

**PURINA SITE DEVELOPMENT  
COMMUNITY BENEFITS AGREEMENT**

**Between**

**Longfellow Station I, LLC**

**And**

**Light Rail Properties I, LLC**

**And**

**Longfellow Community Council**

# Purina Site Development Community Benefits Agreement

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# **Purina Site Development Community Benefits Agreement**

## **Article 1: Parties**

The parties to this Community Benefits Agreement (“Agreement”) are:

1. Longfellow Station I, LLC, a Minnesota limited liability company that will own and control the development to be constructed on the Purina Site;
2. Light Rail Properties I, LLC, a Minnesota limited liability company that owns the Purina Site property; and
3. Longfellow Community Council (“LCC”), a Minnesota non-profit corporation and the recognized citizen participation organization for the greater Longfellow Community, which encompasses the neighborhoods of Longfellow, Cooper, Howe, and Hiawatha in Minneapolis.

## **Article 2: Purpose of this Agreement**

The purpose of this Agreement is to provide for a coordinated effort on the part of the Owner and LCC to maximize the benefits of the Purina Site Development by: (1) increasing the availability of affordable housing; (2) providing for environmentally sensitive construction and design; (3) increasing employment and economic opportunities; (4) enhancing pedestrian and bicycle use; (5) meeting community needs for public space; and (6) constructing buildings that are designed as good neighborhood legacies.

## **Article 3: Definitions**

As used in this Agreement, the following terms have the following meaning. All definitions include both the singular and the plural.

1. “Owner” means Longfellow Station I, LLC and Light Rail Properties I, LLC.
2. “Development” or “Purina Site Development” means the Purina Site and the mixed-use development to be constructed on the Purina Site, containing a maximum of 225 units of housing and a maximum of 50,000 square feet of commercial/retail space.
3. “Interest” means any leasehold interest or fee ownership, cooperatives, condominiums, or townhouses in the Development or any portion thereof.

4. “Metropolitan Area Median Income” means as determined by the Minnesota Housing Finance Agency.

5. “Purina Site” means the property located in the Hiawatha Neighborhood of the City of Minneapolis (“City”) bounded by Hiawatha Avenue on the west and the Canadian Pacific Railroad tracks on the east and by East 38<sup>th</sup> Street on the north and East 40<sup>th</sup> Street on the south. The Purina Site is legally described in Attachment A and depicted in Attachment B. Attachments A and B are attached hereto and made an integral and enforceable part hereof.

6. “Successors” mean successors in interest, transferees, assigns, agents, and representatives.

#### **Article 4: Transit Oriented Development Principles**

**A. TOD Development.** The Development shall serve as a model of Transit-Oriented Development (TOD) and shall be consistent with the TOD Principles listed in Article 4.B below. Articles 5 through 9 of this Agreement provide specific details on how the Development shall incorporate the TOD Principles. TOD principles are discussed in general in the following articles, which are on file with LCC and with the Owner.

- "Eleven Principles for Creating Great Community Places," Project for Public Spaces (PPS).
- Bruce Liedstrand, "Ten Common Sense Rules For TOD," Planetizen, 24 October, 2005.
- "Access: Communities and Transit-Oriented Design," Mobility Partners Access.

**B. Transit Oriented Development Principles.** The TOD Principles are:

1. Urban Intensity: Higher density land uses and activities encourage ridership on public transit. The vitality and success of TOD is dependent on having enough people using streets, walks, and public spaces.
2. Height, Density, and Public/Green Space: TOD encourages mixed use development, incorporating commercial, retail, and residential uses in the same structures, including a mix of housing options. Increasing building heights and densities need to be offset by additional public/green space and other community amenities.
3. Economic Vitality: TOD promotes economic development by attracting consumers, businesses, and services to the area surrounding the transit station.

4. Urban Form: The design of the development must have an urban, rather than a suburban pattern of development. A transit oriented development is not just a denser suburban mixed use that is located at a transit stop. Generally, suburban forms are "loose," horizontal and spread out, and urban forms are "tight," vertical and compact.
5. Urban Uses: The commercial/retail uses in a TOD should be compatible with and supportive of the transit stop and those living and working in the Development. Large automobile oriented uses, particularly those that draw from a large area (big box retail, auto dealers, power center tenants, etc.) and drive-through windows are not permitted because they are auto-oriented rather than transit oriented.
6. Retail Location: Retail is dependent on access to enough customers, whether they come by train, bus, car, bike or on foot. Retail should be placed so that it is able to draw customers from the development, transit, and the surrounding neighborhood.
7. Reverse the Normal Parking Rules: Instead of parking minimums, TOD has parking maximums to encourage use of transit.
8. Walkability: Comfortable, convenient walkability is essential. TOD development creates an atmosphere that is safe, convenient and easily accessible by foot, bicycle, or alternative transit mode.
9. Transit Connectivity: The transit stop needs to give the rider access to the Development. Any site plan for the Development must address safe, inviting pedestrian access from the east side of Hiawatha to the light rail transit (LRT) station.
10. Neighborhood Connectivity: The transit stop needs to be connected to the adjacent neighborhood by a network of pathways and allow direct access to the transit stop without relying on the arterial street system. Convenient, easy flow of people from the adjacent neighborhood will add to the success of the TOD.

## **Article 5: Affordable Housing**

**A. Purpose.** Neighborhoods are more vibrant if there is economic diversity in housing within the neighborhood. Inclusion of affordable housing in developments is supported by LCC's Strategic Plan (Housing Goal 2, Objective 1) to support the production and preservation of affordable housing in Longfellow and by the City of Minneapolis. This Agreement furthers these goals of creating a more vibrant community by including affordable units in the Development.

