

**CONSULTANT SERVICES AGREEMENT  
BETWEEN  
THE CITY OF MINNEAPOLIS  
AND**

**FOR CITY CONSULTING SERVICES TO ASSIST \_\_\_\_\_  
IN THE SALE OF EXCESS PUBLIC PROPERTY  
FOR PRIVATE DEVELOPMENT**

**1. INTRODUCTION:**

The City of Minneapolis (“CITY”), acting through its Community Planning and Economic Development (CPED) Department, and \_\_\_\_\_ (“\_\_\_\_\_”), as of \_\_\_\_\_, 20\_\_\_\_, enter into this Agreement so that the CITY can assist \_\_\_\_\_ in the disposition of excess \_\_\_\_\_ property. This Agreement describes the services the CITY will provide to \_\_\_\_\_ related to the disposition of the \_\_\_\_\_ site (the “Project”). This Agreement does not discuss other Project related tasks that are contemplated by the CITY and/or \_\_\_\_\_ to be completed by other parties, such as the eventual buyer of the Project site, including but not limited to, completing additional property analyses and the public development review process.

**2. TIME OF PERFORMANCE:**

The time of performance of this agreement shall commence as of the date of this Agreement and continue until the earlier of (i) the date when all of the services to be performed by the City as herein described are completed; or (ii) the effective date the Agreement is terminated as provided in Section 12 herein; or (iii) \_\_\_\_\_, 20\_\_\_\_.

**3. CONTACT PERSON:**

For all communications and notices associated with the Agreement, the respective contact persons shall be as noted.

For \_\_\_\_\_, the contact person is:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Minneapolis, MN 554\_\_\_\_  
Telephone: 612-\_\_\_\_\_ Fax: 612-\_\_\_\_\_  
E-mail:\_\_\_\_\_

For CITY, the contact person is:

Wesley Butler, Manager  
CPED Multifamily Division  
105 5<sup>th</sup> Ave. S., Suite 200  
Minneapolis, MN 55401  
Telephone: 612-673-5194 Fax: 612-673-5248  
E-mail: wesley.butler@ci.minneapolis.mn.us

**4. CITY AGREES TO:**

- 4.1. Undertake the CPED responsibilities shown on the attached **Exhibit A**.
  - a. It is anticipated that a fully executed Project purchase agreement will be completed by \_\_\_\_\_, 20\_\_.
  - b. The Closing Date for the Project must occur within 90 days after the full execution of a Project purchase agreement subject to unavoidable delays and the completion of the General Land Use Application process as guided by Chapter 525 of the Minneapolis Zoning Code by the Project developer
- 4.2. Monitor the disposition costs and notify \_\_\_\_\_ if the costs are anticipated to exceed those costs described in **Exhibit A**.
- 4.3. Provide City staff representation at all Project meetings where necessary.

**5. \_\_\_\_\_ AGREES TO:**

- 5.1. Provide CITY with copies of the development proposals and all related correspondence.
- 5.2. Pay all invoices submitted by CITY or directly from consultants for costs of services associated with the use of qualified consultants as described in Section 6, and other expenses incurred by the CITY that are directly related to the sale of Project property within 35 days of submission.
- 5.3. Provide timely approvals and appropriate direction to CITY.
- 5.4. Provide \_\_\_\_\_ staff representation at all Project meetings where necessary.
- 5.5. Provide pertinent background documents related to the Community Asset Development Process as it relates to the Project.
- 5.6. Provide available background information on the features, use and operation of the Project including but not limited to the following:
  - a. Prior applicable \_\_\_\_\_ actions;

- b. Property disclosures;
  - c. Property maintenance and repair logs and summaries;
  - d. Property operational cost information;
  - e. Property explorations and analyses;
  - f. Property title insurance policy information, property title and/or deed information, and related title work information;
  - g. Existing property surveys, legal descriptions, site plans, architectural drawings and related sketches; and
  - h. Disposition of all personal property on premises.
- 5.7. Provide Project purchase agreement template in an electronic format that is compatible with Microsoft Word.
- 5.8. Execute right of entry permits to provide access to the Project site for site investigation.
- 5.9. Arrange for release of the Project site from bonds, loans, liens, grants and other encumbrances to title.
- 5.10. Cancel any existing leases and contemplated lease documents related to potential future tenants.
- 5.11. Prepare closing documents and related due diligence.
- 5.12. Schedule and attend closing for the Project.
- 5.13. Complete seller's post-closing duties.

