

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 Haggemiller, 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]

THE CITY:
City of Northfield

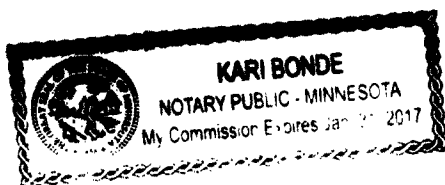
By: 
Dana Graham, Its Mayor

ATTEST:

By: Deb A Little
Deb Little, Its City Clerk

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 Bunde
Notary Public



DEVELOPER:

Save the Northfield Depot

Date: April 6, 2015

By: Rob Martin Rob Martin
Its: Co-chair Officer Co-Chair

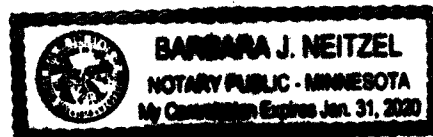
Date: April 6, 2015

By: Lynn Vincent Lynn Vincent
Its: Co-chair Officer Co-Chair

STATE OF MINNESOTA)
) ss.
COUNTY OF RICE)

The foregoing instrument was acknowledged before me this 6th day of April, 2015, by Rob Martin, as Co-Chair, and Lynn Vincent, as Co-Chair, for Save the Northfield Depot.

Barbara Neitzel
Notary Public



Flow Chart: Save the Northfield Depot Steps and Directions

