ECONOMIC DEVELOPMENT AUTHORITY AGENDA

PUBLIC MEETING ROOM THURSDAY, MAY 19, 2022 7:00 AM

1. Call to Order
2. Approval of the Minutes
3. Routine Business: *Agenda items below are approved by one motion unless an EDA member requests separate action.*
   A. Monthly Loan Status Report
   B. Permit Activity Update Report
   C. Budget Status Report
4. Public Hearings
5. Items for Discussion
   A. Downtown Commercial Rehabilitation Loan - Cry Baby Craig's
   6. Project Updates
7. Adjournment

Faribault Economic Development Authority
MEETING MINUTES

Thursday | April 21, 2022

Prior to the Meeting beginning, Administrator Murray swore in the new commission member, A.J. Smith.

1. Call to Order / Roll Call / Agenda Approval

Action: Chair Gramse called the meeting to order at 7:01 a.m.

Present: Campbell, Drevlow, Fort, Smith, Viscomi, Voracek, and Chair Gramse.

Absent: None.

Staff Present: Community & Economic Development Director Deanna Kuennen, Community Development Coordinator, Stephanie Aman and Recording Secretary, Kari Casper, and City Administrator, Tim Murray.

2. Approval Minutes

Action: Motion was made by Voracek and seconded by Campbell to approve the Minutes of March 17, 2022 presented. Motion carried on a 7/0 vote.

3. Routine Business: *Agenda items below are approved by one motion unless an EDA member requests separate action.*

A. Monthly Loan Status Report
B. Permit Activity Update Report
C. Budget Status Report

Kuennen stated that there was nothing new to add in any of the reports.

Motion was made by Campbell and seconded by Voracek to receive and file the monthly status reports as presented. Motion carried on a 7/0 vote.

4. Public Hearings

A. None.

5. Items for Discussion

A. Preliminary Agreement with the Downtown Investment Group (DIG Holdings, LLC)

Before the discussion began, it was noted that both Chair Gramse and Drevlow recused themselves of this discussion and Gramse handed the meeting over to Vice Chair Voracek to facilitate discussion and action related to this agenda item.

Kuennen explained that Staff worked with the City Attorney to prepare a preliminary agreement. She stated that the preliminary agreement outlines the rolls and responsibilities of the parties. The applicant hasn't closed yet on the deal and are still in the money raising phase. Discussion ensued as the EDA members expressed their support, agreeing that this is a good investment for the downtown. After some discussion, a motion was made by Smith, seconded by Viscomi. The vote carried unanimously.

B. Hwy 60 West - Gateway Improvements Discussion with Jeff Jandro

Kuennen began by presenting a bit of history on the Highway 60 West project in that it began back in 2008 where the utilities were brought to the area in anticipation of a big box retail development which did not happen. The area had been stagnant for some time. Jeff Jandro has recently purchased property in the area and is interested in working with the City to realize this area as a gateway to Faribault. He understands that this is a long-term vision, and in the interim he is willing to invest in the existing building to address codes, improve the parking lot, and complete some exterior remodel for all three existing buildings. Mr. Jando also acquired 42 acres which was formerly the Valley Mining property. He is in discussion with the city for future development of that site. Jandro stated that it would be about $45,000 to do the site improvements to "hold" the land until utilities are brought to the site and the whole area can be marketed for redevelopment. He requested EDA funding to offset some of these costs. The EDA asked questioned regarding previous programs to support investments. Staff provided different funding combinations that could be applied. At this time Drevlow stated that he must abstain from this discussion. The EDA continued discussion on the request and determined that the EDA should provide a 0-percent interest forgivable loan, in the amount of up to $22,500 (50-percent of the investment), forgivable after 5 years unless Mr. Jandro sells the property sooner. If it is sold before 5 years, the loan would be due and payable. Voracek brought a motion, seconded by Smith with the addition to allow staff to execute the agreement. The vote carried on 6/0 with Drevlow abstaining from the vote.

