

Meeting Date: May 4, 2009
Presentation

ITEM: Present grant funds to recipients of the 2009 Grace Whittier Grants

SUMMARY: The City Council approved the recommended disbursements for the 2009 Grace Whittier Fund Grant recipients at the April 20 meeting. The grants are to be presented to seven non-profit organizations that support recreational opportunities for youth in Northfield, fulfilling the intent and purpose of the Grace Whittier Fund Grant program.

Grant Recipient	Grant Amount	Use of Funds
<i>Northfield Public School Booster Club</i>	\$2,500	Scholarships
<i>Prairie Partners</i>	\$900	Equipment and instructors for snowshoeing classes
<i>Northfield Youth Sports Collaborative</i>	\$3,500	Scholarships
<i>TORCH (Tackling Obstacles and Raising College Hopes)</i>	\$2,000	Summer leadership and college camp programs
<i>Northfield Area Family YMCA</i>	\$525	Start-up equipment for inside/outside games
<i>Northfield Soccer Association</i>	\$1,000	TOPSoccer (special needs players)
<i>Northfield Arts Guild</i>	\$400	Student scholarships for the Mexican Foklorico dance program
Total awarded	\$10,825	

BACKGROUND:

The Grace Whittier Fund Grant was created in 1988 as a result of a \$250,000 gift from the estate of long time Northfield resident, Grace Whittier. The purpose of the Whittier Fund is to support recreational opportunities for Northfield youth. The City of Northfield established a grant process to award monies from the Grace Whittier Fund Grant to Northfield area organizations that program recreational activities for children. Including these grants, the City has disbursed almost \$202,000 since 1988 with thanks to Grace Whittier for her generosity and foresight.

SUBMITTED BY: Lynne Young, Library Director

ITEM: Proclaim May 9, 2009 as Poppy Day in Northfield

ACTION REQUESTED:

The City Council of the City of Northfield hereby proclaims Saturday, May 9, 2009 to be Poppy Day in Northfield.

SUMMARY

The City Council is being asked to proclaim May 9, 2009 as Poppy Day in Northfield. The Veterans of Foreign Wars and Auxiliary have adopted the poppy as their commemorative symbol. The poppy, as the memorial flower for American war dead, is a tradition which began in the years following World War I. The proceeds for this fundraising campaign are used for the benefit of disabled and needy veterans, and the widows and orphans of deceased veterans.

SUBMITTED BY: Jennifer Nash, Assistant to the Administrator

ATTACHMENTS:

1. Proclamation
2. Press Release

PROCLAMATION

THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTHFIELD, MINNESOTA
PROCLAIM SATURDAY, MAY 9, 2009 TO BE POPPY DAY IN NORTHFIELD

WHEREAS, the Veterans of Foreign Wars and Auxiliary have adopted the poppy as their commemorative symbol; and,

WHEREAS, the memorial poppy, assembled by disabled veterans, pays respectful tribute to those killed in war, and also benefits living veterans and their families; and,

WHEREAS, public donations for poppies fund rehabilitation programs within each local community that benefit veterans, their families, and ultimately our state and nation.

NOW, THEREFORE, THE MAYOR AND CITY COUNCIL HEREBY PROCLAIM THAT:

Saturday, May 9, 2009 is hereby declared to be Poppy Day in Northfield.

Citizens of this community are urged to wear a memorial poppy as mute evidence of our gratitude to the men and women of this country who have risked their lives in defense of the freedoms that we continue to enjoy as American citizens.

ACKNOWLEDGED by the City Council of the City of Northfield on this 4th day of May 2009.

ATTEST

City Clerk

Mayor

City Council Meeting Date: May 4, 2009

Consent

ITEM: 1

Motion

ITEM: Reviewing Disbursements

ACTION REQUESTED:

Proposed Motion For Consideration: _____**Motion** _____**Second**

The City Council of the City of Northfield hereby reviews disbursements totaling \$520,823.20 (April 17, 2009, April 24, 2009 – including Payroll Transfer of \$146,729.21) as presented to the City Council.

SUMMARY

The City Council is being asked to review disbursements for \$520,823.20. They are within the limitations of the approved budget and resources available.

SUBMITTED BY: *Julie Nordmeier, Accountant*

ATTACHMENTS:

1. Disbursement Lists

ITEM: National Public Works Week

ACTION REQUESTED:

Proposed Motion For Consideration: _____ **Motion** _____ **Second**

The City Council of the City of Northfield hereby proclaims the week of May 17, 2009 as “National Public Works Week” in the City of Northfield and recognizes the contributions that public works makes every day to our health, safety, comfort and quality of life.

SUMMARY:

National Public Works Week is a celebration of the tens of thousands of men and women in North America who provide and maintain the infrastructure and services collectively know as public works. The American Public works Association instituted this campaign in 1960 to call attention to the professionals who serve the public good every day with quiet dedication.

The Public Works Department in Northfield consists of six divisions: Facilities, Recreation, Streets & Parks, Transit, Wastewater and Water. There are a total of 24 full-time employees within these divisions as well as a varying number of part-time/seasonal personnel depending on the season. The Transit Division has 4 part-time drivers, and in the winter a number of seasonal personnel are at the arena. Seasonal employees increase significantly in the summer with seasonal personnel busy at the pool, compost site, gardening downtown and assisting several of the divisions with summer maintenance.

Some of the routine tasks performed include custodial services for all the city facilities, snow removal, park mowing, ball field maintenance, pool operations, arena operations, transit through out the city, treatment of wastewater and MPCA reporting, storm water system maintenance, utility locates, water meter change outs, and MDH reporting. In addition there are numerous citywide events that required support including the Defeat of Jesse James Celebration in September where the staff works a significant number of hours. The end result of all this is that the public works personnel have a significant impact on the community and its citizens.

SUBMITTED BY: *Brian Erickson, Public Works Operations Engineer*

ITEM: Second Reading of Ordinance No. 894 Amending Outdoor Dining

ACTION REQUESTED:

The City Council is being asked to approve on second reading Ordinance #894 which will amend the outdoor dining ordinance of the City of Northfield.