**B. Percentage of Affordable Units.**

1. Owner shall develop or cause to be developed “Affordable Housing” at the Development such that not less than 20% of the residential rental units constructed within the Purina Site Development comply with the City’s affordable housing requirement. A unit is considered Affordable if an individual or family with income at or below 50% of the Metropolitan Area Median Income (MMI) established by the Minnesota Housing Finance Agency can qualify to rent the unit assuming not more than 30% of that family or individual’s gross income is used for housing expenses.

2. Owner shall develop or cause to be developed an additional 10% to 40% of the residential rental units constructed within the Purina Site Development that are affordable to an individual or family with income between 40% and 60% of the MMI assuming not more than 30% of their gross income is used for housing expenses. The housing units described in this Article 5.B.2 are in addition to the City’s 20% affordable housing requirement in Article 5.B.1. above and are intended to make housing available at rents accessible to the income demographic of the greater Longfellow Community. The requirements of Article 5.B. 1 and 5.B.2 shall hereinafter be referred to as Affordable Housing.

3. Not more than 60% of the residential rental units in the Purina Site Development shall be Affordable Housing, and no single building of the Purina Site Development shall contain more than 65% Affordable Housing, except where small family housing is intentionally clustered (see Article 5.C.1 below). This is intended to prevent a concentration of affordable housing in any particular building in the Development.

**C. Unit Types.**

1. The Owner shall build affordable housing units targeting individuals and small families and shall develop at the Development a mix of studio, one-bedroom, two-bedroom and some three-bedroom units. Larger-sized family units should be intentionally clustered in areas with easy access to semi-private green space.

2. Owner shall ensure that there is at all times a building manager that has experience with management of affordable housing. Owner shall prepare a management plan for the rental housing which, at a minimum, shall include provisions for an on-site management office and a community room.

**D. Term of Affordability.** Affordable rental units shall remain affordable for a minimum of 30 years.

## **Article 6: Environmental Commitments**

**A. Purpose.** It is a goal of the community to provide for environmentally sensitive demolition, construction, and design. The measures outlined in this Article support LCC's Strategic Plan (Environmental, Transportation, and River Gorge Goal 4) to promote the overall sustainability of the neighborhood and development projects and to integrate green/sustainability issues more fully into development issues and planning. The following items describe how the environmental commitments outlined in this Article 6 will benefit the Development, the community, and the environment:

1. The environmental commitments will meet LCC's and the City of Minneapolis' goals of environmentally responsible growth and development. (References: Longfellow Neighborhood Summarized Values; Minneapolis Environmental Report: *Towards Sustainability*, published July 16, 2004).

2. The environmental commitments will improve marketability and ultimate success of development and cost less to operate and maintain over the long term.

3. Green buildings are better for the environment and for people who use the buildings. Benefits include, but are not limited to, reduced materials consumption and waste during construction, lower stormwater management and energy costs over the life of the building, and enhanced livability for residents through increased daylight and use of healthier building materials.

4. It is less expensive to obtain Leadership in Energy and Environmental Design certification by planning for it up front, therefore making it an attainable goal for the Owner and neighborhood.

### **B. Green Building Principles.**

1. **Green Building Certification.** Owner shall obtain for the Development certification from one of the following systems that certify green buildings:

- a. Leadership in Energy and Environmental Design (LEED) green building rating system for new construction and major renovations (LEED-NC).
- b. Leadership in Energy and Environmental Design green building rating system for neighborhood development (LEED-ND).
- c. Minnesota Sustainable Building Guidelines (also known as B3: Buildings, Benchmarks, and Beyond).

- d. Green Communities Criteria. This criteria, which is administered locally by the Minnesota Green Communities Collaborative, is available to certify all residential development, both affordable and market-rate.

**2. Notification and Proof of Certification.** Prior to obtaining certification under Article 6.B.1 above, the Owner shall notify LCC in writing of the type of green building certification the Owner will obtain for each component of the Development. After completion of certification, the Owner shall submit to LCC proof of certification.

**C. Demolition And Construction Practices.**

**1. Integrated Pest Management Plan.** Prior to beginning demolition activities, Owner shall develop an integrated pest management plan as required by the City of Minneapolis (City) and shall meet all other City pest management requirements.

**2. Hazardous Substance Remediation and Asbestos Abatement.**

- a. If any known hazardous substances exist on the site, or if hazardous substances are discovered during demolition or construction, Owner shall inform LCC and the City of the substances found and shall remediate the contamination in accordance with Minnesota Pollution Control Agency (MPCA) requirements.
- b. Prior to demolition activities, Owner shall perform asbestos abatement in accordance with all applicable federal and MPCA asbestos abatement requirements.

**3. Truck and Machine Noise and Pollution.** Owner shall comply with City noise and pollution prevention requirements during the demolition and construction at the Purina Site.

**4. Light Pollution.** Owner shall comply with City requirements relating to light pollution during demolition and construction.

**5. Dust Mitigation and Air and Water Quality Requirements.** Owner shall ensure that the following measures are taken in all on-site construction or demolition activities:

- a. All trucks transporting soil to or from the Purina Site shall be covered.
- b. All stockpiles of soil and other materials shall be managed to prevent airborne dust and particulate matter.

- c. Prior to beginning work on the Purina Site, Owner shall obtain from the MPCA a construction stormwater permit and shall develop and implement a stormwater pollution prevention plan in accordance with MPCA requirements.
- d. Owner shall comply with city code: Chapter 47 Minneapolis Air Quality Management Authority.

**6. Noise Mitigation / Hours of Work.** Owner shall comply with City code relating to noise and hours of work which stipulates that no construction, demolition, or commercial power maintenance equipment shall be operated between the hours of 6:00 p.m. and 7:00 a.m. on weekdays or during any hours on Saturdays, Sundays, and state and federal holidays, except under specific permit from the assistant city coordinator for regulatory services or its designee. If the Owner requests this type of specific permit, the Owner shall notify LCC and residents within a 600-foot radius of the Purina Site at the same time that it submits the request to the City for a permit.