C. Funding Request for Downtown Entrepreneurial Video Project

Chair Gramse the turned the matter over to Kuennen for presentation who introduced Kelly Nygaard with the Chamber. Nygaard presented an outline for a downtown entrepreneurial video project that the EDA had requested. She explained that the project will highlight the business/entrepreneurs in the downtown, but will not be advertising for each business. Instead the video will tell the story of how each business was brought to the downtown and how they are doing. This video presentation will be highlighted on

social media and the Chamber's web page as well as linked to the City's website. She anticipates eight interviews with snippets and scenes from the downtown area. There is room for other programs like to in the future with bringing this project. A motion was made by Voracek seconded by Viscomi to approve the budget of $10,000 for this project as presented. The motion carried unanimously.

D. Funding Request for 2022 MicroGrant Program

Nygaard also began this presentation with Voracek bringing the motion. Kuennen pointed out that the only enhancement to this program was that the applicants will be reviewed by City Staff before the awards are given. Drevlow seconded the motion and the motion carried unanimously.

Drevlow left at 7:56 a.m.

E. Downtown Placemaking Discussion

Kuennen turned this over to Aman for presentation. Aman stated that based on previous interest by the EDA to fund a downtown placemaking program, she has been working with the Julie Fakler at the Paradise Center for the Arts to prepare a program concept that would be similar to the Artist on Main program from a few years back. Much discussion ensued with the EDA commenting that the placemaking projects serve a purpose, and that there should be structure around what kinds of artist proposals that the program should fund. After more discussion, it was noted that City Staff will work with the Paradise on this placemaking program. Voracek brought a motion to approve a budget of $10,000 with the condition that the Paradise work with City Staff, seconded by Viscomi. Motion carried on a 6/0 vote.

F. 2022 Marketing - SelectUSA Participation Discussion

Kuennen represented that we have been a successful part of this participation in the past and would like to see the EDA support this participation for this year. Kuennen provided background on the relationships and benefits that have come from being part of Team Minnesota at SelectUSA, and this will be the first in-person event since COVID. SelectUSA is included in the budget, but Kuennen was seeking continued support for the City of Faribault's FDI marketing message and efforts. The EDA expressed their support to participate in SelectUSA. No action on this at this time.

G. Election of Officers

Kuennen explained that with the resignation of Grant Forsythe, the Secretary/Treasurer seat is vacant. Chair Gramse nominated Smith. After some discussion Smith accepted the nomination. The nomination carried on a 6/0 vote.

6. Updates/Project Reports

Kuennen did a quick overview of the upcoming projects highlighting all the upcoming housing projects in the works. She mentioned that there are some projects that still cannot be discussed but does try to keep everyone appraised of the upcoming developments. The Rice County Public Safety Center was briefly discussed and mentioned that there will be two parcels deeded back to the City and Administrator Murray commented that those parcels could be given to the EDA for redevelopment purposes or sold in the future. The parcels are in a Light Industrial/Commercial zone. Kuennen mentioned that the Microsummit is next week that the EDA is hosting.

7. Adjourn

A motion was made by Voracek and seconded by Campbell to adjourn at 8:25 a.m.

Motion carried on a 6/0 vote.

Respectfully Submitted,

By:_____
Kari Casper, Recording Secretary

Agenda Item: 3.A

Request for Action

TO:	Faribault Economic Development Authority
FROM:	Stephanie Aman, Economic Development Coordinator
MEETING DATE:	May 19, 2022
SUBJECT:	Monthly Loan Status Report

BACKGROUND:

The Economic Development Authority (EDA) has the authority to provide financial incentives to businesses growing and/or relocating to the City. The various different loan funds in the EDA's portfolio are made up of local, state, and federal dollars – all with their own set of criteria associated with each type of funding source.

Staff continually reviews loan files to ensure that loan obligations have been met and loans are closed out as appropriate. The historical loan information is valuable in understanding how the EDA has assisted projects in the past, and what kinds of loans have been beneficial/impactful. This information can inform various EDA decisions as it relates to developing new loan programs and retooling existing loan programs. Cataloguing which businesses have utilized the various different programs over time is also an important data set that can be used for other purposes, such as identifying tiers of businesses to visit as part of a business retention and expansion (BRE) program.