Proposed Motion for Consideration: _____ **Motion** _____ **Second**

The City Council of the City of Northfield adopts on second reading Ordinance #894 amending the outdoor dining ordinance of the City of Northfield.

City Council has already approved of this proposed amendment at the City Council meeting of April 20, 2009.

SUMMARY

The City Council is being asked to amend the outdoor dining ordinance of the City of Northfield that was enacted in May of 2008. The ordinance allows but regulates the serving for food, beverages and alcoholic beverages on the public sidewalks and other public areas within the C-1 and C-2 areas of the City. The original ordinance was adopted for a period of one year as a demonstration ordinance. Since the initial enactment of the ordinance, two businesses have obtained permits for outdoor dining.

Staff has reviewed the ordinance with the City Council and has also obtained comments from representatives of the NDDC related to sections of the ordinance where change and improvements could be made. The amendment, addressing areas of the ordinance that have been seen as being problematic, include:

- Barrier height - **changed to a range of 24 inches to 36 inches**
- Insurance amounts - **changed to \$1,000,000**
- Timeliness of permit issuance - **changed to allow administrative approval for businesses not serving alcohol**
- Sunset provision in original ordinance enactment - **deleted the one year sunset provision which makes the ordinance permanent**

Staff recommends that the City Council enact Ordinance #894 which will amend the outdoor dining ordinance of the City on first reading.

Y	N	Checklist
X		Does this project fit within the identified Council goals, objectives, and priorities? (Goal 3: build a foundation for a vibrant community)
X		Does the project fit within the estimated budget & resource parameters?
X		Is the public process identified consistent with the scope and implications of the project? (Meeting with NDDC)
		Have the pertinent boards and commissions been identified for providing review, recommendations, or input?
X		<u>Is this decision consistent with current city plans (Comprehensive Plan, Transportation Plan, Park Plan, etc)? (Comprehensive Plan)</u>
		<u>Have the future costs to city operations been calculated and identified?</u>
		<u>Are there measurable criteria to aid with the decision-making and have they been identified?</u>
X		Have the suitable timelines and schedules been identified? (Ordinance amendments being proposed will eliminate the sunset provision prior to deadline.)

SUBMITTED BY: Brian P. O'Connell, Community Development Director

ATTACHMENTS:

Ordinance # 894

ORDINANCE NO. 894

AN ORDINANCE AMENDING NORTHFIELD CODE CH. 6, ALCOHOLIC BEVERAGES, ART. II, RETAILERS, DIV. 2, LICENSE, SEC. 6-70, TEMPORARY EXPANSION OF LICENSED PREMISES; OUTDOOR SALES AND SERVICE, AND AMENDING NORTHFIELD CODE CH. 14, BUSINESSES, ART. V, SEC. 14-190, OUTDOOR FOOD AND BEVERAGE SERVICE.

THE CITY COUNCIL OF THE CITY OF NORTHFIELD, MINNESOTA, DOES ORDAIN THAT CH. 6, ART. II, DIV. 2, SEC. 6-70, AND CH. 14, ART. V, SEC. 14-190, ARE HEREBY AMENDED AS FOLLOWS (deleted material is lined out; new material is underlined; sections and subsections not being amended are omitted except to give context):

Chapter 6

ALCOHOLIC BEVERAGES

Article II. Retailers

Division 2. License

Sec. 6-70. Temporary Expansion of Licensed Premises; Outdoor Sales and Service.

(d) *Conditions.* Approval of an application may be made subject to any appropriate restrictions or conditions, which may vary from establishment to establishment depending on the circumstances. At a minimum, the following restrictions and conditions shall apply:

(6) An approved temporary barrier ~~at least 36 inches~~ between 24 and 36 inches in height, as determined by the council, shall be in place between the temporary expansion area and any other public or private property during all hours of operation, provided that the city council may require a higher and more secure barrier depending on the circumstances. This requirement may be waived if no alcoholic beverages will be served in the expansion area.

(10) All temporary barriers, tables, chairs, and other property of the licensee shall be removed from any public property within a temporary expansion area, or shall be stored in some defined and secure area approved by the city, at all times other than hours of operation. *[Included for information only—the ordinance already allows tables and chairs to remain outside if approved by the city.]*

(16) The licensee shall maintain commercial general liability insurance expressly covering any temporary expansion area, with a limit of not less than ~~\$1,200,000~~ \$1,000,000 each occurrence, and shall name the city of Northfield as an additional insured thereon. The licensee shall provide proof of such insurance to the city prior

to issuance of any permit under this section and from time to time thereafter upon request of the city.

~~This section shall expire and be of no further force or effect at midnight on that date which is one year after the effective date of this ordinance unless the city council has, prior to that date, affirmatively approved the extension of this section, by ordinance. If a first reading of such an ordinance has been approved on or before the expiration date of this ordinance, such ordinance shall be effective to extend the applicability of this ordinance so long as a second reading and publication occur within thirty days thereafter.~~

The expiration provisions previously included in this ordinance are hereby deleted.

Chapter 14

BUSINESSES

Article V. Outdoor Food and Beverage Service

Sec. 14-190. Outdoor Food and Beverage Service.

(b) Application. Application for a permit to use public property for the sale and service of food and beverages shall be made as set forth in sec. 6-70 of this code and such permit shall be subject to the same requirements, review process, fees, and conditions as set forth in that section, except to the extent that section applies only to the sale and service of liquor, and except that an application for a permit for outdoor sales and service which does not include the sale of alcoholic beverages shall be reviewed and approved or denied by the city administrator. If an application is denied by the city administrator, the applicant may request that the city council hear an appeal from the denial. The council shall have discretion whether or not to hear such an appeal.

~~(c) This section shall expire and be of no further force or effect at midnight on that date which is one year after the effective date of this ordinance unless the city council has, prior to that date, affirmatively approved the extension of this section, by ordinance. If a first reading of such an ordinance has been approved on or before the expiration date of this ordinance, such ordinance shall be effective to extend the applicability of this ordinance so long as a second reading and publication occur within thirty days thereafter.~~

The expiration provisions previously included in this ordinance are hereby deleted.