**D. Neighborhood Communications During Demolition and Construction.**

**1. Notification.** Owner shall immediately notify LCC of all after-hours work permit applications that the Owner submits to the City by sending a copy of the application to LCC by facsimile or registered mail at the same time as it submits the application to the City.

**2. Public Complaint Process.**

- a. The Owner, through its Project Manager, shall meet with the Implementation Committee (to be established under Article 10.A. below) prior to beginning each phase of the Development (e.g. demolition, construction) to establish a neighborhood complaint management plan.
- b. At least 30 days before beginning demolition or construction activity at the Purina Site, the Owner shall provide to LCC, and to neighborhood residents and businesses within a 600-foot radius of the exterior perimeter of the Development, the names and telephone numbers of the Owner's Project Manager and the Owner's Neighborhood Contact who can be reached 24 hours a day, 7 days per week, including a voice mail system where messages can be left during non-business hours. Owner shall maintain a written log of complaints received including the name of the complaining party, the Development employee who responded, the date of the resolution of the complaint, and the nature of the resolution and shall ensure that calls are returned within one (1) business day after receipt. The Owner shall respond to

each complaint within 7 days. The Owner shall also notify neighbors within a 600-foot radius of the exterior perimeter of the Development at least 30 days prior to the commencement of demolition activities. The Owner shall make the written complaint log available for LCC review upon request of LCC.

**E. Landscape Maintenance.**

The Owner shall maintain for 30 years all landscaping that is installed to earn LEED-NC, LEED-ND, B3, or Green Communities credits.

**Article 7: Economic Development and Employment**

**A. Purpose/Living Wage Goal.** It is the goal of this community and this Agreement that the construction phase jobs and the long-term jobs created by the Development meet living wage and prevailing wage standards and be available to area residents and businesses. Specifically, the community and this Agreement support redevelopment that creates opportunities for new businesses in the Development, with an emphasis on those that are minority and/or female owned. The requirements outlined for Economic Development and Employment, unless otherwise specified, apply to all stages of the Development, including demolition, construction and ongoing operation. For the purposes of the Agreement, a Living Wage Job is that which is defined by the City of Minneapolis' most current Living Wage Ordinance.

**B. Owner Responsibilities Regarding Contracting.**

The Owner shall comply with the standards outlined in the City of Minneapolis' most current Contract Requirements relating to Equal Opportunity (nondiscrimination and affirmative action), Prevailing Wage Policy, use of businesses owned by women and minorities, Apprenticeship Training Policy, Accessibility Standards, and Living Wage Policy, which are referenced in paragraphs 1, 2, 3, 4, 5, and 22 of Attachment D, which is attached hereto and made a part hereof. The Owner shall comply with these requirements regardless of whether City funding or other public financing, such as Tax Increment Financing, is used on the Development.

**C. Owner Responsibilities Regarding Project Commercial/Retail Tenants.**

When choosing between prospective commercial/retail tenants for a particular space within the Development, the Owner shall, within commercially reasonable limits, take into account as a substantial factor each prospective tenant's potential impact on achievement of the Living Wage Goal. The Owner shall make every reasonable effort to select commercial/retail tenants in the Development that will

maximize the number of Living Wage Jobs and which do not have a history of violation of labor laws. At least 30 days before signing any lease agreement or other contract for space, the Owner shall provide the Executive Committee of LCC (by sending the information to LCC's Executive Director as provided in Article 12.M) with the names of the prospective tenants and shall, if LCC requests, meet with LCC regarding the prospective tenant's impact on the Living Wage Goal for long-term jobs. LCC will treat the information as confidential.

**D. Commercial/Retail Tenant Mix.** In order to ensure a mix of businesses that will meet the needs of the community, the Owner shall use both the LCC *Community Values Survey* and the results from LCC *Consumer Surveys* and the criteria listed in items 1-4 below to identify and recruit prospective commercial/retail tenants. At least 30 days before signing any lease agreement or other contract for space, the Owner shall provide the Executive Committee of LCC (by sending the information to LCC's Executive Director as provided in Article 12.M) with the names of the prospective tenants and shall, if LCC requests, meet with LCC regarding the prospective tenant. LCC will treat the information as confidential.

**1. Preferred Business Sectors.** The specific business sectors identified by the community as 'business sectors to solicit' in order of preference are as follows:

- small grocery store
- merchandise retail
- healthcare and wellness services
- restaurants and cafes – especially offering live music
- small hotel
- music/entertainment venues
- office space
- light manufacturing

**2. Desired Business Types.** The types of businesses the community desires include:

- small local businesses, with the following preference ranking: (1) from the Minneapolis/St. Paul metropolitan area, (2) the State of Minnesota, and (3) the Upper Midwest
- walkable, neighborhood-serving businesses accessible from sidewalk
- socially responsible businesses – offering living wage jobs
- financially viable businesses
- smaller "unique" shops offering quality products/foods
- small regional, rather than national, chains

**3. Businesses Not Desired.** The type of businesses the community does not desire are "big box" retailers because their scale does not fit within a residential neighborhood and because they require too much parking.

Owner shall limit the size of any single commercial/retail space to 30,000 square feet or less.