Fair Value adjustments were made in April to all funds. Additionally, fund 290 had a cash adjustment made in April. These adjustments lowered fund values.

The attached is a summary of the various City and EDA loan programs and their current available balances as of May 1, 2022.

REQUESTED ACTION:

No action required.

ATTACHMENTS:

1. 3A - Loan Status Reports - May

Fund	Program Name	Available Balance	Notes
Fund 249	Minnesota Investment Fund (MIF)	$13,482.56	2018 MN Legislature authorized one-time exception to "cash out" MN MIF funds. The cashed out funds are now part of the EDA's program budget. Available MIF balance must follow re-use guidelines.
Fund 292	EDA Revolving Loan	$436,469.09 *($336,469.09)*	
	- Commercial Development Loan Program (and Grant)		
	- Façade Improvement Micro Loan		
	- EDIF - Economic Development Incentive Program		New program in 2021 – dedicated $200,000 of loan balance. One loan approved – $100,000 for Try Star (not reflected in available balance)
Fund 243	Industrial Development Loan	$291,894.53	Last activity was loan for Cry Baby Craig's
TOTAL EDA LOAN FUNDS AVAILABLE		***$741,846.18*** *($641,846.18)*	
Fund 290	EDA Operating Fund/Fund Balance	$2,026,034.51	Includes one-time transfer of $249,175 from 2002 land sale
			12/20/2017 – Authorized $100,000 for the airport building demo/site prep (paid 12/2019) to support commercial development at airport
			Authorized $150,000 forgivable loan for Daikin
			Does not include EDA Program Funds
Fund 245	Downtown Commercial Rehab & Exterior Improvement Program	$33,549.34 *reports are not pulling fund balance properly. Reporting the March balance until resolved.	Allocated Funds 2016 - $300,000 from City Council 2018 - $200,000 from City Council 2019 - $200,000 from EDA 2020 - $100,000 from EDA (total of $200,000 identified in budget, only $100,000 transferred) 2021 - $0 (total of $200,000 identified in budget, no funds transferred due to lack of program activity) 2022 – TBD (total of $200,000 identified in budget for "downtown")
Fund 248	Federal MIF Loan	$601,194.89	Funds are difficult to spend. Uses must meet a national (federal) objective, public benefit standard, environmental review, Davis-Bacon, and extra business reporting requirements. The City Council may request that funds are transferred into the Small Cities Development Program (same federal objectives). This required spending plan and DEED/HUD approval

Request for Action

TO: Faribault Economic Development Authority

FROM: Stephanie Aman, Economic Development Coordinator

MEETING DATE: May 19, 2022

SUBJECT: Permit Activity Update Report

BACKGROUND:

Permit activity (building permits, etc.) is a reflection on the status of the economy. Over the last few years, the City of Faribault has seen an increase in permit activity – which translates into investment in our community.

To track and follow trends, monthly permit activity reports are prepared. This information is shared on a monthly basis with the Economic Development Authority (EDA) to ensure the EDA has a pulse on the development activity occurring in the community. Trend information will also be one resource that the EDA can utilize to develop annual work plans and develop/modify programs to respond to and address business needs.

This month, we saw a significant increase in the number of permits, which is attributed to residential improvements including new roofs from storm damage, new decks, and some new home activity.

REQUESTED ACTION:

No action required.

ATTACHMENTS:

1. 3B - 1 - Memo Monthly Permit Activity Report - May

Request for Action

TO: Faribault EDA
FROM: Stephanie Aman,
Economic Development Coordinator
MEETING DATE: May 19, 2022
SUBJECT: Permit Activity Report

BACKGROUND:
Permit activity (building permits, etc.) is a reflection on the status of the economy. Over the last few years, the City of Faribault has seen an increase in permit activity – which translates into investment in our community.

To track and follow trends, monthly permit activity reports are prepared. This information is shared on a monthly basis with the Economic Development Authority (EDA) to ensure the EDA has a pulse on the development activity occurring in the community. Trend information will also be one resource that the EDA can utilize to develop annual work plans and develop/modify programs to respond to and address business needs.

This month, we saw a significant increase in the number of permits, which is attributed to residential improvements including new roofs from storm damage, new decks, and some new home activity.

