for each parcel on an aerial photo background are included in Appendix A.

The Property is located in the central portion of Northfield. The Property is in the vicinity of commercial and residential developments. The Property is west of the Cannon River and east of the railroad, both of which run in a southwest/northeast direction through Northfield.

3.2 Site and Vicinity General Characteristics

The physical setting of the Property has a relatively gentle sloping topography (0-2%). The Property appears to slope to the east/northeast. The ground surface elevation is approximately 918 ft. No soil borings have been taken for the Property. See site photos in Appendix A.

According to the historical topographic maps (Appendix B) and aerial photographs (Appendix C), the Property drains to the city storm sewer, and eventually enters the Cannon River.

According to the EDR data search (Appendix D), the general direction of groundwater flow is southeast, and the closest wells to the Property are less than 1/8 mile away to the northeast. What the EDR data search calls "Map ID 1" is actually a Federal FRDS Public Water Supply System owned by Saint Olaf College -PWSID MN 1660012. The EDR data search lists two wells and two well entry points within the Saint Olaf College PWSID MN 1660012 and shows the status as "closed." No depth to groundwater was given for the Saint Olaf College system. The next nearest well (Map ID 2) is less than 1/8 mile away to the southwest (Unique ID 00264134). No depth to groundwater was given for this well, either. Based on the locations of these wells in relation to the Property, taking into account the general southeast direction of groundwater flow, it appears that the Property would not impact these wells and these wells would not impact the Property. Well locations are mapped on the physical setting source map in Appendix D.

The soils on site are listed as "urban land." Soils are mapped on the SSURGO soil map in Appendix D.

Utilities that are assumed to be in the vicinity of the Property, based on the site visit (Appendix A), are underground water, wastewater, storm sewer, telephone and many aboveground electric power lines. There is a fire hydrant in the boulevard of 3rd Street West, on the south side of the Property.

3.3 Current Uses of Property

Currently, the Property is associated gravel parking lot.

The current owner of the property is the City of Northfield, since 1986.

3.4 Descriptions of Structures, Roads, Other Improvements on the Site

Currently, there are no structures on site.

3.5 Current Uses of Adjoining Properties

The surrounding nearby properties are commercial developments immediately to the east (El Triunfo ethnic store, Quarterback Club restaurant, Tom's Pro Glass, all of which appear tidy and well-kept) with a railroad and run-down building immediately to the west of the property. Formerly, there was a VFW building between the El Triunfo and the Quarterback Club, but that was torn down in 2001. Further to the west is South Linden Street and single-family residences. State Highway 3, a four-lane highway, is east of the Property. To the east of State Highway 3 are the Cannon River and a small commercial area (Water Street S) including shops, restaurants, Pool&Spa Boy, the Malt-O-Meal Ames Mill, and the Eagles' Club/VFW. 3rd Street West, a two-lane city street, is south of the property. South of 3rd Street West is an old railroad depot building, and a building including a gift shop, Chamber of Commerce, foot clinic, YMCA and real estate company. 2nd Street West, a two-lane city street, is north of the Property. To the north of 2nd Street West is an insurance agency, a power substation and a gas station.

4. USER PROVIDED INFORMATION

4.1 Title Records

Included in Appendix K is title information for both parcels of the Property, indicating the City as the owner. Notes on the pages indicate that there are no deeds from the City to anyone since the parcels were platted.

4.2 Environmental Liens or Activity and Use Limitations

No environmental lien or activity and use limitation information was provided by the user.

4.3 Specialized Knowledge

The City provided a large packet of information gathered about the block bound by State Highway 3, South Linden Street, 2nd Street West and 3rd Street West. The following is information gleaned from this packet.

A previous draft environmental site assessment done in 2000 for the block bound by State Highway 3, South Linden Street, 2nd Street West and 3rd Street West, which indicated some recognized environmental concerns encountered by other facilities or sites in the immediate area (Camelot Cleaners, 200 Water Street S [this is now El Triunfo store, to the east of the site] possibly has vinyl chloride in the groundwater; and Schultzis Bike Shop, 115 Water Street S had a leaking underground storage tank). The previous draft environmental site assessment report is included in Appendix K. The final report was not found.

A review of MPCA records for the Camelot Cleaners site is also included in Appendix K. The review of the MPCA records indicated that there are residual levels of vinyl chloride and tetrahydrofuran at the Camelot Cleaners site. There is no information regarding the migration of this contamination off site.

Another previous draft environmental site assessment done in 2002 for the former VFW building site (between El Triunfo and the Quarterback Club) is included in Appendix K. The former VFW building was razed in fall of 2001. The report indicated that the VFW site was not downgradient of the groundwater flow from either the Camelot Cleaners or Schultzis Bike Shop sites. Groundwater flow in this area is eastward, toward the Cannon River. This statement agrees with the groundwater flow information found in the EDR reports for the Property.

Also included in Appendix K is an excerpt from an appraisal report conducted on the property in 1988. The top photo on this report shows the Property from 2nd Street West, looking south at the Property. A grain elevator is visible in this historical photo, but no longer exists. The grain elevator appears to be on the west side of the railroad tracks, and therefore not on the

subject Property. The bottom photo shows the Property from 3rd Street West, looking north at the Property. An old storage building is visible in this photo. This is the same very run down building that is currently adjacent to the subject Property. The Property had more vegetation in 1988; a tree and more grass.

A 1974 map with the parcel lines overlying an aerial photo shows the land use at that time. Although the quality of the photo is not the best, it appears that there were no buildings on the Property and it was covered with grass, or at least not pavement like the nearby streets and parking lot for the commercial buildings facing the highway.

4.4 Commonly Known or Reasonably Ascertainable Information

No commonly known or reasonably ascertainable information was provided by the user.

4.5 Valuation Reduction for Environmental Issues

The Property is not being sold; so there is no purchase price to compare to fair market value. Therefore, a valuation reduction due to environmental issues is not suspected.

4.6 Owner, Property Manager, and Occupant Information

The City (the user) is the current owner of the Property. Names, addresses and phone numbers for the previous property owners were not provided by the user.

4.7 Reason for Performing Phase I

It is assumed that the Phase I is being conducted to qualify for an LLP to CERCLA liability; and to understand potential environmental conditions that could materially impact the operation of the City associated with the parcel of real estate, if it were to be developed in the future.

4.8 Other

No other information was provided by the user.

5. RECORDS REVIEW

5.1 Standard Environmental Record Sources

Environmental Data Resources, Inc. (EDR) was contracted to perform an environmental records search. The search distances for each database are listed in the Map Findings Summary on page 4 of the EDR Radius Report in Appendix D. A list of the databases is included starting on page GR-1 of the EDR Radius Report in Appendix D. Sources of the other data are included with the data in the other Appendices.

5.1.1 Historical Aerial Photos

A review of historical aerial photos for the Property confirms the site history obtained through a review of the Property and interviews. Aerial photos from 2008, 2006, 2005, 1991, 1984, 1970, 1964, 1951, 1940 and 1938 are included in Appendix C.

5.1.2 Historical Topographic Maps

A review of historical topographic maps for the Property confirms the site history obtained through a review of the Property and interviews. USGS maps from 1991 and 1960 are included in Appendix B.

5.1.3 Property Tax Map Report, Building Permit Report, Sanborn® "Fire Insurance" Maps and City Directory

There is coverage for the Property by Sanborn Maps and they are included in Appendix G. There are maps dated 1951, 1943, 1930, 1922, 1910, 1900, 1894, 1889, and 1884. These maps indicate that this area was used for loading and offloading railroad freight (likely lumber), since the maps show a building labeled "Freight Depot" which seems to be the very run-down building immediately to the west of the Property. To the east side of the Property, there was a lumber yard.

City Directory information was not available for the Property, but is available for some of the nearby properties. A review of this information confirms the uses of the nearby properties in the small commercial area on the east side of Highway 3 (Water Street S) obtained through the site reconnaissance. Past uses nearby this area include shops, apartments, restaurants, a dry cleaners and a gas station. The EDR City Directory Image Report is included in Appendix H.

No coverage was provided for the target area by the Building Permit Report. The EDR Property Tax Map Report indicating no coverage is included in Appendix I.

No coverage was provided for the target area by the Property Tax Maps. The EDR Property Tax Map Report indicating no coverage is included in Appendix J.

5.1.4 Chain of Title, Environmental Lien and Activity and Use Limitations Search

Chain of title indicates the Property was first owned by Chicago and Northwestern Transportation Company (before 1986), then by the City of Northfield from 1986 to the present. In 2004, the City transferred access/drainage easement/temporary easement rights to the State of Minnesota in a Quit Claim Deed. This quitclaim deed stated that the City gave the State of Minnesota "all right of access as shown on said plat by the access control symbol;" "a drainage easement in perpetuity as shown on said plat as to said Parcel 259, and designated as a drainage easement;" and that "a temporary easement for highway purposes as shown on said plat as to said Parcel 259 by the temporary easement symbol, said easement shall cease on December 1, 2008, or on such earlier date upon which the Commissioner of Transportation determines by formal order that it is no longer needed for highway purposes." The EDR chain of title research for each parcel, which includes the deed and the quitclaim deed, is included in Appendix F.

EDR did an environmental lien and Activity and Use Limitations (AULs) search on the Property. No environmental liens or other AULs were found. The environmental lien search report is included in Appendix F.

The environmental lien search information provided by EDR in Appendix F incorrectly noted that the State of Minnesota was the owner of the parcel. City-provided title information for both parcels of the Property, indicating the City as the owner, is also included in Appendix K.

5.2 Additional Environmental Record Sources

City-provided information is discussed in more detail in Section 4.3 of this report, and the information is included in Appendix K. A previous draft environmental site assessment was done in 2000 for the block bound by State Highway 3, South Linden Street, 2nd Street West and 3rd Street West. A review of MPCA records for the Camelot Cleaners site is also included in

Appendix K. Another previous draft environmental site assessment done in 2002 for the former VFW building site (between El Triunfo and the Quarterback Club) is included in Appendix K.

5.3 Physical Setting Sources

The USGS maps are included in Appendix B and the historical aerial photos are included in Appendix C. More physical setting information is included in the EDR Radius Report in Appendix D. Sources for this information are documented in the appropriate appendices.

5.4 Historical Use Information on the Property

According to review of Sanborn maps, aerial photographs and historic topographic maps, the Property was in use as a freight loading/unloading area since before 1884. It is difficult to determine when active freight loading/unloading ended and the area became a parking lot.

Sanborn Maps are included in Appendix G. Aerial photographs are included in Appendix C and historic topographic maps are included in Appendix B.

5.5 Historical Use Information on Adjoining Properties

Environmental Data Resources, Inc. (EDR) was contracted to perform an environmental records search. The minimum search distance was 1 mile. The review searches United States Environmental Protection Agency (EPA) and Minnesota Pollution Control Agency (MPCA) lists to identify any hazardous waste substances and/or petroleum products storage or spill locations on or near the exact location of the Property. The review also identifies any solid waste sites in the described location. The EDR Radius Map Report Executive Summary lists sites in the vicinity that are listed in the regulatory databases. The closest site listed is less than 0.125 miles from the subject Property – the Parts Department of Northfield at 205 3rd Street West, approximately 0.034 miles to the east/southeast. See page 4 of the EDR Radius Report in Appendix D. The search found:

- 1 CERCLIS (Comprehensive Environmental Response, Compensation and Liability System) site between 0.125 and 0.25 miles of the Property;
- 1 CORRACTS (a list of handlers with RCRA Corrective Action Activity) site between 0.5 and 1 mile from the Property;

- 2 RCRA-CESQG (Resources Conservation and Recovery Act – Conditionally Exempt Small Quantity Generator) sites less than 0.125 miles of the Property and 9 more sites between 0.125 and 0.25 miles of the Property;
- 1 SHWS (the state equivalent to CERCLIS) site between 0.125 and 0.25 miles of the Property;
- 6 LUST (Leaking Underground Storage Tank) sites less than 0.125 miles of the Property, 7 more LUST sites within 0.125 and 0.5 miles of the Property, and 1 more LUST site between 0.25 and 0.5 miles of the Property;
- 1 LAST (Leaking Aboveground Storage Tank) site between 0.25 and 0.5 miles of the Property;
- 5 UST (Underground Storage Tank) sites less than 0.125 miles of the Property and 10 more UST sites between 0.125 and 0.25 miles of the Property;
- 1 INST CONTROL (site that had an Institutional Control event) site between 0.125 and 0.25 miles of the Property;
- 2 VIC (Voluntary Investigation and Cleanup) sites less than 0.125 miles of the Property, 6 more VIC sites within 0.125 and 0.5 miles of the Property, and 2 more VIC sites between 0.25 and 0.5 miles of the Property;
- 1 BROWNFIELDS (a site formerly contaminated with petroleum or other chemicals) site within 0.125 and 0.25 miles of the Property;
- 2 SRS (Site Remediation Section) sites less than 0.125 miles of the Property, 6 more SRS sites within 0.125 and 0.5 miles of the Property, and 2 more SRS sites between 0.25 and 0.5 miles of the Property;
- 1 MN DEL PLP (this generally means that either no more cleanup is needed or no more funding is needed for long term monitoring activities) site between 0.5 and 1 mile from the Property;
- 9 RCRA-Nongen (Resources Conservation and Recovery Act – Nongenerator) sites less than 0.125 miles of the Property and 7 more sites between 0.125 and 0.25 miles of the Property;

- 2 MN LS (Minnesota List of Sites) sites less than 0.125 miles of the Property, 6 more MN LS sites within 0.125 and 0.5 miles of the Property, and 2 more MN LS sites between 0.25 and 0.5 miles of the Property;
- 1 MANIFEST site between 0.125 and 0.25 miles of the Property;
- and 13 WIMN (MPCA's "What's in My Neighborhood?" database) sites less than 0.125 miles of the Property, 44 more WIMN sites within 0.125 and 0.5 miles of the Property, and 34 more WIMN sites between 0.25 and 0.5 miles of the Property.

Many of these sites are listed in multiple databases; for example, Dufour Cleaners is listed as SHWS, UST, VIC, SRS, MNLS, MANIFEST, and WIMN. Just because a property is included on one of these lists does not mean that it is contaminated; only that it has the potential to be contaminated and is therefore being tracked. A copy of the EDR Radius Map Report may be found in Appendix D.

There were also 38 orphan sites that were not mapped; see page 685 of the EDR Radius Map Report.

The environmental search reveals that no spills of hazardous and/or petroleum products have been reported for the subject Property, and no solid wastes have been identified.

6. SITE RECONNAISSANCE INFORMATION

6.1 Methodology and Limiting Conditions

A site reconnaissance was performed on October 6, 2011, by Chantill A. Kahler Royer of Bolton & Menk, Inc. A summary of the site reconnaissance checklist and the site reconnaissance photos are included in Appendix A.

6.2 General Site Setting

Details and photos of the site setting are included in Appendix A. The Property is a gravel parking lot.

6.3 Exterior Observations

The Property is a gravel parking lot. On the west side, there is a small pile of sand (less than 2 cubic yards). There is a grassy area surrounding the gravel parking lot on the north and west sides. There is a small amount windblown debris such as wrappers, beer cans and a innertube for a bicycle tire in the grassy area. There was a small puddle (less than 3 feet by 3 feet) on the south side of the site, but otherwise there was no other standing water on site.

6.4 Interior Observations

This is not applicable because there are no buildings on the Property.

7. INTERVIEWS

Interviews were performed on October 20 and November 1, 2011, by Chantill A. Kahler Royer of Bolton & Menk, Inc. The interview notes are included in Appendix E.