Adopted by the City Council of the City of Northfield, Minnesota, this 4th day of May, 2009.

ATTEST:

City Clerk

Mayor

First Reading: _____
Second Reading: _____
Published: _____

VOTE: ___ BUCKHEIT ___ DENISON ___ POKORNEY ___ POWNELL
 ___ ROSSING ___ VOHS ___ ZWEIFEL

ITEM: Approve Planning Commission and Zoning Board of Appeals appointment

PROPOSED MOTION FOR CONSIDERATION:

_____ **Motion** _____ **Second**

The City Council of the City of Northfield hereby approves the appointment of Mr. Paul Miller to the Planning Commission and Zoning Board of Appeals to fill a vacated term ending December 31, 2009.

SUMMARY:

The City Council is being asked to approve the Mayor's appointment of Mr. Paul Miller to the Planning Commission and Zoning Board of Appeals to fill a vacated term ending December 31, 2009.

Chapter 34 Article II Sec 34-57 Members; appointments; terms; vacancies reads as follows:

(d) Vacancies shall be filled by appointment by the mayor with approval of the council to fill any portion of an unexpired term; an appointee shall continue on the commission until his/her successor is appointed. An appointee may be appointed to succeed himself/herself.

If confirmed Mr. Miller's term will expire December 31, 2009. Mr. Miller currently resides in Northfield and is President of Paul Miller Design, Inc. The firm offers landscape architecture and site planning services. If confirmed, all seats on the Planning Commission would be filled at this time.

The Mayor recommends and appoints applicants based on their interests, willingness to serve and background. The goal of the Mayor is to have members on the various boards and commissions who represent all segments of the community.

SUBMITTED BY: *Mayor Mary Rossing*
J. Walinski, City Administrator

ITEM: Appointment to the Park and Recreation Advisory Board

PROPOSED MOTION FOR CONSIDERATION:

_____ **Motion**

_____ **Second**

The City Council of the City of Northfield hereby confirms the appointment of Mr. David Hvistendahl to the Park and Recreation Advisory Board to fill a vacated term ending December 31, 2009.

SUMMARY:

The City Council is being asked to confirm the Mayor's appointment of Mr. David Hvistendahl to the Park and Recreation Advisory Board to fill a vacated term ending December 31, 2009.

Chapter 54 Sec. 54-27. Composition; terms; appointments reads as follows:

(a) The park and recreation advisory board shall consist of seven voting members appointed by the mayor with the approval of the city council for three-year terms. Terms are to run from January 1 through December 31 and are to be staggered so that there will be continuity on the board.

(b) Vacancies shall be filled by appointment by the mayor with approval of the council to fill any portion of an unexpired term.

If confirmed, Mr. Hvistendahl's term will expire December 31, 2009. Mr. Hvistendahl currently resides in Northfield and is an attorney with Hvistendahl, Moersch & Dorsey, P.A. Mr. Hvistendahl and also owns two businesses; Froggy Bottoms River Pub and Suite in Northfield and Peterson Art Furniture in Faribault. Mr. Hvistendahl is also active and provides pro-bono legal work for the Defeat of Jesse James Day Committee, Inc and the Northfield Historical Society. The current vacancy on the Park and Recreation Advisory Board was created with the resignation of Mr. Spencer Jones. Mr. Hvistendahl's application was on file.

The Mayor recommends and appoints applicants based on their interests, willingness to serve and background. The goal of the Mayor is to have members on the various boards and commissions who represent all segments of the community.

SUBMITTED BY: *Mayor Mary Rossing*
J. Walinski, City Administrator

ITEM: First reading of Ordinance #897 Amending Northfield Code Sec. 34-301 (b)
Related to Residency Requirement for Members of Building Code Board of
Appeals

ACTION REQUESTED:

The City Council is being asked to approve the first reading of Ordinance No. 897 which will amend Northfield Code Sec. 34-301(b) by modifying the language regarding qualification of members of the Building Code Board of Appeals.

Proposed Motion for Consideration: _____ **Motion** _____ **Second**

The City Council of the City of Northfield adopts on first reading ordinance # 897 amending Section. 34-301(b) of the Municipal Code which will allow up to two members of the Building Code Board of Appeals to be non-residents of the City.

SUMMARY:

As part of the City's adoption of the 2006 Minnesota State Building Code, there was discussion about the advantages of creating a local building code board of appeals. The City Council took the steps necessary to create such a board by adopting Code Sec. 34-301. This ordinance was effective February 11, 2008. Since that time, the City has advertised twice for residents of the City to volunteer to serve on this board, without success. Recently, the members of the City's Rental Housing Board of Appeals were asked if they would be interested in serving as the Building Code Board of Appeals as well as the Rental Housing Board of Appeals. All members indicated a willingness to serve on both boards. One of the members of the current Rental Housing Board of Appeals is not a resident of Northfield (residency is not a requirement for this board), which would obviously be problematic if the members of the Rental Housing Board of Appeals were to be appointed by the Mayor and Council to serve as the Building Code Board of Appeals.

Staff does not believe that residency within city limits is an essential requirement for membership on either board. To the extent the Council may want members of the Building Code Board of Appeals to have a "vested interest" in the City by living here, staff believes that may be accomplished by providing that no more than two members of the Board may live outside city limits. Requiring residence within city limits for all board members creates an obvious impediment to appointing a Building Code Board of Appeals at this time. The members of the Rental Housing Board of Appeals are duly organized and are capable of performing the additional duties of the Building Code Board of Appeals.

Staff recommends that the City Council amend Code Sec. 34-301 (b) by modifying the residency requirement as indicated in Ordinance No. 897.

Y	N	Checklist
x		Does this project fit within the identified Council goals, objectives, and priorities?
x		Does the project fit within the estimated budget & resource parameters?
x		Is the public process identified consistent with the scope and implications of the project?
x		Have the pertinent boards and commissions been identified for providing review, recommendations, or input?
N/A	N/A	Is this decision consistent with current city plans (Comp Plan, Transportation Plan, Park Plan, etc)?
N/A	N/A	Have the future costs to city operations been calculated and identified?
x		Are there measurable criteria to aid with the decision-making and have they been identified?
x		Have the suitable timelines and schedules been identified?

