



City of North St. Paul
Economic Development Authority
Regular Meeting Agenda

March 8, 2022
3:00 PM

The **March 8, 2022** Economic Development Authority meeting will be conducted at 3:00 p.m. The meeting location is the Sandberg Room at City Hall, located at 2400 Margaret St., North St. Paul.

Members of the public are permitted to attend the meeting in person, however, it is encouraged to view the meeting remotely. Instructions can be found below.

March 8, 2022 Zoom meeting can be accessed via: <https://tinyurl.com/NSPEconDevAuth>
(from a PC, Mac, tablet, iPhone or Android device)
or by phone at US: +1 929 205 6099 or +1 301 715 8592

The Economic Development Authority Zoom meeting will be 'open to the public' to listen in, but will be muted from contributing at all times with the exception of a Public Hearing and open to the public forum.

Please join the meeting early to test your audio and video settings. If you join via a device and your audio is not working, you may need to use the dial-in phone number option in order to be heard.

I. Call to Order

II. Pledge of Allegiance

III. Roll Call

Robert Dew, Chair

Kevin Fuller, Vice Chair

Don Jensen, Treasurer

Tom Schifsky

Archie Vickerman

Terry Furlong, Mayor/Council Representative

Tim Cole, Council Representative

Brett Garry, Business Association Representative

STAFF

John Stark, Executive Director

Lisa Ritchie, EDA Admin. Assistant

IV. Adopt Agenda

V. Approval of Minutes

VI. Meeting Open to the Public

This Open Forum is an opportunity for persons to address the Economic Development Authority on items not on the agenda. A completed public comment form should be presented to the staff liaison prior to the meeting. Comments will be limited to 3 minutes per person. While the Authority may ask clarifying questions of the speaker, no formal action by the Authority or discussion will be held on these items.

VII. Authority Business & Action Items

- A. Consideration of a proposal from Port Consulting for conducting Due Diligence on behalf of the EDA associated with a pending Purchase Agreement related to 2509, 2515 & 2517 7th Avenue E
- B. Redevelopment Master Plan Update
- C. Improvement to City owned vacant lot on 7th Avenue between Sidewinders and Tattoo shop

VIII. Old Business

IX. Executive Director Report

- A. Update on the Development Concepts related to 2509, 2515 & 2517 7th Avenue E
- B. Update on the Housing Needs Assessment for the Downtown Area

X. Treasurer's Report

XI. Chair Report

XII. Mayor Report

XIII. Reports from EDA Members

XIV. Reports from Staff

XV. Adjournment

The next regularly scheduled Economic Development Authority meeting is April 12, 2022



To

Executive Director and Authority Members

Date

March 8, 2022

Agenda Placement # VII.A

Authority Business & Action Items

Subject

Consideration of a proposal from Port Consulting for conducting Due Diligence on behalf of the EDA associated with a pending Purchase Agreement related to 2509, 2515 & 2517 7th Avenue E

Background/Facts

At the February 2, 2022 EDA Meeting, Commissioners requested that Port Consulting provide a proposal to conduct the work associated with the “Due Diligence” period allowed under the pending Purchase Agreement related to 2509, 2515 & 2517 7th Avenue E.

The Port Authority plans on having a proposal for EDA consideration to conduct this work (which will be provided to EDA Commissioners as soon as staff receives it. Some of the work related to the Due Diligence can be done in-house by Port Consulting staff, while other specialized work would be provided by a third-party. This additional work includes:

- Environmental Assessment:
 - Phase I
 - Limited Phase II and asbestos and regulated waste inspection
- Site and zoning research, including zoning ordinances affecting site planning, including setbacks, parking ratios, impervious surface limits, and building size (FAR) limitations.
- Site Layout/Access Circulation
- Existing Conditions Assessment
- Site Topo
- Existing Utility Service capacities assessment
- Stormwater Assessment
- Cost opinion to better understand proposed civil, demo solutions and environmental mitigation
- Review Permits required and potential timelines to complete the redevelopment tasks

Port Consulting sought three estimates from other firms to conduct this work and their

Proposal reflects them utilizing the lowest priced of these estimates.

Recommended Action

Approve a Contract from Port Consulting for conducting Due Diligence on behalf of the EDA associated with a pending Purchase Agreement related to 2509, 2515 & 2517 7th Avenue E.

Attachments

1. Port Consulting - North St. Paul - Acquisition Due Diligence (1)

Respectfully submitted,
John Stark, City Manager



Port Consulting

*The partner you need to bring
distressed real estate back to life.*

North St Paul

Delivered on March 08, 2022 Submitted by Monte Hilleman

OVERVIEW

Dear John,

Our clients have one thing in common: distressed or dysfunctional real estate.

If you feel like you're in an overwhelming position - either because commercial redevelopment isn't your area of expertise, or you don't have the capacity to dig in and get the project off the ground - Port Consulting is the partner you need to move forward.

We're here to get your project to market when other options have failed. Port Consulting is a fit when the complexities of a project present too many barriers to development.

Our process is simple. We start by getting to know your project and determining how we can best serve your needs. While the basics of economic development are the same, we want to understand the nuances that make your project unique. There is no "one-size-fits-all" approach to our work.

Services are offered a la carte, allowing you the flexibility to only invest in the work you need done. In the end, our goal is to bring you to the finish line with a project that fulfills the economic development needs of the public sector with market-responsive solutions that meets the needs of the private sector as well.

I look forward to meeting with you to discuss next steps.

Sincerely,

Monte Hilleman

President
Port Consulting

ABOUT US

Port Consulting is an economic development agency committed to bringing distressed real estate back to life. Clients rely on us to navigate through the complexities of designing market responsive plans, identifying financial resources, balancing the needs of the public and private sectors, and ultimately accelerating the time it takes to get projects out of the ground.

As a division of the Saint Paul Port Authority, we have more than 50 years of experience redeveloping challenged real estate, with a focus on creating quality job opportunities, increasing the tax base, and advancing sustainable development.

Our team of economic development professionals come from both the public and private sectors and have collective expertise in the areas of brownfield remediation, commercial real estate development, and managing public/private relationships.

Recent Clients Include:

- MN United FC
- United Properties
- City of Bemidji, MN
- League of Minnesota Cities
- Exeter Group
- City of Red Wing, MN



PROJECT SUMMARY

Through our initial conversations, we realize North St. Paul has an inspiring vision for the site and is committed to maximizing the community's potential. We also understand the challenges you're facing with market forces and an existing building stock in need of investment and redevelopment.

After careful review of your situation, Port Consulting recommends the following services to meet your project's needs.

Deliverables

- Due Diligence Project Management (Port Consulting)
- Acquisition Due Diligence Report (WSB), including:
 - Phase I Environmental Site Assessment
 - Limited Phase II Environmental Site Assessment
 - Limited Asbestos and Regulated Materials Assessments
 - Zoning Review
 - Site Layout and Access Circulation Review
 - Existing Bldg Conditions Assessment (TSP)
 - Site Topography
 - Utility Assessment
 - Stormwater Assessment
 - Cost Opinions
 - Permitting and Potential Timelines

TIMELINE

PROJECT TASK	TIME FRAME
Due Diligence Review, Site Investigation, Report	90 days

Accountabilities

Port Consulting has built a team of experts to match North St Paul's priorities for community and economic development, and will carry out the activities described above within the agreed-upon time frame.

NORTH ST PAUL

- Assigns a leader within the organization to work with Port Consulting
- Provides access to senior leaders and financial reporting, as needed
- Provides access to documents, statements, and computer systems as needed
- Works collaboratively in a series of regular meetings to move the project forward

YOUR INVESTMENT

Our fee structure varies by deliverable. A breakdown of recommended services and their associated costs are listed below.

DESCRIPTION	RATE	HOURS	PRICE
SVP Real Estate Development	\$215	12	\$2,580
Director of Strategic Development	\$165	36	\$5,940
WSB (Due Diligence Scope)			39,450
TSP (Building Condition Assessment)			20,000
TOTAL			\$67,970

Port Consulting bills at the end of each month for fees and expenses incurred during that month. Payment is due within 30 days.

2020 HOURLY RATES

Classification	Personnel	Hourly Rate
CEO	Lee Krueger	\$235.00
President	Monte Hilleman	\$210.00
CFO	Todd Hurley	\$210.00
In-house Legal Counsel	Eric Larson	\$210.00
SVP, Marketing	Andrea Novak	\$210.00
VP, Harbor Management	Kathryn Sarnecki	\$185.00
VP, Finance	Peter Klein, CPA	\$185.00
Controller	Bruce Kessel	\$185.00
Accounting & Business Strategies Manager	Nelly Chick, CPA	\$185.00
Director of Strategic Development	Tonya Bauer	\$160.00
Senior Project Manager	George Hoene	\$160.00
Project Manager	Ava Langston-Kenney	\$150.00
Loan Officer	Michael Linder	\$150.00
Program Manager	Varies by Project	\$140.00
Staff Accountant	Sarah Savela	\$135.00

At the beginning of each calendar year, these rates will increase by \$5/hour unless otherwise agreed to in writing by both parties.

MEET OUR TEAM



Monte Hilleman

President

Monte's peers named him the inaugural Person of the Year for Brownfield Renewal Magazine and a Forty Under 40 by the Twin Cities Business Journal. For the past decade he has led the redevelopment of the former 3M world headquarters facility on Saint Paul's East Side into Beacon Bluff Business Center, returning over 1,000 jobs to the site.

He currently leads Port Consulting. He is responsible for, and speaks nationally about, the Port's sustainable development mission. Hilleman is the past chair of USGBC's Market Leader Advisory Board for Minnesota. He is a licensed Minnesota Real Estate Broker.



Kathryn Sarnecki

Senior Vice President

Kathryn has more than 10 years' experience as an environmental engineering consultant. She earned her M.S. in environmental engineering from the University of Illinois Urbana-Champaign. Kathryn is certified as a Professional Engineer in the state of Minnesota.

MEET OUR TEAM



George Hoene

Senior Project Manager

George manages, plans, and budgets for construction-based land development projects. He holds his Minnesota Brokers License and has 30+ years of experience.

In addition to overseeing build-outs for commercial businesses like Caribou Coffee and David's Bridal, George has managed remodels and upgrades of major office centers.



Linda Williams

Contracts and Administration Coordinator

Linda joined Saint Paul Port Authority in 2013. In her role as the contracts and administration coordinator, she supports the day-to-day needs of the development team. Linda brings to this role over 35 years of experience.

Linda holds a legal secretary degree from Anoka Vocational Technical College and has been a Notary Public for the past 35 years.

MEET OUR TEAM



Tonya Bauer

DIRECTOR OF STRATEGIC DEVELOPMENT

Tonya is a Licensed real estate agent with nearly 20 years of industry experience. She manages tenant relations as well as business attraction, retention, and expansion activities. She has extensive experience in the area of community engagement and possesses an extensive network of business and industry relationships.

SIGNATURE

1. Please read the contract on the following pages to make sure you understand all the details involved with us working together. It's really important to us that everything is transparent and understood from the beginning so that we lay a solid foundation for a great working relationship.
2. If you have any questions at all, please let us know. We're happy to clarify any points and there may be some items that we can sort out together. We're committed to finding the best way to work together.
3. Once you feel confident about everything and are ready to move forward, please click the 'sign here' button below.
4. Once we receive notification of your acceptance, we'll contact you shortly to sort out next steps and get the project rolling.
5. If you'd like to speak to us by phone, don't hesitate to call



SIGNATURE

John Stark

John Stark, North St Paul



SIGNATURE

Monte Hilleman

Monte Hilleman, Port Consulting



CONTRACT

THIS CONSULTING AGREEMENT, DATED EFFECTIVE MARCH 08, 2022 (THIS "AGREEMENT"), IS MADE AND ENTERED INTO BY AND AMONG NORTH ST PAUL (THE "COMPANY") AND PORT CONSULTING (THE "CONSULTANT").

TERMS AND CONDITIONS

1. SCOPE OF WORK

1.1. The Scope of Work will be based on the written scope of work set forth in the Letter from Monte Hilleman to JohnStark, March 08, 2022 and accepted by North St Paul in writing and any subsequent written work orders of North St Paul, its agent or representatives. These Terms and Conditions and the Letter shall be collectively referred to as the "Agreement."

2. TERMS, ADDITIONAL TERMS AND TERMINATION

2.1. This Agreement shall terminate one year from the date of the Letter. Commencing thereafter, the terms and conditions of this shall remain in effect and have a month-to-month term; provided, however, that either Party may terminate the Agreement for any reason whatsoever at any time upon giving at least thirty (30) days' written notice there of to the other Party. Port Consulting shall be entitled to receive compensation for the services provided in a satisfactory manner up to and including the effective date of termination.

3. COMPENSATION AND PAYMENT

3.1. North St Paul agrees to pay Port Consulting for services in accordance with the fee schedule outlined in the Letter. Changed conditions or additions to the scope of work will be subject to change orders or other amendments to the scope of work agreed to, in writing, by the North St Paul and Port Consulting and unless stated otherwise will also be subject to the fee schedule outlined in the Letter.

3.2. While performing services, Port Consulting will submit invoices and any applicable supporting documentation on a periodic basis. Payment will be due within thirty (30) days from the invoice date. Interest at the rate of 1% per month will accrue on any outstanding principal balance on invoices remaining unpaid commencing thirty (30) days from the date of the invoice.

4. RESPONSIBILITY FOR RISKS AND LIABILITIES

4.1. Each Party shall be liable for its torts and the torts of its employees, agents, or representatives in undertaking its respective individual responsibilities as described in this Agreement.

5. DEFAULT AND REMEDIES

5.1. Events of Default Defined. The following shall be “Events of Default” under this Agreement and the term “Event of Default” shall mean, whenever it is used in this Agreement (unless the context otherwise provides), any failure by a Party to observe or perform any other covenant, condition, obligation or agreement on its part to be observed or performed under the terms of this Agreement.

5.2. Remedies on Default. Whenever any Event of Default occurs, the non-defaulting Party may exercise the following rights under this Agreement after providing thirty (30) days written notice to the defaulting Party of the Event of Default, but only if the Event of Default has not been cured within said thirty days or, if the Event of Default is by its nature incurable within thirty days, the defaulting Party does not provide assurances reasonably satisfactory to the non-defaulting Party that the Event of Default will be cured and will be cured as soon as reasonably possible:

5.2.1. Suspend its performance under this Agreement until it receives assurances that the defaulting Party will cure its default and continue its performance under this Agreement.