7.1 Interview with Owner

The City of Northfield owns this Property. Jody Gunderson, City of Northfield Director of Community Development, was interviewed on November 1, 2011. Mr. Gunderson stated that the Property had been in use as railroad tracks/switchyard property since at least 1874, and that the Property has been vacant for several years (since the City acquired the Property). Mr. Gunderson stated that the Property had been used for agricultural purposes in the past, as a grain elevator (however, when looking at the 1988 photo of the site from an appraisal report, the grain elevator was on the west side of the railroad tracks and therefore not on the subject Property). The City Public Works Director, Joe Stapf, is responsible for managing environmental matters and complying with environmental regulations. The Property does not hold any permits, licenses or waivers from the EPA or any state regulatory agency. The Property does not manufacture, formulate, use, store, transport or otherwise manage any hazardous substances regulated under OSHA, TSCA, FIFRA or HMTA. Mr. Gunderson mentioned that a previous environmental site assessment done in 2000 for the block bound by State Highway 3, South Linden Street, 2nd Street West and 3rd Street West indicated some recognized environmental concerns encountered

by other facilities or sites in the immediate area (Camelot Cleaners and Schultzis Bike Shop). (The previous environmental site assessment report is included in Appendix K.) Historic use of the Property may have included creosote, associated with railroad ties and herbicide/pesticide. The Property has neither above ground nor underground storage tanks. The soil on site is presumed to be clay with lots of fill and rubble, and the approximate depth to groundwater is estimated at less than 10 feet. According to Mr. Gunderson, it is possible, but not known for certain, that material could have been hauled in from off site and used as fill.

7.2 Interview with Site Manager

No interviews were conducted in this category.

7.3 Interview with Occupants

No interviews were conducted in this category.

7.4 Interview with Local Government Officials

No other interviews, besides Jody Gunderson, were conducted in this category. A data request form was submitted to Deborah Little and Jim Kessler with the City of Northfield on October 20, 2011, but no response was received. A copy of the email is included in Appendix E.

7.5 Interview with Others

No interviews were conducted in this category.

8. FINDINGS

We have performed a Phase I Property Environmental Site Assessment in conformance with the scope and limitations of ASTM Practice E 1527-05 of the Q-Block City Parcel Property in Northfield, Minnesota, owned by the City of Northfield. Any exceptions to, or deletions from, this practice are described in the Introduction, Section 2 of this report.

9. OPINION

This assessment has revealed no evidence of conditions indicative of releases or threatened releases of hazardous substances on, at, in, or to the subject Property. However, due to the nature of the land use (railroad freight loading/unloading adjacent to a lumber yard), it is unknown what activities and events occurred at this site before environmental regulations required more detailed record-keeping. The environmental impact of the historical use of this site is unknown. If the property is to continue to be used as a gravel parking lot and no excavation will occur, there should be no need for a Phase II Environmental Assessment. If construction excavation is planned for the site, then a Phase II Environmental Assessment should be conducted. Rationale for this opinion has been included in the report above.

10. CONCLUSIONS

We have performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM Practice E 1527 of the Q-Block City Parcel Property (the Property). Any exceptions to, or deletions from, this practice are described in Section 2 of this report. This assessment has revealed no evidence of recognized environmental conditions in connection with the Property. However, the environmental impact of the historical use of this site is unknown.

11. DEVIATIONS

This report conforms to the ASTM E1527-05 standard.

This report does not cover the existence or non-existence of the following conditions: asbestos, radon, lead-based paint, wetlands, air quality, or mold. No other known data gaps exist.

12. ADDITIONAL SERVICES

No additional services were performed as part of this Phase I.

13. REFERENCES

EDR, Inc. database search results are included in the Appendices. All other references are as noted in the report above.

14. SIGNATURE OF ENVIRONMENTAL PROFESSIONAL

I declare that, to the best of my professional knowledge and belief, I meet the definition of Environmental Professional as defined in 40 CFR §312.10 of this part.

I have the specific qualifications based on education, training, and experience to assess a property of the nature, history, and setting of the subject property. I have developed and performed the all appropriate inquiries in conformance with the standards and practices set forth in 40 CFR Part 312.

Chantill A. Kahler Royer, P.E.

Chantill A Kahler Royer

Signature

11-29-2011

Date

Project Engineer

Title

EXHIBIT D
Redevelopment Project Proposal and Phase I Concept Design

March 8, 2011

Save the Northfield Depot

MEMO TO: Members of the Northfield City Council
Tim Madigan, Interim City Administrator

FROM: Rob Martin and Lynn Vincent, Co-chairs
Save the Northfield Depot

RE: Request for Collaboration with *Save the Northfield Depot*

Attached you will find the background for a proposal for a collaboration between *Save the Northfield Depot* and the City of Northfield scheduled for discussion at your March 15, 2011 meeting. The proposal reads as follows:

> That the City of Northfield collaborate with *Save the Northfield Depot*, a non-profit community corporation, in saving the Depot. *Save the Northfield Depot* will prevent demolition of the 1888 depot, a valuable part of our Northfield heritage, and will assume responsibility for relocation, renovation and operation as a public asset and resource - projected to be a Visitor and Transportation Center. In the collaboration, the City will provide the public land on Q-block (parcels #2236475033 and #2236478001) adjacent to the Canadian Pacific Railroad property and, upon receipt of the depot building from Canadian Pacific, transfer ownership of the building to *Save the Northfield Depot.*

The main section of the attached document addresses the specific focus of the meeting, i.e., our request for a collaboration and the anticipated responsibilities for both *Save the Northfield Depot* and the City of Northfield. To prevent duplication of information you may have from our previous presentation, supporting information is placed in the Appendices.

The attached documents provide some details underlying our high level of confidence and commitment to this project – one that we believe will benefit many components of the community and one that can be accomplished. We have identified many other communities that have achieved similar salvage and restoration efforts of their historical depots; we, too, can succeed.

We want to work with the City of Northfield. The City and *Save the Northfield Depot* have common interests and goals regarding the welfare of our community. At this critical juncture in the project, the City is key to its success. Please contact us if you need additional information for the meeting; our contact information is below. Thank you for your attention to this project.

Rob Martin, Co-chair
820 Fremont St.
507-645-6902
robmartinagency@hotmail.com

Lynn Vincent, Co-chair
414 Riley Dr.
507-664-9554
clvincent@charter.net

SAVE THE NORTHFIELD DEPOT
Q & A

1. **Will the depot move require the purchase of private land on the Q-block?**
   No. The current Site Plan as developed and recommended from our Design Charrette shows the Depot/Visitor Center entirely within the bounds of the two parcels owned by the city. The Site Plan includes the drive through lane, drop off area, and parking.

2. **What are the plans for accommodating parking?**
   The parking adjacent to the Visitor Center is maintained for visitors, and the transportation related parking is planned to avoid negative impact on the Q-block commercial business parking needs. Potential additional parking could be developed across 2nd St. to the north, across 3rd St. to the south and on the west side of the tracks.

3. **What is the time frame for the first phase of the project?**

Site Environmental Assessment	1 month - initial or Phase I
Prepare the site for the move	1 month
Move the building to site	1 month
Secure/restore the exterior	2 months - depending on funds and crews
Site development work	1 month - concurrently with exterior work
Interior rehabilitation	2-4 months - depending on funds and crews

4. **What short term expenses for the city might be negotiated?**
   The expenses could include legal fees, surveying and closing costs. Because of site environmental hazard concerns, it is typical that the owner of a property engages in the required Phase I and perhaps Phase II tests, before the property changes hands.

5. **What long-term expenses would the city incur after the transfer of land?**
   There will be no long-term costs to the city.

6. **Would the Save the Depot consider leasing the land from the city?**
   This is certainly an option.

7. **Would the city receive tax dollars from the site?**
   Depending on the use, taxes may be generated.

8. **Does the Save the Depot plan to own the depot forever?**
   That is the plan for the foreseeable future.

9. **Would the City benefit from the sale of the land if Save the Depot sold it?**
   In the transfer provisions, the city could have first right of refusal.

10. **Was Depot placement on the west side of the tracks considered?**
    Very high voltage power lines are overhead on the west side; specific regulations

apply that prohibit building beneath them.
That being said, the land west of the tracks between 2nd and 3rd Streets ought to be reserved for transportation related uses, initially for expansion of parking, and for needed 'green space'.

11. Why is the east side of the tracks the preferred and recommended location?

- Near original site/tracks (remains eligible for preservation funding)
- Able to maintain historic integrity of structure.
- Preference of citizens at community meetings.
- Highly visible: near highway and elevated.
- Able to serve as a potential catalyst for economic development of the area.
- High functional potential: multiple users, high traffic.
- Easy bus access: straight-through drive for buses.
- Easy auto and pedestrian entry and exit access from both 2nd and 3rd Sts.
- Adequate adjacent parking: potential sites on south, west and north.
- Potential for financial self-sustainability.
- Space for possible expansion.
- A valuable public use for this under-utilized public property.
- Identity: heritage gateway

12. What Benefits would the City and Larger Community enjoy?

A wide range of inter-connected and mutually-supportive benefits result from this the Visitor Center/Transportation Center concept. The development serves as an economic catalyst, removes a source of blight, reuses an existing building required to become a Green Step City, follows the Comprehensive Plan, saves a Northfield Heritage Preservation site, leverages resources, increases community awareness and pride, serves as a tourist attraction, provides another community gathering place, and connects the east and west sides of our town center. The combined features of a central accessible location and a valued structure will serve as an excellent Visitor Center for the entire community.

The Save The Northfield Depot Organization 8 March 2011

A PROPOSAL TO THE NORTHFIELD CITY COUNCIL

8 March 2011

Based on the intense work by the *Save the Northfield Depot* organization for more than a year, its Steering Committee proposes the following for City Council consideration.

PART I: PROPOSAL

A. Proposal Summary

That the City of Northfield collaborate with *Save the Northfield Depot*, a non-profit community corporation, in saving the Depot. *Save the Northfield Depot* will prevent demolition of the 1888 depot, a valuable part of our Northfield heritage, and will assume responsibility for relocation, renovation and operation as a public asset and resource - projected to be a Visitor and Transportation Center. In the collaboration, the City will provide the public land on Q-block (parcels #2236475033 and #2236478001) adjacent to the Canadian Pacific Railroad property and, upon receipt of the depot building from Canadian Pacific, transfer ownership of the building to *Save the Northfield Depot.*

B. Project Background Summary:

The existing Depot has been a focus of interest since the early 1980's, when it was first threatened to be demolished, but was spared due to the purchase and work of Chip DeMann. The Milwaukee Road bankruptcy judge ordered 17 nonessential structures in this district be demolished. DeMann bid the demolition offering the court $10 along with an agreement to remove the depot. When the Soo Line Rail Road took over operation of the defunct Milwaukee Road, DeMann negotiated an agreement whereby the Soo Line would reroof the depot and agree not to demolish it. Of the original 17 structures, the Northfield Depot is the only survivor.

The security of the depot changed in 2008, when the current railroad owner offered to donate it to the City of Northfield for fire department practice, or sell it to the City for $1 but only if removed from the railroad property. This offer prompted Northfield in Bloom to look seriously at the depot. The *Save the Northfield Depot* organization and its work since 2009 resulted.

The background details are included in Appendix A.

1. Threat of demolition of Northfield Preservation site (see Appendix A-1, p. 19)
2. Community response and formation of organization (see Appendix A-2, p. 19)
3. Phases of project and accomplishments to date (see Appendix A-3, p. 21)
4. Fund Development Plan (see Appendix A-4, p. 22)

C. Benefits to the City and Larger Community:

A wide range of inter-connected and mutually-supportive benefits are evident as a result of this site and the Visitor Center/Transportation Center concept (see Appendix B for details).

1. **Economic Catalyst**: This development will serve as a catalyst for the west-side., which for decades as been targeted as an important site (see Appendix B-1, p. 24).
2. **Blight Removal**: Restoration of the derelict depot with appropriate landscaping will address its current, blighted context. (see Appendix B-2, p. 25).

3. **Connectivity between East and West Sides:** The attractive, restored building will be an aesthetic link and a connective link between the west-side and the east-side downtown and its Historical District (see Appendix B-3, p. 25).
4. **Leverage of Resources**: Opportunity for City to leverage its scarce resources with those of a non-profit to gain a benefit for the community (see Appendix B-4, p. 27).
5. **Green Step City**: Reuse of existing buildings is valued by Northfield citizens as a responsible use of resources. Preservation is a prime sustainability effort and fulfills goals of the GreenStep City initiative (see Appendix B-5, p. 27).
6. **Comprehensive Plan**: Restoration and reuse fits well with the Objectives and Strategies in the Northfield Comprehensive Plan (see Appendix B-6, p. 27).
7. **Northfield Heritage Preservation Site**: An historically and architecturally significant building in Northfield will not be destroyed - consistent with designation as a local historical site by the Northfield Heritage Preservation Commission (see Appendix B-7, p. 28).
8. **Community Awareness and Pride**: The building will be a source of pride in our community and our railroad heritage, and a tribute to the vision of our city founders for a vibrant community (see Appendix B-8, p. 29).
9. **Tourist Attraction**: The historical depot Visitor Center at this highly visible site would serve as city core area attraction for visitors, tours, and enhance commerce through tourism (see Appendix B-9, p. 29).
10. **Community Gathering Place**: The depot and its site will serve as an event and gathering place - a center of community activity close to downtown (see Appendix B-10, p. 30).

D. Collaboration Contributions – Summary

As a proposed collaboration between the City of Northfield and *Save the Northfield Depot*, the roles and responsibilities of each are key to project understanding. The role of the City is detailed first, followed by the *Save the Northfield Depot* roles.

1. **City of Northfield collaboration contributions**:
   a. Transfer ownership of land to *Save the Northfield Depot* .
   b. Receive ownership of depot building from Canadian Pacific and transfer ownership immediately to *Save the Northfield Depot.*

2. ***Save the Northfield Depot* collaboration contributions:** (contribution numbers below correspond to the details provided in the following pages):
   1. Identify a preferred site and users that will benefit the community, p. 3 (completed),
   2. Produce site plans, p. 3 (completed),
   3. Provide a financial plan for restoration and operations, p. 8 (completed),
   4. Finalize transfer of city land to *Save the Northfield Depot*, p. 11,
   5. Provide financing for its move and restoration, p. 11 (in progress),
   6. Conduct environmental site assessment, p. 12 ,
   7. Prepare site, start basement foundation, p. 12,

8. Accept ownership of the depot building from the City, p. 13,
9. Move the building, repair it for use, p. 13,
10. Demolish freight addition of the existing building that can't be moved, p. 13,
11. Enhance interior, starting its historic restoration, p. 14 (as funds allow),
12. Enhance the original structure with a pavilion and baggage house similar to the 1917 plans which also provides additional leasable space, p. 14, and
13. Provide a functioning facility with community amenities; some immediately, p. 14.

***Save the Northfield Depot* Collaboration Contributions – Details**

1. **Identify a preferred site and users that will benefit the community** (completed March 2010; see Appendix A-3 for details)

   2010 March 1st – Public Meeting #1: 33 participants identified issues, opportunities, and preferences for uses and sites.

   2010 March 15th – Five Focus Groups (invited): 31 total participants in 5 groups: business (EDA & NDDC), tourism (Chamber, CVB), non-profits & users, transportation (bike, bus, etc.), and parks & arts (focused on their preferred sites and uses).

   2010 March 29th – Public Meeting #2: 21 participants evaluated the potential uses and sites findings of the March 1st & March 15th meetings

   2010 April – Steering committee used criteria that emerged from public input for selection of preferred site and use. The criteria were as follows:

   - Near original site/tracks (remains eligible for preservation funding)
   - Able to maintain historic integrity of structure.
   - Preference of citizens at community meetings.
   - Highly visible.
   - Able to serve as a potential catalyst for economic development of the area.
   - High functional potential: multiple users, high traffic.
   - Easy bus, auto and pedestrian entry and exits access.
   - Adequate parking.
   - Potential for economic self-sustainability.
   - Space for possible expansion.
   - For public use on public property.