4. **National Franchises or National Chains.** In selecting the commercial/retail operations at the Development, the Owner shall limit the amount of space occupied by national franchises or national chains to not more than 70% of the total retail/commercial space in the Development, with 30% or more of the commercial/retail mix as local businesses. For purposes of this paragraph, a local business is a business from the Minneapolis/St. Paul 7-county metropolitan area and does not include a local business owner of a franchise of a national chain. If Owner is unable to market 30% or more of commercial/retail space to local businesses, resulting in a vacancy greater than 60 days, or the Owner demonstrates to LCC that the Owner has actively marketed the space to local businesses for at least six consecutive months without being able to fill the space with a local business, the Owner may lease or convey the vacant space to a franchise or national chain business. However, the 30% or greater reserved local business space requirement is not eliminated, and Owner must continue to meet this requirement each time an open space becomes available in the Development. Owner shall provide to LCC proof of marketing efforts upon request.

- E. **Opportunity for Community-Based Small Business.** The requirements set forth relative to community-based small businesses (CBSB) are intended to ensure ongoing opportunities for these businesses. A CBSB is defined as a local business from the Minneapolis/St. Paul metropolitan area that is either a new start-up or second stage business (a metropolitan area business with one existing location that wishes to expand to a second location or relocate to the Development).

1. **Provision of Space for Community-Based Small Business.** The Owner shall ensure a minimum of 10% of the Development's total commercial/retail square footage is reserved for CBSB ("CBSB Space"). Preference shall be given to CBSBs that are minority and/or female owned. Owner must ensure the continuation of the CBSB Space with subsequent owners of the Development in accordance with Article 12.D of this Agreement. As in Article 7.D.4. above, for purposes of encouraging development of local, entrepreneurial businesses, a business is not considered to be a CBSC if it is a franchisee of a national franchise or chain. The successful lease of the 10% CBSB Space shall be credited towards the 30% or greater local businesses provisions in Article 7.D.4. above.
2. If all or any portion of the CBSB Space has been vacant for at least 60 days or the Owner demonstrates to LCC that the Owner has actively marketed the space to community based small businesses for at least six

consecutive months without being able to fill the space, the Owner may lease or convey the vacant space to a non-CBSB business. However, the 10% CBSB Space requirement is not eliminated, and Owner must continue to meet this requirement each time an open space becomes available in the Development. Owner shall provide to LCC proof of marketing efforts upon request.

## **Article 8: Embracing Community**

- A. Access, Circulation and Connectivity.** In order to realize the principles of Transit Oriented Development (TOD) and to meet the transportation needs of residents, workers, guests and patrons in innovative ways for the Twin Cities metropolitan area, the Owner agrees to the following:
- 1. Travel Demand Management Plan.** In order to address potential access, traffic, and transportation issues arising from this Development, the Owner shall comply with the Travel Demand Management Plan that is approved by the City for the Development.
  - 2. Transit Passes.** To promote transit use by residents in the Development, the Owner shall provide or cause its successors and assigns to provide a first month transit pass free with each lease of residential rental units. The Owner shall negotiate with the Metropolitan Transit Commission to obtain group discounts for residents of apartments in and employees of commercial tenants of the Development. The Owner shall also make sale of transit passes conveniently available to the broader community through sales at one or more retailers within the Development. The Owner and Implementation Committee shall work together to propose additional programs and marketing efforts, for joint review, to encourage residents of the Development to use public transit.
  - 3. Promotion of Access.** In order to promote safe access within and around the Development by bicyclists, pedestrians and auto users, the Owner shall implement the following:
    - a. Bicycle Storage and Parking.** The design and construction of the Development shall include convenient and adequate bike storage for Development residents and parking for Development residents and guests that is accessible to at least one entrance of each residential and mixed-use structure. Owner shall consult with a mutually agreed-upon bike rack and storage expert, preferably based in the community, to determine appropriate bike storage and design for the site.
    - b. Automobile Parking.** Owner shall provide a maximum of 4.5 parking spaces per 1,000 square feet of leasable commercial/retail space and a maximum of 1.0 parking spaces per residential unit. These ratios must be met 90% or more through structured parking,

not surface parking. If the Owner seeks to add additional parking for commercial/retail space, Owner shall first obtain approval from the Implementation Committee before requesting the City to grant a variance from the ratios in this paragraph.

- c. **Parking Costs.** In order to increase incentives for residents in the Development to consider a reduced or car-free lifestyle, the Owner shall separate automobile parking rents for residential units from housing rents.
- d. **Car Sharing.** The design of the Development shall include dedicated parking spaces within the Development for use by a car-sharing company (such as HourCar and Zip Car) for use by people both in the Development and in the surrounding community. A sufficient ratio of spaces will be determined in consultation with the community and car-sharing experts.
- e. **Walk and Bike Paths.** Site design and construction shall include paths sufficiently wide enough to allow for separate bike and pedestrian lanes through the Development and to connect the surrounding community with the Development and the 38<sup>th</sup> Street Station. Paths and the design of the Development shall be in accordance with Crime Prevention Through Environmental Design (CPTED) principles and shall include pedestrian-scale lighting. The Owner shall meet with City of Minneapolis Community Crime Prevention (CCP)/SAFE and Public Works Department personnel to discuss how the Owner proposes to implement CPTED principles in the design of the Development. The Owner agrees to follow recommendations of City staff with regards to CPTED implementation design and strategies for the Development. CPTED is based on four strategies:
  - (1) Natural Surveillance - A design concept directed primarily at keeping intruders easily observable. It is promoted by features that maximize visibility of people, parking areas and building entrances: doors and windows that look out on to streets and parking areas; pedestrian-friendly sidewalks and streets; front porches; and adequate nighttime lighting.
  - (2) Territorial Reinforcement - Physical design can create or extend a sphere of influence. Users then develop a sense of territorial control while potential offenders, perceiving this control, are discouraged. It is promoted by features that define property lines and distinguish private spaces from public spaces using landscape plantings, pavement designs, gateway treatments, and "CPTED" fences.