5.2.2. Take whatever action, including legal, equitable or administrative action, which may appear necessary or desirable to collect any payments due under this Agreement, or to enforce performance and observance of any obligation, agreement, or covenant under this Agreement.

5.2.3. Terminate this Agreement.

5.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Parties is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle a Party to exercise any remedy reserved to it, it shall not be necessary to give notice, other than such notice as may be required in Section 5.2.

6. INDEPENDENT CONTRACTORS

6.1. This Agreement does not make either party the employee, agent, or legal representative of the other for any purpose whatsoever. Neither party is granted any right or authority to assume or to create any obligation or responsibility, express or implied, on behalf of or in the name of the other party. In fulfilling its obligations pursuant to this Agreement, each party shall be acting as an independent contractor.

7. NOTICE AND DEMANDS

7.1. Any notices allowed or required to be given pursuant to this Agreement shall be valid and shall be deemed effective at such time as they are deposited in the mail, registered or certified, postage prepaid, addressed to the other party at the addresses set forth below or at such other address as either of the parties may notify the other party pursuant hereto:

North St Paul
Attention: John Stark

Port Consulting
Attention: Monte Hilleman

8. GOVERNING LAW AND JURISDICTION FOR DISPUTE RESOLUTION

8.1. This Agreement shall be governed by and in accordance with the laws of the State of Minnesota. Any and all legal actions, claims or disputes between the parties shall be resolved in either federal court in Minnesota or state court located in Ramsey County, State of Minnesota.

9. ADDITIONAL TERMS

9.1. No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Agreement should be breached by either Party and thereafter waived by the other Party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

9.2. Conflict of Interests. The Parties, to the best of their respective knowledge, represent and agree that no official or employee of the representing Party shall have any personal interest, direct or indirect, in this Agreement, nor shall any official or employee with a personal interest in this Agreement participate in any decision relating to this Agreement which affects that person's personal interests or the interests of any corporation, partnership, or association in which the person is, directly or indirectly, interested.

9.3. Equal Employment Opportunity. The Parties agree for themselves and their successors and assigns, that each will comply with all applicable federal, state and local equal employment and non-discrimination laws and regulations.

9.4. Titles of Articles and Sections. Any titles of the several parts, Articles and Sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

9.5. Severability. If any of the terms or provisions contained herein shall be declared to be invalid or unenforceable by a court of competent jurisdiction, then the remaining provisions and conditions of this Agreement, or the application of such to persons or circumstances other than those to which it is declared invalid or unenforceable, shall not be affected thereby and shall remain in full force and effect and shall be valid and enforceable to the fullest extent permitted by law.

9.6. Enforcement. In addition to any remedy available to the Parties in this Agreement or under law, specific performance of the provisions of this Agreement may be enforced against a Party by the other Party.

9.7. Construction. This Agreement shall be construed according to the laws of the State of Minnesota.

9.8. Entire Agreement. Except as otherwise provided herein, the Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and there are no other representations, warranties or agreements except as provided herein.

9.9. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

9.10. Representations of the Parties. Each Party represents that it has the authority to enter into this Agreement and carry out its respective obligations thereunder.

9.11. Non-Assignability. Port Consulting shall not assign any interest in this Agreement and shall not transfer any interest in the same, whether by subcontract, assignment or novation, without the prior written consent of North St Paul.

Date:
North St. Paul

By:
Its:

By:
Its:

By:
Its:

March 7, 2022,

Tonya Bauer, Director
Strategic Development
St. Paul Port Authority
400 N. Wabasha Street #240
St. Paul, MN 55102

John Stark, North St. Paul City Manager
Robert Dew, North St. Paul Economic Development Authority Chair
2400 Margaret Street North
North St. Paul, MN 55109

Re: Letter Proposal for Lillie News Building Due Diligence
2509-2517 7th Avenue E., North St. Paul

Dear Ms. Bauer,

Thank you for the opportunity to submit this proposal to complete the due diligence tasks related to the purchase of the Lillie News Building in North St. Paul. We are excited to establish a relationship with the Port Authority as you assist our city client in this downtown revitalization opportunity. WSB is a forward-thinking engineering and design firm that specializes in environmental planning and remediation, land development, economic development, and sustainability. We leverage a wealth of experience in the municipal government sector to the benefit of our clients.

This proposal makes use of WSB's unparalleled institutional knowledge and familiarity with the community of North St. Paul, applicable agencies, and regulatory bodies that impact development within the city. Our team will be able to efficiently navigate the scope of services described herein thereby reducing costs for both the St. Paul Port Authority and the City of North St. Paul by avoiding duplicative efforts. With this proposal and with the direct involvement of the consultant City Engineer and consultant City Planner, the need to gather information for outside parties or provide evaluations for others and their reporting has been eliminated. This will make the most of the collaborative partnership between the St. Paul Port Authority and the City of North St. Paul.

SCOPE OF SERVICES

1. Phase I Environmental Site Assessment: \$4,800

WSB will complete a Phase I Environmental Site Assessment (ESA) to identify potential recognized environmental conditions (RECs) associated with the current and/or historical use of the site and adjacent properties. The Phase I ESA will be performed in general compliance with the ASTM E1527-13 Standard Practice for Environmental Site Assessments. The Phase I ESA will include, but not be limited to: site reconnaissance, review of readily available historical sources and government environmental databases, interviews, and reviews of other available regulatory agency files. It is anticipated that seven MPCA regulatory file reviews will be required. The Phase I ESA results will be summarized in one final documentation report.

2. Limited Phase II Environmental Site Assessment: \$19,500

A Phase II ESA will be completed based on the results of the Phase I ESA report. The goal of the Phase II ESA will be to investigate potential soil, groundwater, or soil vapor contamination associated with the current and/or historical use of the site and adjacent properties. The Phase II ESA will include the advancement of the following: 4 borings to 24 feet below grade for the collection of soil and groundwater samples, 4 soil vapor borings to eight feet below grade for the collection of soil vapor samples at the western portion of the site, and 6 hand auger borings to eight feet below grade for the collection of soil and soil vapor samples within the current building footprints at the central and eastern portions of the site.

It is anticipated that up to 12 soil samples and 4 groundwater samples will be collected for analysis of DRO, GRO, VOCs, RCRA Metals, and/or PAHs, and up to 10 soil vapor samples will be collected for analysis of VOCs. A final report will be prepared summarizing the findings of the Phase II ESA. The report will include the scope of work, sample location map, methods and procedures, investigation results, data tables, laboratory analytical reports, and conclusions and recommendations.

3. Limited Asbestos and Regulated Materials Assessments: \$9,500

WSB will complete Limited Asbestos and Regulated Material (ARM) Assessments for each of the three site parcels. The purpose of the ARM Assessments is to identify asbestos and other regulated materials at the site buildings that will require special management prior to and/or during future renovation or demolition activities. Due to the occupied status of the site buildings, WSB will perform non-destructive asbestos sampling at the site buildings to identify friable and non-friable asbestos-containing materials (ACM) in accordance with EPA, MPCA, and MDH rules and regulations. WSB will collect lead-based paint (LBP) chip samples from predominant painted/coated surfaces that have the potential to be impacted during the renovation process. Last, WSB will complete a room-by-room inventory of regulated materials at the site buildings that may require special handling or disposal prior to renovation or demolition. For each site parcel, WSB will provide a final inspection report that will include the scope of work, sampling methods and procedures, figures identifying sample locations, and investigation results including locations and quantities of identified ACM, lead-based paint, and regulated materials. Follow-up destructive ARM Assessments will be required for areas scheduled for renovation and/or demolition activities.

4. Zoning Review: \$450

Our team will provide a summary of regulatory parameters that will impact reuse or redevelopment options for the building and site. This review will include land use, zoning district requirements, including setbacks, building height and floor area ratio (FAR), parking requirements, impervious surface limitations, and design guidelines. Additionally, our review will provide an explanation of opportunities for alternative zoning approvals through the planned unit development or variance processes.

5. Site Layout and Access Circulation Review: \$250

Our team will complete site plan review of development proposals to provide expertise and guidance on site layout, access, and circulation to ensure compliance with municipal code and logical and efficient building and site layout.

6. Existing Conditions Assessment: \$20,000 (See separate TSP Scope, attached)

A Baseline Property Condition Assessment (PCA) for the referenced property will be conducted. The objective of the PCA will be to describe the current condition of the property and to document the type and approximate extent of physical deficiencies, if any. The PCA will be performed in general conformance with the scope and limitations of ASTM Standard E 2018-15, "Standard Guide for Property Condition Assessments: Baseline Property Condition Assessment Process."

7. Site Topography: \$1,000

Existing LiDAR data will be used to depict topography at the site and surrounding area for the figures developed under Tasks 5, 8, and 9.

8. Utility Assessment: \$2,000

The utility assessment will consist of a serviceability analysis to ensure that the existing sanitary sewer and water distribution systems are sized accordingly to confidently supply water to and convey wastewater from the project site.

The sanitary sewer analysis will estimate the existing wastewater flows conveyed by the trunk sewer mains downstream of the project site to evaluate the existing residual capacity of the system. Additionally, this analysis will estimate the wastewater flows of the project site. In preparation for this analysis, WSB will collect background data from the City's GIS, the 2040 Comprehensive Plan, and MCES flow meter data for M010A which discharges into MCES interceptor 1-MW-413. Flow monitoring could also be conducted if it is determined that the existing trunk sewer mains are flowing at near capacity. If needed, flow monitoring can be conducted for an additional fee.

The water distribution system analysis will estimate the water demand, fire flow requirements, and anticipated static water pressures for the project site. This analysis will also assess the capability of the existing supply, storage, and distribution infrastructure to supply water to the project site. In preparation for this analysis, WSB will collect background data from the City's GIS, water demand data as reported by the City of North St. Paul to the Minnesota Department of Natural Resources through the Water Conservation Reporting System, and the 2040 Comprehensive Plan.

9. Stormwater Assessment: \$250

Stormwater runoff from the three parcels, totaling 0.42 acres of existing impervious surfaces, is collected by storm sewer along 7th Avenue E. and Seppala Boulevard. Redevelopment of the site is not expected to significantly alter existing drainage patterns or rates and volumes of runoff; therefore, it is anticipated that no additional drainage infrastructure will be required. Further, since the redevelopment area is under one acre, no Minnesota Pollution Control Agency (MPCA) General Construction Stormwater or Ramsey Washington Metro Watershed District (RWMWD) permit will be required. For these reasons, the stormwater assessment will be limited to examine funding availability and opportunities for voluntary stormwater quality or flood storage BMPs on site under a demolition and full development scenario.

10. Cost Opinions: \$1,200

Our team will provide an opinion of probable cost for identified civil engineering, demolition, and environmental mitigation or solutions necessary for site redevelopment.

11. Permitting and Potential Timelines: \$500

Depending on the ultimate end user of the site, we foresee two potential options. Option A is reuse of the existing structures and Option B would be a complete demolition and redevelopment of the site. The team will review and report on the anticipated permits and timelines required to complete redevelopment tasks under these two options.

12. Final Reporting: Fee included in above tasks

Upon the completion of tasks 1-11, our team will provide the following reports.

- Phase I ESA report
- Phase II ESA report
- ARM inspection report
- Existing Conditions Assessment
- Site analysis report which will include zoning, topography, utility, and stormwater analyses from Tasks 4, 7, 8, 9, above.
- Development review summary. Upon submittal of one or two reuse or redevelopment options, our team will provide a review memorandum for each proposal. This memo will consider items in Tasks 4, 5, and 11, above.

PROJECT FEE

WSB proposes a total hourly-not-to-exceed fee of **\$59,450** within the scope defined in this proposal, per the design tasks as follows:

1	Phase I Environmental Site Assessment	\$4,800
2	Limited Phase II Environmental Site Assessment	\$19,500
3	Limited Asbestos and Regulated Materials Assessments	\$9,500
4	Zoning Review	\$450
5	Site Layout and Access Circulation Review	\$250
6	Existing Conditions Assessment	Separate TSP Contract
7	Site Topography	\$1,000
8	Utility Assessment	\$2,000
9	Stormwater Assessment	\$250
10	Cost Opinions	\$1,200
11	Permitting and Potential Timelines	\$500
	WSB Services Total	\$39,450
	TSP Services Total	\$20,000
	Total	\$59,450

Additional Services. Services other than those listed in the Scope of Services above and requested and authorized in writing by the Owner. Such services may include identification of and applications for grant opportunities. These services shall be billed on an hourly basis according to the current Hourly Rate Schedule.

ACCEPTANCE

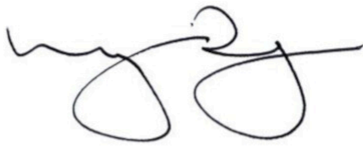
This letter represents our entire understanding of the project scope. If the City of North St. Paul and St. Paul Port Authority agree, the necessary contract documents can be provided and

signed. The city may authorize all scope items or individual tasks at their discretion. WSB will start work upon receipt of a signed contract.

Thank you for the opportunity to propose on this project. If you should have any questions regarding this proposal, please contact me at 651-286-8476.

Sincerely,

WSB

A handwritten signature in black ink, appearing to be 'Morgan Dawley', with a stylized, cursive script.

Morgan Dawley, PE
Sr. Director of Municipal Services



1500 Highway 52 North
Rochester, MN 55901
Phone: 507-288-8155
www.teamtsp.com

PROJECT PROPOSAL

Lillie Newspapers Existing Building Conditions Assessment

BACKGROUND INFORMATION

Owner / Client:	WSB
Owner Project Manager	Janele Taveggia, PE
Project Name:	Lillie Newspapers, North St. Paul Existing Building Conditions Assessment

KEY PERSONNAL

Lead Firm: TSP, Inc.

Von Petersen, AIA	Principal -in-Charge / Senior Architect
Michael Young, AIA (<i>Project Lead</i>)	Architect
Scott Lardy	Cost Estimator
Lucas Lorenzen, PE	Structural Engineer
Roger Nikolas, PE	Senior Mechanical Engineer
Jake Buckmiller, PE	Electrical Engineer

PROJECT APPROACH

Evaluation Methodology

This assessment is being conducted to evaluate the facilities' current physical conditions and to develop preliminary budgets for the specific work identified to aid in planning, prioritizing, and budgeting for planning purposes

The building condition assessment will be conducted by licensed architects and engineers through on-site surveys, reviews with building staff, and owner-supplied written reports to identify architectural, mechanical, and electrical systems that need immediate attention or that should be addressed for in the relatively near future.

We will follow ASTM E2018-18: Property Condition Assessment: Baseline Property Condition Assessment Process.