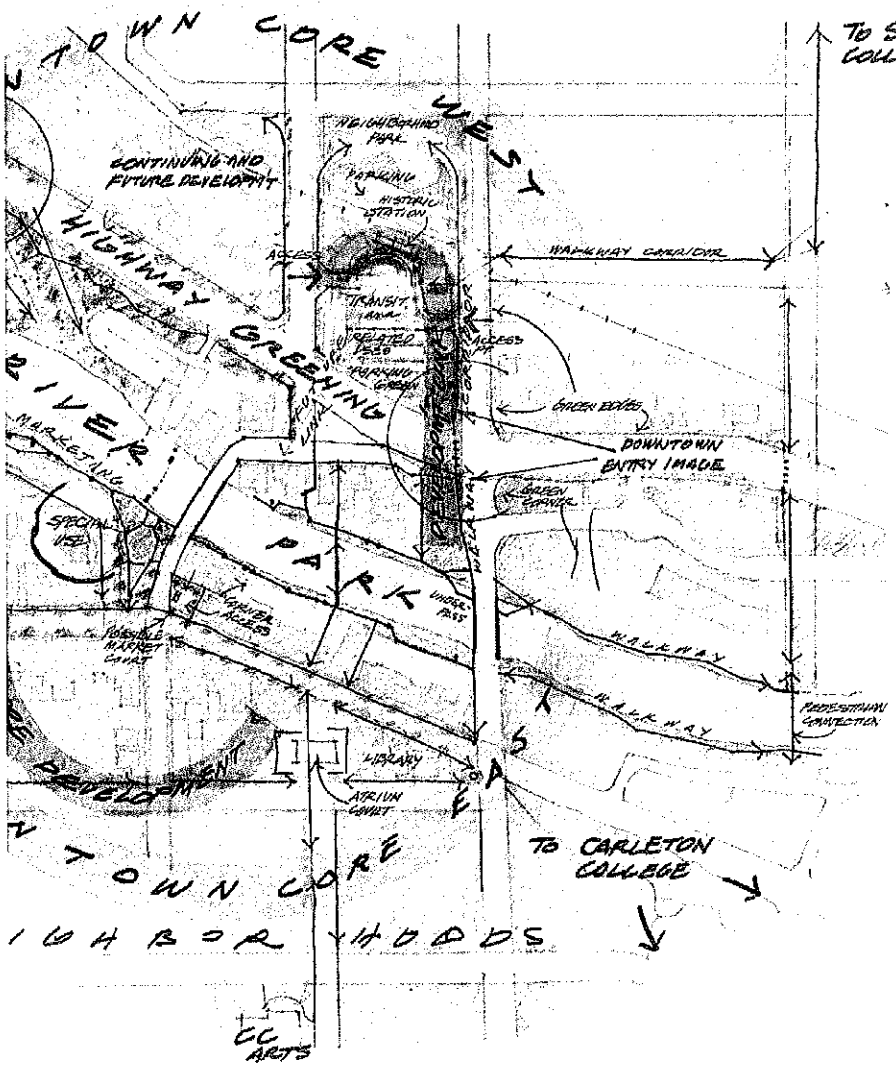
   Using the above criteria, the preferred site was the Q-Block site with multi-use possibilities of Visitor's Center, Transportation Center and a commercial/income producing component.

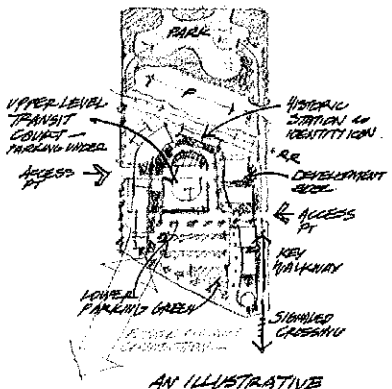
2. **Produce site plans** (completed November 2010)

   a. In August 2010, the Northfield Round Table, a grassroots planning group, held a workshop that involved about 50 city stakeholders in sessions of brainstorming, idea sharing, and discussion to consider possibilities for enhancing Northfield's future. The goal of the workshop, lead by Bill Johnson, an urban designer, was to produce a vision, a framework, for the 2nd Street corridor. From the input provided, Bill

Johnson identified four important themes for the area: River, Arts & Library, Transportation and Greening. In the plan, the depot was placed in the Q-block and was incorporated into the transportation theme (see framework on the next page). Bill Johnson's report that accompanied the plan explained the vision he heard at the workshop as follows:

> **"Transportation.** A transportation/transit hub [on Q-Block] could serve as both a symbol of the vitality of the region as well as a highly functional and efficient means of intermodal connections. Effectively planned and orchestrated the hub would serve as the heartbeat of the community, signaling its health, vitality and interconnectedness both within and outside the community of Northfield. It has been suggested that this "hub" needs a more inspiring name such as *Connections Center, Circulation Marketplace or Grand Central Garden.* Current imagining has this "hub" located on the Q Block, potentially with a relocated and restored Depot as a key feature." - Johnson Report, page 2.





AN ILLUSTRATIVE SAMPLE PLAN DIAGRAM

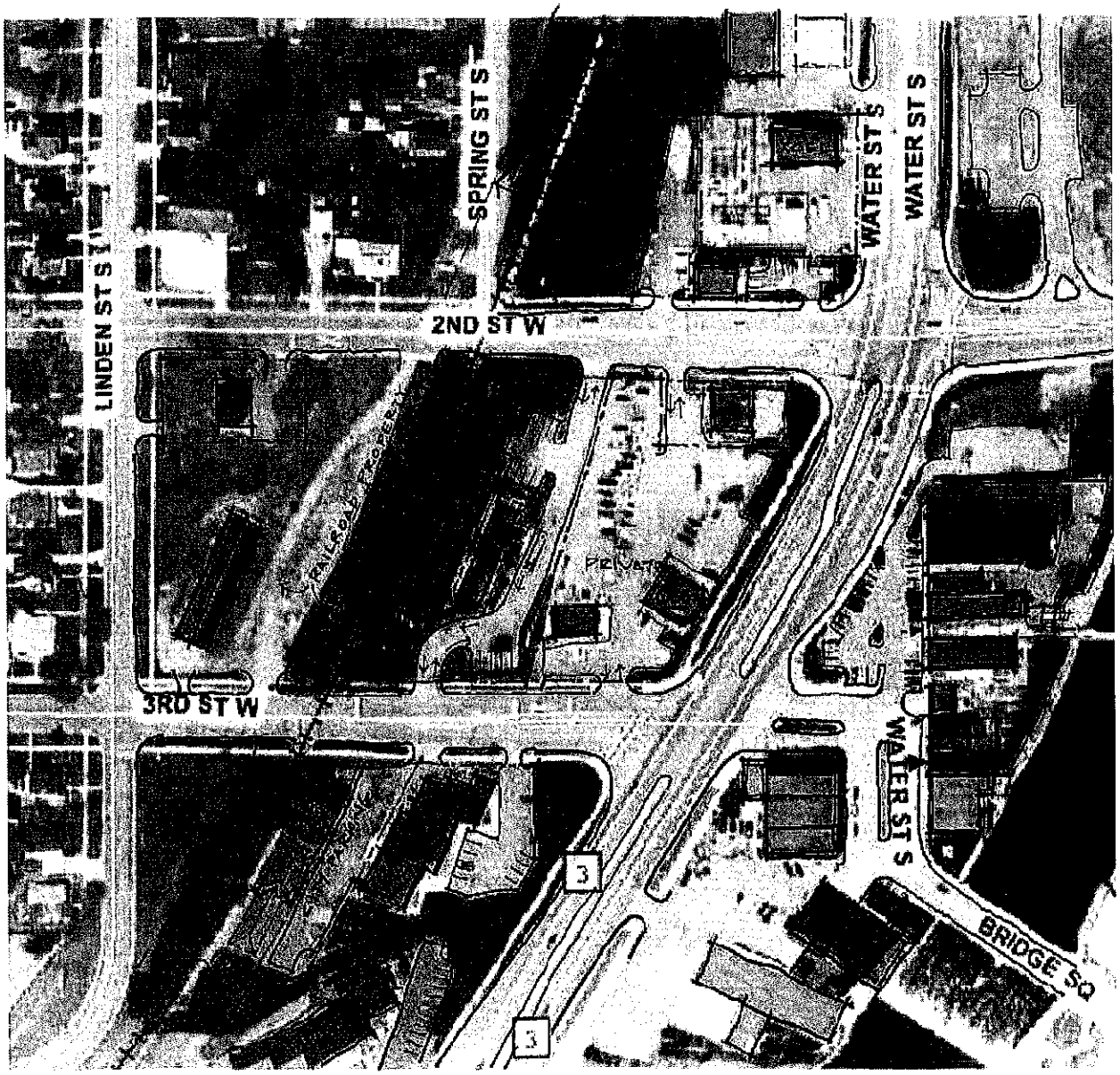
Conceptual Framework Plan
Downtown Core
Preservation and Development

Northfield, MN October, 2010
wjj per workshops

5

2. Produce site plans (continued)

b. *Save the Northfield Depot* used the general framework produced in the Round Table workshop as a basis for a design charrette in November attended by 84 stakeholders and architects. The day long charrette was facilitated by historic preservation and community planning expert, John Lauber. Building detail options were drafted by teams of architects based on the input from the stakeholders (see sketch of plan below).



The most current Q-Block site plan embodies the essential concepts for the Q-Block site as described over the years in previous planning documents in order to better tie together the downtown east and west sides, which is strongly supported in the Bill Johnson / Round Table conceptual planning 'framework' as a key west-site / east-side connective element. The Site Plan features include the following:

(1) The concept for the Depot relocation considers the roles of properties on both sides of the existing railroad right-of-way keeping in mind long-range interests.

(2) The Depot is relocated at the back or west edge of the Q-Block with the site raised to be level with the railroad - to retain the historic relationship to the railroad, and thereby gaining added visibility and prominence. A single 'drive-by' lane and modest parking serves the early phase of its uses.

(3) The Depot is envisioned as a Visitor Center that can also serve well as a multi-modal transportation center for Northfield Line's commuter services, for connecting with local transit buses, and importantly as a locus for changing modes such as, taxi use, car rental, bicycle use, and of course, for walking easily to the core part of downtown.

(4) The project is shown initially to be entirely within the bounds of the public property of the site, neither requiring adjacent land owners to adjust their operations nor requiring any purchase of private property. However, a long-term developmental plan that works for the whole site is considered important.

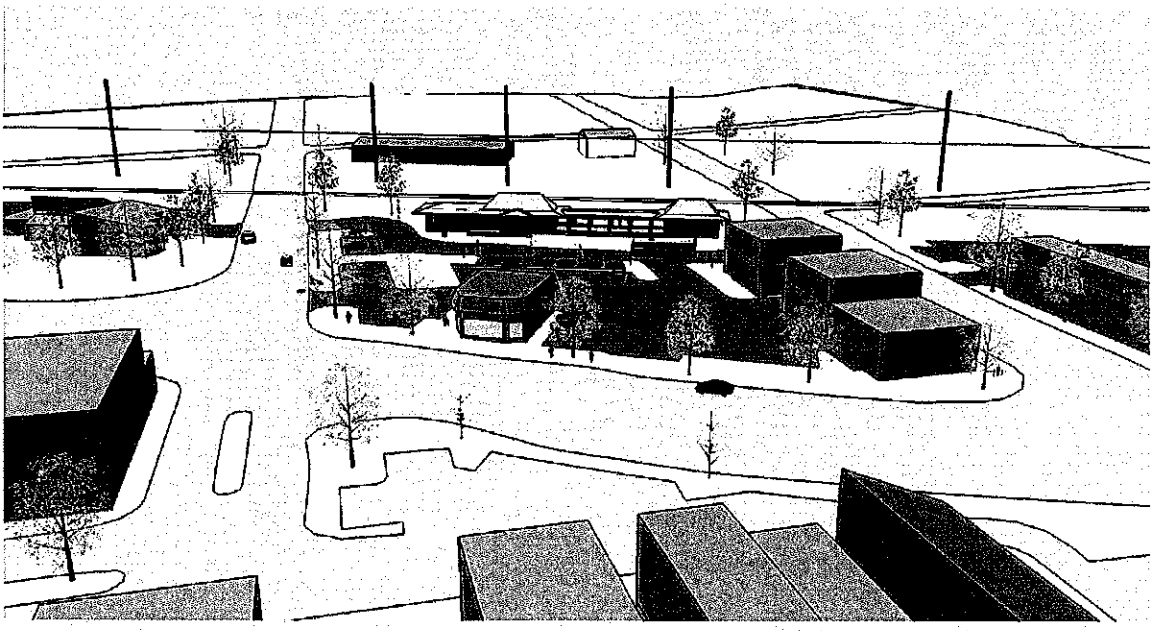
(5) The Site Plan (Phase 2 & 3) suggests growth options to add an open pavilion and a small structure (such as in the early 1917 master plan for the Depot) for allied services to transportation users. It suggests the next developmental step along Second Street to support and reinforce this key walking/biking street that connects the two sides of town.

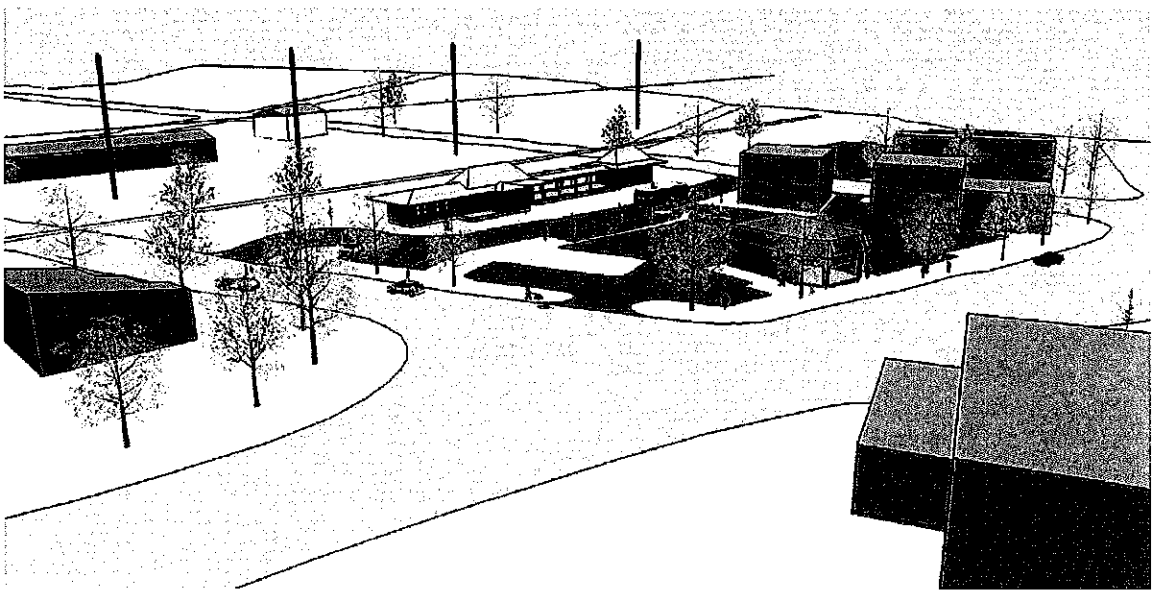
(6) The Site Plan indicates that adjacent sites can provide additional 'public parking' to avoid conflicts with the Q-Block business parking needs. City parking exists just south of Third Street, and un-developed city land exists just north of Second Street.

Eventually, railroad owned property on the west side of the tracks could become parking as well. An Excel Energy Project Designer has indicated that the west side of the tracks contain high-voltage lines under which buildings cannot be located, but parking lots are allowed.

Note: See site sketches on next page.

2. Produce site plans (continued) Site Sketches – Draft





- Sketches by S. Edwins

3. Provide a financial plan for restoration and operations (completed),

The plan for project viability is in two parts: the Capital Investment, and its Operations. The 'Capital Investments' plan for the Depot's move, relocation, and rehabilitation includes resources obtained through special grants, donations to *Save the Northfield Depot* (a 501c3 corporation), and volunteer labor and services.

Both of the documents below are part of the financial plan and are provided on the following pages.

3a: The projected costs for the move and rehabilitation.

3b: The plan for 'Operations' once in use with projected 'tenant' and other income.

3a. PROJECTED COSTS: Depot Move and Basic Rehab for "Simple" Use

All costs are approximate without a basis in design work, and assume discounts on materials, volunteer labor, contribution of services, etc. The first grouping is for the Site and the relocated Depot of 1888, without any additions. (Phase 1-A)

Only minimal site landscaping work - grading around building and for parking and drive lane, which are finished with required curbs and gutters, pavement, in order to function for both Visitor Center and Transportation Center. Interior available for Visitor Center using the existing two interior rooms, two restrooms, a new south wall, minimal heating, plumbing, electrical. A basement for mechanical equipment and storage.