- (3) Natural Access Control - A design concept directed primarily at decreasing crime opportunity by denying access to crime targets and creating in offenders a perception of risk. This is achieved by designing streets, sidewalks, building entrances and neighborhood gateways to clearly indicate public routes and discouraging access to private areas with structural elements.
- (4) Target Hardening - Accomplished by features that prohibit entry or access: window locks, dead bolts for doors, interior door hinges. For more information and specific guidelines for multifamily, office, commercial and parking design considerations: [www.cpted-watch.com](http://www.cpted-watch.com)

f. **Signage.** The Development shall include kiosks and signage to direct pedestrians and bicyclists to businesses and other locations within the Development and in the surrounding community. The Implementation Committee shall review and comment on designs for kiosks and signage prior to ordering and installation.

4. **Station Area Pedestrian Safety and Access.** The Owner agrees to lead an opportunity to significantly improve safe access between the 38<sup>th</sup> Street Station, the Purina Site Development, and the blocks on the east side of Hiawatha Avenue, to implement traffic-calming measures, and to engage local and state government to implement various public infrastructure improvements. As a partner in this process, the Owner agrees to:

- a. Actively work with local and state government and the community to design and implement improved pedestrian & bike access to the 38<sup>th</sup> Street Station across Hiawatha Avenue and in and around the Development.
- b. Engage in active discussion with the community, government officials and staff to pursue a campaign to narrow Hiawatha Avenue to the minimum width needed to accommodate traffic lanes.
- c. Seek approval from City of Minneapolis Public Works and the Minnesota Department of Transportation to implement bump-outs and other traffic-calming measures in and around the Purina Site Development.

**B. Community Space and Benefits.**

1. **Design and Uses.** The design of the Development shall include significant public space to function as an amenity for residents and workers in the Development and for the surrounding community. To accomplish this, the Owner agrees to work with LCC to reach a mutually

agreeable Purina Site Development design such that the following objectives are all achieved:

- a. Maximize public gathering spaces at the portions of the Development that abut the surrounding community to encourage interaction with the surrounding community.
- b. Include a minimum of 1,500 total square feet of outdoor space available to be used year-round (e.g. satellite farmer's market, skating rink, concert space, etc). Priority shall be given to community-based arts and nonprofit organizations for public events and festivals.
- c. A minimum of 12,000 square feet of the Development shall be publicly accessible space landscaped with a mix of plantings and hardscape that can be used by the general public at all times. Green roofs or other private or semi-private areas of the Development are not considered to be part of the 12,000 square feet of publicly accessible space requirement.

2. **Community History and Arts.** Owner agrees to provide to the LCC a publicly accessible space to be used at all times to display information on Longfellow history, and other community information provided by LCC, and for public art installations and interpretative displays.
3. **Use of Community Room.** Owner shall develop a community room at the Development and shall permit LCC to use the community room, when available, for community meetings at no cost to LCC.

**C. Ongoing Community Program Support.**

1. **Space for Non-Profit Community Serving Organizations.** The Owner shall set aside a minimum of 500 square feet of commercial/retail/office space at ground level or aboveground level at zero base rent (payment of monthly Common Area Maintenance fees only) to be leased to a non-profit community service agency or social service or arts organization ("Community Non-Profit Space"). If the space is above ground level, Owner shall ensure that the space is handicapped accessible and shall provide adequate signage so that the public can locate the space. LCC shall provide a list of potential tenants for the space for the Owner's approval, such approval shall not be unreasonably withheld. The Owner is encouraged to consider synergies with the requirements outlined in the Affordable Housing and the Economic Development and Employment Articles of this Agreement. Owner shall give notice of a vacancy in the 500 square foot Community Non-Profit Space to LCC's Executive Director as soon as Owner is aware of a potential vacancy so that LCC can assist owner in locating a new tenant for the space.

The successful lease of the 500 square foot Community Non-Profit Space shall be credited towards Owner's commitment of the 10% CBSB Space under Article 7.E. above and towards the 30% or greater local business requirement in Article 7.D.4. above.

Owner must ensure the continuation of the Community Non-Profit Space with subsequent owners of the Development in accordance with Article 12.D of this Agreement.

## **Article 9: Design and Placemaking**

### **A. Placemaking.**

The goal of the parties to this Agreement is to create a great 'place' through use of design, physical elements that make people feel welcome and comfortable (such as seating and landscaping) and "management" of pedestrian circulation pattern to encourage interaction between the surrounding retail and the activities going on in the public spaces at the Development. The goal is also to create a place that is a community gathering place with a comfortable pedestrian scale and pedestrian amenities. In designing the Development, the Owner shall:

1. Design to encourage interaction and connection at a human scale between the Development and surrounding neighborhoods through creation of a welcoming, safe, and accessible environment.
2. Include a variety of small scale open space amenities and gathering places with focal points that contribute to a sense of place (i.e. public plaza, kiosks, green spaces, public art spaces).
3. Create sight lines into the interior of the block in order to create a sense of connection and intimacy with the surrounding neighborhood.
4. Line 38th Street with active uses and create a sense of enclosure along the street. Enclosure is the perception by the user (whether pedestrian, bicyclist, automotive or other) that the space is human in scale and relationships. This is usually accomplished through careful design of the relationship of street width and sidewalk width to the height and setback from the street of building façades and through use of hard and soft elements in the landscaping to 'enclose' the user (i.e. European plaza with three story buildings, a fountain and outdoor seating offers a sense of enclosure to the visitor. A large parking lot rarely offers that).