Not included as a part of this assessment, as their evaluation would go beyond the intended review and scope of the current physical conditions, are the following:

- Functional and operational space evaluations
- Facility aesthetics reviews.



Condition Assessment Categories

The building conditions assessment reviews conditions and deficiencies in the following categories:

- **Site**
Reviews building site including parking lots, sidewalks and other observed surroundings.
- **Building Exterior**
Reviews building envelope including exterior cladding, windows, doors, and roofs.
- **Building Interior**
Interior elements including Flooring, Ceilings, Doors, Windows, and Casework
- **Building Code**
Reviews basic code compliance, including accessibility, for the appropriate occupancy type
- **Mechanical Systems**
Reviews mechanical system and components and identifies deficiencies.
- **Electrical / Communications / Information Technology**
Reviews electrical and low voltage systems and components and identifies deficiencies.

Each category above includes ‘Observation’ statements which describe what was observed or discovered in the facility along with recommendations to address observed issues.

Condition Assessment Rating Criteria

The assessment teams used a four-tiered rating system in their evaluations of the building and building systems.

1. **Poor Condition**
Items that were considered in “poor” condition were noted as immediate concerns that the school should address within the next 1-2 years.
2. **Fair Condition**
Some items identified to be in “fair” condition are of an age where better performing materials or equipment are available that would provide an improved facility and are worth the school’s evaluation for replacement.
3. **Good Condition**
Items deemed in “good” condition were noted as such in the notes but not included in this report as they have life cycles beyond the 10-year window of this report.



PROJECT EXPERIENCE

Our proposed Team has experience with evaluating existing buildings and compiling the information into report form for Owner use. Below are some of the most recent and relevant projects. Upon request, we would be able to provide additional projects or information.

Mayo Clinic 41st Street Buildings Evaluation
Rochester, MN

St. Mary's School Conditions Assessment
Owatonna, MN

Goodhue County Facilities Assessment
Red Wing, MN

Mayo Clinic Marvin 600 Building Conditions Assessment
Rochester, MN

PROPOSAL CLARIFICATIONS

Assumptions

The following item(s) have been considered in the development of the identified scope of work, hours, and fee:

- Design services are not included.
- Access to buildings will be provided.
- As-Built drawings are not required.
- Phase 1 environmental assessment is not included.

COMPENSATION

Proposed Professional Fees

For services furnished, the professional fee calculated on an hourly basis at standard hourly rates is not to exceed:

Twenty Thousand Dollars (\$20,000).

Reimbursable expenses are included in the fee.

Professional architecture and engineering fees are highly dependent on the unique nature of each specific project. If the fee or scope does not align with your expectations, please let us know and we will work towards identifying a scope and fee that meet expectations and that are fair and reasonable.



1500 Highway 52 North
Rochester, MN 55901
Phone: 507-288-8155
www.teamtsp.com

PROJECT PROPOSAL

Lillie Newspapers Existing Building Conditions Assessment

Site

Soil / GW Boring (24") - four total

Soil Vapor Boring (8') - four total

Hand Auger Soil / Soil Vapor Boring (4-8') - eight total

- Soil and GW for DRO, GRO, VOCs, RCRA Metals

- Soil vapor for VOCs per TO-15

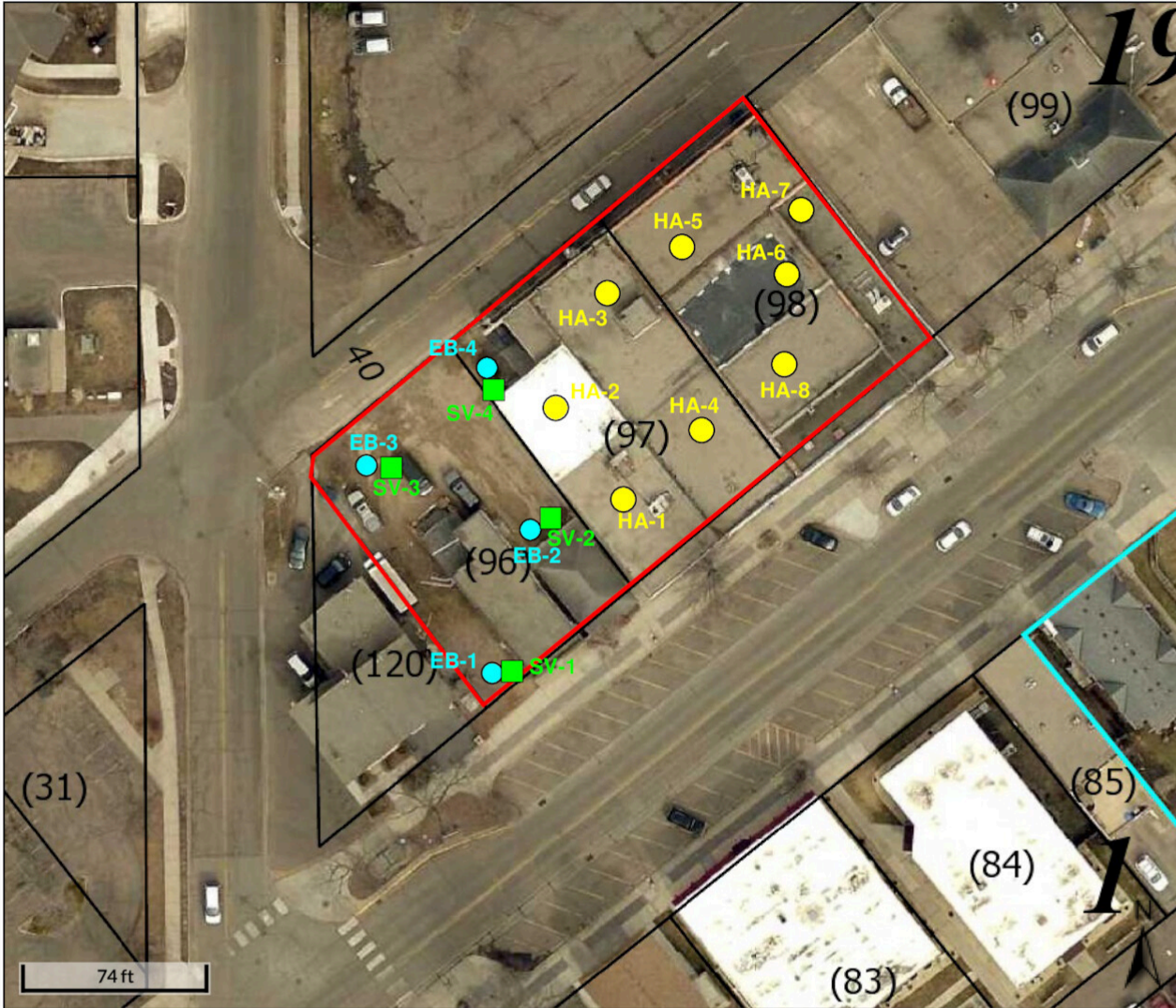
- GW Documented between 15-22 ft bgs in 2019 during Phase II ESA at Uptown Commons site

Overview



Legend

- Tax Parcel
- Ramsey County
- Waterbody
- Parcel Info



Parcel ID<	122922420158	Alternate ID	n/a	Owner	
Sec/Twp/Rng	12/029/022	Tax	4A-Rental/Residential Non-Homestead	Address	NORTH ST PAUL LAND
Property	2526 7TH AVE	Classification	4 or More Unit		DEV CO LLC
Address	E	Parcel Area	1.9023		6121 BAKER RD SUITE 101
	NORTH ST				MINNETONKA MN 55345-
	PAUL				5961
Tax Authority Group (TAG)	N ST PAUL 622 MNB				
Brief Tax Description	Lot 1 Block 1 of VILLAGE HALL				
	LOT 1 BLK 1				
	(Note: Not to be used on legal documents)				

Date created: 3/3/2022

Last Data Uploaded: 3/3/2022 11:00:16 AM

Developed by Schneider
GEOSPATIAL



THE GROVE

GOOD DWELLING



THE GROVE

GOOD DWELLING



PRECEDENTS

D1 | 21065

EAST 7TH AVE. MIXED USE

NORTH ST. PAUL, MN
03/01/2022

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LIFFEY ON SNELLING - RENDERING



FRANCES - CONSTRUCTED



SELBY & DALE APARTMENTS - RENDERING



LUCILLE - CONSTRUCTED

PRECEDENTS

D2 | 21065

EAST 7TH AVE. MIXED USE

NORTH ST. PAUL, MN
03/01/2022

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SHAKOPEE FLATS - RENDERING



LINDEN 43 - CONSTRUCTED



HOPKINS THEATER - RENDERING



THE YARDS - RENDERING

PRECEDENTS

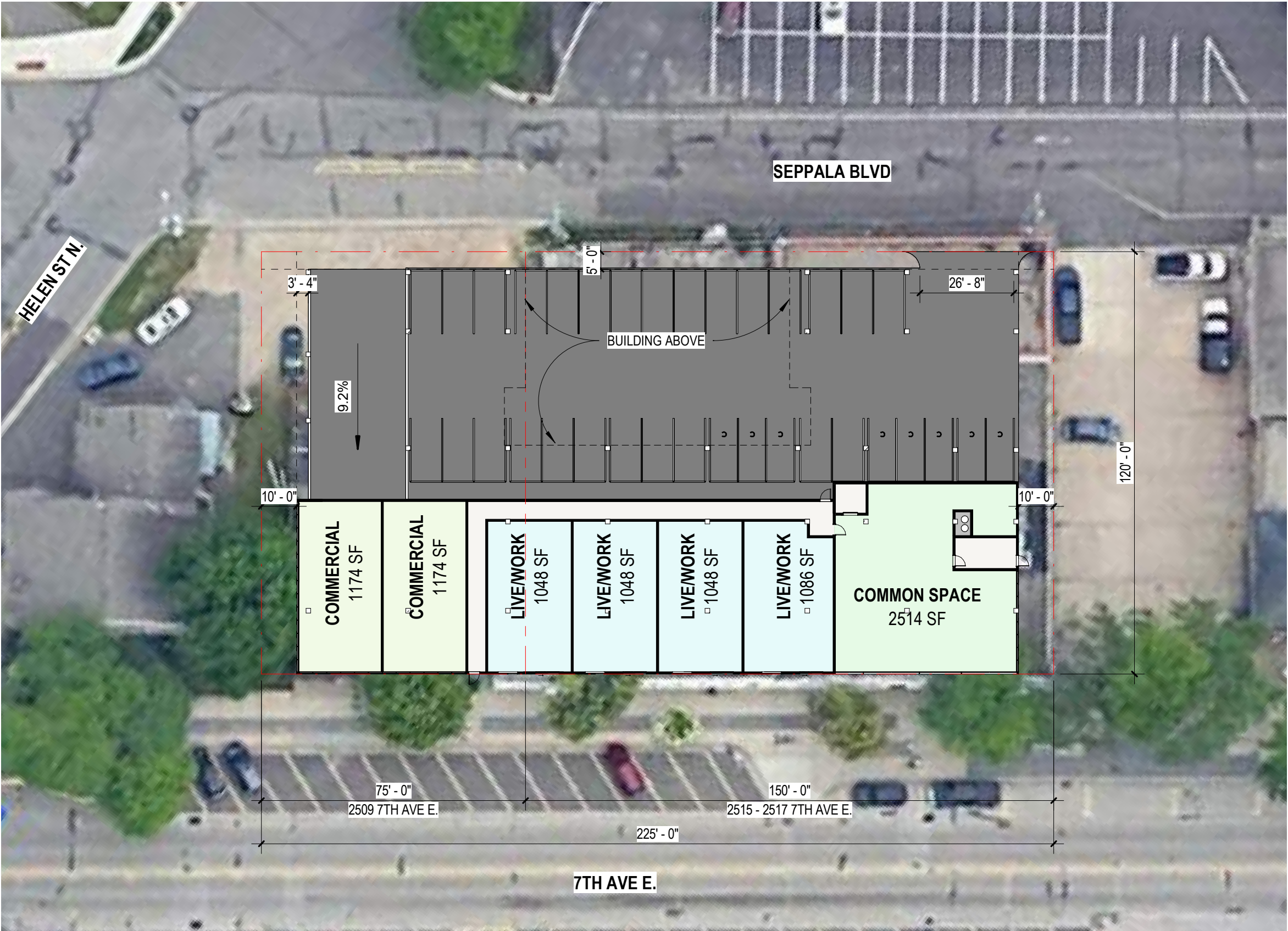
D3 | 21065

EAST 7TH AVE. MIXED USE

NORTH ST. PAUL, MN
03/01/2022

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First Floor / Site Plan

1" = 30'-0"

F.A.R. SITE AREA 27,000 SF (.62 ACRES)	
Gross Area Excluding Garages	F.A.R.
82589 SF	3.06

GROSS BUILDING AREA BY FLOOR	
Lower Floor (-1)	21608 SF
1st Floor	10445 SF
2nd Floor	19629 SF
3rd Floor	19629 SF
4th Floor	19629 SF
5th Floor	13257 SF
Total	104196 SF

UNIT MIX		
TYPE	COUNT	PERCENTAGE
1 BED	44	50%
2 BED	15	17%
LIVE/WORK	4	5%
STUDIO	25	28%

TOTAL: 88

PARKING	
GARAGE	
8' x 15' Compact	3
9' x 15' Compact	22
Standard 9' x 18'	39
	64
SURFACE	
8' x 18' Compact	8
Standard 9' x 18'	26
	34
TOTAL PARKING	98