The following summarizes building permit activity:

	January	**February**	**March**	**April**	**May**	**June**
Total Building Permits	15	19	39	69		
Total Valuation	$1,411,787.89	$4,585,039.62	$6,180,438.37	$5,659,386.00		
Total ALL Permits*	52	70	91	152		
Total ALL Permits Valuation	$1,492,107.89	$6,021,764.62	$6,344,248.37	$6,951,136.00		
	July	**August**	**September**	**October**	**November**	**December**
Total Building Permits						
Total Valuation						
Total ALL Permits*						
Total ALL Permits Valuation						

**Total ALL Permit activity includes plumbing, heating, signs, electrical, etc.*

Agenda Item: 3.C

Request for Action

TO: Faribault Economic Development Authority

FROM: Stephanie Aman, Economic Development Coordinator

MEETING DATE: May 19, 2022

SUBJECT: Budget Status Report

BACKGROUND:

The Economic Development Authority (EDA) approved a 2022 budget, levy request, and work plan. The budget is divided into "operating expenses" and "program funds." The Program Funds budget is made up of fund balance and various different one-time lump funds. These funds are targeted for specific projects based on the approved Work Plan in the categories of: Available Land, Gateways, Regionalism, Workforce/Data Analysis, and Ongoing Operations.

Attached is the Budget Status report for Fund 290 (Economic Development Authority). *This information is being provided for informational purposes.* No significant expenses to report.

REQUESTED ACTION:

No action required.

ATTACHMENTS:

1. 4, 22 Budget Status 290

General Ledger

Budget Status

User: kcasper
Printed: 5/3/2022 - 8:35 AM
Period: 4, 2022

Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Var	Encumbered Amount	Available	% Available
Fund 290	Economic Development Authority							
Dept 290-00000								
R01	Taxes							
290-00000-462-31010	Current Ad Valorem Taxes	303,623.00	0.00	0.00	303,623.00	0.00	303,623.00	100.00
290-00000-462-31020	Delinquent Ad Valorem Taxes	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-00000-462-31030	Mobile Home Taxes	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-00000-462-31035	Delinquent Mobile Home Taxes	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-00000-462-31500	PILOT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-00000-462-31550	Green Acres	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	R01 Sub Totals:	303,623.00	0.00	0.00	303,623.00	0.00	303,623.00	100.00
R02	Permit & Licenses							
290-00000-462-36215	Loan Interest	383.00	30.02	118.76	264.24	0.00	264.24	68.99
	R02 Sub Totals:	383.00	30.02	118.76	264.24	0.00	264.24	68.99
R03	Intergovernmental Revenue							
290-00000-462-33402	Market Value Homestead Credit	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	R03 Sub Totals:	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R04	Charges for Services							
290-00000-462-34108	Administrative Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-00000-462-34700	Application Fees	2,500.00	0.00	640.00	1,860.00	0.00	1,860.00	74.40
	R04 Sub Totals:	2,500.00	0.00	640.00	1,860.00	0.00	1,860.00	74.40
R06	Miscellaneous Revenue							
290-00000-462-36200	Other Miscellaneous Revenue	500.00	0.00	0.00	500.00	0.00	500.00	100.00
290-00000-462-36210	Interest on Investments	5,200.00	0.00	3,060.42	2,139.58	0.00	2,139.58	41.15
290-00000-462-36211	Interest Market Value	0.00	0.00	-36,275.69	36,275.69	0.00	36,275.69	0.00
290-00000-462-36240	Refunds & Reimbursements	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	R06 Sub Totals:	5,700.00	0.00	-33,215.27	38,915.27	0.00	38,915.27	682.72
R07	Other Sources							
290-00000-462-39100	Sale of Land	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-00000-462-39200	Transfer In	0.00	0.00	466,660.04	-466,660.04	0.00	-466,660.04	0.00

Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Var	Encumbered Amount	Available	% Available
	R07 Sub Totals:	0.00	0.00	466,660.04	-466,660.04	0.00	-466,660.04	0.00
	Revenue Sub Totals:	312,206.00	30.02	434,203.53	-121,997.53	0.00	-121,997.53	0.00
	Dept 00000 Sub Totals:	-312,206.00	-30.02	-434,203.53	121,997.53	0.00		
Dept 290-46500	Economic Development							
E02	Supplies							
290-46500-462-42110	General Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-46500-462-42115	Meeting	250.00	0.00	11.86	238.14	0.00	238.14	95.26
	E02 Sub Totals:	250.00	0.00	11.86	238.14	0.00	238.14	95.26
E03	Other Services & Charges							
290-46500-462-43040	Legal Fees - Civil Process	25,000.00	3,471.00	3,891.00	21,109.00	0.00	21,109.00	84.44
290-46500-462-43080	Indirect Cost Allocation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-46500-462-43090	Expert & Professional Services	50,000.00	0.00	517.50	49,482.50	0.00	49,482.50	98.97
290-46500-462-43095	Software Maintenance & Support	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-46500-462-43130	EDA Program Budget	1,000,000.00	0.00	0.00	1,000,000.00	0.00	1,000,000.00	100.00
290-46500-462-43140	Training & Education	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-46500-462-43220	Postage	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-46500-462-43250	Other Communications	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-46500-462-43310	Travel Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-46500-462-43430	Advertising - Other	50,000.00	1,325.00	11,325.00	38,675.00	0.00	38,675.00	77.35
290-46500-462-43510	Legal Notices Publishing	500.00	0.00	0.00	500.00	0.00	500.00	100.00
290-46500-462-43520	Recording Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-46500-462-43610	Insurance & Bonds	1,889.00	1,913.00	1,913.00	-24.00	0.00	-24.00	0.00
290-46500-462-43810	Electric Utilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-46500-462-43860	Storm Water Utilities	40.00	0.00	0.00	40.00	0.00	40.00	100.00
290-46500-462-44330	Dues & Subscriptions	24,000.00	0.00	22,195.00	1,805.00	0.00	1,805.00	7.52
290-46500-462-44370	Miscellaneous Charges	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-46500-462-44390	Taxes & Licenses	50.00	0.00	0.00	50.00	0.00	50.00	100.00
290-46500-462-44600	Loans & Grants	75,000.00	0.00	0.00	75,000.00	0.00	75,000.00	100.00
	E03 Sub Totals:	1,226,479.00	6,709.00	39,841.50	1,186,637.50	0.00	1,186,637.50	96.75
E04	Capital Outlay							
290-46500-462-45100	Land	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	E04 Sub Totals:	0.00	0.00	0.00	0.00	0.00	0.00	0.00
E06	Other Uses							
290-46500-462-47200	Transfer Out	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	E06 Sub Totals:	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Var	Encumbered Amount	Available	% Available
	Expense Sub Totals:	1,226,729.00	6,709.00	39,853.36	1,186,875.64	0.00	1,186,875.64	96.75
	Dept 46500 Sub Totals:	1,226,729.00	6,709.00	39,853.36	1,186,875.64	0.00		
	Fund Revenue Sub Totals:	312,206.00	30.02	434,203.53	-121,997.53	0.00	-121,997.53	0.00
	Fund Expense Sub Totals:	1,226,729.00	6,709.00	39,853.36	1,186,875.64	0.00	1,186,875.64	96.75
	Fund 290 Sub Totals:	914,523.00	6,678.98	-394,350.17	1,308,873.17	0.00		
	Revenue Totals:	312,206.00	30.02	434,203.53	-121,997.53	0.00	-121,997.53	0.00
	Expense Totals:	1,226,729.00	6,709.00	39,853.36	1,186,875.64	0.00	1,186,875.64	96.75
	Report Totals:	914,523.00	6,678.98	-394,350.17	1,308,873.17	0.00		

Request for Action

TO:	Faribault Economic Development Authority
FROM:	Stephanie Aman, Economic Development Coordinator
MEETING DATE:	May 19, 2022
SUBJECT:	Downtown Commercial Rehabilitation Loan - Cry Baby Craig's

BACKGROUND:

Cry Baby Craig's, located at 405 Central Ave N, sustained damage during a wind storm in April. Their front corrugated awning blew off from their building, revealing brick that was hidden beneath the tin. With the tin off of the building, they seek assistance to restore the front facade to what appears to be original brick. As part of the project, they will tuckpoint and add signage to the building.