1.	Property Transfer Related Costs			$3,000
	a. Negotiation with CP rail	volunteered	- -	
	b. Legal arrangements for new site (at cost)	allowance	$2,000	
	c. Title Work (at cost)	allowance	1,000	
2.	Existing Property Expense and Moving Cost			$57,000
	a. Depot asbestos abatement	allowance	$7,000	
	b. Depot separation and move of original structure	est.	45,000	
	c. Demolition of freight-house (discounted, net cost)	allowance	5,000	
3.	Design and Soft Costs, Tests, and Fees			$29,000
	a. Prelim. Design and engineering (at costs)	allowance	10,000	
	b. Environmental Tests - Phase 1	allowance	2,500	
	c. Other, misc, permits	allowance	1,500	
	d. Power line burial or move	est.	15,000	
4.	Site Preparations and Site Work			$70,000
	a. Site grading and excavation	estimated	7,000	
	b. Finish grading	est.	5,000	
	c. Soil importation (extent not known)	est.	5,000	
	d. Curbs and gutters	700 LF @ $12 / LF	8,000	
	e. Pavement	4000 SY @ $10 / SY	40,000	
	f. Sidewalks and steps	est.	5,000	
	g. On-site water run-off retention (may not be required)	NIC		
5.	Depot Work see Note [b]			$120,000
	a. New foundation work & support struct.	1240 SF @ $ 20/SF	25,000	
	b. Exterior stone & brick repairs	est.	10,000	
	c. Wood eave soffit and bracket repairs, painting materials		5,000	
	d. Window and door repairs	est.	5,000	
	e. Depot south wall replacement, roof extension	est.	10,000	
	f. Interior repairs and finishes	1000 SF @ $40	40,000	
	g. Basic plumbing, heating, and electrical	1000 SF @ $25	25,000	
6.	SUBTOTAL: Basic Depot rehabilitation for 'simple' interior use			$ 279,000

OPTIONAL or PHASED COSTS

1.	South addition for tenant rental space	1250 SF @ 160	200,000	new construction
2.	Exterior boardwalk & brick platform	scope T.B.D.		volunteer project
3.	Open Pavilion	2000 SF @ $30	60,000	volunteer project
4.	Basement below the open Pavilion	2000 SF @ $20	40,000	
5.	Baggage Bldg (1917 size) w/ Basement	500 SF @ $90	45,000	size is variable per use

NOTES:

[a] Of the project total, the construction cost for the building at the new site is $189,000, which is about $158 per SF, which includes the basement construction.

[b] Depot Work (5 above) pricing does not include an elevator to interconnect two levels.

3b. FACILITY OPERATIONS ANALYSIS Visitor Center + Office Addition

NO	ITEM DESCRIPTION	UNIT INFO	VISITOR CTR Historic Depot	OFFICE New Addition	COMBINED
A.	**INCOME ANALYSIS**				
1	Building Areas: Gross Exterior Footprint		1220 SF	1300 SF	2520 SF
2	Net Interior area: interior of exterior walls		1120 sf	1200 sf	2320 sf
3	**Rental Rates - yearly**	mid-market	**$15.00 /sf**	**$15.00 /sf**	**$15.00 /sf**
4	Yearly Income yield		**$16,800** yr	**$18,000** yr	**$34,800** yrly
	Monthly Income (for reference)	12	$1,400 mo	$1,500 mo	
5	Default adjustment	less 10%	10 %	10 %	
6	Expected Yearly Income		$15,120	$16,200	$31,320 yrly
7	Special Income: receptions, vending, el	net after costs	$1,000	0	$1,000
	TOTAL INCOME		**$16,120 yr**	**$16,200 yr**	**$32,320 yrly**
B.	**EXPENSES FOR OPERATION**		***yearly***	***yearly***	***yearly***
1	Site purchase, development loan costs	none			
2	Mortgage, debt, loan amortization	for new construc.	$0	$4,800	$4,800
3	Ownership transfer legal costs		$500	$500	$1,000
4	Insurance package		$1,500	$1,500	$3,000
5	Use liability, display insurance	exhibit sponsors		$0	$0
6	City Utilities: water/sewer/trash	$ 100 / mo.	$800	$400	$1,200
7	Property Taxes	Non-profit owned	$500	$2,000	$2,500
8	Heating and Electrical/cooling		$2,400	$2,400	$4,800
9	Housekeeping / cleaning	incl. RRms 1/wk	$1,200	$0	$1,200
10	Restroom cleaning	52 wks x 75	$4,000	$0	$4,000
11	Plowing and lawn services		$1,200	$1,200	$2,400
12	Maintenance & Repairs		$500	$500	$1,000
13	Major repairs accumulating fund		$1,000	$1,000	$2,000
14	Property Management expenses		$100	$500	$600
15	Accounting		$400	$400	$800
16	Misc. Reserve		$1,000	$1,000	$2,000
17	Other				$0
20	**TOTAL EXPENSES**		**$15,100**	**$16,200**	**$31,300**
22	Contribution to an endowment for upkeep		$1,000	$0	$1,000
24	TOTAL EXPENSES plus CONTRIBUTION		$16,100	$16,200	$32,300
C.	**CASHFLOW: Positive or (Negative)**		**$20**	**$0**	**$20**

NOTES:

1 Visitor Center portion will have higher cleaning and maintenance costs than the rental portion, whose tenant can be 'in-charge' of cleaning.

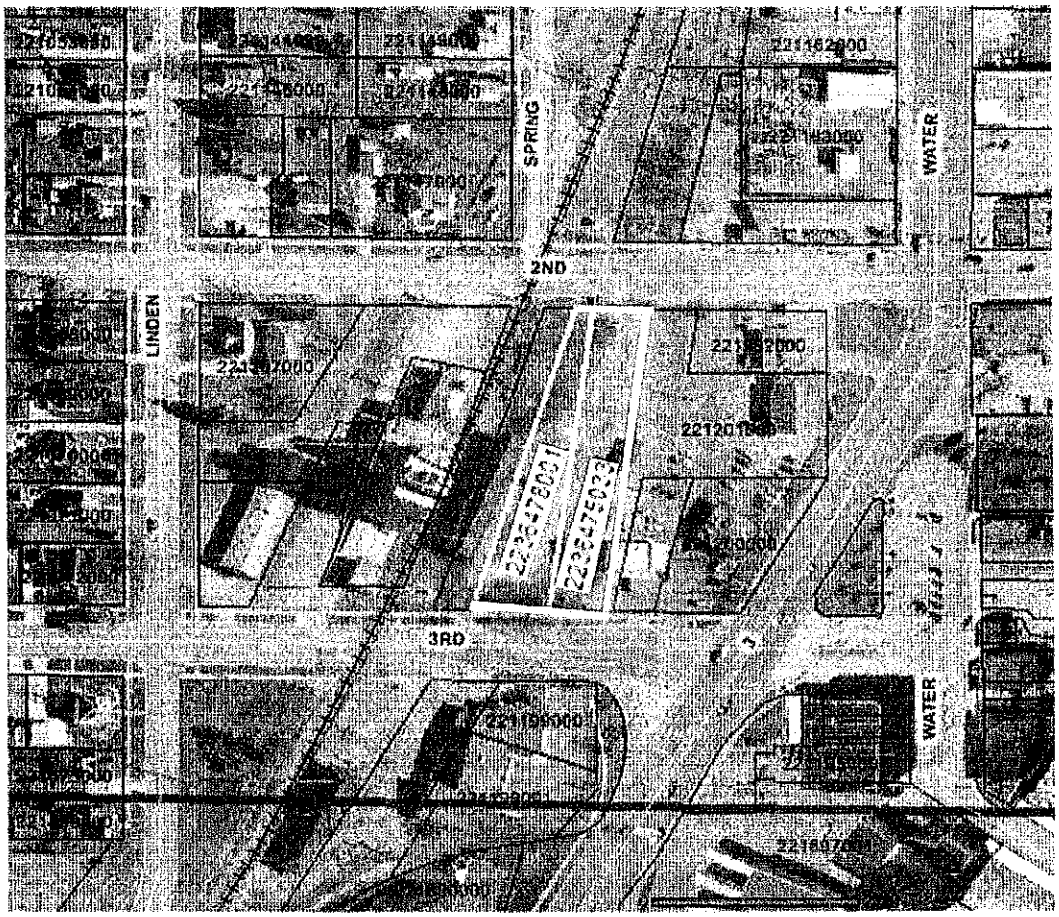
2 Rental portion with fewer operational expenses could amortize a small amount needed for its construction. The chart shows $400 per month for debt payment.

[ ] Indicates numbers yet to be confirmed.

4. **Transfer of city land to *Save the Northfield Depot*,**

The City of Northfield owns two parcels, #2236475033 and #2236478001, on the east side of the railroad tracks in the block bounded by 2nd and 3rd Streets, and Highway #3 and Linden – commonly known as Q-Block. The area between the City's property and the tracks is owned by Canadian Pacific Railway.

City of Northfield parcels #2236475033 and #2236478001



http://beacon.schneidercorp.com/PhotoEngine/Photo.aspx?appid=74...

5. **Provide financing** for its move and restoration (in progress)

Financing of the project is possible only when the basics above are clearly spelled out: there is a secure location, and uses that generate operational feasibility have been identified. Personal donations and a $10,000 matching gift have been received. A major fundraising effort, however, with focus on the 'capital investment' for the move and rehabilitation cannot begin until the site is secured.

A Fund Development Plan has been drafted (see Appendix A-4) and will be revised to reflect final plans regarding site and uses. The plan includes conducting a local campaign as well as seeking funds from local, state and national grant sources; several local efforts involve community fund-raising events. Grant sources include, but are not limited to, the following:

a. Northfield Area Foundation
b. Northfield Rotary
c. MnDOT Intermodal/historic facilities
d. DNR/railroad history
e. MHS Legacy Grants
f. MHS Planning/Programming/Interpretation grants
g. National Trust –Regional
h. EDA and/or CVB participation (if a Visitor Center)
i. MN Dept of Tourism (if a Visitor Center)

6. Conduct environmental site assessment:

Environmental hazards are often found along railroad beds due to the many years of creosote soaked timber ties leaching chemicals into the soil, as well as the possibilities of coal or fuel oil storage on or near the site. As part of preparation for ownership transfer of the two parcels of land, a Phase I Environmental Site Assessment needs to be completed. A Phase I study will include a Geological Review, Hydro geological Review, and a review of records of wells previously on the property. Also included is a review of the historical owners of the property and a list of State Hazardous Waste Sites nearby (approximate cost for a Phase I study is $2,000, as suggested by Pinnacle Engineering).

The Phase I study may lead to a Phase II study which would include six to twelve push borings 10-15 feet deep on the properties. Soil samples would be collected and analyzed for pollution (approximate cost for a Phase II study is $15,000). If pollution is found on the site, we anticipate the engineer will recommend that the owners (new) will enter a (VIC) Voluntary Investigation and Cleanup program with the (MPCA) Minnesota Pollution Control Agency and obtain a "No Association" determination. This will recognize that the Depot use on the property is recognized by the MPCA as not the cause of the soil contamination.

7. Prepare site (basement foundation work)

The new site on the east side of the railroad tracks slopes downward toward the east away from the tracks, yet the goal is to place the building 'level' with the roadbed - just as it was as a passenger depot. Thus, the new location allows a basement that would only be partially excavated, with the excavation materials filled in around the structure. This will have the advantage of keeping the basement relatively high compared to the subsurface ground-water flow that can be problematic with west-side buildings.

As noted above, one necessary site preparation will be testing for environmental hazards. We understand that sites found to have soil problems can be built on so long as the 'contaminated' soil remains on the site.

Typical of current buildings, soil tests would be made for the structural design of the footings, which would be reinforced concrete, with concrete or concrete masonry unit foundation walls. The foundations would likely be partially built with the building moved into place and the work continued 'under' the building so the walls will precisely match the existing footprint of the building. City utility services, power, and communications will be run underground to the basement.

8. Accept ownership of the depot building from the City

9. Move the building, repair it for use

A building mover has examined the 1888 building and determined it can be easily moved as it is a frame building with brick façade, and has provided an estimate. The 1944 freight addition cannot be moved but some materials can be recycled (see item #10 below).

Necessary repair to the 1888 building will occur immediately after the move to secure the building from the elements and vandalism. For examples, the wood timber brackets and with wood board soffits under the roof overhangs can be cleaned, scraped, and painted for attractive results. Similar treatment will be given to the existing window frames. The stone veneer around the base will be repaired when the building is re-set onto a new foundation. Thus, the wide overhang on the building will provide immediate shelter to bus passengers while interior repair work proceeds.

The interior will likely be a slower process, following a plan to be developed that could utilize the existing floor plan arrangement to provide two restrooms, and retaining the interior two larger rooms for use as a visitor center. The work will be to rehabilitate the finishes: floor tile and ceiling tile removal, paint removal, plaster repairs, and then repainting. Heating, ventilation, plumbing, and electrical work will be needed.

10. Demolish 1944 freight addition that can't be moved

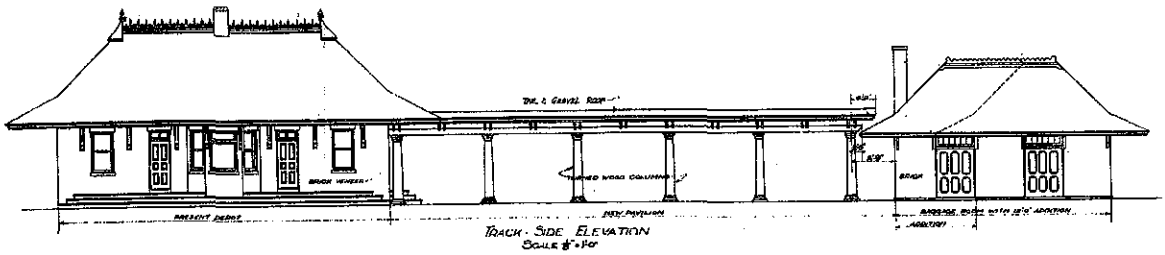
The 1944 depot addition on the south side of the Depot will be dismantled following today's 'sustainability' guidelines. Doors and windows likely can be reclaimed - some for reuse in the relocated buildings. Some of the brick veneer can be preserved for patching needs at the moved depot. Roof trusses are standard, and re-useable. Remaining foundations will be removed if required by the railroad and as approved due to any hazardous soil condition rules.

Because the building is on railroad land, the "reclamation" work will have to be coordinated with their staff. Communication with their staff leads us to believe that the railroad will take an active part in this process.

11. Enhance the original structure

A north addition of a pavilion and baggage house similar to the 1917 plans will provide additional leasable space as well as place for events and gatherings.

The 1888 portion of the existing Depot that will be moved was part of an 'un-built' master plan of 1917 with a pavilion and baggage house, as shown by the illustration below. The project as now suggested by *Save the Northfield Depot* includes building new space onto the south side of the Depot providing additional leasable space - important for its financial viability. The Phase I site plan shows this added space to the south of the moved depot but can be considered an option, or Phase 1B. The result is that the original Depot of about 1200 SF in 'footprint' area, will be more than doubled on the main level, and the combined total will be almost doubled again by a full basement level. The combined area of the Phase 1A + 1B project will be approximately 4800 SF - about four times the current Depot area.



The 'enhanced' Depot could include the north pavilion and accessory structures inspired by this Master Plan of 1917. The Depot with added space to its south was illustrated on pp. 3 - 8 (within 2. Produce site plans) with drawings of the site and the enhanced depot.

12. Provide a functioning facility with community amenities

(a) Immediate uses.

Immediate uses of the depot building after the move but before interior renovation occurs include the following:

- The bus company, Northfield Lines' Metro Express, has expressed a high level of interest in the building and its location that could provide an area in which they can maneuver their vehicles. With the 8 ft. wide overhanging roof, the depot would provide shelter for their riders immediately.
- The Northfield Visitors Bureau has also noted the building could serve their tourist buses which currently have no convenient place for drop-off and pick-up of their customers.
- The City Transit system is changing from a "call" to "route" system; the site would provide an immediate convenient, central location as a drop/pick-up point on their route.