**6. FEES FOR SERVICE:**

CITY staff will record time spent on the Project at the applicable CITY hourly rate per staff position in effect at the time the work is performed by CITY staff. This rate will include benefits and indirect costs. \_\_\_\_\_ shall make payments to CITY within thirty-five (35) calendar days after submission by the CITY or qualified professional of a monthly invoice or disbursement request to \_\_\_\_\_ for payment of administrative and professional costs as described more fully below.

The responsibilities described in **Exhibit A** do not contemplate the CITY using outside consulting professionals not directly employed by the CITY. However, in those instances where the CITY elects to use qualified outside professionals, the CITY will provide \_\_\_\_\_ with a preliminary written scope of services describing the specific tasks and estimated fee. \_\_\_\_\_ will promptly review the draft scope of services with a fee and

within 30 calendar days \_\_\_\_\_ will either (1) approve the draft scope and fee as presented, authorize the CITY to execute an agreement to receive the specified services and \_\_\_\_\_ will pay invoices submitted by the CITY or outside professionals within 35 days; or (2) request modifications to the draft scope and fee so a future draft may be approved; or (3) deny the draft scope and fee.

The CITY's estimate on the number of hours plus the professional services costs for the project is attached as **Exhibit A**. Total reimbursable costs to the CITY will not exceed \$\_\_\_\_\_ (\_\_\_\_\_ hours billed at \$\_\_\_\_\_ per hour on average) plus the mutually agreed upon costs of outside professional services provided by qualified outside professionals at the expense of a party other than the CITY. The invoice or disbursement requests from the CITY will be provided monthly to \_\_\_\_\_ and will include the number of hours spent on this project by CITY staff and a supplemental narrative summarizing the tasks that are associated with the hours being billed. The amount due during each billing period will be calculated by multiplying the number of total hours spent on the project by the average hourly rate described above.

Additional expenditures beyond this initial estimate will require an amendment to this Agreement executed by the CITY and \_\_\_\_\_. The services described herein are above and beyond the standard services and procedures that are related to the processing of a complete General Land Use Application as guided by Chapter 525 of the Minneapolis Zoning Code.

**7. DATA PRIVACY:**

CITY and \_\_\_\_\_ agree to abide by all applicable state and federal laws and regulations concerning the handling and disclosure of private and confidential information concerning individuals and/or data including but not limited to information made nonpublic by such laws or regulations.

**8. RECORDS-AVAILABILITY:**

CITY agrees that \_\_\_\_\_, the State Auditor, or any of their duly authorized representatives at any time during normal business hours, and as often as they may reasonably deem necessary, shall have access to and the right to examine, audit, excerpt, and transcribe any books, documents, papers, records, etc., which are pertinent to the accounting practices and procedures of the CITY and involve the Project transactions relating to this Agreement.

**9. MERGER AND MODIFICATION:**

9.1. It is understood and agreed that the entire Agreement between the parties is contained herein and that this Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter hereof. All items referred to in this Agreement are incorporated or attached and are deemed to be a part of this Agreement.

9.2. Any alterations, variations, modifications, or waivers of provisions of this Agreement shall only be valid when they have been reduced to writing as an amendment to this Agreement signed by the parties hereto.

**10. DEFAULT AND CANCELLATION:**

If either party fails to perform any of the provisions of this Agreement or so fails to administer the work as to endanger the performance of the Agreement, this shall constitute a default. In such case, the Agreement may be cancelled as provided for herein.

**11. INDEPENDENT CONTRACTOR:**

CITY shall select the means, method, and manner of performing the services herein. Nothing is intended or should be construed in any manner as creating or establishing the relationship of co-partners between the parties hereto or as constituting the CITY as the agent, representative or employee of \_\_\_\_\_ for any purpose or in any manner whatsoever. CITY is to be and shall remain an independent contractor with respect to all services performed under this Agreement. Any and all personnel of CITY or other persons while engaged in the performance of any work or services required by CITY under this Agreement shall have no contractual relationship with \_\_\_\_\_, and shall not be considered employees of \_\_\_\_\_. Any and all claims that may or might arise under the Minnesota Economic Security Law or the Workers' Compensation Act of the State of Minnesota on behalf of said personnel, arising out of employment or alleged employment, including, without limitation, claims of discrimination against CITY, its officers, agents, contractors, or employees shall not be the responsibility of \_\_\_\_\_. Such personnel or other persons shall neither require nor be entitled to any compensation, rights, or benefits of any kind whatsoever from \_\_\_\_\_, including, without limitation, tenure rights, medical and hospital care, sick and vacation leave, Workers' Compensation, Re-employment Insurance, disability, severance pay, and PERA.