Cry Baby Craig's attempted to receive more than one bid for this project, but have been unsuccessful in securing a second bid as contractors are overbooked. While the Downtown Commercial Rehabilitation program guidelines require 2 estimates, the EDA has the authority to take into account extenuating circumstances and waive program requirements if they so choose. The bid they have received to complete the work is for $14,900 and they are requesting $7,450 in funding from the Downtown Commercial Rehabilitation Loan Program.

REQUESTED ACTION:

The HPC will be considering the Certificate of Appropriateness at their meeting on Wednesday, May 18. If approved, staff requests that the EDA consider Cry Baby Craig's request for funding, utilizing only one bid for their project and approve Resolution 2022-03.

ATTACHMENTS:

1. Res 2022-3 Downtown Ext Rehab - 405 Central Ave N
2. Cry Baby Craigs - Commercial Rehab Loan Request

ECONOMIC DEVELOPMENT AUTHORITY OF FARIBAULT

Resolution 2022-03

APPROVING DOWNTOWN COMMERCIAL REHABILITATION & EXTERIOR IMPROVEMENT PROGRAM AWARD FOR 405 Central Ave N PID 18.31.1.26.185

WHEREAS, the City of Faribault is proud of its historic downtown and the community as a whole identified downtown as a priority through the Vision 2040 efforts; and

WHEREAS, Community Vision 2040 provides a framework to help ensure success of the community; and

WHEREAS, "a vibrant downtown" is one of the strategic priorities identified in the vision – with the specific goal of enhancing the appearance of downtown buildings and the streetscape; and

WHEREAS, the Economic Development Authority of the City of Faribault, Minnesota (EDA), earmarked $200,000 from the 2020 Approved Program Budget, and there are funds remaining and available, to be dedicated to a program focused on downtown commercial building rehabilitation and exterior building improvements via Resolution 2020-08; and

WHEREAS, the EDA has received a request from Cry Baby Craig's for program funds to assist in eligible exterior improvements at 405 Central Ave N; and

WHEREAS, the EDA has reviewed said request and found it to be consistent with the goals and objectives of the Downtown Commercial Rehabilitation & Exterior Improvement Program and not subject to the Business Subsidy requirements set forth in state law.

NOW, THEREFORE, BE IT RESOLVED, by the Economic Development Authority for the City of Faribault, Minnesota:

Section 1: That a $7,450.00 deferred loan is awarded to Cry Baby Craig's (owners Craig Kaiser and Samuel Bonin) for improvements at 405 Central Ave N in accordance with the terms and conditions set forth by the EDA for this program.

Section 2: That said award is contingent upon review and approval of the project by the Heritage Preservation Commission, if applicable.

Section 3: That the President and the Secretary are hereby authorized to execute on behalf of the EDA all required financial agreements in furtherance of the above approved project.

ADOPTED: May 19, 2022

ATTEST:

_____
Rodney Gramse, President

_____
AJ Smith, Secretary

2020 Downtown Commercial Rehabilitation & Exterior Improvement Program – Application

Prior to submitting an application – applicants are encouraged to meet with Community & Economic Development Staff to review the program guidelines and proposed project.

Please contact Economic Development Coordinator at:
507.333.0388 or saman@ci.faribault.mn.us

Application Information
Applications must be submitted by the property owner(s) of the building.