SUBMITTED BY: John Brookins, Building Official

ATTACHMENTS:

1. Ordinance No. 897

ORDINANCE NO. 897

AN ORDINANCE AMENDING NORTHFIELD CODE SEC. 34-301, BUILDING CODE BOARD OF APPEALS, SUBSECTION (b), MEMBERSHIP; QUALIFICATIONS.

THE CITY COUNCIL OF THE CITY OF NORTHFIELD, MINNESOTA, DOES ORDAIN THAT NORTHFIELD CODE SEC. 34-301 (b) IS HEREBY AMENDED AS FOLLOWS (deleted material is lined out; new material is underlined; sections and subsections not being amended are omitted).

Chapter 34

LAND DEVELOPMENT REGULATIONS

Article V. Buildings and Building Regulations

Division 2. Building Code

Sec. 34-301. Building code board of appeals.

(b) *Membership; qualifications.* The board shall consist of five members who are qualified by experience and training to pass upon matters pertaining to building construction and who are not employees of the city. If possible, the members shall include a building contractor, an architect, and an engineer. If properly qualified by experience and training, the members shall also include a realtor and a citizen at large. ~~Members shall live within~~ No more than two members shall live outside the city limits of the City of Northfield. The building official shall be an ex officio member of the board but shall have no vote on any matter before the board.

Members shall be appointed by the mayor with approval of the council. Members shall be appointed for a term of three years and shall serve until a successor has been appointed. Regular terms shall commence on January 1. Initial terms shall be shortened or lengthened and thereby staggered so that there will be continuity of representation on the board. Vacancies shall be filled by the mayor with approval of the council to fill any portion of an unexpired term. Members may be appointed to serve successive terms. Members shall serve without compensation.

Adopted by the City Council of the City of Northfield, Minnesota, this 4th day of May, 2009.

ATTEST:

City Clerk

Mayor

First Reading: _____

Second Reading: _____

Published: _____

VOTE: ___ BUCKHEIT ___ DENISON ___ POKORNEY ___ POWNELL
 ___ ROSSING ___ VOHS ___ ZWEIFEL

ITEM: Approve addendum to Master Development Fund

SUMMARY AND ACTION REQUESTED:

In 1993, the City developed a set of policies intended to guide its decisions as to appropriate expenditures from the Master Development Fund. In section D, Funding Categories, of Northfield’s Master Development Policy it specifies that the City may allocate funds toward an assistance program that would serve a particular economic development purpose within the Master Development District as identified as an addendum to the Policy.

The Economic Development Director is requesting that the Northfield City Council approve an addendum to the Master Development Plan policy. The addendum provides flexibility for use of funds for economic development projects.

The following is an analysis of how this ordinance amendment relates to the Council’s problem solving process:

Yes	No	Checklist
Yes		Does this project fit within the identified Council goals, objectives, and priorities? Goal #2
		Does the project fit within the estimated budget & resource parameters?
Yes		Is the public process identified consistent with the scope and implications of the project?
Yes		Have the pertinent boards and commissions been identified for providing review, recommendations, or input?
		Is this decision consistent with current city plans (Comp Plan, Transportation Plan, Park Plan, etc)?
		Have the future costs to city operations been calculated and identified?
Yes		Are there measurable criteria to aid with the decision-making and have they been identified?
Yes		Have the suitable timelines and schedules been identified?

RECOMMENDATION: Staff recommends that the City Council approve addendum to Master Development Policy.

ATTACHMENT: Resolution 2009-040

SUBMITTED BY: Jody T. Gunderson, Director of Economic Development

CITY OF NORTHFIELD, MINNESOTA
CITY COUNCIL RESOLUTION 2009-040

A RESOLUTION BY THE MAYOR AND CITY COUNCIL OF THE CITY OF
NORTHFIELD APPROVING AN ADDENDUM TO THE MASTER
DEVELOPMENT FUND POLICY

WHEREAS, the City of Northfield adopted a Master Development Fund Policy on December 20, 1993, which was amended on November 7, 1994, and again on June 19, 1995 (the Policy); and

WHEREAS, the Policy provides in section D, Funding Categories, that the City may allocate funds toward an assistance program that would serve a particular economic development purpose within the Master Development District, as identified as an addendum to the Policy and subject to its own application procedures and/or approval criteria; and

WHEREAS, the City has identified a need to provide gap financing for new and expanding businesses in the City that are seeking working capital funds to operate their businesses and create jobs in the City.

NOW, THEREFORE, the following Addendum to the Master Development Fund Policy is hereby approved:

1. **Project Categories**

In addition to the other project categories approved under the Policy, the City may approve expenditures from the Fund for working capital loans to businesses to operate their businesses and create new jobs in Northfield. The terms and conditions of the Policy shall apply to such loans except as modified hereby.

2. **Funding Criteria**

An applicant for a working capital loan must demonstrate the ability to create new jobs in the City.

3. **Low Interest Loans**

Loan interest rates shall be the prime rate according to the *Wall Street Journal* at the time of approval of the loan. The loan may be secured by a UCC financing statement (Form UCC1) against inventory and equipment in lieu of or in addition to a mortgage. Loans may be forgiven based on meeting specific job creation and retention criteria.

4. **Fund Disbursement**

The City shall disburse loan funds based upon compliance with the terms of a loan agreement and promissory note.

PASSED by the City Council of the City of Northfield on this 4TH day of May 2009.

ATTEST

City Clerk

Mayor

VOTE: ___ROSSING ___POWNELL ___BUCKHEIT ___DENISON
 ___ZWEIFEL ___POKORNEY ___VOHS

ITEM: Approve Master Development Fund loan for StrataPoint Inc.