(b) Completion of project.

The projected timeline and budget for completion of the project for full use are provided on the following pages.

Timeline and budget

	Project Activities and Tasks	Start Date	Completion	Cost
A.	**INTEREST BACKGROUND**			
1	Historic documents of site and structure are collected	1980's on	X	
2	Nfld HPC recommends local designation as historic site	1980	X	
3	Milwaukee Road solicits bids for Depot demolition	c 1982	X	
4	Chip DeMann proposal for purchase	c 1982	X	
5	DeMann / SMSQ plan for relocation, restoring hist. Plan	1983	X	
6	Railroad property activities alarm community about Depot and need for saving it now.	2000 on	X	
B.	**ADMINISTRATION OF THE PROJECT**			
1	Nfld Am In Bloom project identifies Depot needing attention	2008 -09	X	
2	Interested citizens begin discussion to save the depot	2009	X	
3	Northfield HPC confirms its 1980 local designation	2009	X	
4	Individual contacts and city confirm railroad gift offer	2007-09	X	
5	Nfld In Bloom assumes interim facilitation efforts	2009-10	X	
6	A Save the Depot Committee is organized		X	
	Save the Depot becomes a 501(c)3 NPO	2010	X	1,000
	Save The Depot website fees ($150/yr., 3 yrs.)	2010-13	X	450
7	Reuse Determination Process is Designed (see below)	2010	X	
	Workshop materials, publicity			200
9	Newspaper, NFLD.ORG, materials			
10	Hazardous materials analysis	2010		1,500
	Community Input Workshop (s)			
11	Volunteer Committees formed (50 + people)	2010	X	
12	Site and Use evaluation process	2010	X	
13	Finalize Ownership and Operational structure plan	2010	X	
14	Implementation	2010	X	
C.	**SITE AND USE DETERMINATION (community engagement process)**			
1	Various unsolicited site and use suggestions	2010	X	
2	Save The Depot holds Reuse Process Workshops	2010		4,000
3	Candidate sites / uses identified and analyzed	2010	X	
4	Favored sites investigated for availability and costs	2010	X	
5	Uses applicable for favored sites are developed	2010	X	
6	Site is secured	Winter 2011		
7	Use organizations committed	Spring 2011		
D.	**PROJECT FUNDING**			
1	Project costs - first round estimates	2009	X	
2	Community sources considered	2009	X	
3	Application to Rotary Club	2009	X	
4	Targeted grant sources identified:	2010	X	
	Northfield Area Foundation	2010	X	
	MnDOT Intermodal /historic facilities	2010	X	
	DNR & railroad history	2010	X	
	MHS Legacy Grants	2010	X	
	MHS Planning/Programming/Interpretation grants	2010	X	
	National Trust -Regional	2010	X	
	EDA and/or CVB participation (if a Visitor Center)	2010	X	
	MN Dept of Tourism (if a Visitor Center)	2010	X	
5	Grant sources: applications, follow-through, results	Spring/Summer 2011		
6	Local matching feasibility analysis (consultant cost)	Spring 2011		2,500
7	Capital Campaign for restoration and construction	2011		3,000
	Funds flow for construction	Fall 2011		
8	Site donation or use of public property	Spring 2011		?

E. BUILDING MOVE AND RESTORATION/RENOVATION

(see details of depot move expenses in Appendix ??)

1	Property Transfer Related Costs Legal arrangements	Spring 2011	3,000
2	Design and Soft Costs, Tests, and Fees	Spring/Summer 2011	29,000
3	Site Preparation and Site Work	2011 - 2012	70,000
4	Existing Property Expense and Moving Cost	2011 - 2012	57,000
5	Depot Work	2011 - 2012	120,000
	Completion of interior remodeling -> interior ready for use <-	2012-13	

F. EVENTS

1	Depot Design Charrette	2010	X	1,900
2	City Council Presentation	Spring 2011		
3	Historical Society Museum Railroad Display	Spring 2011		
4	Big Dig Fund Raising Event	Spring 2011		
5	Capital Campaign	Spring to Fall 2011		
6	Train Robbery Event	Summer 2011		
7	Depot Clearing Party	Fall 2011		
8	Ground Breaking Ceremony	Fall 2011 - Spring 2012		
9	Depot Moving Day Celebration	Fall 2011 - Spring 2012		

F. PROJECT COSTS TOTALS

1	**Expenses to reach status of full reuse of existing building**			
	(a) Site designation and gift	Spring 2011		
	(b) Total of known expenses			$293,550
2	**Additional expenses for enhancement of area and build-out of Pavilion and 1917 Baggage House**			
	(a) Parking area – shared expenses			$25,000
	(b) Addition of Pavilion and Baggage House			$145,000
			Total	$170,000
			Grand Total	$463,550

Timeline for Key Steps in First Phase (before additions)

Site Environmental Assessment	1 month
Prepare the site for move	1 month
Move the building to site	1 month
Secure/restore the exterior	2 months – depending on funds and crews
Site development work	1 month – concurrently with exterior work
Interior rehabilitation	2-4 months – depending on funds and crews

E. Capacity to Achieve Success

Save the Northfield Depot has made significant efforts to plan and evaluate the project potential for benefitting the community and being successful. Many other communities, including those below, have rescued, restored and utilized their historic depots – Northfield can also succeed!

Hopkins

Wadena

Montevideo

Images from the *Save the Northfield Depot* website: **http://www.northfielddepot.org/**

PART II: APPENDICES INDEX

Appendix A: Background of project

A-1 Threat of demolition of Northfield Preservation site, p. 19
A-2 Community response and formation of organization, p. 19
A-3 Phases of project and accomplishments to date, p. 21
A-4 Fund Development Plan, p. 22

Appendix B: Community Benefits

B-1 Economic Catalyst, p. 24
B-2 Blight Removal, p. 25
B-3 Connectivity between East and West Sides, p. 25
B-4 Leverage of Resources, p. 27
B-5 GreenStep City, p. 27
B-6 Comprehensive Plan, p. 27
B-7 Northfield Heritage Preservation, p. 28
B-8 Community Awareness and Pride, p. 29
B-9 Tourist Attraction, p. 29
B-10 Community Gathering Place, p. 30

APPENDIX A: Background of project

Appendix A-1: Threat of demolition of Northfield Preservation site

- Northfield is at risk of losing its solitary reminder of Northfield's once vibrant railroads. Built in 1888, Northfield's historic Milwaukee Depot still stands south of Third Street, a symbol of Northfield's rich railroad heritage. Rail service to Northfield was one of the projects of the city's founder, John North. All other railroad buildings in Northfield have been demolished by railroad companies.
- Preservation has become urgent. Recent and consistent communications from the owners of the depot, Canadian Pacific Railroad, to the City of Northfield have clarified its intent to immediately demolish or sell the building with the condition it be moved from their property.
- The building faces local dangers. The depot is in disrepair, and there are additional concerns due to vandalism, and periodic use by homeless and youth.

Appendix A-2: Community response and formation of organization

Dates and Activities:
2008.

- The America in Bloom-Northfield organization contacted the Canadian Pacific Railway, the current owner, about the deteriorating condition of the depot building. The railway communicated with the City Administrator and offered to give it to the city for fire department practice or sell the building for $1 with the condition that the building be moved from its current location on railroad land.
- The City of Northfield expressed interest in having the depot preserved, but indicated they were not able to allocate any funding towards its preservation nor did they want to own the property. The City did indicate, however, that it would be willing to work with any non-profit or private entity interested in preserving the building.

2009.

- The Northfield Preservation Commission reaffirmed the designation of the depot as a local heritage site.
- A grassroots effort to "save the depot" led to the founding of the organization, "Save the Northfield Depot", which became incorporated and established as a 501 (C) (3) with express and sole purpose of saving, restoring and reusing the depot building for the benefit of the community. The organization includes nine individuals on the steering committee (see below), five working committees and over 50 individuals who have indicated a willingness to assist in the project.

  The Steering Committee includes the following individuals, their position or committee facilitator assignment, and a brief summary of their qualifications.

  Rob Martin, Co-Chair, Fund Development Committee

  Owner of Rob Martin Insurance Agency, the Farmers Insurance Group of companies since 1983; active member of the Northfield Rotary Club; past board member of Prairie Creek Community School and member of Friends of the Library.

Lynn Vincent, Co-Chair, Fund Development Committee

Retired CEO of The Girl Scouts of Cannon Valley Council, past CEO of two other Girl Scout councils; owner of Vincent & McBride, Inc. specializing in nonprofit consultation; serves on Healthy Community Initiative board and HCI finance and personnel committees; and served on other local non-profit boards.

Clark Webster, Treasurer

Resident of Northfield, 45 yrs.; Project and Application Engineer, Printed Circuit Industry, 45 yrs; member of Gopher State Railroad Museum; past member Minnesota Transportation Museum; past Northfield Arts Guild President/board member, 42yrs.; Adult Boy Scout Leader, 25 yrs.; and active in railroad preservation.

Pat Allen, Events Committee

Owner of Learning Innovations, Inc., a consulting firm specializing in organizational development including strategic/tactical planning, team building and executive coaching for non-profit and for-profit organizations, 20 years; service on a number of boards of directors such as Northfield Planning Commission, Northfield School Board, and WINGS; volunteers for many community projects such as Senior Center Advancement, Northfield in Bloom.

Cynthia Child, Project Manager

Native of Northfield; a freelance marketing consultant and generalist; experience in marketing and community relations, 17 years; worked for both non-profit and for-profit organizations; and experience in local volunteer roles including assistant manager of a local political campaign, voter services chair for the Northfield League of Women Voters, marketing and public relations for Northfield in Bloom, and treasurer for Higherself of Red Wing.

Steve Edwins, Design Committee

Resident of Northfield, 33 yrs; architect, owner of SMSQ Architects; adjunct Assistant Professor of Art and Art History at St. Olaf; founding member of the City of Northfield Heritage Preservation Commission; member of the Northfield Downtown Development Corporation Design Committee, Northfield Streetscape Task Force, and the Minnesota Historical Society's Partnership Legacy Grants Review Committee.

Chip DeMann, Advisor on Building Move

Farmer and businessman; briefly owned Northfield depot to preserve it from demolition in the 1980's; experience in remodeling and moving of large buildings; expert in history of Northfield, role of the railroad in the development of Northfield, and the history of railroads in Minnesota.

Baird Jarman, Advisor on Renovation

Associate Professor of Art History with specialization in nineteenth-century American visual culture; teaches courses on art, architecture, historic preservation, and other related areas; and serves as an architectural historian on the State Review Board of the Minnesota Historical Society which considers nominations to the National Register of Historic Places.

Alice Thomas, Communications Committee

Resident of Northfield, 42 yrs.; administrator in higher education, 35 yrs; current member of the Northfield Planning Commission, Northfield Round Table, and Northfield Historical Society Board; served on various other local and state boards in areas of youth, education and health.

Appendix A-3: Phases of project and accomplishments

The project consists of the following general phases and accomplishments to date.

Phase I: Exploratory Phase (2008-March 2010).

This phase was ongoing for the last two years. The Northfield in Bloom Committee (NIB) worked with the city and began discussions with the Canadian Pacific Railroad in early 2008. The City of Northfield entered the negotiations; the Railroad agreed to sell the depot to the City for $1 with the condition that it be moved from railroad property.

Several public meetings and focus groups were held to determine public interest and to explore potential combinations of sites and uses: two public meetings in March 2010 each attended by 20-30 people; and one focus group with representatives from 15 city and public stakeholder groups (see summary of use and site public preferences below).

Uses (rank order):	**Sites** (rank order):
Visitors	Q-Block
Commercial	Parks
Transportation	Other
Organizational Support	
Group Activities	
Arts & Cultural Events	

Phase II: Site and Use Selection Phase (April 2010).

During this phase, decisions by the Steering Committee were made about the preferred site and uses; public input (see above) and a set of criteria derived from the public meetings was used as the basis for the decisions (see p. 3). The Q-Block was the most favored site; in conjunction with the most favored use was a multi-use combination of visitor's center, commercial business, and multiple transportation connections.

Phase III: Site Planning Phase (May 2010-June 2011).

Several *Save the Northfield Depot* Steering Committee members attended a broad based, community planning session attended by about 50 Northfield stakeholders that was financed by the Northfield EDA and facilitated by a community planner from the state of Washington. The outcome was a framework plan for several blocks – including the block of the preferred site for the depot, the Q-Block (see p. 5). *Save the Northfield Depot* held a design workshop in November 2010 which added more detail to the framework plan for the block and to provide enough detail for understanding the 'fit' and 'workability' of the proposal (see pp. 6 - 7 for drawing and comments).

Phase IV: Site and Building Acquisition Phase.

The new site for the Depot is secured, which facilitates the transfer of the Depot to the community from the railroad; both enable *Save the Northfield Depot* to launch its major funding efforts.

Additional work in this phase includes completing legal agreements, conducting a capital campaign, securing architectural and engineering design plans, and completing required building and soil inspections.

Phase V: Site Development and Building Renovation Phase.

The new site will be prepared, and the depot moved to the new location. The 1944 freight house addition attached to the original depot cannot be moved; attempts will be made to recycle materials, e.g., bricks, for the new site.

Once the building is securely on the new site, the building renovation will begin as funds become available and volunteers are willing to contribute time and services to the project. The scope of the project will be determined by the owner and tenant(s) of the depot and/or a proposed addition of additional tenant space.

Appendix A-4: Fund Development Plan

Save the Northfield Depot Development Plan

Fund raising has been significantly slowed due to the inability to tell potential donors and foundations the exact location where the depot will be located. We have researched potential foundations that would be willing to fund the move and rejuvenation of the historic depot, and have begun identifying potential donors which has resulted thus far in an up to $10,000 match donation. We have the half-page informational document, the Q and A page and the ask letter completed. Concrete time lines will be added once the location of the building is confirmed.

Section 1. Development Goal:

To raise sufficient capital to successfully move the Northfield Depot off of Railroad land and provide basic rehabilitation to preserve the 123 year old historically significant building.

Section 2. Development Segments

2.1 Document Development

- Half-page informational document for distribution to interested public or donor with outcomes, justification and key statements
- Q & A document
- Event Fliers
- Capital Campaign documents and drawings
- ASK Letters

2.2 Electronic Ask – Implement after land decision ($25,000)

- Connect web page to GiveMN
- Include GiveMN access in every news release, communication effort and handout

- Create ASK e-mail and each committee member and Friend of the Depot send it out to their e-mail address book lists

2.3 Capital Campaign ($300,000)

- Name the campaign
- Set up system to monitor who is to be asked, who asks who, who gives and how much
- Appoint Capital Campaign Chair
- Appoint segment chairs – business, religious, Historical, Colleges, Individuals, etc.
- Recruit solicitors – business,
- Begin silent ASK looking for lead donations
- Announce in paper, radio and other media the date of the Campaign Event
- Kick off open ASK with "Train Robbery" or some other event
- Create method for smaller contributions to be made, such as purchasing bricks, etc.

2.4 Annual Giving ($25,000)

- Letter campaign twice a year asking for sustaining donations – pledges for three years
- Tie to Electronic Ask as well

2.5 Events

- Kick-off event for the Capital Campaign – appoint chair and committee
- Celebration Event when the goal is met – appoint chair and committee
- Small by-monthly events for dollars and promotion ($2,000 each event)

2.6 Grants ($200,000)

- Research potential grant opportunities
- Appoint grant writer and write grants
- Set up matrix to monitor grants – those declined, those accepted and the amount given

APPENDICES B: Community Benefits

Appendix B-1: Economic Development Catalyst

Recognition of the need for development on the Q-Block and the potential use for the depot as a transportation center is not new. The use of the depot, the need for development and connectivity, and more activity on the block has been noted by several city and civic groups.