**12. CANCELLATION:**

This Agreement may be cancelled by either party, with or without cause, upon thirty (30) days prior written notice to the other party. In the event of cancellation, CITY shall be paid for all outstanding costs that have been performed to the date of the cancellation. This Agreement may be amended at any time by agreement of both parties.

The CITY and \_\_\_\_\_, having signed this Agreement on the \_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_, hereto agree to be bound by the provisions of this Agreement.

**THE CITY OF MINNEAPOLIS (CITY)** \_\_\_\_\_ (\_\_\_\_\_)

By: \_\_\_\_\_  
Charles T. Lutz  
CPED Deputy Executive Director

By: \_\_\_\_\_  
Title: \_\_\_\_\_

Approved as to form:

\_\_\_\_\_  
Assistant City Attorney

## Exhibit A

SITE DISPOSITION KEY CPED STAFF HOUR AND COST SUMMARY*		Wes Butler Multifamily Manager	Principal Proj.Coord.	Senior Proj. Coord.	Assistant City Attorney	Principal City Planner	Senior City Planner	Senior City Planner	Senior Dev. Finance Analyst	HOURS SUBTOTAL
<b>A.</b>	<b>Sale Preparations</b>									0
A.1.	Review Title Search Information Provided by _____ (identify easements, encumbrances)									0
A.2.	Review property & CADP background documents (Board actions, property disclosures, others)									0
A.3.	Identify desirable property due diligence info. / documents (in addition to previously posted information)									0
A.4.	Organize, review, and summarize property due diligence information / documents from _____									0
A.5.	Complete preliminary site plan and development review of up to three sketch plans for each site**									0
	<i>Deliverables: Preliminary site plan and development review summary, comments on title information, list of due diligence information</i>									
<b>B.</b>	<b>Proposal Review Services</b>									
B.1.	Serve as central contact for all inquiries (including media relations)									0
B.2.	Receive & summarize offer modifications from preferred developers (use date/time stamp upon receipt)									0
B.3.	Analyze proposal feasibility relating to economic, market and neighborhood conditions									0
B.4.	Verify preferred developers' financial qualifications									0
B.5.	Summarize proposal review and developers' financial qualifications and recommend developer									0
	<i>Deliverables: Brief summary of offer modifications, summary of media inquiries, financial qualification review summary, written recommendation for one proposal per site</i>									
<b>C.</b>	<b>Negotiations and Approvals</b>									
C.1.	Review and comment on purchase agreement template from _____, establish preliminary terms of sale									0
C.2.	Negotiate Final Purchase Agreement Between _____ and Selected Developer									0
C.3.	Obtain good faith deposit from Buyer									0
C.4.	Obtain _____ Board resolution approving sale terms									0
	<i>Deliverables: Initial purchase agreement comments, up to three interim draft purchase agreements, final purchase agreement for execution</i>									
<b>D.</b>	<b>Other Activities</b>									
D.1.	Review Closing Documents provided by _____									0
D.2.	Schedule and attend closing									0
D.3.	Complete any post-closing Seller's duties									0
										0
	<b>HOURS SUBTOTAL</b>	0	0	0	0	0	0	0	0	0
	<b>TOTAL HOURLY RATE</b>	\$ 88.88	\$ 89.49	\$ 80.75	\$ 118.80	\$ 77.70	\$ 71.62	\$ 71.62	\$ 93.96	#DIV/0!
	<b>ESTIMATED COST SUBTOTAL</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Notes \* This estimate is primarily for scoping purposes and subject to change. Portions of the actual work completed may be completed by other qualified City employees.

\*\* The conclusions in the written preliminary site plan and development review are not binding and subject to the standard procedures for processing a complete General Land Use Application as guided by Chapter 525