CONCEPT DESIGN SUMMARY - OPT 1

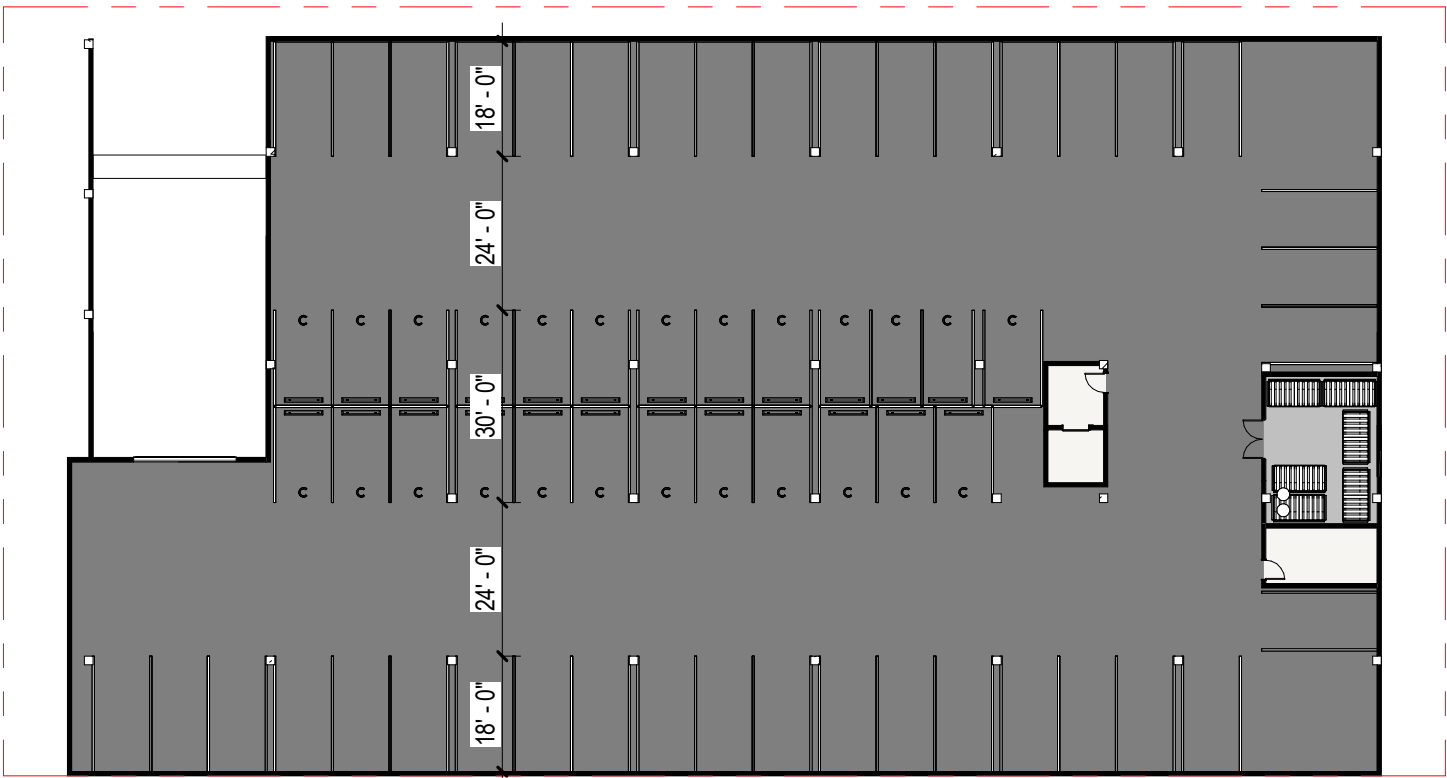
D4 | 21065

EAST 7TH AVE. MIXED USE

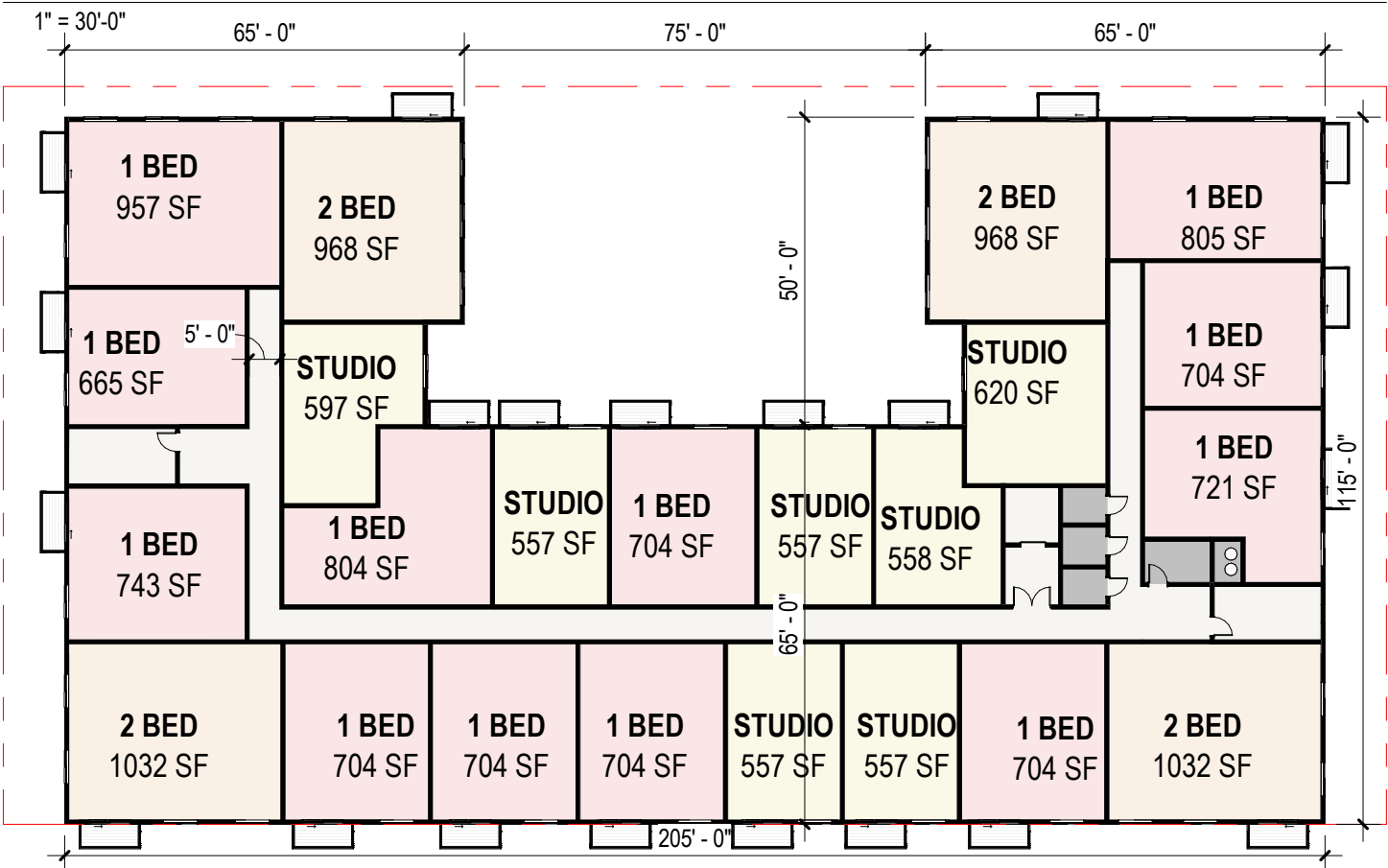
NORTH ST. PAUL, MN
03/01/2022

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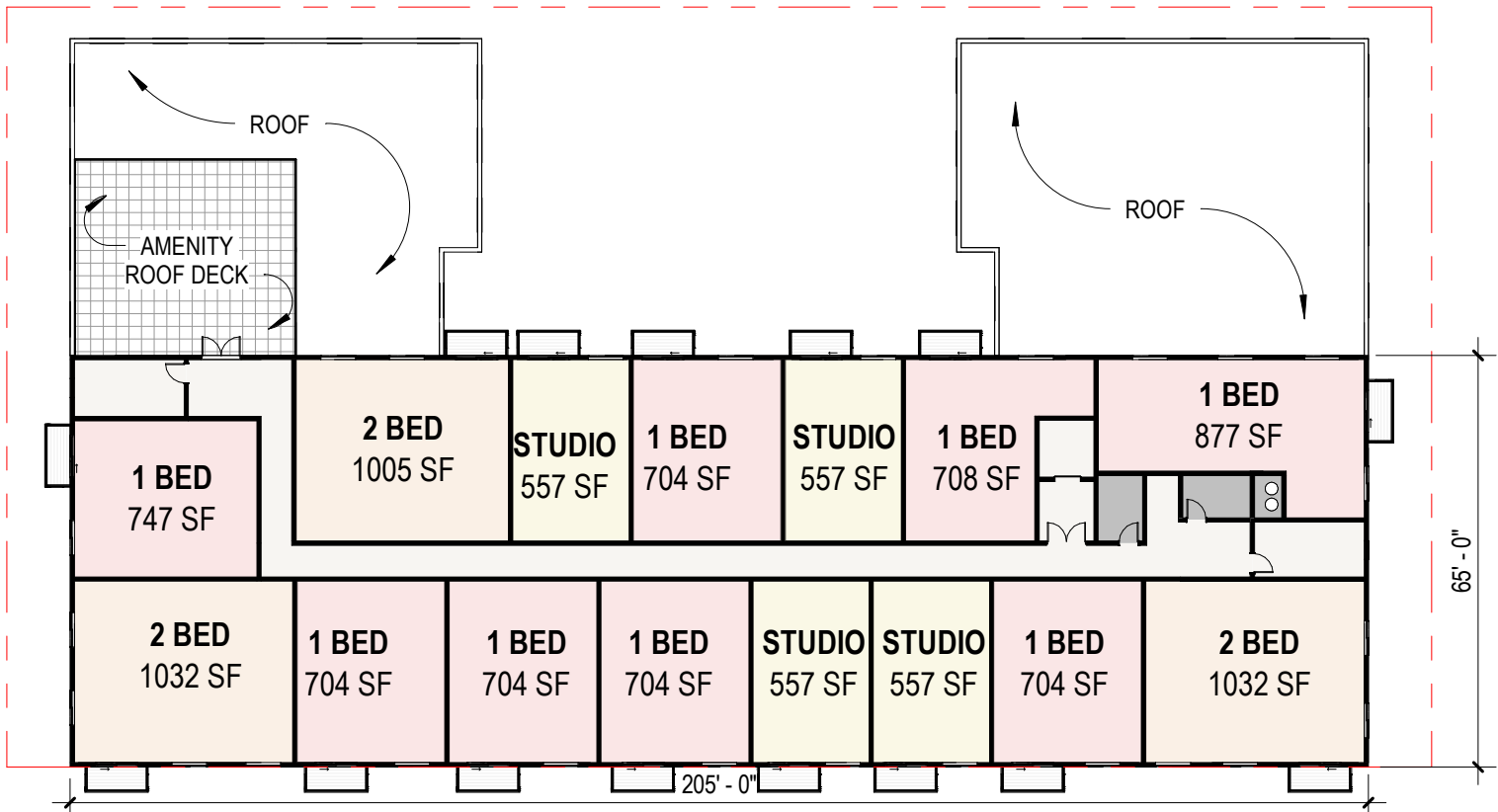


Lower Floor (-1)



Typical Floor Plan 2-4

1" = 30'-0"



5th Floor Plan

1" = 30'-0"



CONCEPT FLOOR PLANS - OPT 1

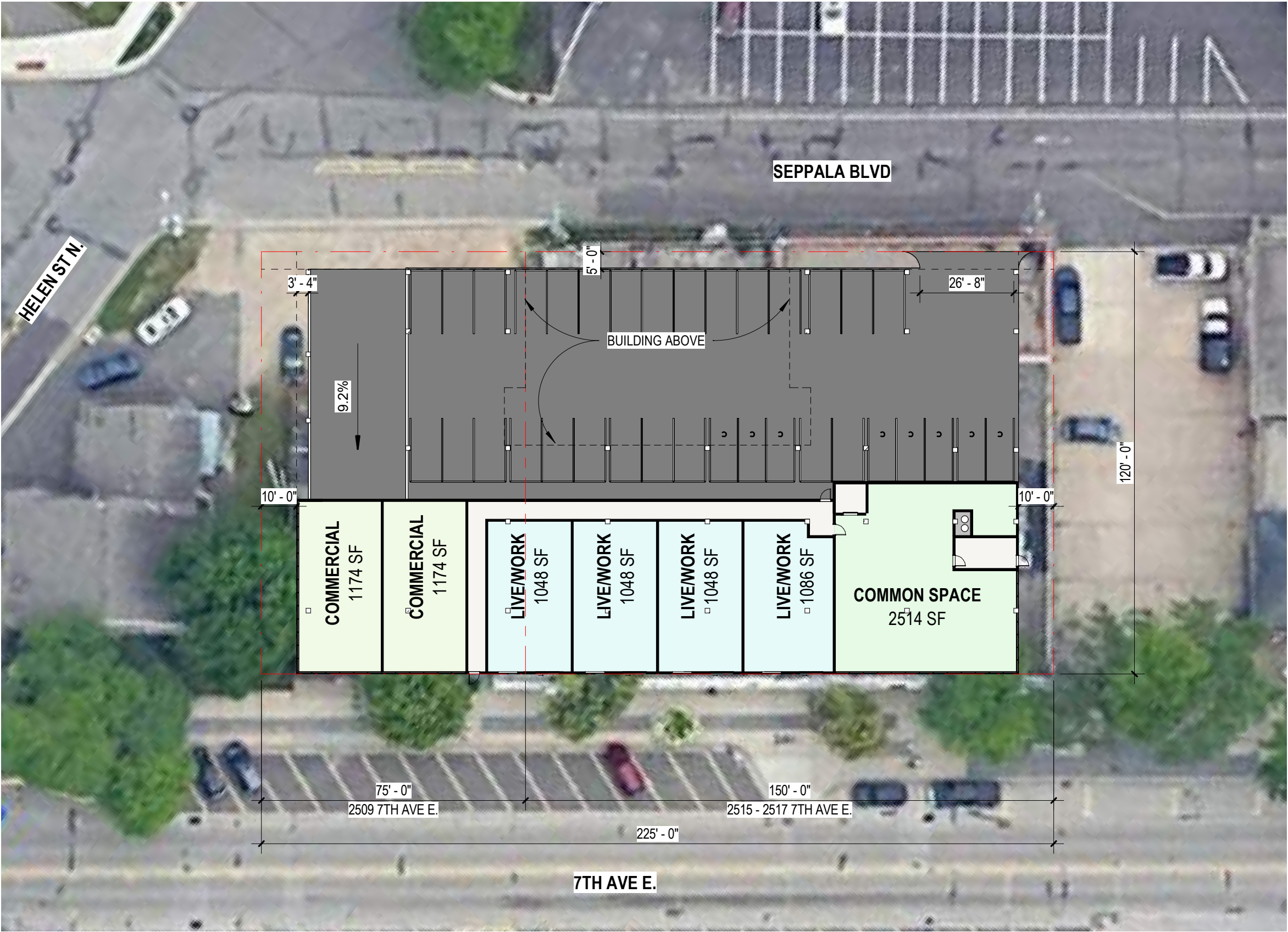
D5 | 21065

EAST 7TH AVE. MIXED USE

NORTH ST. PAUL, MN
03/01/2022

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First Floor / Site Plan

1" = 30'-0"