SUMMARY AND ACTION REQUESTED:

StrataPoint Incorporated provides a web based Software-As-A-Service (SAAS) product with an emphasis in the golf course and municipal markets. The company was first introduced to the EDA at the April 2008 CVN forum in Minneapolis. Since then, StrataPoint has remained busy growing their client base and acquiring financial support from Venture Capital Partners. Northfield city staff have met with representatives of StrataPoint on numerous occasions over the last several months to evaluate how StrataPoint's services can provide practical solutions to municipal software needs.

On March 26, 2009, StrataPoint gave a brief presentation to the EDA Board providing a history of the company and its software application. EDA Board members serving on the Programs, Processes, and Procedures Subcommittee met twice following the meeting to discuss and review the StrataPoint proposal. StrataPoint pledges to locate its operations in Northfield, creating three staff positions initially in 2009 and expanding to 20 employees by 2013. The company has raised \$175,000.00 in local equity investment. Additionally, StrataPoint is seeking to promote Northfield as their "Show Case Community".

On April 23, 2009, the EDA Board unanimously approved a recommendation to the Northfield City Council supporting funding for StrataPoint Inc. It was the Board's opinion that StrataPoint's software solutions were very marketable and the type of company identified in the Comprehensive Economic Development Plan. The EDA recommended a \$50,000.00 loan at 3.25% for a period of five years for use as working capital. Additionally, if the company were to create 20 jobs total prior to the expiration of the loan agreement, the remaining balance of the loan would be forgiven. The 20 jobs are required to be retained for a period of no less than 2 years.

The Economic Development Director is requesting that the Northfield City Council approve the StrataPoint Inc. Master Development Plan loan.

The following is an analysis of how this ordinance amendment relates to the Council's problem solving process:

Yes	No	Checklist
Yes		Does this project fit within the identified Council goals, objectives, and priorities?

		Does the project fit within the estimated budget & resource parameters?
Yes		Is the public process identified consistent with the scope and implications of the project?
Yes		Have the pertinent boards and commissions been identified for providing review, recommendations, or input?
		Is this decision consistent with current city plans (Comp Plan, Transportation Plan, Park Plan, etc)?
		Have the future costs to city operations been calculated and identified?
Yes		Are there measurable criteria to aid with the decision-making and have they been identified?
Yes		Have the suitable timelines and schedules been identified?

RECOMMENDATION: Staff recommends that the City Council approve the terms of the attached development agreement.

ATTACHMENTS:

1. Resolution 2009-041
2. Loan Agreement
3. EDA Resolution 2009-007

SUBMITTED BY: Jody T. Gunderson, Director of Economic Development

CITY OF NORTHFIELD, MINNESOTA
CITY COUNCIL RESOLUTION 2009-041

A RESOLUTION BY THE MAYOR AND CITY COUNCIL OF THE CITY OF
NORTHFIELD APPROVING A MASTER DEVELOPMENT LOAN TO STRATAPOINT
INCORPORATED

WHEREAS, StrataPoint, Inc. has requested financial assistance for locating and operating their business in Northfield; and,

WHEREAS, StrataPoint, Inc. has requested financial assistance in the amount of \$50,000; and,

WHEREAS, the EDA has evaluated the viability of StrataPoint's Software-As-A Service product, its business plan, financial projections, and equity investment and determined that the company will be an asset to the City of Northfield; and,

WHEREAS, EDA Board members have recommended that the City Council approve a loan of \$50,000.00, at 3.25%, for a period of five years for use as working capital; and,

WHEREAS, StrataPoint, Inc. shall provide security to the City for the Loan through the filing of a UCC Financing Statement (Form UCC1) against all equipment, inventory and other collateral located at the Northfield Business or located elsewhere but owned and used in connection with the Northfield Business. The UCC1 shall be completed and signed prior to or at the time of disbursement of the Loan funds to StrataPoint Inc. and shall be promptly filed at recipient's sole cost and expense.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL THAT: a Master Development Loan in the amount of \$50,000 be awarded to StrataPoint, Inc.; and,

BE IT FURTHER RESOLVED BY THE MAYOR AND CITY COUNCIL THAT the term of the Master Development Loan be awarded for 5 years at an annual percentage rate of interest of 3.25% and secured with a promissory note and Form UCC1 as described in the loan agreement.

PASSED by the City Council of the City of Northfield on this 4TH day of May 2009.

ATTEST

City Clerk

Mayor

VOTE: ___ROSSING ___POWNELL ___BUCKHEIT ___DENISON
 ___ZWEIFEL ___POKORNEY ___VOHS

**STRATAPOINT, INC.
MASTER DEVELOPMENT LOAN AGREEMENT
AND PROMISSORY NOTE**

This Loan Agreement and Promissory Note ("this Agreement") made as of the ____ day of _____, 2009, by and between the City of Northfield, a municipal corporation of the State of Minnesota ("the City"), and StrataPoint, Inc., a corporation under the laws of the State of Minnesota with offices at _____, Northfield, Minnesota ("Recipient").

WITNESSETH THAT:

WHEREAS, Recipient has applied for a loan to help pay operating expenses related to its business established at its offices identified above in the City of Northfield, Minnesota ("the Northfield Business"), as set forth in Recipient's request for such loan, which is incorporated by reference herein; and

WHEREAS, the City has approved a loan to Recipient for such purposes in the amount of Fifty Thousand and no/100 (\$50,000.00) Dollars, repayable over a period of sixty (60) months, together with interest at the rate of 3.25%, on the further terms and conditions stated herein ("the Loan").

