



February 28, 2025

Jake Reilly, Community Development Director, City of Northfield
Nate Carlson, Economic Development Director, City of Northfield

RE: Letter of Interest for the 5th and Washington redevelopment site

Dear Mr. Reilly and Mr. Carlson:

Thank you for the opportunity to propose a development at the 5th and Washington site in Northfield. I am writing to express enthusiastic interest in the site.

Streetfront Development focuses on creating walkable neighborhoods. We specialize in locations that are rich in nearby amenities with restaurants, coffee shops, groceries, libraries, parks, and cultural events so close it is easier to walk than to drive.

Comparable Experience

Streetfront Development has created walkable housing options across the housing spectrum from affordable apartments to luxury condominiums. Our work includes historic renovations in Litchfield, Minnesota where we revitalized 1880s main street buildings with commercial ground floors and naturally-occurring affordable apartments upstairs. In 2023 we completed 24 market rate apartments¹ in Saint Paul that are perfect for young professionals that don't want to be roommates anymore but aren't ready for a house yet.



Figure 1: Montgomery Place apartments

¹ <https://montgomery.place>

We are about to break ground on The Fletcher, a 15-unit condominium building in the Linden Hills neighborhood of Minneapolis². It will feature:

- Large floorplans of 2 bedrooms + den, three bathrooms, and large outdoor terraces. Unit sizes range from 1600 to 2400 square feet.
- Underground parking with 2 EV-ready parking spaces per unit
- EnergyStar compliant building with solar-ready roof. This means greater insulation, high quality windows, heat pump heating and cooling equipment, and energy efficient appliances and lighting.
- Quality Minnesota-quarried limestone and architectural panels to create an attractive curb appeal



Figure 2: The Fletcher condominiums

Of the 15 units at The Fletcher, 13 have already been reserved. The typical buyer profile for this product is active empty-nesters looking to downsize from a family house. They want a for-sale, single-level living product that has the conveniences of new construction, a modern and open layout with lots of light, and generous outdoor space.

Our understanding is that Northfield is in desperate need of this housing product as well, with empty-nesters holding on to their now-too-large family houses because there aren't appropriate products for them. Meanwhile younger families struggle to find any available inventory. Projects such as The Fletcher help create movement in the market.

² <https://fletchermpls.com>

Concept for 5th and Washington

We would like to do a project similar to The Fletcher at the 5th and Washington site.

We envision:

- An upscale municipal liquor store that has a wine and cheese shop with tasting events, a curated beer selection, knowledgeable sales staff that can recommend the perfect wine to pair with your dinner, connections with local brewers and distillers, and a specialty deli for delicious grab-and-go
- Additional ground level retail or office spaces for local businesses
- Up to three levels of upscale condominiums above. Condominiums would have 2-3 bedrooms, open floor plans, tall ceilings, in-unit laundry, storage, lots of natural light, and generous outdoor terraces to comfortably seat four people.
- Sufficient underground parking to serve the liquor store, the businesses, and two parking spaces per condominium unit
- A vibrant “paseo” for Grastvedt Lane that activates the street level with cobblestone paving, café tables, benches, and shade trees
- Angled street parking for short-term visitors
- Vehicular access to allow for loading and unloading, retail deliveries, trash collection, and safe entry and exit for underground parking



Figure 3: Example finish package

Suggested timeline

We recommend:

- 2025: Site planning, market analysis, coordination with city staff, design, zoning
- 2026: Presales, start construction
- 2027: Construction completion

Financial Capabilities

We estimate this project to have a total development cost of \$18 to \$21 million and require \$6 to \$7 million of private capital plus \$12 to \$14 million lending capital.

On past projects, Streetfront Development has raised \$1 million to \$8 million of private capital for equity for each project. We work with community banks to find attractive and financially sustainable lending terms from lenders that share our passion for the projects.