F.A.R. SITE AREA 27,000 SF (.62 ACRES)	
Gross Area Excluding Garages	F.A.R.
82948 SF	3.07

GROSS BUILDING AREA BY FLOOR	
Lower Floor (-1)	21608 SF
1st Floor	10445 SF
2nd Floor	19629 SF
3rd Floor	19629 SF
4th Floor	19629 SF
5th Floor	13616 SF
Total	104555 SF

UNIT MIX		
TYPE	COUNT	PERCENTAGE
1 BED	45	51%
2 BED	14	16%
LIVE/WORK	4	5%
STUDIO	25	28%

TOTAL: 88

PARKING	
GARAGE	
8' x 15' Compact	3
9' x 15' Compact	22
Standard 9' x 18'	39

64

SURFACE	
8' x 18' Compact	8
Standard 9' x 18'	26

34

TOTAL PARKING 98



CONCEPT DESIGN SUMMARY - OPT 2

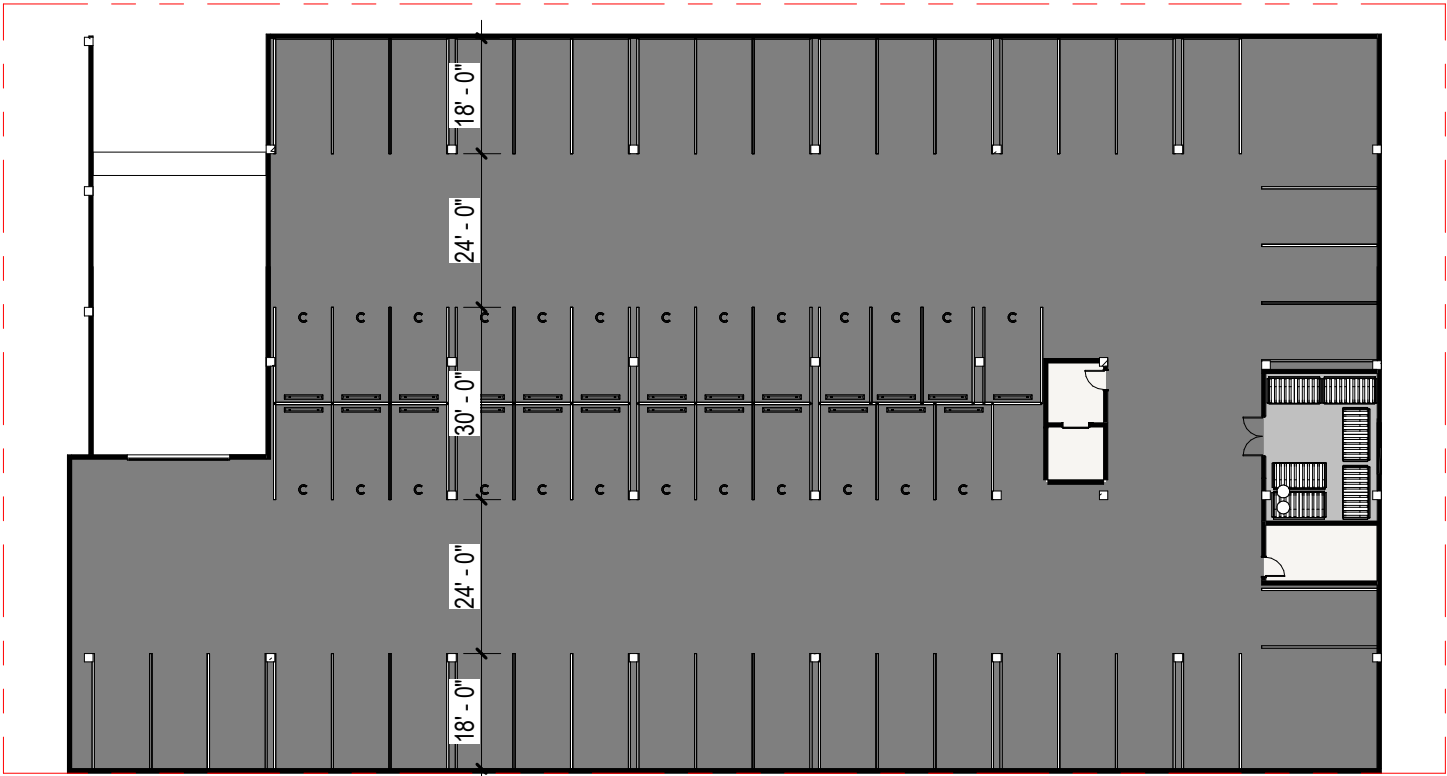
D6 | 21065

EAST 7TH AVE. MIXED USE

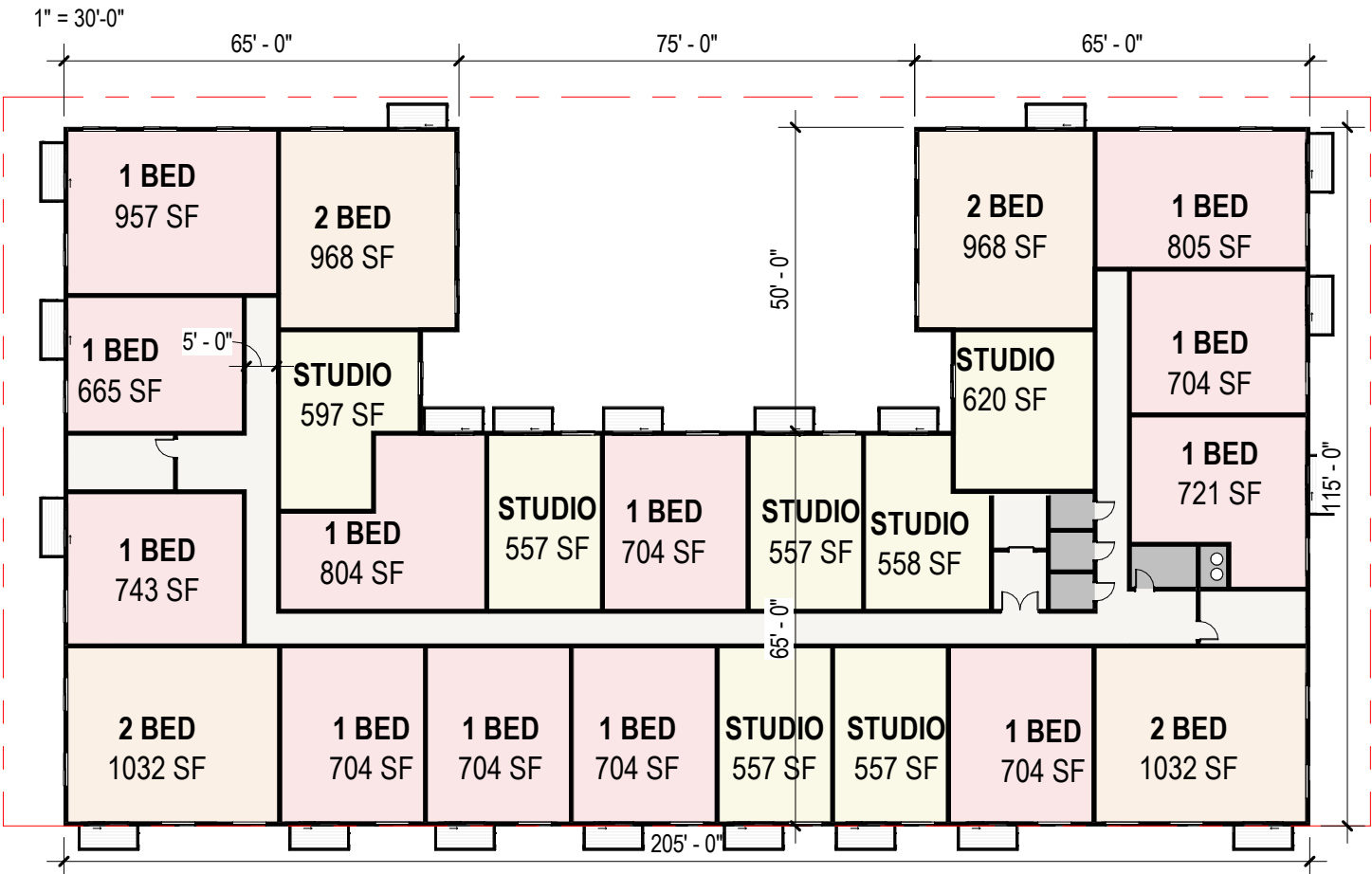
NORTH ST. PAUL, MN
03/01/2022

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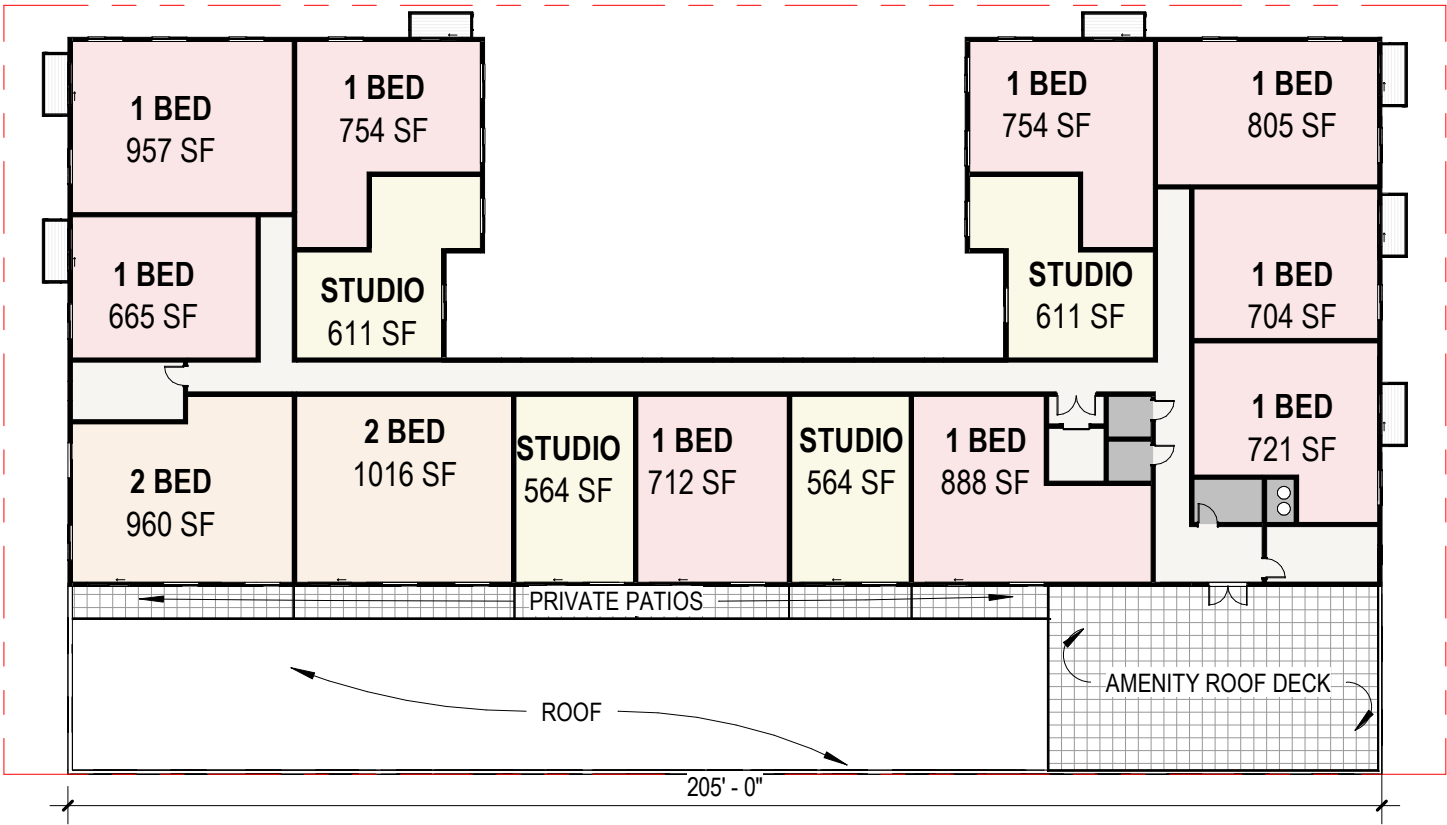




Lower Floor Garage



Typical Floor Plan 2-4



5th Floor Plan

1" = 30'-0"

1" = 30'-0"