NOW, THEREFORE, for good and valuable consideration, the parties agree as follows:

1. REPRESENTATIONS OF RECIPIENT. Recipient warrants that the following statements are true:
 - a. The statements and representations made in Recipient's request for the Loan were at the time of the request and are as of the date hereof true and correct, except as the same may have been modified in writing by Recipient and submitted to the City prior to the date of this Agreement.
 - b. Recipient is in good standing with all public entities having any authority or jurisdiction over Recipient, and Recipient is in compliance and shall at all times during the term of this Agreement remain in compliance with all federal, state and local laws, rules and regulations which apply to Recipient.
 - c. Recipient shall use the Loan funds for, and only for, the purposes stated in Recipient's request or as otherwise approved by the City in the award of the Loan, specifically, to pay bona fide operating expenses of the Northfield Business.
2. DISTRIBUTION OF LOAN FUNDS. The City will distribute the Loan funds to the Recipient in a lump sum upon receipt by the City of evidence satisfactory to the City that all conditions precedent to distribution of the Loan funds have been met and satisfied, including: production of evidence that Recipient has secured a combination of equity ownership and

commitments for other financing for the Northfield Business totaling not less than \$175,000.00 (\$225,000.00 including this Loan), and production of evidence that Recipient has a binding lease for the physical operation of its business at its offices identified above in the City of Northfield. In addition, prior to distribution of the Loan funds, Recipient shall allow inspection and identification by City representatives of all equipment, inventory and other collateral for the Loan which will be included on the Form UCC1 mentioned hereafter.

3. SECURITY. Recipient shall provide security to the City for the Loan through the filing of a UCC Financing Statement (Form UCC1) against all equipment, inventory and other collateral located at the Northfield Business or located elsewhere but owned and used in connection with the Northfield Business ("the Collateral"). The UCC1 shall be completed and signed prior to or at the time of disbursement of the Loan funds to Recipient and shall be promptly filed at Recipient's sole cost and expense.
4. REPAYMENT OF LOAN. Recipient promises to repay the Loan in the amount of \$50,000.00, together with interest on such amount at the rate of 3.25% per annum from and after the date hereof, to the City at its offices described above or at such other place as may be designated by the City from time to time, in equal monthly installments of \$904.00. The first installment shall be due on the ____ day of _____, 2009, and succeeding installments shall be due on the ____ day of each succeeding month through and including the ____ day of _____, 2014, the final due date hereunder, at which time the entire unpaid balance of principal, interest and late charges, if any, shall be due and payable in full. Any payment received by the City twenty (20) or more days after the due date of such payment shall, at the option of the City, be subject to imposition of a late charge in the amount of five (5%) percent of the amount of the payment or Twenty-five (\$25.00) Dollars, whichever is greater. The City shall notify Recipient of the imposition of any accumulated and unpaid late charges prior to the final due date under this Agreement. Failure by the City to notify Recipient of such accumulated and unpaid late charges shall constitute waiver by the City of such late charges.

Recipient agrees to pay all costs including reasonable attorneys' fees incurred by the City in collecting any amount due under this Agreement. Recipient waives presentment for payment, notice of nonpayment, protest and notice of protest, and diligence in bringing suit against any party hereto. All payments made by Recipient shall be applied as follows: first, to costs including attorneys' fees incurred by the City in collecting any amount due under this Agreement; second, to the payment of any late charges; third, to accrued but unpaid interest; and fourth, to principal.

Recipient shall have the right to prepay, in part or in full, the indebtedness evidenced by this Agreement at any time, without penalty, provided that a partial payment shall not serve to delay or postpone the due date of any subsequent payment required under this Agreement.

The indebtedness evidenced by this Agreement shall become immediately due and payable under the following circumstances, which shall constitute events of default by Recipient:

- a. Failure by Recipient to make any payment required to be made under this Agreement;

- b. Failure by Recipient to continue doing business in the City of Northfield;
 - c. Failure by Recipient to pay when due any taxes or other obligations against the Collateral or any utility bills or other obligations owing to the City related to the Northfield Business;
 - d. Failure by Recipient to perform, in full, any condition or prerequisite or other act required by the City as a condition or requirement in connection with this Agreement;
 - e. The sale or conveyance or the proposed sale or conveyance of the Collateral, whether voluntary or involuntary;
 - f. The institution of suit or other legal proceedings against Recipient, or against or affecting the Collateral, which suit or other legal proceedings, in the reasonable judgment of the City, will adversely affect the security or viability of Recipient or the rights of the City under this Agreement;
 - g. Any significant change, whether voluntary or otherwise, in the ownership of the Collateral, including, but not limited to, the appointment of a receiver or liquidator, whether voluntary or otherwise, for the property of Recipient; or
 - h. To the extent permitted by law, the filing of a petition by or against Recipient under the provisions of the United States Bankruptcy Code, or Recipient's assignment of any of its property to or for the benefit of its creditors.
5. **CONTINUING DISCLOSURE BY RECIPIENT.** Recipient shall provide to the City, upon request, any and all business and financial records as may be necessary to confirm to the City that Recipient continues to be in good standing and operating successfully at its offices in the City of Northfield and that the Loan funds have been used in compliance with the approved purposes of the Loan. Recipient shall also provide to the City a year-end report annually for every calendar year in which the Loan obligation has not been paid in full. Each year-end report shall be due by January 31 of the next succeeding year. The year-end reports shall demonstrate to the City the status or completion of the purposes for which the Loan was given and shall document the continuing existence of the Northfield Business and the creation and retention of any jobs associated with the Northfield Business. Specifically but not by way of limitation, Recipient shall document to the City upon request from time to time the status of its efforts to employ at least 20 full-time employees at the Northfield Business within the term of this Agreement.
6. **POSSIBLE FORGIVENESS OF PART OF LOAN OBLIGATION.** Prior to the expiration of this Agreement, Recipient may document to the City, by means acceptable to the City in the City's sole discretion, that it has employed at least 20 full-time employees to work at the Northfield Business, which may include up to three employees previously hired to work for Recipient elsewhere and moved to the Northfield offices, all of whom are paid at least the Rice County prevailing wage. If the City approves Recipient's documentation, the City shall

confirm its approval in writing. From the date of that approval, subsequent installments on the Loan shall be provisionally forgiven, provided that Recipient shall document to the City each and every month thereafter, through the expiration of this Agreement, and for a period of at least 24 months regardless of the expiration of this Agreement, that all such employees (or their replacements) continue to be so employed by Recipient. If during that time the City concludes that less than 20 full-time employees who are paid at least the Rice County prevailing wage are employed at the Northfield Business, and so notifies Recipient in writing, then all provisionally forgiven installments on the Loan shall be reinstated and the Loan shall be extended the number of months necessary for those installments to be paid. If provisionally forgiven installments are reinstated, interest shall be paid on all of those amounts from their initial due date until they are paid.