- 1978 Northfield River Corridor plan focused along the river, but noted the need to connect to the west side, "Major pedestrian crossings need to be emphasized more" at 2nd and 3rd Streets.
- 1998 Economic Development Authority Workshop, *Present and Future Design.*
  "Fill in the gaps/grow the edges, e.g., along the tracks", and
  → "Possible Destinations: e.g., Depot: Bicycle Trail head – Transportation Center"
- 2006 Comprehensive Economic Development Plan noted the need for additional development in the downtown area. An emphasis was placed on orienting development towards the river, including the Q-Block development. " Without a comprehensive approach that looks to increase foot traffic, address tax issues (to whatever extent possible), integrate downtown with newer development, and maximize the opportunities presented by the Cannon River – there is no guarantee the community will continue to protect its position", p. 31.
- 2010 Roundtable 2nd Street Workshop with Bill Johnson noted the need for a destination site, e.g., a Transportation Hub, on the Q-Block which would help connect the east-west sides of the business areas, and placed the depot on the block as a "key feature" (see details in section, D. *Save the Northfield Depot* contributions, p. 5).

Given the current national economic condition, the development pattern on the Q-block is not likely to be a single, large development, but a gradual fill-out that could be sparked by the depot with its increased traffic. This expected revitalization of the Q-Block would also have a multiplier benefit effect for businesses in the downtown area. Additional benefits will accrue to businesses on the highway adjacent to the attractive, distinctive welcoming gateway to the downtown that would be created on the Q-Block.

In addition to stimulating more development on the block, a recent study indicates the pride in the restored depot could play a role in enhancing overall economic health in the community. A press release on Nov. 15, 2010 entitled, *Got Love For Your Community? It May Create Economic Growth,* reported the results of a three-year Gallup-Knight study which found evidence that a "peoples' love and passion for their community may be a leading indicator for local economic growth." Social offerings, openness and beauty were found to be far more important than peoples' perception of the economy, jobs or basic services in creating a lasting emotional bond between people and their community. This was noted as being particularly relevant in strengthening communities during this tough economic time.

Appendix B-2 Blight Removal

Blight is much more than a cosmetic issue. A poorly maintained building like the current depot has many ramifications: can lower values on surrounding properties, may become a haven for illegal activity, is more prone to fires, and tends to spiral downward in condition with more graffiti and neglect.

In 2008 the judges from America in Bloom discussed the need to address tidiness in the community, but specifically noted the blighted condition of the depot. Northfield in Bloom had previously worked with the city to paint over the graffiti. The judges recommended organizing an effort to rescue the depot from its run-down and neglected condition, and beginning preservation efforts immediately due to the imminent destruction of the building by the railroad. In response the Northfield in Bloom Committee initiated the focus on preservation of the depot and sponsored the development of the Save the Northfield Depot Committee. One of its first actions was to work with the railway to secure the building; youth and transients often occupied the depot.

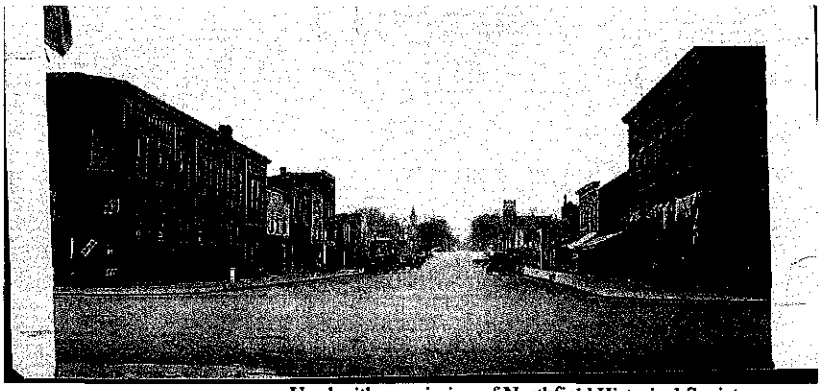
This project will remove the blight of the depot and enhance the area around the railroad tracks (see below picture of depot with graffiti, plants growing into foundation, and boarded up windows and doors).

Appendix B-3 Connectivity between East and West Sides

The plans prepared by Bill Johnson on the basis of a community workshop included the depot near the railroad tracks on the Q-block. He envisioned the depot as serving in the crook of the

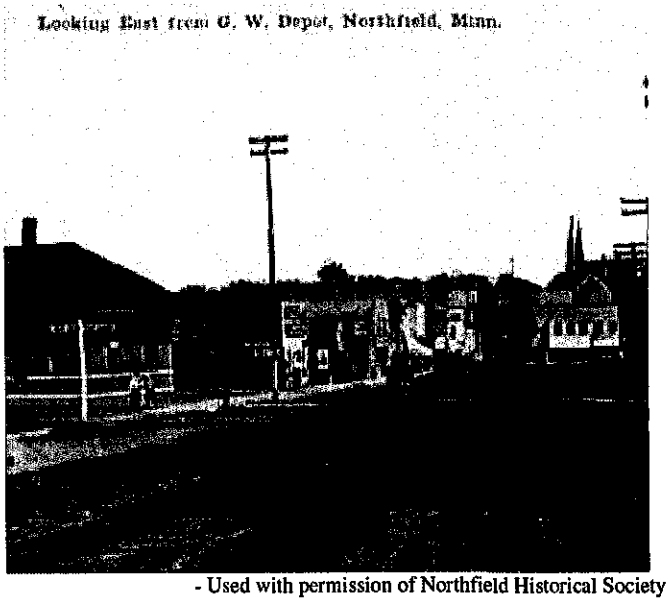
connection "hook" on the west side to connect with the east side (see sketch on p. 5). Providing a destination point and points of interest on the west side will create more pedestrian traffic, and the likely incorporation of traffic slowing devices including landscaping that will reduce the barrier of the highway between the east and west sides of town. The need to attend to those intersections and changes that could be made is addressed in Northfield plans as far back as 1978 in "Northfield River Corridor".

The west side was once a thriving business area (see photos below); while significant land was taken for the highway, the vacant land is now an opportunity with rich development potential. The depot could be the catalyst for west-side initiatives to link the east and west sides (see Appendix B-1: Economic Development Catalyst).



- Used with permission of Northfield Historical Society

An early photo looking west on Third Street towards the railroad tracks, showing some of the west-side buildings 'taken' when Highway 3 was constructed.



- Used with permission of Northfield Historical Society

An early photo looking east on Third Street from the west side of the tracks, with the Chicago Great Western Railroad Depot on the left.

Appendix B-4: Leverage of Resources

The Northfield City Council is not alone among governmental units in facing the unique challenges of financing projects during these difficult times. The Northfield City Council has, however, recognized the importance of the City's leveraging of its resources and promoting collaborations with other public or private groups on projects that will benefit the community.

This project is a good example of a civic organization assuming responsibility for the development of a community asset at minimal expense to the city: the costs of the move and renovation are assumed by the organization; the financial plans include a self-sustaining facility; the projected uses could fill a valuable need in the community for a central transportation hub and an attractive, visible Visitor's Center; the facility could serve as an economic catalyst to the area, and the facility is projected to be used by a large number and broad spectrum of the community.

Appendix B-5: GreenStep City Best Practices

Below are applicable portions of the GreenStep City Best Practices:

1. **Buildings and Lighting:**
   Building Reuse{ no. 5 }
   Create economic and regulatory incentives for redeveloping and repurposing existing buildings before building new.
2. **Transportation:**
   Mobility Options{ no. 12 }
   Promote active living and alternatives to single-occupancy car travel.
   Promote walking, biking and transit use by one or more of the following means:
   c. Add bus infrastructure, such as signage, benches, shelters and real-time arrival data streaming.

Appendix B-6: Northfield 2008 Comprehensive Plan: Objectives and Strategies

Below are the relevant objectives and strategies in the Comprehensive Plan that are addressed by this *Save the Northfield Depot* proposal.

Community Identity:

CI 3 Preserve historic sites and structures.

CI 3.2 Provide economic incentives and design flexibility to aid in the restoration and long-term economic vitality of historically significant buildings in the Downtown.

CI 4 Encourage a traditional development pattern.

CI 4.3 Ensure new development provides for areas that contribute to the public realm, such as plazas and other public gathering places.

Land Use:

LU 1 Protect and enhance the small town character

LU 1.1 Create regulations that yield commercial and office structures that reflect local vernacular.

LU 3 Encourage a compact development pattern, and support infill, redevelopment and land intensification.

LU 3.1 Create incentives to encourage infill, redevelopment and land intensification.

LU 3.2 Work collaboratively to identify structures and sites for redevelopment, intensification or reuse.

LU 9 Improve transportation choices and efficiency.

LU 9.3 Require site design principles that encourage the use of public transit . . . sources of public transit include bus or vanpools from colleges, nearby towns a possible future commuter rail station, taxi service, or the Northfield Transit services.

Transportation:

TR 1 Effectively manage the transportation needs of a vibrant, growing town an the surrounding areas for residents, businesses and visitors.

TR 1.4 Promote multi-modal transportation uses and principles throughout the city.

TR 1.6 Enhance and expand public transit services to ensure mobility for all residents and visitors.

TR3 Balance transportation needs with the Land Use Principles identified in Chapter 4 of this 2008 Comprehensive plan.

TR 3.1 Establish a transportation system vision to provide the necessary transportation network to support the density and type of existing and future land uses.

TR 4 Implement the transportation vision through strategic funding, and objective and definitive decision making, with the collaboration of surrounding jurisdictions.

TR 4.1 Establish concentrated and consistent support for local and regional political leadership to achieve components of the transportation system vision.

Economic Development:

ED 1. The city will support existing businesses.

ED 1.4 Adopt a regulating policy that accommodates and provides incentives for infill and redevelopment opportunities.

ED 4 Support the economic vitality of the community through business retention and recruitment an enhancement of tourism opportunities.

ED 4.6 Support programming efforts to further tourism in Northfield, e.g, Historic and Festival Programs, Arts and Cultural Programs and Tours.

Appendix B-7: Northfield Historic Preservation Site

The building has been officially recognized as an important site in Northfield. The depot was designated as a Northfield Heritage Preservation Site by the Northfield Preservation Commission and Northfield City Council on June 16, 1980, in resolution #80-160. The value as a heritage site and the status was reaffirmed in 2009 by the Northfield Preservation Commission.

Appendix B-8: Community Awareness and Pride

The general Northfield population will benefit from the increased pride of our city once the building is restored and the surrounding area is enhanced. Their accomplishment in saving and restoring is an important part of our heritage and will be a source of community pride and a part of our community identity. This community pride has been shown to affect economic growth (see Appendix B-1).

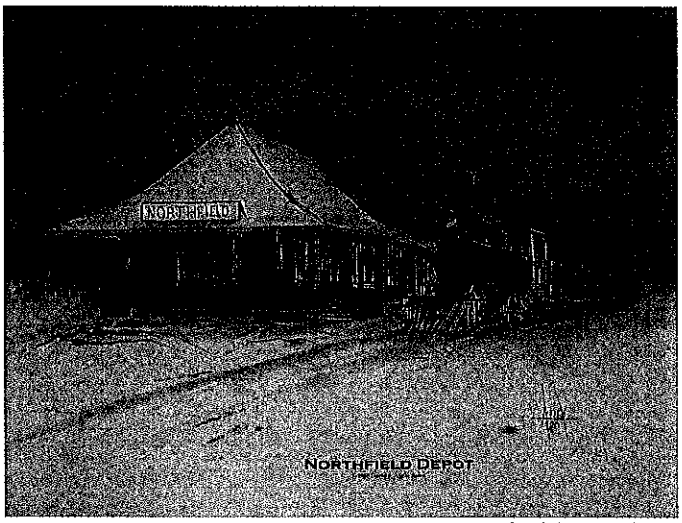
Judges in the 2008 national contest for *America in Bloom: Planting pride in our communities,* gave Northfield the "Recognition of Your Community's Heritage Preservation" Special Mention Award and noted that,

> "Many architecturally significant buildings exist in Northfield. The Main Street historic district has been refurbished over the years and lately many private residences have been upgraded. Preservation of these important buildings has led to greater awareness of the importance of heritage in the area and how proper historic preservation can have a long term beneficial effect on a community." AIB Report, 2008, p. 25.

Appendix B-9: Tourist Attraction

Tourism is a well known component of economic development. The Depot project's combination for welcoming and connecting to Northfield heritage with an attractive structure at a convenient location, with transportation connections, is a winning combination.

- If used as a Visitor's Center, the location close to downtown, visibility and building character would enhance the traffic of visitors through the Center (see painting on next page).
- An additional site of interest for city visitors would create a place for community pride and increases the number of visitors.
- Out of town visitors would find the building easily; the building will be highly visible and with current community and college information, heritage information, and hospitality amenities.
- The downtown area is easily accessible from the proposed new Visitor Center at the Q-block.



- Used with permission of David Allen

Appendix B-10: Community Gathering Place/Center of Activity Near Downtown

- The citizens of Northfield and college students will create activity in the area; the enhanced bus transit system currently includes **1,400 passengers per month** and expects over 2,000 per month by 2013. Currently there is no facility for these passengers, nor for the visitors arriving by tour bus that provides a convenient, pleasant site for pick-up and delivery - and related 'hospitality' amenities.
- An attractive building for working or visiting that is located near the central part of the city, and the 2-3 businesses renting space, and the public organizations using the public meeting room of the depot building, will all create west-side 'traffic'.
- Once the open pavilion is completed, various community arts and cultural organizations and their event attendees (1,000's annually) will be able to use the open space for outdoor exhibits, concerts, markets, and events yet to be conceived. The vision is to create a vibrant gathering place as pictured in the old photo below.

- Used with permission from Carleton College Archives

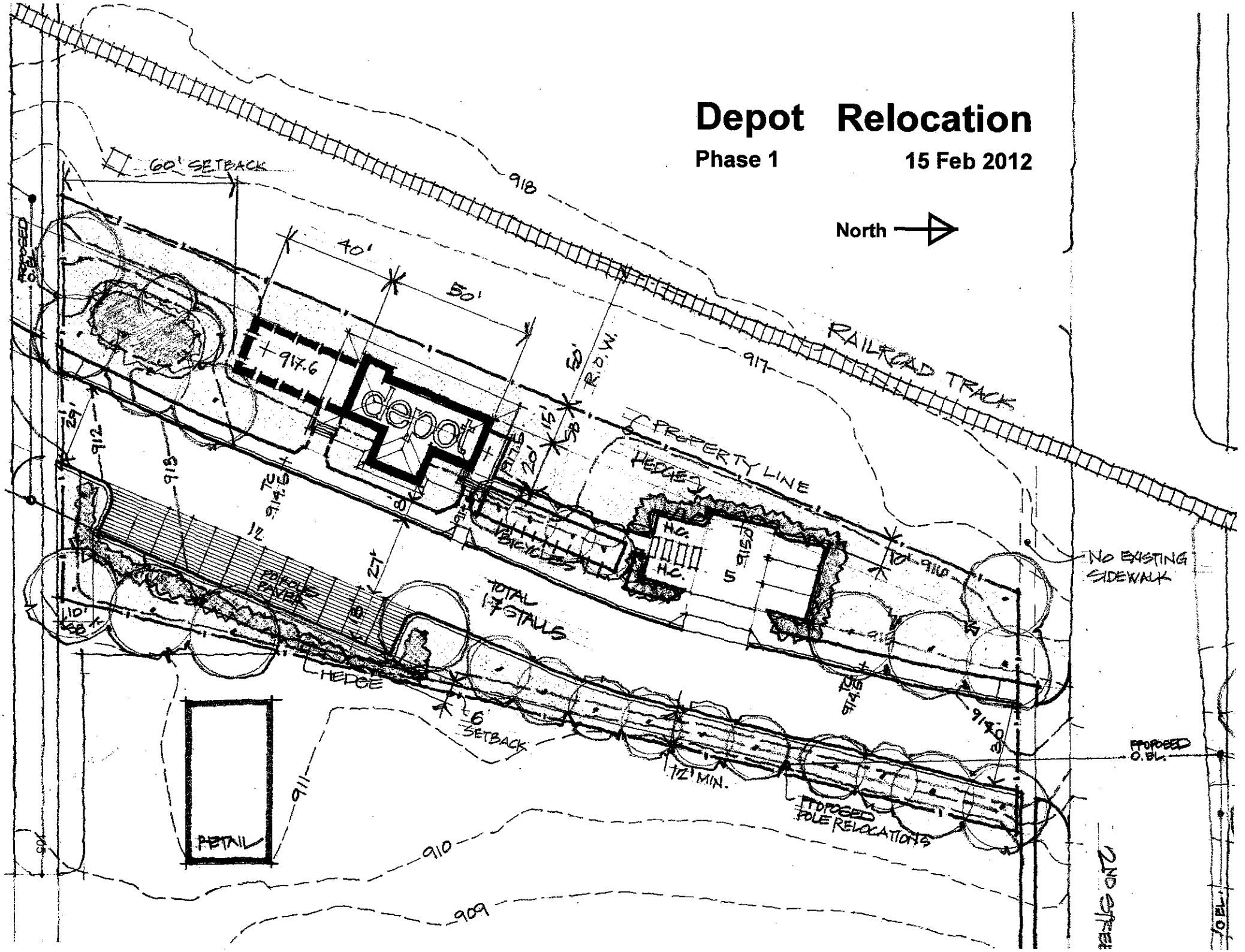

Depot Relocation
Phase 1
15 Feb 2012
North
60' SETBACK
40'
50'
917.6
depot
52' R.O.W.
RAILROAD TRACK
PROPERTY LINE
HEDGE
20'
15'
38'
918
917
912
913
914.5
915
916
917
918
29'
12'
27'
8'
H.C.
H.C.
5
BICYCLE
POROUS PAVER
TOTAL 17 STALLS
NO EXISTING SIDEWALK
10' 4.8%
HEDGE
6' SETBACK
PROPOSED O.BL.
12' MIN.
PROPOSED POLE RELOCATIONS
RETAIL
911
910
909
914.0
2ND STREET

EXHIBIT E
Redevelopment Costs

NORTHFIELD DEPOT RELOCATION - PROJECT BUDGET - PHASE 1 **25 June 2012**
Depot Move and Basic Rehabilitation for Reuse

All costs are approximate estimates based on preliminary site design and building relocation with minimal rehabilitation work, derived from consulting with people familiar with this type of work. Where applicable, the estimates indicate assumed discounts on materials, volunteer labor, and/or contribution of services based on discussions about the project with such providers. Items are added as requested.