CONCEPT FLOOR PLANS - OPT 2

D7 | 21065

EAST 7TH AVE. MIXED USE

NORTH ST. PAUL, MN
03/01/2022

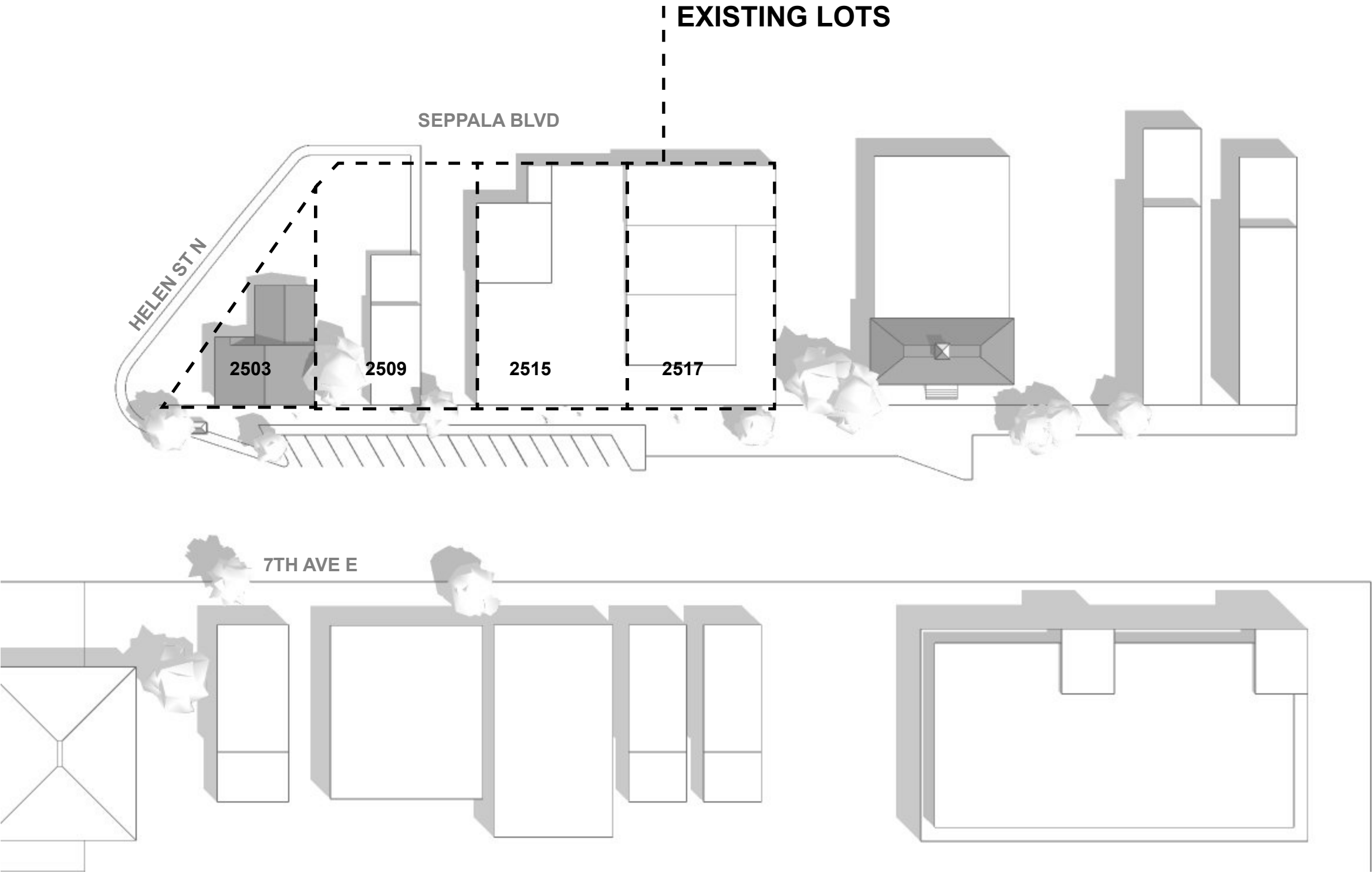
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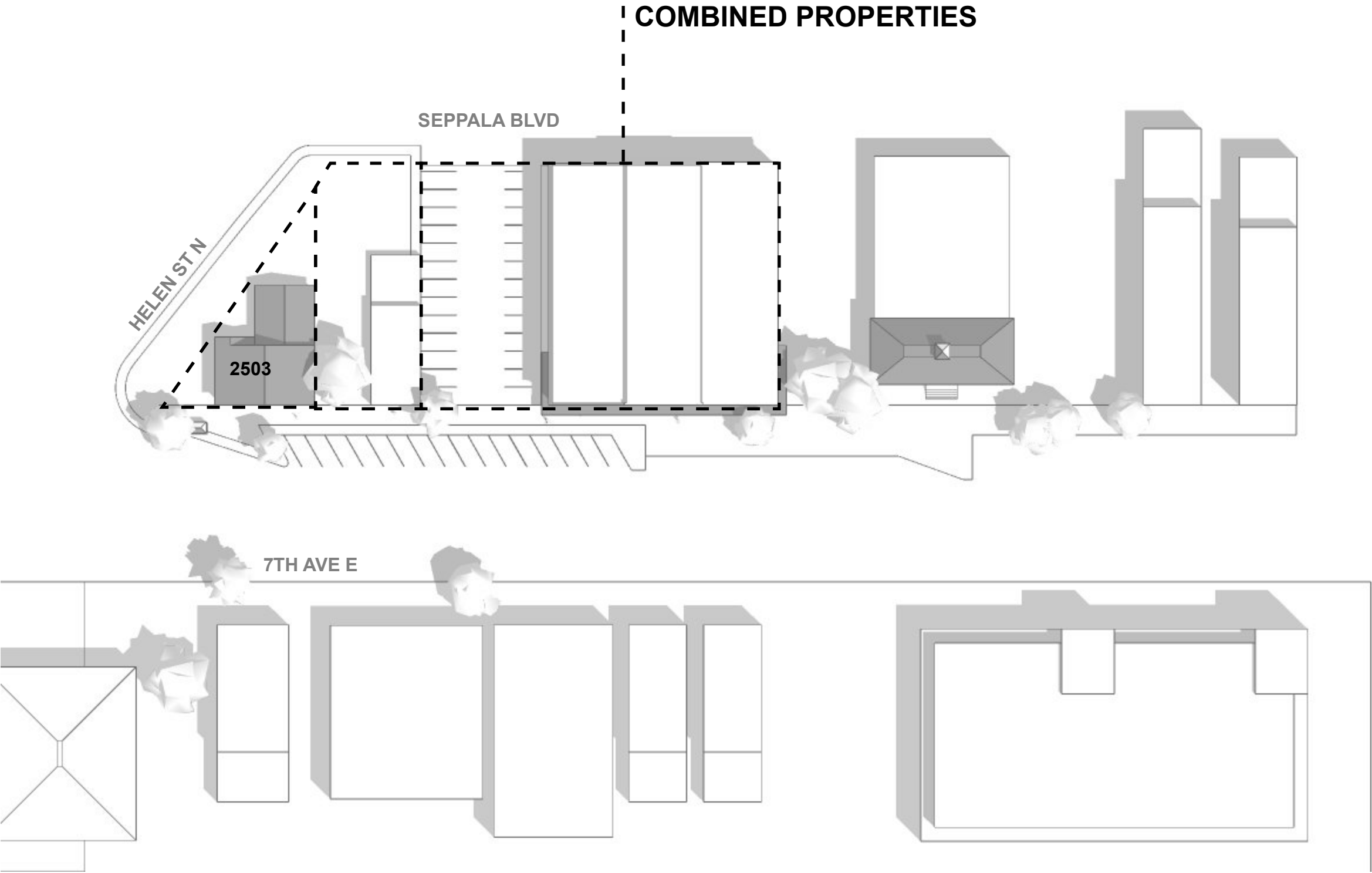


THE LILLIE

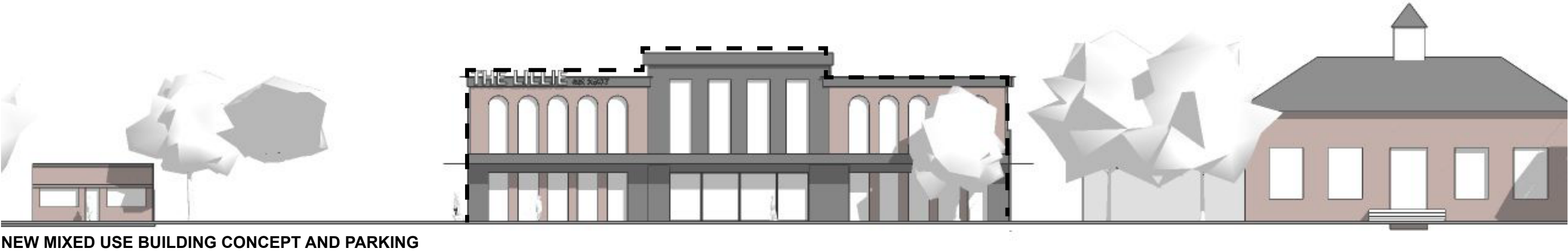
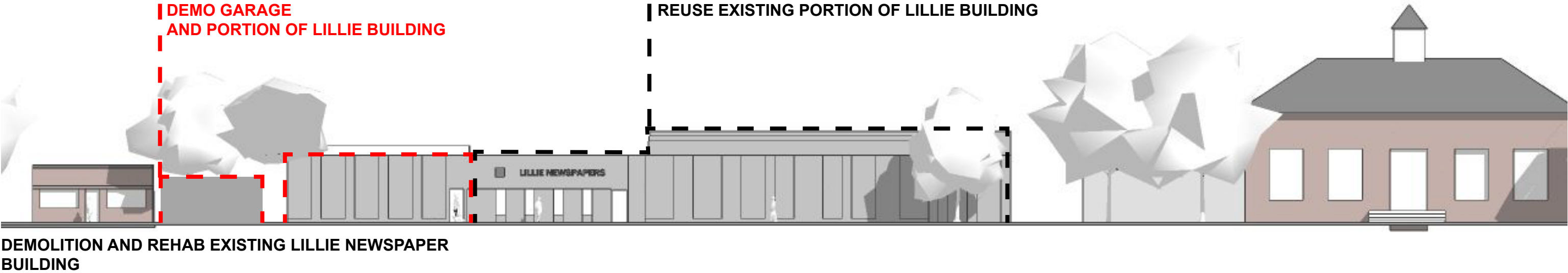
NORTH SAINT PAUL REHAB AND DEVELOPMENT PROJECT
2503-2517 7th Ave E



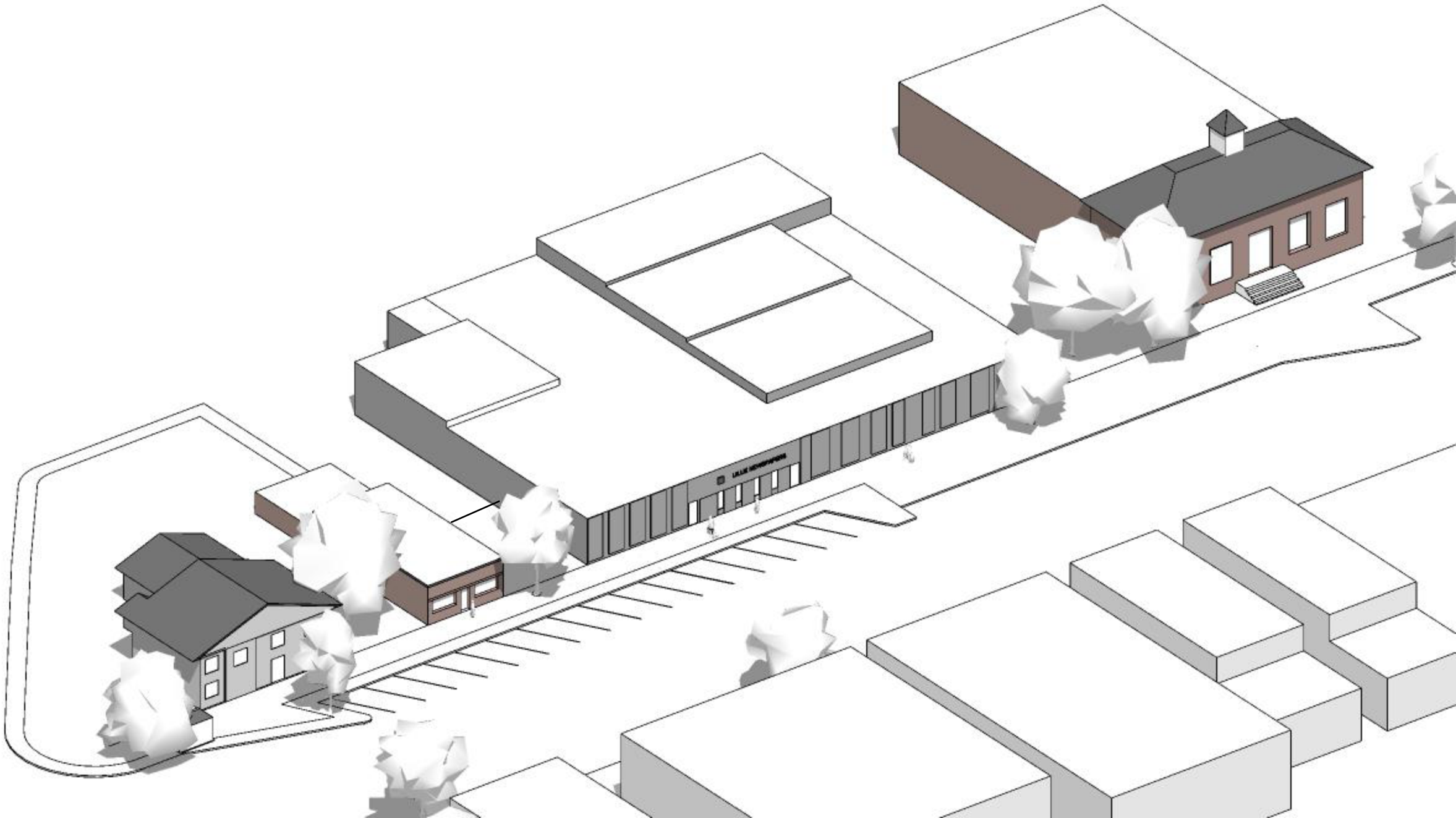




ELEVATIONS

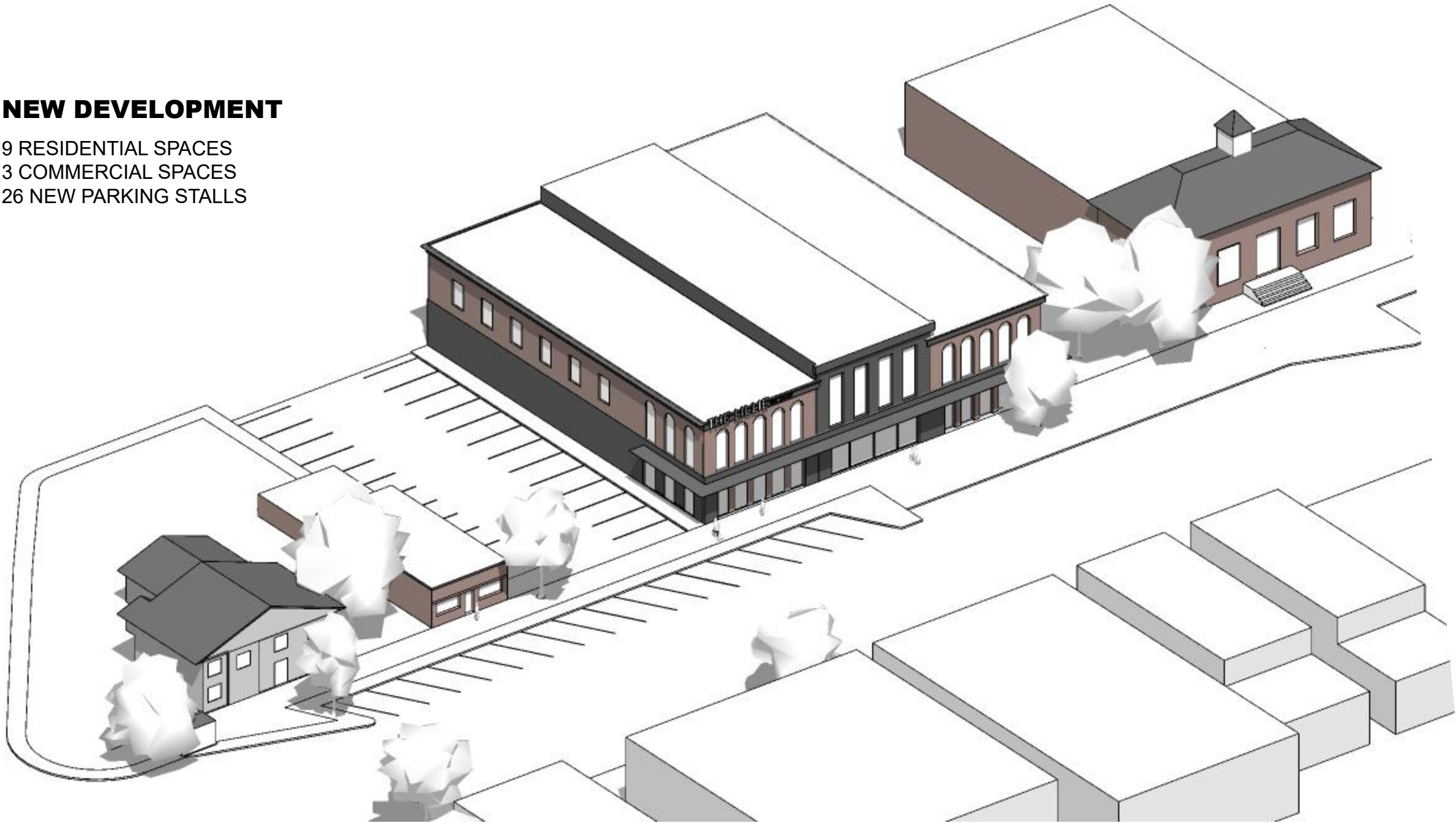


PERSPECTIVE - EXISTING



NEW DEVELOPMENT

9 RESIDENTIAL SPACES
3 COMMERCIAL SPACES
26 NEW PARKING STALLS



PERSPECTIVE RENDERING - EXISTING





A Proposal to Prepare a Housing Needs Assessment for the Downtown Area of North St. Paul, Minnesota