7. EXPIRATION OF AGREEMENT. This Agreement shall expire upon payment in full of Recipient's obligations hereunder, provided that the City may earlier terminate this Agreement by written notice to Recipient and may pursue any and all available remedies against Recipient in the event of default by Recipient as described above.

IN WITNESS WHEREOF the parties have caused these presents to be signed as of the date first above mentioned.

Date: _____

Date: _____

City Northfield, Minnesota

StrataPoint, Inc.

By: _____

By:

Its: Mayor

Its:

By: _____

By:

Its: City Clerk

Its:

ITEM: Approve Streetscape Taskforce appointments

SUMMARY AND ACTION REQUESTED:

The City Council is being asked to approve the appointment of individuals listed below to the Mayor's Streetscape Taskforce. The appointees are submitted for consideration of approval.

Proposed Motion For Consideration: _____ **Motion** _____ **Second**

The City Council of the City of Northfield hereby confirms the following Mayoral appointments to the Mayor's Streetscape Taskforce:

1. Mr. Bob Will, Heritage Preservation Commission
2. Mr. David Ludescher, Chamber of Commerce Rep.
3. Mr. Hayes Scriven, Northfield Historical Society
4. Ms. Ann Mosey, Northfield Arts Guild
5. Mr. Tim Freeland, Downtown Business Rep.
6. Mr. Todd Byhre, Downtown Business Rep
7. Mr. Joe Grundhoefer, NDDC Representative
8. Mr. Dan Bergeson, College Rep.
9. Mr. Steve Edwins, Heritage Preservation Commission
10. Ms. Helen Preddy, Downtown Business Rep.
11. Ms. Krin Finger, Downtown Business Rep.
12. Ms. Beth Closner, Downtown Business Rep.

ADDITIONAL INFORMATION:

The City Council is being asked to consider and confirm the individuals listed above. These individuals have been recommended for appointment by Mayor Rossing for consideration.

The Streetscape Taskforce charge is to review and develop recommendations to the Northfield City Council for improvements to the Northfield Downtown Area. The basis for those initial recommendations was the development of the Downtown Northfield Streetscape Framework Plan. The funds used for completing these projects are from the Downtown Master Development Fund. The fund is set to expire in 2013, any balance in the fund at that time will be returned to the county for reimbursement to property taxing authorities.

Mayor Rossing will be requesting the Taskforce focus their efforts in three areas:

1. Provide the City Council with recommendations on additional downtown streetscape enhancements and pedestrian and other non-motorized access projects.
2. Explore the development of a program that may assist downtown property owners with vandalism/graffiti prevention.
3. Provide a recommendation to the City Council on the expenditure of the Master Development Fund balance that enhances not only the aesthetic improvement of the Downtown but also improves the Downtown economic viability and business development.

Y	N	Checklist
X		Does this project fit within the identified Council goals, objectives, and priorities? Vibrant community, economic sustainability
X		Does the project fit within the estimated budget & resource parameters? To be Determined based on Task Force recommendations
X		Is the public process identified consistent with the scope and implications of the project?
N/A		Have the pertinent boards and commissions been identified for providing review, recommendations, or input?
X		Is this decision consistent with current city plans (Comp Plan, Transportation Plan, Park Plan, etc)?
X		Have the future costs to city operations been calculated and identified? To be developed with project recommendations
X		Are there measurable criteria to aid with the decision-making and have they been identified? Master Development Fund Expenditure
X		Have the suitable timelines and schedules been identified? Master Development Fund will expire in 2013

BACKGROUND INFORMATION:

The initial Streetscape Taskforce completed the Downtown Northfield Streetscape Framework Plan in November of 2005. Following the completion of the Framework Plan, the Streetscape Taskforce defined a series of Downtown improvement projects to be completed. These recommendations were presented to the Northfield City Council in December of 2005 and subsequently approved by the City Council. Implementation is now underway with changes and reassessment of the initial recommendations being brought to the City Council. The projects completed or underway include:

Library Corner Improvement #2005-022
 Cross Walks 4th & Division
 Improvements to Hwy. 3 and 3rd Street
 Addition of Bike Racks/Benches

Fountain Addition, BridgeSquare
 Wayfinding Signage
 5th & Water Street Improvements #2007-009

SUBMITTED BY: *Mayor Rossing*
J. Walinski, City Administrator

ITEM: Approve Naming of the Cannon River Pedestrian Bridge

ACTION REQUESTED:

The City Council is being asked to approve Resolution 2009 - 042 officially recognizing and naming the new pedestrian bridge the Peggy Prowe Pedestrian Bridge.

SUMMARY:

The City Council is being asked to consider and approve naming the new Mill Towns Trail Bridge crossing the Cannon River on the west side of State Highway #3, DNR Bridge #66549, the Peggy Prowe Pedestrian Bridge. Ms. Prowe has a long history of involvement in Northfield's efforts to develop infrastructure for non-motorized modes of transportation at the local, regional, and state level. The current bridge development is funded through a coalition of agencies and organizations that Ms. Prowe spearheaded. The funding coalition includes: Northfield Rotary Club, Northfield's Friends of the Mill Towns Trail, the Mill Towns Trail Joint Powers Board, the Minnesota Department of Natural Resources, the Federal Department of Transportation, and the City of Northfield. The naming of the bridge as the Peggy Prowe Pedestrian Bridge recognizes Ms. Prowe's past commitment to supporting trail development in Northfield and the surrounding area as well as her work in developing and coordinating the funding for this project.

ADDITIONAL INFORMATION:

Listed below is a brief history of milestone events in Ms. Prowe's efforts to encourage non-motorized transportation and the creation and development of the infrastructure to support those activities.