Phase 1 is defined as: the site work for the relocated 1888 portion of the Depot without any new additions - either to the south or the north. Site work costs include grading for the building location and for two parking areas and drive lane, which are finished with required curbs and gutters, pavement, and sidewalks in order to function for both Visitor Center and Transportation Center.

The rehabilitation of the Depot places the moved structure over a basement (for the needed systems, and for storage), and with minor interior remodeling for accessible restrooms, fresh finishes and lighting. The plan shows both a south entrance (where an addition could be attached in the future), and at the north where the open 'historic' pavilion is to be constructed by Phase 2 efforts. The interior will be useable for a Visitor Center using the depot office as an office and waiting room for display materials.

The numbered groupings are roughly sequential as the project advances.

1.	Administrative Costs - Save The Northfield Depot				N.I.C.
	The costs for the organization, workshops, proposals, communications, and fundraising.				
2.	Property Transfer Related Costs		$17,000		
	a. Negotiation with CP rail	volunteered	--	note 1	
	b. Legal review of Development Agreement	STND	$1,000		
	c. Title Work - initial	STND	900		
	d. Title Work - for a clear title	est.	$5,000		
	d. Site Environmental Study - Phase 1	paid by City	--	note 3	
	e. Site Survey	allow	$1,500		
	f. Site Environmental Study - Phase 2	allow	$3,000	note 3	
	g. Re-platting of two parcels to one	allow	600		
	h. Site Plan for Dev. Agreement, CUP/Variance approval	STND	$3,000	note 2	
	i. Closing Costs: title insurance, filing fees	allow	$2,000		
3.	Design and Soft Costs, Tests, and Fees				$36,000
	a. Architectural and engineering building/site design	allow	12,000	note 2	
	b. Environmental: Phase II recommended	allow	7,500	note 3	
	c. Soil tests (for structural loads, pavement design)	allow	2,000		
	d. Depot asbestos abatement - minimal work	allow	$ 12,000	note 4	
	e. Other, misc, permits	allow	2,500		
4.	Existing Property Expense and Moving Cost				$37,000
	b. Depot separation and move of original structure	est.	30,000		
	c. Demolition of freight-house (discounted, net cost)	allowance	7,000	note 5	
	d. Power line moved or buried (preferred)	est.	15,000		
5.	Site Work - Minimal (see Note 6 below)				$83,000
	a. Site grading and excavation	estimated	10,000		
	b. Soil importation (extent not known)	est.	7,000		
	c. Finish grading	1850 SY @ $2 / SY	3,500		
	d. Curbs and gutters	700 LF @ $13 / LF	9,000		

e.	Pavement	1350 SY @ $28 / SY	38,000		
f.	Sidewalks and steps	est.	15,500		
g.	On-site water run-off retention (assumed not required)		--	Note 6	
h.	Landscape materials	donated	--		
i.	'Iron' safety fence along east edge of RR property	NIC	--		
6.	Depot Work - Basic Work for minimal reuse				$120,000
a.	Basement & support structure	1240 SF @ $ 20 / SF	25,000	note 7	
b.	Exterior repairs and finishes	est.	10,000	note 8	
c.	Wood eave soffit and bracket repairs, painting	materials	5,000		
d.	Window and door repairs	est.	5,000		
e.	Depot south wall replacement, roof extension	est.	10,000	note 9	
f.	Interior repairs and finishes	1000 SF @ $40	40,000		
g.	Basic plumbing, heating, and electrical	1000 SF @ $25	25,000		
h.	Utility hook-up for Depot building alone	allow	5,000	note 10	
7.	SUBTOTAL: Site and Depot Construction Costs				$ 293,000

PROJECT COST ESTIMATE NOTES:

The cost for the site and depot construction work (discounting move, design, demo work) is $240,000, which is about $195 per SF (basement included), with $97 per SF for the building rehabilitation.

1. Negotiation with CP rail could Include travel costs, document development and printing, etc., that could be donated
2. Design services, plus donated design time, for architectural and engineering of site and building for Phase 1: first Site Plan, then Building Plans.
3. A recommendation of the City acquired Phase I Assessment was to acquire a Phase II Assessment, whose cost is in process of being estimated - an allowance is shown. An abatement allowance as may be recommended by a Phase II is shown on Line 3.b.
4. Depot asbestos Includes Identification of asbestos In the ceiling, floor tiling, and other locations, and abatement decisions. A study by STND shows possible additional abatement above this allowance amount.
5. Demolition of freight-house includes assumed aid negotiated with the railroad company.
6. These 'Minimal' Site Work costs do not include the extensive on-site water retention provisions that now are in the Land Development Code, but whose application has not been determined.
7. New site foundation work is creating the basement and foundation on which the depot will rest.
8. Depot exterior brick and wood repairs and painting includes removal of paint covering the graffiti on the brick, removing graffiti, repair and painting of roof eave wood decking and the decorative support beams.
9. The Depot's south face will be open to the elements when detached. A new wall will be reconstructed and roof overhangs extended - anticipating a future south addition.
10. This represents a partial cost for local underground attachment to services. Not having a completed Site Survey to confirm the location of City utilities, assumed to be about 100 feet from the building to under 3rd Street.

END OF PHASE 1 PROJECT BUDGET

A revision of the August 3, 2011 Budget, now with updated information for City purposes: 25 June 2012.

Save The Northfield Depot file: DEPOT MOVE AND REHAB COSTS 2012.06.25 fin.doc

EXHIBIT F
Form Letter of Credit

IRREVOCABLE LETTER OF CREDIT

No. _____
Date: _____

TO: City of Northfield
801 Washington Street
Northfield, Minnesota 55057

Dear Sir or Madam:

We hereby issue, for the account of Save The Northfield Depot, Inc. and in your favor, our Irrevocable Letter of Credit in the amount of $ _____, available to you by your draft drawn on sight on the undersigned bank.

The draft must:

a) Bear the clause, "Drawn under Letter of Credit No. _____, dated _____, 2_____, of (Name of Bank) ";

b) Be signed by the Mayor or City Administrator of the City of Northfield, Minnesota.

c) Be presented for payment at (Address of Bank), on or before 4:00 p.m. on _____.

This Letter of Credit shall automatically renew for successive one-year terms unless, at least forty-five (45) days prior to the next annual renewal date (which shall be November 30 of each year), the Bank delivers written notice to the Northfield City Administrator that it intends to modify the terms of, or cancel, this Letter of Credit. Written notice is effective if sent by certified mail, postage prepaid, and deposited in the U.S. Mail, at least forty-five (45) days prior to the next annual renewal date addressed as follows: Northfield City Administrator, Northfield City Hall, 801 Washington Street, Northfield, MN 55057, and is actually received by the City Administrator at least thirty (30) days prior to the renewal date.

This Letter of Credit sets forth in full our understanding which shall not in any way be modified, amended, amplified, or limited by reference to any document, instrument, or agreement, whether or not referred to herein.

This Letter of Credit is not assignable. This is not a Notation Letter of Credit. More than one draw may be made under this Letter of Credit.

This Letter of Credit shall be governed by the most recent revision of the Uniform Customs and Practice for Documentary Credits, International Chamber of Commerce Publication No. 500.

We hereby agree that a draft drawn under and in compliance with this Letter of Credit shall be duly honored upon presentation.

By: _____

Its: _____

EXHIBIT 'G'

List of Encumbrances

30 May 2012

Save the
Northfield Depot
414 Riley Drive
Northfield, MN 55057
www.northfielddepot.org

Mr. Tim Madigan
City Administrator
City of Northfield
801 Washington Street
Northfield, MN 55057

Re: Title Commitment
Purchase and Development Agreement

Dear Mr. Madigan:

Save the Northfield Depot's attorney, John Ophaug, has reviewed the title commitment work that Save The Northfield Depot commissioned through him by the Rice County Abstract and Title Company for the City owned parcels for the Depot relocation. The title commitment document is attached. Due to the complicated nature of the issues related to the title, we are including relevant parts of his opinion below - including his confirmation that the title commitment document can function as Exhibit G of the pending Purchase and Development Agreement with the City of Northfield.

Selected excerpts from his review follow:

> "I have reviewed the title insurance commitment prepared by the Rice County Abstract Company. In this letter I will provide some explanation as to why this was done and what is contained in the commitment.
>
> STND needed this commitment for two reasons. First, it needed to know if there was marketable title to the property, and if not could the title be corrected so that after purchase there would be marketable title. No one would spend time and money on a real estate project without the assurance that there would be marketable title at the time of closing.
>
> Second, in order to complete the purchase agreement with the City of Northfield, it was necessary to know what encumbrances were on the property as is required by that agreement. Because there was no abstract, and no prior title work, I felt a title insurance commitment would be the least expensive way to know the condition of the title.
>
> The title insurance commitment indicates that the property is owned by the City of Northfield, subject to the exception shown on Schedule B. The title insurance commitment in essence states that upon closing the title insurance company will issue an owner's title insurance policy guarantying good title, subject to the exceptions. Sometimes the exceptions are obvious matters that must be taken care of before the closing, such as mortgages, tax liens, judgments, etc. In this case, the exceptions are a series of easements and reservations, often involving the railroads, which, depending on the use of the property, might be left as is or be removed.
>
> My review of the 23 exceptions on Schedule B is as follows:

8. Reservation by the City of Northfield of all city utilities in Spring Street.

Suggested resolution: Meet with a surveyor to determine whether the reservation of these utilities would affect the property you are purchasing, or the placement of the Depot. The City of Northfield will normally vacate easements if they have no present use.

9. Agreement between the railroad and the City of Northfield to use storm sewers.

Resolution: Discuss with the City of Northfield engineer to see if these could be vacated.

10. Reservation by CNW Railroad to continue to use utilities, driveways, etc.

Resolution: Negotiate a release of these items by the CNW, which they will normally do for a fee. Alternately, have these removed by a quiet title action.

11. Easement in the plat of Westside Addition.

Resolution: This can probably remain. It is customary to have easements for drainage and utility purposes shown on a plat.

12. Access to 2nd and 3rd Street.

Resolution: Look into this as part of your construction plan. When the State of Minnesota condemns property for highway use, they always restrict access onto the highways. In this case, this was part of the condemnation done in 2004 for 5th St.

13. Driveway easement between the City of Northfield and the First National Bank.

Resolution: Discuss with the City of Northfield engineer to determine whether this easement is needed. If not, then attempt to have it vacated by the City of Northfield and the First National Bank.

14. Easement between US Sprint and Soo Line Railroad.

Resolution: The abstracter notes that there is no location for this easement. One can either attempt to have US Sprint and the Soo Line release this easement from the property, or include it in a quiet title action.

15. Easement for railroad purposes granted to the Soo Line Railroad.

Resolution: The abstracter gives a long explanation as to the easement, and when it would automatically cease. The Soo Line can be asked to release their easement, if any, over the subject property, or it can be included in a quiet title action.

16. Interest of CMC Real Estate.

Resolution: Again, the abstracter gives a lengthy explanation as to the problem. It appears that the City of Northfield bought this property from the CMC Real Estate Corporation as trustee of the Chicago, Milwaukee, St. Paul and Pacific Railway. However, according to the decree in the bankruptcy, the property was actually distributed to the CMC Real Estate Corporation not as a trustee, but in its name alone.

To further complicate things, CMC Real Estate Corporation conveyed this property to the Chicago Milwaukee Corporation after the property was sold to the City of Northfield, and then the Chicago Milwaukee Corporation conveyed the property to CMC Heartland Partners a couple of years later.

As a practical matter, trying to unwind this mess and obtain quit claim deeds from all the entities would be nearly impossible. The more practical solution is a quiet title action.

17. *Reservation by CMC Real Estate Corporation for driveways, roads, water mains, etc.*

Resolution: A determination will need to be made that nothing is still used and, most importantly, that portion designated as a track easement is not used. The legal description for the tract easement is so specific that it would indicate to me the railroad intended to maintain a certain portion of property for its use. If it can be clearly determined that nothing is used anymore and the railroad has no possible use for it, this could be included in the quiet title action.

18. *Assignment of Lease between the trustee and bankruptcy for the railroad and the City of Northfield.*

Resolution: Perhaps a place to start would be with the City of Northfield, and if they are willing to vacate their interest in the property then include it in the quiet title action.

19. *Easements as shown in the plat of Westside Third Addition.*

Resolution: These would remain unless they would interfere with your development, in which case the City could be asked to vacate them.

20. *Possible interests of Railroad Properties, LLC.*

Resolution: The abstracter indicates that this is a "possible interest". I don't know what Railroad Properties, LLC is. Some investigation may need to be done, and either a quit claim deed obtained from Railroad Properties, LLC, or it could be included in the quiet title action.

Obviously there are a lot of unresolved issues concerning the property. You will note that I have suggested a quiet title action as a solution to many of the problems. A quiet title action is a lawsuit against all the former owners of the property, asking the court to adjudge the present fee owner to be the owner of the property and have the interests of the defendants removed. Over the past 30 years I have had to undertake many quiet title actions to resolve railroad properties. In this case, I don't see any practical alternative other than a quiet title action to obtain clear title. It would be necessary to do some background work first to determine what interests needed to be removed, and then undertake the action. A quick estimate of the costs of the action would be this:

Filing fee	$ 320
Newspaper publication fee	$1,000
Miscellaneous costs	$ 100
Attorney's fees	$3,000 - $5,000

The action would take about 3 months to complete from the time it started. Without this action you would be buying property without good title.

In summary then, the list of exceptions shown on the title insurance commitment by Schedule B can be used for the Exhibit G to the purchase agreement. Again, this is a list of all the encumbrances that will remain on the property when the City of Northfield deeds the property to us, unless we and/or the City removes them."

We note that in order to follow our attorney's advice, the actual description of each item will need to be further identified, based on the location of the information noted by the title company. At this time, we do not have copies of those descriptions.

We believe the title will need to be cleared before the time of closing and the land transfer.