Prepared for:

City of North St. Paul
North St. Paul, MN

February 2022



Maxfield
Research & Consulting

2823 Hamline Avenue North
Roseville, MN 55113
612.338.0012
www.maxfieldresearch.com



Maxfield

Research & Consulting

Breaking Ground since 1983

February 20, 2022

Mr. John Stark
City Manager
City of North St. Paul
2400 Margaret Street
North St. Paul, MN 55109

Mr. Stark:

Thank you for contacting Maxfield Research and Consulting, LLC to provide a proposal to complete a Housing Needs Assessment for the Downtown area of North St. Paul, Minnesota. The study will examine demographic and economic factors, current housing market conditions and would determine the market potential for developing additional housing products in North St. Paul, focused on redevelopment sites in and near the core Downtown. Detailed recommendations will outline the various types of housing products needed (number of units; unit mix and sizes; price/rent; housing features and amenities, etc.) in the short-term (2022 to 2027) and long-term (to 2037).

Along with the proposal is a statement of qualifications for our firm which provides a company background, outlines our services and representative clients, and provides resumes of Maxfield staff.

The work program for this housing market needs analysis is outlined on the following pages. The total fee for staff time for the analysis would be \$15,000.00, including expenses for outside data purchases, postage, printing, photocopying, etc. Costs are presented for each major component of the work program. Maxfield Research would be able to deliver a draft report of the housing analysis within 120 days of authorization to proceed.

We welcome the opportunity to work with you on this project. If this proposal meets with your approval, please sign and return an executed copy of the agreement. Please call me at (612) 904-7977 if you have any questions about the proposed work program or if you need any other information. I can also be reached via email at mbujold@maxfieldresearch.com.

Sincerely,

MAXFIELD RESEARCH AND CONSULTING, LLC

Mary C. Bujold
President



Maxfield

Research & Consulting

Breaking Ground since 1983

February 20, 2022

Mr. John Stark
City Manager
City of North St. Paul
2400 Margaret Street
North St. Paul, MN 55109

PROPOSAL/CONTRACT FOR PROFESSIONAL SERVICES

Maxfield Research and Consulting, LLC proposes to provide market research and consulting services to the City of North St. Paul (the “Client”) to prepare a Housing Needs Assessment for the Downtown area of North St. Paul. The market study will determine the potential demand for developing different types of owned and rented housing (focused on owned and rented medium to high density housing) in and near the Downtown area to 2037 based on an examination of demographic and employment growth trends and current housing market conditions. Detailed recommendations (number of units; unit mix and sizes; prices/rents; housing features and amenities, etc.) for the housing types identified as needed in the short-term (2022 to 2027) and long-term (2028 to 2037) would be provided.

DESCRIPTION AND BIOGRAPHY OF FIRM

Maxfield Research and Consulting, LLC has over 35 years of experience in assisting communities to determine market conditions for planning and development efforts, providing demographic estimates and projections, and analyzing county and municipal commercial and residential real estate needs. Our thorough knowledge of market trends in the real estate industry allows us to support our clients with valuable information that affects planning and development. We are able to determine viable solutions to the issues that communities face. We are local, regional and national with work completed in over 40 states.

Maxfield Research and Consulting, LLC provides research and analysis in the areas of general market housing, student housing, senior housing, office, retail, hospitality, industrial, and financial institutions. Maxfield also has experience in organizing and conducting focus groups, preparing and administering on-line and mail surveys, holding public forums for large scale planning documents, and organizing and making presentations to city councils, planning commissions, and economic development authorities. A more detailed company overview is in the Appendix.

METHODOLOGY

It is our understanding that the primary objective of this analysis is to provide the City of North St. Paul with a market-based analysis that will identify current and future housing needs (medium and high-density owned and rented housing) in and near the Downtown area on redevelopment sites in North St. Paul and help decision makers develop a greater understanding of the City's housing market. Maxfield Research and Consulting, LLC will provide detailed recommendations and recommend tools and policies that will assist implementation. Our findings will provide a basis for community leaders, stakeholders, and decision-makers to guide future efforts when addressing housing needs.

The hallmark of Maxfield Research and Consulting, LLC.'s approach to comprehensive housing studies is a thoughtful, in-depth combination of primary and secondary research. Primary research includes surveys of existing housing properties, one-on-one interviews with major employers, developers, builders, Realtors, property managers, city and government agency staff, and others familiar with housing issues and the local housing market. Secondary research includes data obtained from reliable published sources including the Census Bureau, ESRI (a national demographics firm), State demographic centers and economic development agencies, among others.

Published secondary data is always reviewed carefully considering other local factors revealed through the primary research that may have an impact on the analysis. The result is a custom report that provides the Client with information that is timely and locally pertinent.

Our work approach will draw on our experience and expertise in conducting housing studies on behalf of public entities and private developers.

Maxfield Research and Consulting, LLC routinely completes over 100 housing studies annually and is a market leader on housing research and consulting.



WHY MAXFIELD RESEARCH?

We Know the Area

- Benefit: Work efficiency – our past experience in the Twin Cities Metro Area give us a through understanding of the local housing environment

Housing Inventory

- Benefit: Maxfield Research's proprietary housing data includes detailed information on multifamily properties across the Metro Area

Experience Counts

- Benefit: Committed team of senior-level leaders; the senior team members involved in the project have a combined 50-plus years of experience and have completed nearly 30 Housing Studies over the past two years

Local Knowledge - National Experience

- Benefit: Our work is grounded in local issues/reality and we can integrate best practices from elsewhere

Relationships

- Benefit: We have deep relationships with the development community; we understand their barriers and opportunities, we know what they want, and they will talk to us

Full-Service Real Estate Advisory Firm

- Benefit: We understand the connection between all real estate types and we advise both public- and private-sector clients

Comprehensive Approach

- Benefit: Data-driven analyses generate conclusions and recommendations based on market realities

On the Ground Field Research

- Benefit: Hands-on field work, in-person interviews, telephone surveys, combined with the analysis of the Census and other data to gain the most information possible.

Proven Methodologies & Results Oriented

- Benefit: Our process for projecting housing demand has proven to be effective and we deliver action-oriented strategies

RESEARCH STAFF



Mary Bujold, CRE, President, Maxfield Research and Consulting, LLC, will serve as principle-in-charge of the project and serves as a primary consultant for the recommendations. Ms. Bujold has 39 years of experience in housing market research and is regarded as a market expert in the field of residential real estate. Ms. Bujold has been involved in numerous housing and commercial analyses for private developers and public agencies.



Mr. Joe Hollman, Senior Analyst would assist Ms. Bujold on the project as a principal analyst. With 26 years of experience, Mr. Hollman would be responsible for completing a portion of the data gathering, preparing the conclusions and recommendations, and compiling the written report. Mr. Hollman was the lead analyst on several recent research studies that focused on the demand for residential and commercial real estate, including comprehensive housing studies for the City of Luverne, Minnesota, the City of Maple Grove, Minnesota, and Goodhue County, Minnesota. Mr. Hollman is currently working on a market analysis for active adult senior housing and market rate rental housing in Lakeville, Minnesota.



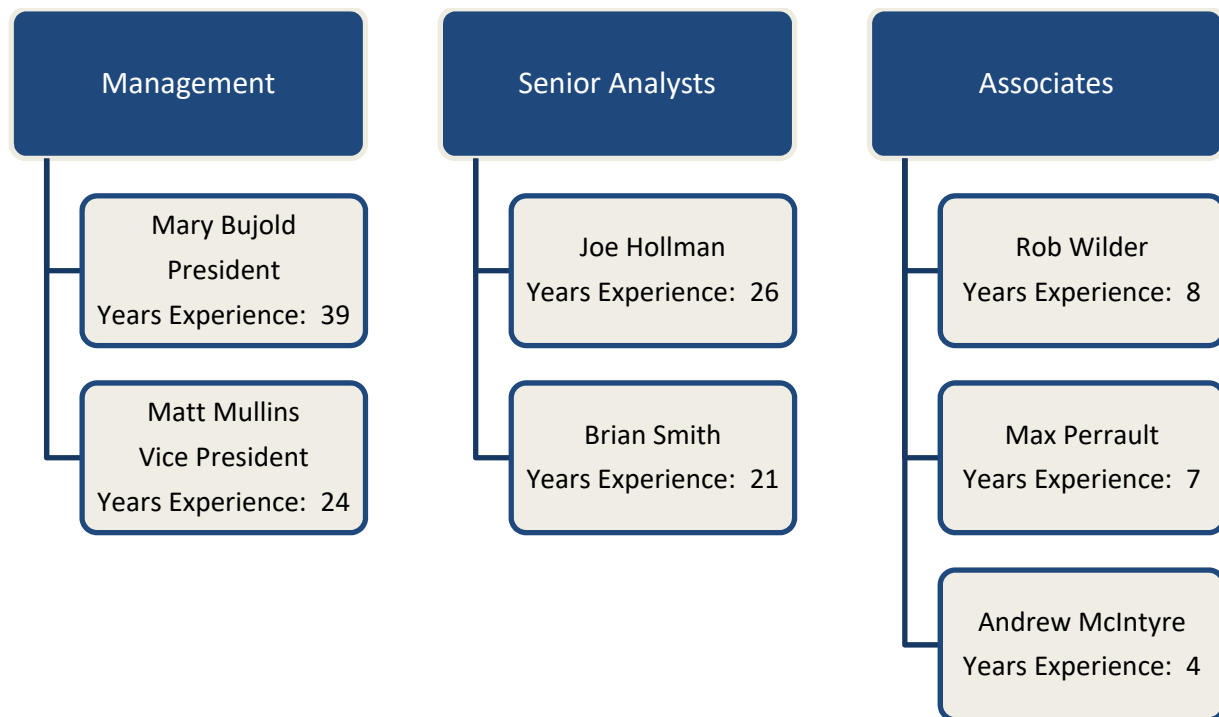
Mr. Andrew McIntyre, Research Associate, will provide data gathering services for this project. Mr. McIntyre will be responsible for compiling demographic and employment data, gathering base market information and GIS mapping. Mr. McIntyre has assisted on several comprehensive housing needs analyses during his tenure with Maxfield Research and Consulting, LLC, including studies for the Cities of St. Cloud, Edina, Marshall and Two Harbors, Minnesota and is currently working on housing assessments for Sioux Falls and Brookings South Dakota.

Consultant's Name: Maxfield Research and Consulting, LLC
Year Established: 1983
Type of Ownership: LLC
Federal ID Number: 41-1463801
Employees: 7

Primary Contact:

Ms. Mary C. Bujold
President
Maxfield Research and Consulting, LLC
2823 Hamline Avenue North
Roseville, MN 55113
email: mbujold@maxfieldresearch.com
www.maxfieldresearch.com

**Maxfield Research and Consulting, LLC
Organization Chart**



SCOPE AND COST OF SERVICES – Comprehensive Housing Needs Assessment

A. Project Kickoff Meeting/Field Work

1. Meet with City representatives and other stakeholders (in person or virtually given COVID-19) to review project goals and objectives. Refine work program if required. This report will require some assistance from the stakeholders; data requests and other project assistance will be discussed during this time.
2. Conduct a windshield survey of the housing stock and view potential redevelopment sites in the City.

B. Review of Past Studies/Planning Documents

1. Obtain information on past housing studies/planning documents, ordinances, or other research reports/publications with information pertinent to the assignment. Review these documents and identify information that is relevant to this analysis; identify how current conditions have changed.
2. Summarize information obtained from previous documents and their impact on the current analysis; include conflicting information or document key issues and their relevance to the current project.

C. Demographic Analysis

1. Identify a housing draw area for the City of North St. Paul and the Downtown area.
2. Examine population and household growth trends and projections to 2037.
3. Examine demographic information on:
 - a) Population age distribution
 - b) Persons per household (household size)
 - c) Household incomes by age of householder
 - d) Household income by tenure
 - e) Household tenure
 - f) Household tenure by household size
 - g) Household type
4. Present information on mobility trends.
5. Summarize links between the demographic profile and housing demand.
6. Discuss the implications of the findings on housing demand in the City of North St. Paul.

D. Employment Trends

1. Examine local data on resident employment (based on place of residence).
2. Examine local data on covered employment (based on location of jobs).
3. Provide data on jobs by industry sector.
4. Identify major employers.
5. Identify commuting patterns of area workers.
 - a) Place of residence vs. place of employment
 - b) Wage ranges

- c) Demographic characteristics
- 6. Project job growth to 2037. Analyze any business expansions/contractions and their effect on the local housing market.
- 7. Interview economic development specialists, major employers, and local officials regarding major employment changes and other issues that may impact long-term employment growth (i.e. adequate supply of workforce housing).
- 8. Discuss the implications of the findings on housing demand in the City.