- Northfield City Council Member (1990-2000).
- Board Member Friends of the Mill Towns Trail, inception – current.
- Currently serves of the Mill Towns Trail Joint Powers Board.
- Served on the Board of Directors for the Parks and Trails Council of Minnesota.
- Received the Northfield Rotary Club's Marston Headley Service Above Self Award (2007)
- Member Cannon Valley Link Trail Group.
- Chair Southeastern Minnesota Association of Regional Trails (SMART), 2 years, a group with representatives from 11 counties that works together to connect trails locally, regionally and to neighboring states.
- Longtime member of the Minnesota Parks and Trail Council, state wide trail advocacy.
- Organizer and involved with the Jesse James Bike Ride sponsored by the Northfield Rotary, proceeds each year have gone to the Mill Towns Trail.

Ms. Prowe is a retired physical educator who taught for 33 years in Kansas and at Carleton College and guided student canoe trips in the Boundary Waters Canoe Area (BWCA). Peggy is a longtime member of Parks & Trails Council and faithfully biked the Southeast loop during the organization's historic 50/50 ride in 2004. Ms. Prowe volunteers for the Rotary, the Senior Center and the Northfield Park Board. Ms. Prowe's main interest now is the Mill Towns Trail where she envisions the day when the trail will connect the Sakatah/Singing Hills Trail in Faribault with the Cannon Valley Trail in Cannon Falls.

Ms. Prowe is a dedicated cyclist herself, who relies on a bicycle for most of her travels around Northfield, roads permitting, and who also works to keep the city looking tidy by gathering litter along the routes she cycles. She has recruited countless folks to work on behalf of the Mill Towns Trail, grant writing, and of the Rotary Jesse James Bike Tour, which has helped fund the bridge and extension of the Mill Towns Trail. Her work has also included enthusiastically and tirelessly lobbying at the state legislature, county, and local levels requesting additional support for the full completion of the Mill Towns Trail.

Y	N	Checklist
X		Does this project fit within the identified Council goals, objectives, and priorities? Vibrant community, promoting non-motorized transportation
X		Does the project fit within the estimated budget & resource parameters?
X		Is the public process identified consistent with the scope and implications of the project?
N/A		Have the pertinent boards and commissions been identified for providing review, recommendations, or input? The Mill Towns Trail is a State Trail; the bridge once completed will be turned over to the MN Department of Natural Resources and under their jurisdiction. The naming of the bridge at this time is for local reference only.
X		Is this decision consistent with current city plans (Comp Plan, Transportation Plan, Park Plan, etc)?
X		Have the future costs to city operations been calculated and identified?
N/A		Are there measurable criteria to aid with the decision-making and have they been identified?
N/A		Have the suitable timelines and schedules been identified?

ATTACHMENTS:

1. Resolution 2009-042

SUBMITTED BY: *J. Walinski, City Administrator*

CITY OF NORTHFIELD, MINNESOTA
CITY COUNCIL RESOLUTION 2009 – 042

A RESOLUTION BY THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTHFIELD, MINNESOTA HEREBY OFFICIALLY RECOGNIZING AND DECLARING THAT THE MINNESOTA DEPARTMENT OF NATURAL RESOURCES BRIDGE # 66549 SHALL BE KNOWN AS THE PEGGY PROWE PEDESTRIAN BRIDGE BY THE CITY OF NORTHFIELD

WHEREAS, all Minnesota communities benefit from a well maintained, efficient and adequately funded transportation system that offers diverse modes of travel; and

WHEREAS, the City of Northfield has partnered with the City of Dundas and the City of Faribault and Rice County and joined together as members of the Mill Towns State Trail Joint Powers Board (MTSTJPB); and

WHEREAS, the MTSTJPB identified the need for the extension of the Mill Towns Trail through the City of Northfield which included the construction of MnDNR Bridge #66549; and

WHEREAS, the construction of the Mill Towns Trail Bridge (MnDNR #66549) within the City of Northfield was built with federal and state funds and funds from the MTSTJPB, the Friends of the Mill Towns Trail, the Northfield Rotary Club, and the City of Northfield; and

WHEREAS, Ms. Peggy Prowe has a long history of involvement in Northfield's efforts to develop infrastructure for non-motorized modes of transportation at the local, regional, and state level; and

WHEREAS, Ms. Peggy Prowe provided the leadership and spearheaded the development of a partnership and coalition of agencies and organizations to fund the construction of Bridge #66549; and

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL THAT:

The City of Northfield hereby officially recognizes and declares that the MN Department of Natural Resource's Bridge #66549 shall be known as the Peggy Prowe Pedestrian Bridge by the City of Northfield.

BE IT FURTHER RESOLVED that the City of Northfield also recognizes and appreciates the financial donations provided by the Northfield Rotary Club and the Friends of the Mill Towns Trail for the completion of this project.

PASSED by the City Council of the City of Northfield on this 4TH day of May 2009.

ATTEST

City Clerk

Mayor

VOTE: ___ROSSING ___POWNELL ___BUCKHEIT ___DENISON
 ___ZWEIFEL ___POKORNEY ___VOHS

ITEM: Request from Piper-Jaffray to Amend the Tax Increment Financing Note and Development Contract Related to the Crossing of Northfield

SUMMARY:

The City Council has been asked by the finance underwriting firm of Piper-Jaffray to consider amending the tax increment financing note series 2006 for the Crossing project in Northfield. The request for amendment would result in the following changes:

1. No further draws on the tax increment note series 2006 would occur;
2. The Contract for Private Development between the City and Mendota Homes, Inc. would be revised to provide for the issuance of additional tax increment only when conditions stated in the contract were met. Piper-Jaffray would have no obligation to participate in any future financing;
3. The contract would be revised to eliminate the right of the City to terminate the note if real estate taxes have not been paid;
4. The note would be amended to provide for a level debt payment.

Steve Bubul from the firm of Kennedy and Graven, who has been assisting the City as lead counsel on the Crossing project, will be in attendance at the meeting. Should the Council be willing to revise the note and contract, these items will be brought back to a regular meeting of the Council for action later in May.

SUBMITTED BY: Brian P. O'Connell, Community Development Director

ATTACHMENTS:

1. Letter from Steve Bubul, Kennedy and Graven
2. Letter from Piper-Jaffray