Sincerely,

For the Save the Northfield Depot Board

Rob Martin Co-chair

Lynn Vincent, Co-chair

Attachment: Commitment for Title Insurance, issued by the
Old Republic National Title Insurance Company
Dated: 9 April 2012 File No. 6128

Commitment for Title Insurance

Issued By Old Republic National Title Insurance Company

Old Republic National Title Insurance Company, A Minnesota corporation, ("Company"), for a valuable consideration, commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the proposed Insured name in Schedule A, as owner or mortgagee of the estate or interest in the land described or referred to in Schedule A, upon payment of the premiums and charges and compliance with the Requirements; all subject to the provisions of Schedules A and B and to the Conditions of this Commitment.
This Commitment shall be effective only when the identity of the proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A by the Company.

All liability and obligation under this Commitment shall cease and terminate six months after the Effective Date or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue such policy or policies is not the fault of the Company.

The Company will provide a sample of the policy form upon request.

IN WITNESS WHEREOF, Old Republic National Title Insurance Company has caused its corporate name and seal to be hereunto affixed by its duly authorized officers on the date shown in Schedule A. This Commitment shall no be valid or binding until countersigned by a validating officer or authorized signatory.

Countersigned:

Authorized Signatory

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY
A Stock Company
400 Second Avenue South, Minneapolis, MN 55401
(612-371-1111

By President

Attest Secretary

CONDITIONS

1. The term "mortgage", when used herein shall include deed of trust, trust deed, or other security instrument.

2. If the proposed Insured has or acquires actual knowledge of any defect, lien, encumbrance, adverse claim or other matter affecting the estate or interest or mortgage thereon covered by this Commitment other than those shown in Schedule B hereof, and shall fail to disclose such knowledge to the Company in writing, the Company shall be relieved from liability for any loss or damage resulting from any act of reliance hereon to the extent the Company is prejudiced by failure to so disclose such knowledge. If the proposed Insured shall disclose such knowledge to the Company, or if the Company otherwise acquires actual knowledge of any such defect, lien, encumbrance, adverse claim or other matter, the Company at its option may amend Schedule B of this Commitment accordingly, but such amendment shall not relieve the Company from liability previously incurred pursuant to paragraph 3 of these Conditions and Stipulations.

3. Liability of the Company under this commitment shall be only to the named proposed Insured and such parties included under the definition of Insured in the form of policy or policies committed for and only for actual loss incurred in reliance hereon in undertaking in good faith (a) to comply with the requirements hereof, or (b) to eliminate exceptions shown in Schedule B, or (c) to acquire or create the estate or interest or mortgage thereon covered by this Commitment. In no event shall such liability exceed the amount stated in Schedule A for the policy or policies committed for and such liability is subject to the insuring provisions, the Conditions and Stipulations, and the Exclusion from Coverage of the form of policy or policies committed for in favor of the proposed Insured which are hereby incorporated by reference and are made a part of this Commitment except as expressly modified herein.

4. This Commitment is a contract to issue one or more title insurance policies and is not an abstract of title or a report of the condition of title. Any action or actions or rights of action that the proposed Insured may have or may bring against the Company arising out of the status of the title to the estate or interest or tithe status of the mortgage thereon covered by this Commitment must be based on and are subject to the provision of this Commitment.

5. The policy to be issued contains an arbitration clause. All arbitrable matters when the Amount of Insurance is $2,000,000 or less shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. You may review a copy of the arbitration rules at: http//www.alta.org/.

File No: **61428**

COMMITMENT FOR TITLE INSURANCE

Issued by

Old Republic National Title Insurance Company

SCHEDULE A

1. Effective Date: **April 9, 2012 at 7:00 am**

2. Policy or Policies to be issued: Amount

   a. ALTA Owner's Policy (6-17-06): **To Be Determined**
   Proposed Insured: **To Be Determined**

   b. ALTA Loan Policy (6-17-06):
   Proposed Insured:

3. The estate or interest in the land described or referred to in this Commitment is **Fee Simple.**

4. Title to the **Fee Simple** estate or interest in the land is at the Effective Date vested in:

   City of Northfield.

5. The land referred to in this Commitment is described as follows:

   Parcel 1 - Lot 1, Block 2, in Westside Addition, in the City of Northfield, Rice County, Minnesota, excepting therefrom that part of the above described property, shown as Parcel No. 259 on Minnesota Department of Transportation Right of Way Plat Numbered 66-36 as the same is on file and of record in the Office of the County Recorder in and for Rice County, Minnesota.

   Parcel 2 - Lot 1, Block 1, in Westside Third Addition, in the City of Northfield, Rice County, Minnesota, excepting therefrom that part of the above described property, shown as Parcel No. 259 on Minnesota Department of Transportation Right of Way Plat Numbered 66-36 as the same is on file and of record in the Office of the County Recorder in and for Rice County, Minnesota.

   Abstract Property - Rice County, Minnesota

   Property Address: N/A

COMMITMENT FOR TITLE INSURANCE

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SCHEDULE B

Schedule B of the policy or policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company:

Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the Effective Date but prior to the date the proposed Insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.

1. Facts which would be disclosed by a comprehensive survey of the premises herein described.

2. Rights and claims of parties in possession.

3. Mechanic's, Contractor's or Materialmen's liens and lien claims, if any, where no notice thereof appears of record.

4. Easements or claims of easements not shown by the public records.

5. "Gap" coverage will be provided to insureds who close with Old Republic National Title Insurance Company or one of its policy-issuing agents. Old Republic National Title Insurance Company will provide insurance coverage, subject to the terms of the title insurance policy, for any documents recorded with the County Recorder or Registrar of Titles for the period of time between the effective date of the title insurance commitment and the date of recording of the closing documents provided the closing occurs with Old Republic National Title Insurance Company or one of its policy-issuing agents.

6. Taxes due and payable in the year 2013 and thereafter.
Taxes due and payable in the year 2012 and all previous years are paid.
There are no taxes due and payable in the year 2012.
(Parcel No. 22.36.4.75.033)
(Parcel No. 22.36.4.78.001)

   According to the tax records of the County Treasurer, this property is Non-Homestead for 2012.

7. Taxes and assessments, if any, not yet due and payable.
   NOTE: We find no special assessments now a lien on the premises.

8. Reservation by the City of Northfield of all city utilities in that part of Spring Street described as follows:

   All that part of Spring Street which lies within the Southeast Quarter (SE1/4) of Section 36, Township 112 North, Range 20 West of the Fifth Principal Meridian, in the City of Northfield, Rice County, Minnesota, lying southerly of Third Street and northerly and westerly of the westerly right of way line of the Chicago, Great Western Railway Company.

   as shown in that certain Ordinance by the City of Northfield recorded April 29, 1977 in Book 54 of M.R., page 381.

9. Terms and conditions of that certain License Agreement between the Chicago and North Western Transportation Company and the City of Northfield to construct, maintain and use storm sewers, manholes and culverts as shown in instrument recorded November 10, 1980 in Book 69 of M.R., page 597.

10. Reservation by the Chicago and North Western Transportation Company, its lessees, licensees, successors and assigns, the right to continue to protect, maintain, operate, and use any and all existing drainage, driveways, conduits, sewers, water mains, gas lines, electric power lines, communication lines, wires and other utilities, and easements of any kind whatsoever on said premises, including the repair, reconstruction and replacement thereof as shown in that certain Deed to the City of Northfield dated October 28, 1986, recorded January 27, 1987 in Book 336 of Deeds, page 393.

11. Easement 10 feet wide adjacent to Second Street and Third Street for drainage and utility purposes as shown on the recorded plat of Westside Addition.

12. Access to Second Street and Third Street is restricted to a specific opening as shown on Minnesota Department of Transportation Right of Way Plat No. 66-36 and in Quit Claim Deed to the State of Minnesota dated June 29, 2004, recorded July 15, 2004 as Doc. No. 541915. Also, the State was conveyed a drainage easement as shown on said plat.

13. Terms and conditions of that certain Driveway Easement Agreement dated December 13, 2004, recorded January 25, 2005 as Doc. No. 551578 between the City of Northfield and The First National Bank of Northfield. (Agreement, in effect, that creates a non-exclusive easement over the City property and the Bank property. The easement affects that part of subject property described as follows:

    That part of the easterly 15.00 feet of Lot 1, Block 2, Westside Addition, according to the recorded plat thereof, lying northerly of the westerly extension of the south line of Lot 6, Block 7, in the State Subdivision of the Southeast Quarter of Section 36, Township 112 North, Range 20 West of the 5th Principal Meridian, in the City of Northfield, Rice County, Minnesota (also known as School Section Addition), on file and of record in the office of the County Recorder, Rice County, Minnesota.)

14. Terms and conditions of that Memorandum of Easement dated April 24, 1990, recorded April 25, 1990 in Book 116 of M.R., page 378 between US Sprint Communications Company Limited Partnership and Soo Line Railroad Company.

    NOTE: The exact location of this easement is not given.

15. An easement for railroad purposes was granted to Soo Line Railroad Company over Parcel 2 in Number 5 of Schedule A as shown in that certain Deed dated October 31, 1988, recorded June 8, 1989 in Book 349 of Deeds, page 456. According to this instrument, the easement shall automatically cease and determine (either fully or partially with respect to a specific portion of the Easement Parcel, as may be appropriate) at such time as the Easement Parcel (or portion thereof) is no longer used in the active operation of the railroad and CMC Real Estate or its successors or assigns has notified Soo Line thereof in writing. For purposes of determining whether the Easement Parcel is being used in the active operation of the railroad, the mere storing of railroad cars, equipment or other material upon the Easement Parcel shall not be deemed to constitute use of the parcel for railroad purposes. Further, without limiting other means of determining when the Soo Easement shall terminate, the Easement Parcel shall be deemed no longer used in the active operation of the railroad upon the cessation of use of the Easement Parcel for a period of twelve (12) consecutive months or the prior removal or relocation of the tract and the related facilities.

16. Interests of CMC Real Estate Corporation, its successors and assigns, in and to Parcel 2 in Number 5 of Schedule A. The City of Northfield acquired property, which was later platted into Westside Third Addition, from CMC Real Estate Corporation, a Wisconsin Corporation, 547 West Jackson Boulevard, Suite 1510, Chicago, Illinois, 60606 (successor to Richard B. Ogilvie, not as an individual but solely as Trustee of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, Debtor, being in possession of all the assets and property of said Railroad Company under authority of the United States District Court for the Northern District of Illinois, Eastern Division, Docket No. 77 B 8999 in proceedings under Section 77 of the Bankruptcy Act) ("Grantor") as shown in Quit Claim Deed dated February 3, 1989, recorded March 13, 1989 in Book 348 of Deeds, page 263. However, according to the Final Decree issued in the United States District Court for the Northern District of Illinois Eastern Division, Order No. 866, all right, title and interest of the Trustee of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company shall vest in and become the absolute property of CMC Real Estate Corporation on the Consummation Date, which was November 25, 1985.

CMC Real Estate Corporation conveyed the above referenced property to Chicago Milwaukee Corporation by Quit Claim Deed dated October 31, 1989, recorded November 19, 1992 in Book 369 of Deeds, page 223.

Chicago Milwaukee Corporation conveyed the above referenced property to CMC Heartland Partners, a general partnership under the laws of Delaware as shown in instrument dated January 31, 1990, recorded November 19, 1992 in Book 369 of Deeds, page 323.

17. Reservation by CMC Real Estate Corporation, its successors and assigns, in and to Parcel 2 in Number 5 of Schedule A. The City of Northfield acquired property, which was later platted into Westside Third Addition, from CMC Real Estate Corporation, a Wisconsin Corporation, 547 West Jackson Boulevard, Suite 1510, Chicago, Illinois, 60606 (successor to Richard B. Ogilvie, not as an individual but solely as Trustee of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, Debtor, being in possession of all the assets and property of said Railroad Company under authority of the United States District Court for the Northern District of Illinois, Eastern Division, Docket No. 77 B 8999 in proceedings under Section 77 of the Bankruptcy Act) ("Grantor"), its successors, grantees and assigns, the right and privilege in the form of an easement in gross for the continued maintenance, operation and use of all existing driveways, roads, conduits, sewers, water mains, gas lines, electric power lines, wires and other utilities and easements of any kind whatsoever on said Property, whether or not of record, including the repair, reconstruction and replacement thereof, unless otherwise provided for herein and a further reservation of the right and privilege of the Grantor, its successors, grantees and assigns to convert any existing leases, licenses and agreement for driveways, roads, conduits, sewers, water mains, gas lines, electric power lines, wires and other utilities to permanent easements by issuance of a suitable grant in recordable form.

The Grantee, its successors and assigns, covenant and agree that it shall neither do nor cause to be done any act that will unreasonably impede the flow of drainage water over the Property so as to adversely affect rail operations. This covenant shall in no way be construed to prohibit the Grantee from erecting buildings or other improvements on the Property, provided that drainage equivalent to that existing at the time of this conveyance is maintained, whether naturally or by other means. This covenant shall run with the land and be binding upon the Grantee, its successors and assigns.

The Grantor reserves for itself, its successors and assigns, an easement on, over and across that portion of the Property designated on Exhibit "A" dated April 18, 1988, and revised on December 12, 1988, attached hereto and made a part hereof, for the continued maintenance, operation and use of pole lines, underground wires, water lines, gas and oil lines, together with the right to use same with all the appurtenant fixtures necessary thereto, whether in present form or in such form or forms as may hereafter be substitute therefor.

The Grantor reserves for itself, its successors and assigns, a perpetual easement on, over and across that portion of the Property designated "Track Easement" on Exhibit "A" dated April 18, 1988, and revised on December 12, 1988, attached hereto and made a part hereof, including, but not limited to, the right to maintain, repair, renew, use, operate, and remove any track or tracks and appurtenances now existing upon or across the property herein described and to construct, maintain, repair, renew, use, operate, and remove any additional tract or tracks and appurtenances across the Property, and also the right to install, maintain, use and operate wires or cables, together with poles or other structures supporting the name above the surface of said Property, or pipes or conduits or other structures beneath the surface of said Property and more particularly described as follows:

> Subject to a 19 foot wide easement for railway purposes, the centerline of which is described as follows: Beginning at said "Point A"; Thence N47° 27' 39"E, a distance of 13.75 feet; Thence northeasterly along a tangential curve, concave to the southeast, having a radius of 515.99 feet, to the easterly line of the above described property and there terminating.
>
> Subject to a 16 foot wide easement for railway purposes, the centerline of which is described as follows: Beginning at said "Point A"; Thence N47°27' 39"E, a distance of 36.11 feet; Thence northeasterly, along a tangential curve, concave to the northwest, having a radius of 776.95 feet, a central angle of 17° 55' 32", a distance of 243.08 feet; Thence N29° 32' 07"E, a distance of 92 feet and there terminating.

See Record for the above referenced "Exhibit A"

18. Assignment of that certain Lease No. 84095 between Richard B. Ogilvie, as Trustee, and Chicago & Northwestern Transportation Company dated May 4, 1984 to the City of Northfield as shown in instrument dated February 3, 1989, recorded March 13, 1989 in Book 109 of M.R., page 357.

19. Drainage and utility easements along Second Street and Third Street as shown on the recorded plat of Westside Third Addition.

20. Possible interests of Railroad Properties, LLC in and to subject property. (The above entity was the grantee in that certain Quit Claim Deed dated June 25, 2004, recorded January 29, 2009 as Doc. No. 608809 from CMC Heartland Partners, as Grantor, conveying all of its right, title and interest to any and all real estate owned by it in the County of Rice, State of Minnesota, which it received pursuant to a Quit Claim Deed recorded on November 19, 1992, as Doc. No. 372416, Book 369, pages 323-422.)

21. Title to subject property is in a City.

> *Prior to closing the necessary documents to convey subject property must be submitted to the Company for review. Additional exceptions and/or requirements will be added accordingly.*

22. Matters which may be disclosed by the completion of the Affidavit by Sellers.

23. Title to be established of record in To Be Determined.

NOTE: If there are any questions concerning this commitment, please call Chuck Bang at 651-388-8891.

Issued through the office of:
Rice County Abstract and Title Company
433 West Third St., Suite 100
Red Wing, MN 55066
651-388-8891