**B. Architecture.** The Development shall apply innovative architectural principles that incorporate the following design elements:

1. The Owner shall take into consideration the comments of residents, businesses, and neighboring communities on the design of the proposed Development.
2. The Development must be urban, not suburban, in feel and function, and be consistent with transit oriented development principles (See Article 4).
3. The Owner shall create retail/commercial spaces that are flexible to allow reconfiguration of a space as tenant/ownership changes.
4. Buildings in the Development shall be designed to have a pedestrian scale and feel at street level. Scale, massing and relationships of buildings shall be designed to relate to the users (not overwhelm the users).
5. Exterior finishes and materials shall be reflective of the Development as a gateway to the Longfellow neighborhood. From macro to micro scales, the architecture must be a community asset.
  - a. Materials shall be of innovative high-quality materials (i.e. wood, brick, exposed concrete, etc.).
  - b. Unacceptable exterior materials include vinyl siding.
  - c. No more than 50% of the exterior material shall be glass curtain wall construction.
6. Material quality and quantity shall not be significantly different from the front of buildings to the back of buildings.
7. Mechanical units, loading docks, delivery and trash areas shall be screened from public view.
8. The design of commercial and retail spaces and public spaces shall include elements to promote outdoor dining and vendor activities, including metered electric outlets, access to water taps, as well as pad spaces incorporated in the outdoor design.
9. Owner shall establish and file with the Hennepin County Recorder an Operating Easement Agreement applicable to all commercial/retail businesses in the Development for maintenance of commercial/retail areas of the Development, including requirements that businesses keep litter picked up and maintain planting associated with the business' areas. The Owner shall provide and maintain trash receptacles at the Development.
10. Owner shall include graffiti abatement techniques, such as graffiti resistant surfaces, sacrificial, maintainable surfaces (i.e. paintable, etc.), murals, and graffiti prevention gardening in the design of the Development.
11. Landscape design shall acknowledge the location of the Longfellow neighborhood as part of an extended urban forest environment and the Longfellow community's existing and historical landscape priorities by inclusion in the Development such items as native plants, rain gardens, and disease-resistant boulevard trees that provide canopy shade.
12. The Development shall be designed with a sense of permanency, using sustainable, high quality materials.
13. No buildings in the Development shall be taller than 140 feet, in order to be in keeping with the existing area context.
14. Owner shall not include or allow any drive through windows in the Development.

**C. Architecture Advisory Committee.**

LCC shall establish an Architecture Advisory Committee to provide input and feedback to the Owner and the Owner's architects on the design of the Development, including landscape design, based on the provisions of this Agreement and on input from community meetings on the proposed Development. LCC shall appoint community members to the Architecture Advisory Committee who have knowledge or experience in architecture or design. Owner and Owner's architects shall meet with the Architecture Advisory Committee to discuss and receive input and feedback from LCC on the design of the Development.

**D. History.** Owner shall respect the unique identity and history of Longfellow Neighborhood in design elements. A brief history and background of the Purina Site and its surrounding area is as follows:

The area along Minnehaha and Hiawatha Avenues has been a transportation corridor for hundreds of years, first for Native Americans traveling to St. Anthony Falls and later starting in 1823 as a road for soldiers going from Fort Snelling to their mill at St. Anthony Falls. The first settlers in the 1850s used it to get to the newly formed city of Minneapolis at the Falls. The Chicago, Milwaukee, and St. Paul Railway tracks were laid in 1866, making it possible for the later development of grain elevators and mills along the Hiawatha corridor. The first grain elevator, the Monarch elevator, was built in 1888 near 33rd Street and the first mills were built around 1915. In 1890, a streetcar line was laid down Minnehaha Avenue which stimulated development and by 1905 enough houses had been built that Simmons School was opened at 38th Street and Minnehaha. The houses were small cottages (and later bungalows) built for working class owners, a good number of them recent immigrants from Sweden and other Scandinavian countries. With convenient streetcar access, they could easily commute to jobs as laborers, machinists, etc. at the farm implement plants near Lake and Minnehaha and other factories at the edge of downtown Minneapolis. At 38th and Hiawatha, the first mill was the Clarx built in 1916. The Clarx mill was a whole grain mill that operated until 1921. Ralston Purina bought the mill and opened it as a cereal mill in 1924. The Purina mill made cereal until around 1950 when it was converted to an animal feed mill which it remained until it closed in 2005.

## Article 10: Implementation

**A. Establishment of Implementation Committee.** To assist with the implementation of this Agreement, the parties shall establish an Implementation Committee. The Implementation Committee shall be composed of LCC staff and a representative selected by LCC, and Owner and a representative selected by the Owner.

**B. Meetings.** The Implementation Committee shall meet in a good faith effort to develop strategies for implementation of the requirements, policies and programs set forth in this Agreement. The Implementation Committee shall meet at least monthly, or less frequently if mutually agreed by the parties. At such meetings, any party may raise issues related to implementation of this Agreement, in an effort to facilitate open dialogue, resolve implementation challenges, and advance the goals of the parties regarding the Development. All parties shall ensure that representatives attending Implementation Committee meetings are appropriate individuals for issues to be discussed, possessing relevant technical and policy expertise. Prior to requesting governmental approvals of design of buildings or components of the Development, Owner shall provide such designs to LCC at an Implementation Committee meeting to facilitate LCC's ability to make suggestions to Owner and/or at public meetings or hearings regarding such design.

**C. Development Updates and Agreement Implementation.** In order for the Implementation Committee to track implementation of this Agreement, the Owner shall provide timely information on a regular basis to LCC on the following:

1. Governmental regulatory review schedules, including dates and times of any regulatory review of the Development, where LCC will be required to provide support under Article 11.
2. Updates on major site plan revisions, including scale of the Development, number of units, and change from rental to ownership;
3. Progress of the Development, including any changes in timelines, delays in construction and lease-up, and cost overruns.
4. Sources and use budgets listing funders for all affordable housing units, copies of applications for affordable housing funding, and information on changes to the mix of affordable and market rate rental units.
5. Copies of reports submitted to all funders of affordable housing units and reports submitted to the State of Minnesota, Hennepin County, and the City of Minneapolis on the Development.
6. All reports and information to show compliance with the terms of this Agreement, including Green Building Certification, affordable housing certificates, hazardous substance reports, complaints

received from residents and Owner's responses, plans and designs, and all other matters related to implementation of this Agreement.