Select Past Project Partners

- Lenders: Bridgewater Bank, Center Bank
- General Contractors: Bauer Design Build, BCI, Highmark Custom Home Builders
- Urban Designer: Cardo Design
- Architects: Locus Architecture, Collage Architects, Awaken Architecture
- Property Management and Co-Development: Good Neighbor Homes
- Civil Engineers: Civil Site Group
- Interior Design: Ruby and Suede

Sustainability

We appreciate Northfield's emphasis on and requirements for sustainability. At Streetfront Development, we have pushed our architectural and construction project partners to adopt a low embedded carbon materials specification. We insist on quality materials, high insulation, tight windows, heat pump heating and cooling, and solar-ready and EV-ready infrastructure. We view sustainability as our default best practice, not a special effort.

Conclusion and Next Steps

Thank you for your consideration of our approach, expertise, and passion for urban development. We would like the opportunity to engage designers and architects to prepare concept drawings, collaborate with city staff on city program and design requirements, solicit construction estimates, and perform more detailed market analysis and due diligence before advancing to a development agreement.

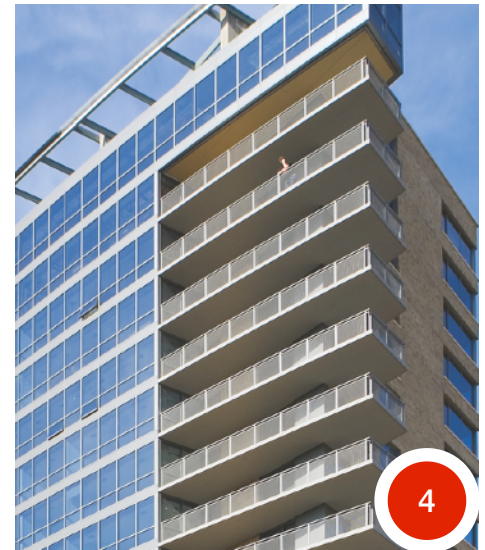
We look forward to working with you.

Sincerely,



Charles Burdick

President, Streetfront Development



streetfront



Streetfront Development's principal, Charles Burdick, worked as a real estate developer on projects in Raleigh, NC; Washington, DC; Minneapolis, MN; and Milwaukee, WI before pursuing Streetfront Development in 2019. Those projects ranged in size from 10 townhomes to 274 luxury condominiums. His experience includes low income housing tax credits, historic designations and tax credits, HUD Section 8, and brownfield environmental cleanup. Mr. Burdick is a LEED Accredited Professional.

2005, MBA, University of North Carolina at Chapel Hill,
Real Estate and Sustainable Enterprise

1999 BA, Macalester College, Mathematics and Music

Capabilities:

- Apartment, condominium, townhouse, affordable housing, retail, and office
- Financing structures including local incentives, Tax Increment Financing (TIF), Historic Tax Credits (HTC), and Low Income Housing Tax Credits (LIHTC)
- Site acquisition, contract negotiations, due diligence
- LEED Accredited

Selected projects:

1. Fridley Station Village - Ursa - Fridley, MN
(with Sherman Associates)
73 units low income housing tax credit apartments, completed in 2022.
2. Beam Townhomes - Minneapolis, MN
(with Sherman Associates)
20 townhomes. Low income housing tax credits. New construction, completed in 2022.
3. Montgomery Place - Saint Paul, MN
24 apartments. New construction, completed in 2023.
4. The Odyssey - Washington, DC
(with Monument Realty)
Marketing plan and equity reporting for 274 units condominiums. New Construction, 2005.
5. Beam Apartments - Minneapolis, MN
(with Sherman Associates)
72 apartments. Low income housing tax credits. New construction, completed in 2022.
6. Litchfield Historic Portfolio - Litchfield, MN
15,000 square foot, four-building historic mixed use renovation. Apartments above office and retail. State and Federal Historic Tax Credits, 2025 completion.
7. The Fletcher - Minneapolis, MN
15 large condominiums. New construction. Starting construction Spring, 2025 with completion 2026.
8. Washington Yards - Minneapolis, MN
(with Sherman Associates)
Downtown city block redevelopment concept with 2 residential towers and 1 office/mixed use tower.