Name(s) of Property Owner/Applicant		
Sam Bonin Craig Kaiser		
Telephone Number:		
Email Address:	Sam@CryBabyCraigs.com	
Mailing Address:	405 central ave N	
City:	State:	Zip:
Faribault	MN	55021

Property Information *This Program is open to all commercial properties within the Central Business District and commercial addresses immediately adjacent the District – as shown on the attached map.*		
Address(es) of Eligible Property:	405 central ave N	
Parcel ID (PID):	CBD - 18.31.1.26.185	
Original Year of Construction:	1890?	
Business/Occupant(s):	Cry Baby Craigs	
Has this property previously received public financing?	(Yes)	No
Has the applicant defaulted on any public financing in the last two years?	Yes	(No)
Are there any liens or judgements on the property?	Yes	(No)
Are the property taxes paid/current?	(Yes)	No

Project Information
Eligible expenses are limited to:
Permanent exterior improvements
Permanent façade improvements
Permanent interior improvements

Estimated Total Cost of proposed Rehabilitation and/or Façade Improvements: ***(based on attached estimates)***	14,900
Requested Loan Amount: ***(based on Program scale)***	7450.00

Description of Proposed Improvements / Project

Fascade, tuck pointing, Signage

Justification / Impact of Project within Commercial Business District

Identify how the improvement is going to positively impact the Commercial Business District. Examples: Cleaning up façade disrepair; Preserving the building's structural integrity; Creating a positive visual impact to the Downtown; Code compliance work.

Wind storm blew it all away. Would love to keep the Brick exposed.

Acknowledgements	
Please initial each to confirm that you have read and understand the program policy and guidelines.	
SB	**I/We** understand that awards are based on eligibility, availability, and completeness of application – approval is at the sole discretion of the EDA.
SB	**I/We** understand that I/We can only receive one award at a time (only one project – building/PID at a time).
SB	**I/We** understand that I/we have one year from the date of the loan award to complete the project and request payment of loan funds.
SB	**I/We** understand that the loan award funds will be dispersed upon receipt of paid invoices for the project and proof of payment at the end of the project.
SB	**I/We are the owner of the commercial property to be improved.**
SB	**I/We** are current with mortgage, real estate taxes, and insurance payments.
SB	**I/We understand that if we have defaulted on a publically funded program or have been delinquent on loan payments for a publically funded program within the last two years, I/we are not eligible for this program.**
SB	**I/We** understand that the building must be free of all lien and judgments.
SB	**I/We** understand that if the building is located within the HPC district – the project must receive approval by the Heritage Preservation Commission prior to the start of work.
SB	**I/We** understand that an inspection of the property will be conducted to determine that the proposed improvements are necessary for the building to conform to current code and property maintenance ordinances.
SB	**I/We** understand that I/we will be required to sign loan documents upon award, including a Promissory Note and Repayment Agreement.
SB	**I/We** understand that the loan will be forgiven if I/we maintain ownership of the building for five (5) years.
SB	**I/We** understand that if I/we sell the building or otherwise transfer all ownership interest within five (5) years – the loan must be repaid in its entirety.

Sam Bonn	Owner	5/3/22
Property Owner/Applicant	**Title**	**Date**
Craig Kaiser	owner	5/3/22
Co-Property Owner/Applicant	**Title**	**Date**

Data Practices Act

The information that you supply in your application to the City of Faribault/Faribault EDA ("City") will be used to assess you eligibility for financial assistance. The City will not be able to process your application without this information. The Minnesota Government Data Practices Act (Minnesota Statues, Chapter 13) governs whether the information that you are providing to the City is public or private. If financial assistance is provided for the project, the information submitted in connection with your application will become public, except for those items protected under Minnesota Statutes, Section 13.59, Subdivision 3(b) or Section 13.591, Subdivision 2.

I/We have read the above statement and agree to supply the information to the City with full knowledge of the matters contained in this notice. I/We certify that the information submitted in conjunction with the application is true and accurate.

Property Owner/Applicant — **Date** 5/3/22

Craig Kaiser — **Co-Property Owner/Applicant** — **Date** 5/3/22

City Staff or other authorized representative of the City shall have the right to inspect the property to be improved at any time from the date of application upon giving notice to the owner and to occupants.

I/We certify that all statements on this application are true and correct to the best of my/our knowledge. I/We understand that any intentional misstatements will be grounds for disqualification.

I/We have read the City of Faribault's Downtown Commercial Rehabilitation and Exterior Improvement Program Policy and will abide by the rules and regulations set forth in the policy adopted on May, 21, 2020.

I/We authorize program representatives the right to access the property to be improved for the purposes of the deferred loan program and to take photographs of the structure before and after rehabilitation.