E. Housing Characteristics & Condition

- 1. Compile residential building permit data by type of housing to the most current available figures.
- 2. Analyze U.S. Census and American Community Survey (ACS) findings collected between 2010 and 2019 (or most current data). Compile the following:
 - a) Renter-occupied units by contract rent
 - b) Owner-occupied housing units by value
 - c) Housing units by structure and occupancy
 - d) Housing units by occupancy status and tenure
- 3. Review housing market value data from City/County tax records (if available) or ACS data.
- 4. Interview area housing professionals and local government staff regarding housing conditions, economic development trends, and other factors that affect the local housing markets.
- 5. Conduct a windshield survey of housing properties in the City and redevelopment sites. The windshield survey provides a visual assessment of the general conditions of the housing stock.
- 6. Discuss the implications of the findings on housing demand in the Downtown area of North St. Paul.

F. For-Sale Housing Market Analysis

- 1. Collect data on housing resale values (single-family and multifamily); examine price distribution and average/median sale price of home resales in the Market Area.
- 2. Analyze data on the inventory and list price of homes currently for sale (detached vs. attached housing stock).
- 3. Survey active and recently completed for-sale housing developments (single-family homes, townhomes, twinhomes, etc.) in the City; analyze information on product types, home sizes, sale prices, buyer profile, and absorption (if available).
- 4. Identify pending for-sale housing developments in the City and discuss the likely impact of these developments on the housing market.
- 5. Interview real estate sales agents, developers, and builders to assess the overall strength of the for-sale housing market, buyer profiles, the impact of foreclosures/short sales on the housing market, desired housing types and price range, and unmet market niches.

G. General Occupancy Rental Market Analysis

1. Survey larger general occupancy rental housing properties, including subsidized (deep subsidy/extremely low income), affordable (shallow subsidy/low income), workforce housing (80% to 120% of AMI) and market rate developments in the City. Map locations of the multifamily housing stock.
2. Analyze data collected from the rental survey on year built/remodeled, monthly rents, vacancies, rents per foot, unit types/sizes and features, common area amenities, and resident profiles.
3. Inventory pending (planned or under construction) rental developments in the City and assess their potential impact on the market.
4. Interview owners/managers of rental housing in the area to assess rental trends and the need for additional rental housing in the City. Identify appropriate rental rates and the target markets for new rental construction in the community.

H. Housing Affordability

1. Review and present income limits, maximum gross rents, and fair market rents by household size in the County.
2. Based on income guidelines, present maximum rents based on household size and Area Median Income.
3. Based on the average rents by unit type from the *General Occupancy Rental Market Analysis Section*, present information on income-qualified renter households.
4. Based on the median home resale value from the *For-Sale Housing Market Analysis Section*, present information on income-qualified owner households.
5. Identify the number of cost burdened households (i.e. households paying more than 30% of their income on housing) in the City. Present cost burdened information for renters and owners.

I. Conclusions and Recommendations

1. Quantify demand for housing (subsidized, affordable, and market rate) in the City to 2037 based on employment and household growth projections, pent-up demand, turnover/mobility, and estimated replacement needs.
2. Identify potential target markets for new medium and high-density for-sale and rental housing.
3. Identify potential unmet market niches and discuss the primary deficiencies in the current market situation.
4. Prioritize housing needs and action steps to implement recommendations.
5. Suggest an appropriate housing mix by product type (rental, ownership), price points and discuss the target markets for each.
6. Suggest appropriate development concepts in the short-term (developments needed by 2027) and long-term (2028 to 2037), including number of units, unit mix, sizes, sale prices or monthly rents, and in-unit features and common area amenities.
7. Discuss the potential need for public/private partnerships to achieve housing development goals and support economic development in the City.

8. Provide recommendations on other challenges and opportunities that relate to housing development in and near the City's Downtown area.

L. Meetings and Client Contact

1. One kick-off meeting with Client (in person or via conference call/video conference).
2. Review of the Draft analysis (via conference call/video conference) that would address report findings.
3. Formal presentation (in person) to appropriate governing body.
4. Report Preparation.

Cost for Housing Needs Assessment (Staff Time)

\$15,000.00

GIS MAPPING

Maxfield Research and Consulting, LLC will present key data visually and spatially through GIS mapping. However, Maxfield Research will require assistance from the Client to obtain parcel level data and the City/County assessor database. We will provide a detailed data request list that will outline the mapping and data needs.

COST PROPOSAL

The work outlined under the Scope of Services for the **Comprehensive Housing Needs Assessment** will be performed for Fifteen Thousand Dollars (\$15,000.00), including out-of-pocket expenses, postage, data purchases, and an electronic PDF version.

Work completed on the assignment would be billed to the Client monthly as costs are incurred. Any additional research or meeting time requested by the Client beyond that set forth in the accompanying Scope of Services will be billed at our normal hourly rates for staff time (\$65 to \$165).

The following fee proposal provides a detailed summary of staff hours needed to complete this project. The fee proposal includes a breakdown of costs by project task and Maxfield Research and Consulting, LLC staff assigned to the project.

FEE PROPOSAL HOUSING NEEDS ASSESSMENT FOR DOWNTOWN AREA OF NORTH ST. PAUL, MN						
	Maxfield Research and Consulting, LLC Staff					Cost by Task
	Mary Bujold	Joe Hollman	Andrew McIntyre	Admin. Assistant	Maxfield Research	
Project Task	President	Sr. Analyst	Associate	Support	Total	Total
A. Project Kick-off & Windshield Survey	6	0	0	0	6	\$960
B. Review of Past Studies	0	2	0	0	2	\$300
C. Demographic Analysis	2	4	8	0	14	\$1,600
D. Employment Trends	2	4	6	0	12	\$1,430
E. Housing Characteristics and Condition	0	4	8	0	12	\$1,280
F. For-Sale Housing Market Analysis	2	4	8	0	14	\$1,600
G. General Occupancy Rental Analysis	2	2	10	0	14	\$1,470
H. Housing Affordability	2	6	2	0	10	\$1,370
I. Conclusions and Recommendations	6	7	8	0	21	\$2,690
J. Meetings and Report Preparation	8	0	4	1	13	\$1,685
K. Mapping & GIS	0	0	7	0	7	\$595
Total Hours	30	33	61	1	125	
(times) Hourly Rate	\$160	\$150	\$85	\$65		
Total Cost for Staff Time	\$4,800	\$4,930	\$5,185	\$65	\$14,980	
(Plus) Travel Cost (estimate)*					\$0	
Total Cost for Staff Time	\$4,800	\$4,930	\$5,185	\$65	\$14,980	

**Printing cost billed at our direct cost estimated at \$85 per copy, if printed copies are needed.

WORK PRODUCT

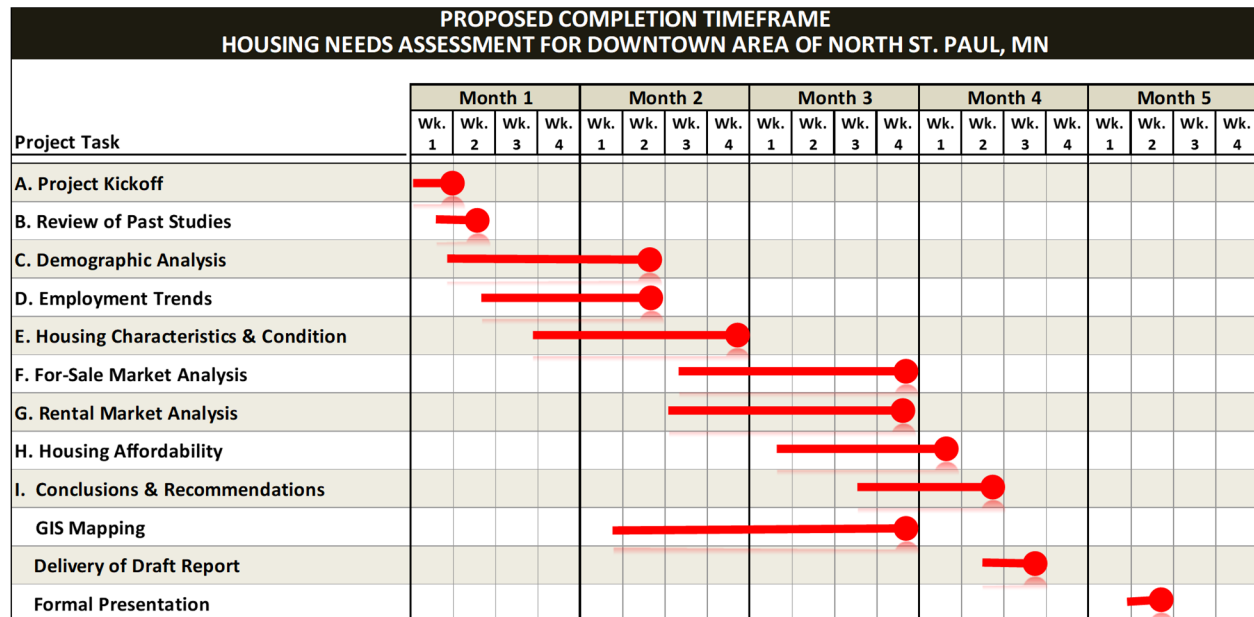
Findings will be presented in an electronic PDF format. Bound copies are optional and would be billed at our direct printing cost estimated at \$85 per copy.

The Housing Needs Assessment is accepted by many lenders, limited partners, investors or governmental bodies who require such documentation to satisfy their financing criteria.

COMPLETION TIME

The work outlined under Scope of Services will be completed in draft form 120 days of the execution of this agreement unless delayed by unexpected emergencies, forces beyond the control of the parties, or by written agreement of the parties.

A final report would be issued within two to three weeks of receiving all comments and feedback from the Client.



PAYMENT

All invoices are payable to Maxfield Research and Consulting, LLC within fifteen (15) days of receipt of an invoice showing the work completed and the direct costs for expenses. A finance charge of one and one-half percent (1.5%) per month will be added to the unpaid balance of each invoice not paid within thirty (30) days.

All invoices are sent via email. A current email address needs to be supplied to Maxfield Research for billing purposes. A final invoice will be sent with the release of the draft report.

DISCLAIMER

The objective of this research assignment is to gather and analyze as many market components as is reasonable within the time limits and projected staff hours set forth in this agreement.

We assume no responsibility for matters legal in character. The property/land is assumed to be free and clear of any indebtedness, liens or encumbrances; and good and marketable title and competent management are assumed, unless otherwise stated.

If building plans or site plans are included in the report, they are to be considered only approximate and are submitted to assist the reader in visualizing the property. We assume no responsibility for the accuracy of any building or site plans.

Certain information and statistics contained in the report, which are the basis for conclusions contained in the report, will be furnished by other independent sources. While we believe this

information is reliable, it has not been independently verified by us and we assume no responsibility for its accuracy.

The conclusions in the report are based on our best judgments as market research consultants. Maxfield Research and Consulting, LLC disclaims any express or implied warranty of assurance of representation that the projections or conclusions will be realized as stated.

The result of the proposed project may be achieved, but also may vary due to changing market conditions characteristic of the real estate industry, changes in facts that were the basis of conclusions in this report, or other unforeseen circumstances.

This agreement will be construed according to the laws of the State of Minnesota.

TERMINATION

This agreement may be terminated upon written notification of either party to the other. In the event of termination, the Client will pay Maxfield Research and Consulting, LLC for staff hours performed at the firm's normal hourly rates, plus all expenses incurred through the date of termination.

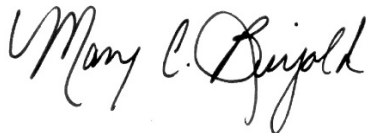
If this proposal meets with your approval, please sign and return one copy to the offices of Maxfield Research and Consulting, LLC.

The costs outlined in the Scope of Services shall remain in effect for a period of 90 days from the date listed at the top of this contract.

Agreed to this 28th day of February 2022.

MAXFIELD RESEARCH AND CONSULTING, LLC

CITY OF NORTH ST. PAUL



Mary C. Bujold
President

John Stark
City Manager

SELECTED HOUSING STUDIES/REFERENCES
Maxfield Research and Consulting, LLC

- 1. Comprehensive Housing Needs Assessment for Maple Grove, Minnesota** **2020**
Client: City of Maple Grove
Contact: Joe Hogeboom, (763) 494-6045, jhogeboom@maplegrovern.gov
- 2. Comprehensive Housing Needs Analysis for Olmsted County, Minnesota** **2020**
Client: Olmsted County | Rochester Area Foundation
Contact: Jeremy Emmi, (507) 282-003, jeremy@rochesterarea.org
- 3. Comprehensive Housing Needs Analysis for Sherburne County, Minnesota** **2020**
Client: Sherburne County
Contact: Dan Weber, (763) 765-3007, Dan.Weber@co.sherburne.mn.us
- 4. Comprehensive Housing Needs Analysis for Goodhue County, Minnesota** **2020**
Client: Goodhue County Economic Development Authority
Contact: Ron Ziegler, (507) 867-3164, ron.zeigler@cedausa.com
- 5. Comprehensive Housing Needs Analysis for Renville County, Minnesota** **2020**
Client: Renville County EDA
Contact: Jordan Zeller, (320) 523-3837, jordanz@renvillecountymn.com
- 6. Housing Market Analysis and Demand Estimates for Owatonna, Minnesota** **2020**
Client: City of Owatonna
Contact: Troy Klecker, (507) 774-7316, Troy.Klecker@ci.owatonna.mn.us
- 7. Comprehensive Housing Needs Analysis for Dodge County, Minnesota** **2019**
Client: Dodge County EDA
Contact: Jim Elmquist, (507) 635-6239, Jim.Elmquist@co.dodge.mn.us
- 8. Comprehensive Housing Needs Analysis for Luverne, Minnesota** **2019**
Client: Luverne Economic Development Authority
Contact: Holly Sammons, (507) 449-5033, hsammons@cityofluverne.org
- 9. Comprehensive Housing Needs Analysis for Chisago County, Minnesota** **2018**
Client: Chisago County HRA-EDA
Contact: Nancy Hoffman, (651) 674-5664, nancy@chisagocounty.org
- 10. Comprehensive Housing Needs Analysis for Worthington, Minnesota** **2018**
Client: City of Worthington
Contact: Jason Brisson, (507) 372-8640 jbrisson@ci.worthington.mn.us

—APPENDIX—