## **Article 11: LCC Support Obligations**

In light of Owner's commitments set forth in this Agreement, LCC supports the Development and will, therefore, make the support efforts set forth in this Article 11. LCC's support of the Development, however, does not preclude any individual citizen from commenting on, contesting, or otherwise exercising any and all right of the public with respect to the Development.

**A. Letters of Support.** Prior to the first public hearing considering the Development, LCC shall send a letter of support for the Development to the Minneapolis Planning Commission, the City's Zoning and Planning Committee, Community Development Committee, and Ways and Means Committee and to the City Council in support of a zoning change, conditional use permit, and public financing and shall also send a letter of support for the Development to any other governmental entity specified by Owner.

**B. Hearing Attendance.** LCC shall send at least one representative knowledgeable about the Development to speak in support of the Development at the Minneapolis Planning Commission, the City's Zoning and Planning Committee, Community Development Committee and Ways and Means Committee and the City Council. LCC will encourage attendance by individuals who are interested in or affected by the Development.

**C. Media Availability.** LCC shall work with Owner to prepare a collaborative media strategy regarding shared support for the Development.

**D. Mutual Covenants.** LCC covenants not to sue, challenge, or contest, administratively, judicially, or publicly, any of the approvals for the Development, except as provided in Article 11.E below and in Article 12.E (Remedies). Owner covenants not to sue LCC based on LCC's exercise of its right to make permissible public comments as provided in Article 11.E. below.

**E. Permissible Public Comment.** Notwithstanding Article 11.D above, LCC retains the right to make public comments regarding the Development if what is proposed is not, in LCC's reasonable opinion, consistent with the terms of this Agreement. LCC also retains the right to suggest changes in aspects of the documents and approval terms being considered, so long as such comments are consistent with the letter and spirit of the provisions of this Agreement. LCC also retains the right to make public comments regarding the design of the Development, including, but not limited to, the location of buildings on the Site, exterior materials, height, and location of green space within the Development. LCC agrees that before making such public comments, it shall use its best efforts to address the issues in question with Owner at Implementation Committee meetings. Nothing in this Agreement shall preclude LCC from asking the

City to include all or a portion of the terms of this Agreement into the City's development agreements or into City approvals related to the Development.

**F. LCC Reimbursement.** Owner shall pay \$7,500 to LCC to assist LCC in the costs it will incur in the implementation of the requirements of this Agreement. Owner shall pay the \$7,500 in two installments of \$3,750 each by June 1, 2008 and November 1, 2008. Payments shall be made by check made out to Longfellow Community Council and mailed to the Executive Director of LCC at the address in Article 12.M.

## **Article 12: Miscellaneous**

**A. Governing Law.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of Minnesota.

**B. Severability.** If any term, provision, covenant or condition of this Agreement, or portion thereof, is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the Agreement shall continue in full force and effect.

**C. Binding on Successors.** This Agreement shall be binding upon and inure to the benefit of LCC, LCC's Successors, and Successors to any Successors of LCC. This Agreement shall be binding upon and inure to the benefit of Owner, Owner's Successors, and Successors to any Successors of Owner. Owner's Successors include, but are not limited to, any party who obtains an Interest in the Development, the Owner's developers, vertical developers, retail developers, contractors, condominium or townhouse associations, cooperatives, management companies, and owners' or retail merchants' association participating in the Development. Upon conveyance of an Interest to an entity in compliance with Article 12.D. (Purchase and Assumption Agreements), LCC may enforce the obligations under this Agreement with respect to that Interest only against such entity, and neither Owner nor any owner of a different Interest shall be liable for any breach of such obligations by such entity or its Successors. Except as otherwise indicated in this Article 12.C. (Binding on Successors), references in this Agreement to a party shall be deemed to apply to any successor in interest, transferee, assign, agent, and representative of that party.

**D. Purchase and Assumption Agreements.** Owner shall not execute any purchase agreement, deed or lease conveying an Interest in the entirety or any portion of the Development, unless: (i) Owner and the entity receiving such Interest have executed an agreement governing conveyance of that Interest; (ii) that agreement requires the transferee to assume the obligations of the Owner under this Agreement as a Successor of Owner; and (iii) this Agreement is a material term, binding on the entity receiving the Interest and enforceable by LCC as an intended third party beneficiary. At the time of execution of the purchase agreement, deed or lease, Owner shall provide a copy of this Agreement to the transferee at the time of the signing of the purchase agreement, deed or

lease. Owner shall provide notice to LCC of any conveyance of an Interest in all or any portion of the Development within 30 days of the conveyance.

**E. Remedies.**

1. **Default.** Failure by any party to perform or comply with any term or provision of this Agreement, if not cured, shall constitute a default under this Agreement.

2. **Sixty-Day Right to Cure.** If either party believes that the other party is in default of this Agreement, it shall provide written notice to the allegedly defaulting party of the alleged default; offer to meet and confer in a good-faith effort to resolve the issue; and, except where a delay may cause irreparable injury, provide sixty (60) days to cure the alleged default, commencing at the time of the notice. Any notice given pursuant to this provision shall specify the nature of the alleged default, and, where appropriate, the manner in which the alleged default may be cured.

3. **Implementation Meetings and Mediation.** Before and during the 60-day right-to-cure period described above, the parties may attempt to resolve any alleged default at the regularly scheduled Implementation Committee meetings, or in mediation requested by either party.

4. **Remedies.** In the event that a party is alleged in default under this Agreement, the party alleging default may elect, in its sole and absolute discretion, to waive the default or to pursue legal proceedings to enforce this Agreement or seek other legal or equitable relief. The venue of any action shall be Hennepin County District Court. Such remedies may be pursued only after exhaustion of the 60-day right to cure period described above, except where an alleged default may result in irreparable injury, in which case the non-defaulting party may immediately pursue the remedies described in this Article 12.E.4.

**F. Term.** This Agreement shall become effective on the date of mutual execution of this Agreement and shall terminate 30 years from such date. All commitments of the parties described herein are effective upon the effective date of this Agreement, unless otherwise specified.

**G. Implementation Through Relevant Contracts.** When this Agreement requires the Owner to impose responsibilities on entities that are not parties to this Agreement, the Owner shall ensure that relevant contracts:

1. impose such responsibilities on such parties;
2. require such parties to impose such responsibilities on subcontractors or other parties involved in the Purina Site Development through the contract in question;
3. require all parties with such responsibilities to provide to LCC upon request any information reasonably necessary to determine

- compliance with such responsibilities, provided that LCC shall not request the same or similar records or information more often than once per quarter;
4. state with regard to such responsibilities imposed on any party that LCC is an intended third party beneficiary with enforcement rights; and
  5. include any other provisions necessary to ensure application and enforceability by LCC.

Any party that imposes an obligation required by this Agreement on another party shall, in event of failure by that other party to comply with such obligation, enforce that obligation against that other party or terminate the contract in question.

**H. Assurance Regarding Preexisting Contracts.** Owner warrants and represents that as of the effective date of this Agreement, it has executed no contract that would have violated Article 12.C. (Binding on Successors), Article 12.D. (Purchase and Assumption Agreements), or Article 12.G. (Implementation Through Relevant Contracts) of this Agreement had it been executed after the effective date of this Agreement.

**I. Compliance Information.** Upon request from a party, another party hereto shall provide any records or information reasonably necessary to monitor compliance with the terms of this Agreement. No party shall request the same or similar records or information more often than once per quarter except to the extent that the nature of the obligation being monitored requires more frequent reporting, as reasonably agreed upon by the parties.

**J. Waiver.** The waiver by any party of any provision or term of this Agreement shall not be deemed a waiver of any other provision or term of this Agreement. The mere passage of time, or failure to act upon a default, shall not be deemed a waiver of any provision or term of this Agreement.

**K. Construction.** Each of the parties has had the opportunity to be advised by counsel with regard to this Agreement. Accordingly, this Agreement shall not be strictly construed against any party, and any rule of construction that any ambiguities be resolved against the drafting party shall not apply to this Agreement.

**L. Entire Agreement.** This Agreement contains the entire agreement between the parties. This Agreement may not be altered, amended or modified except by an instrument in writing signed by the parties hereto.

**M. Correspondence.** All correspondence shall be in writing and shall be addressed to the affected parties set forth below. A party may change its contact person or address by giving notice in compliance with this Article 12.M. The addresses of the parties are:

If to the Owner:

Dale Joel, Chief Manager  
Longfellow Station I, LLC  
101 East 5<sup>th</sup> Street, Suite 1901  
St. Paul, Minnesota 55101

Dale Joel, Chief Manager  
Light Rail Properties I, LLC  
101 East 5<sup>th</sup> Street, Suite 1901  
St. Paul, Minnesota 55101

If to the Longfellow Community Council:

Executive Director  
Longfellow Community Council  
2727 26<sup>th</sup> Avenue South  
Minneapolis, Minnesota 55406

**N. Authority of Signatories.** The individuals executing this Agreement represent and warrant that they have the authority to sign on behalf of their respective parties.

**O. Further Assurances.** LCC agrees to work with Owner, in good faith, to try to resolve issues raised by Owner's lenders or by governmental regulatory agencies related to this Agreement in a manner that is consistent with the spirit of the provisions of this Agreement. If Owner and LCC agree on changes to the terms of this Agreement, the parties shall amend this Agreement in accordance with Article 12.L.

**THE UNDERSIGNED REPRESENT AND CERTIFY THAT HE/SHE IS  
AUTHORIZED TO EXECUTE THIS AGREEMENT ON BEHALF OF THE  
PARTY THEY REPRESENT.**

**LONGFELLOW STATION I, LLC**

By: \_\_\_\_\_  
Dale Joel  
Chief Manager

Date: \_\_\_\_\_

On February \_\_\_\_, 2008, this instrument was acknowledged before me by Dale Joel, the Chief Manager of Longfellow Station I, LLC on behalf of Longfellow Station I, LLC.

\_\_\_\_\_  
Notary Public  
My Commissioner Expires \_\_\_\_\_

**LIGHT RAIL PROPERTIES I, LLC**

By: \_\_\_\_\_  
Dale Joel  
Chief Manager

Date: \_\_\_\_\_

On February \_\_\_\_, 2008, this instrument was acknowledged before me by Dale Joel, the Chief Manager of Light Rail Properties I, LLC on behalf of Light Rail Properties I, LLC.

\_\_\_\_\_  
Notary Public  
My Commissioner Expires \_\_\_\_\_

**LONGFELLOW COMMUNITY COUNCIL**

By: \_\_\_\_\_  
Melanie Majors  
Executive Director

Date: \_\_\_\_\_

On February \_\_\_\_, 2008, this instrument was acknowledged before me by Melanie Majors, the Executive Director of Longfellow Community Council on behalf of Longfellow Community Council.

\_\_\_\_\_  
Notary Public  
My Commission Expires \_\_\_\_\_

This Agreement was drafted by:

Longfellow Community Council  
2727 26<sup>th</sup> Avenue South  
Minneapolis, Minnesota 55406  
(612) 722-4529