I/We understand that I/we are responsible for obtaining appropriate building permits and Certificate of Appropriateness. In the case of improvements that do not require a city-issued building permit, the applicant must submit the name and state license number of the contractor completing the work and agree to an inspection of the work by a city building official.

I/We further understand that I/we will make the final selection of the improvements to be made with the loan funds and that the contract for improvements will be solely between me and the contractor(s). The administering agency will not be liable for the inadequate performance of the contractor(s).

Property Owner/Applicant — **Date** 5/3/22

Craig Kaiser — **Co-Property Owner/Applicant** — **Date** 5/3/22

Design | Historic Restorations | Consulting | Cleaning | Tuckpoint | Waterproofing | Painting | Demolition

Restoration Services, Inc.

Rick Thomas

612.916.0808
rickthomas44@msn.com
restorationservicesinc.com
P.O. Box 882
Faribault, MN 55021

3/17/2022

Proposal

This proposal is prepared for: Craig Kaiser/Cry Baby Craig's LLC

Project/Location: Façade Repairs/405 Central Ave Faribault, MN 55021

Scope: Provide miscellaneous masonry and carpentry repairs to the West elevation from wind damage, wash, and seal façade upon completion:

- Mobilization $500
- Remove wood cleats/fasteners $1,645
- Masonry repairs (brick replacement, spot pointing & hole repairs) $1,295
- Carpentry/Metal cladding, window frame fabrication/installation $2,900
- Stucco repairs/painting $925
- Spandrel glass/sign board as required by Heritage Preservation Commission $3,300
- Cap flashing $975
- Misc. Materials $295
- Building/Obstruction Permits $350
- Overhead/Profit $2,795

Total: $14,980.00

Notes:. Water, electricity provided by Owner. Proposal includes all required permits, insurance, equipment, and materials.

Rick Thomas
President

5.9.22

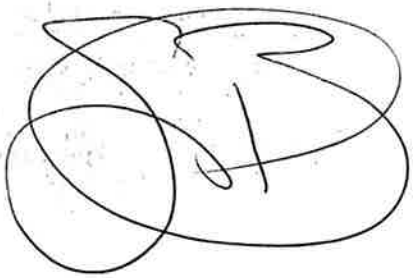
To whom it may concern...

Hello to all! Last month during a wind storm in downtown Faribault, our building at 405 Central ave N was damaged. The front corrugated paneling blew off! Thankfully no one was hurt as it was in the middle of the day on a busy street. So, we count ourselves lucky. However, this opened a new challenge for us. We exposed the beautiful brick behind the tin which will need some repair and a bit of a facelift. This is a highly specialized craft so I started asking around for who to use do the job on a historical building. I was given a few names, but have only been able to get a bid done by one, Rick Thomas. Its my understanding he has done excellent work in the past so we were very excited. But our luck stopped there. We've reached out to 5 total companies now. Three from Faribault and 2 from the Metro. In town one no longer is doing tuck pointing, the other company is booked through July. The 2 company also echoed the overbooked sentiment. We are at a bit of an impasse. AND feel like this is a time sensitive issue as weather could damage the brick. Is there any way we could take the 1 bid we have? We feel its very reasonable. But are open to whatever the EDA suggest.

Thanks for your time everyone!

RECEIVED
MAY 10 2022
City of Faribault
Community Development

Sam & Craig



Beacon™ Rice County, MN

Summary

Parcel ID	18.31.1.26.185
Property Address	405 CENTRAL AVE FARIBAULT, MN 55021
Sec/Twp/Rng	
Brief Tax Description	Lot 9 Block 33 of ORIGINAL TOWN FARIBAULT BAP E LI MAIN ST NOW CENTRAL AVE 44FTN SW COR B33 ORIG TOWN FBLT TH N ON E LI CENTRAL AVE 40FT TH E100FT TH S40FT TH W TO POB (Note: Not to be used on legal documents)
Area	N/A
Use Code	3A-Commercial/Industrial/Public Utility
Tax Authority Group	FARIBO-SD656-HSP-HRA-EDA

Owners

Primary Owner	Alternate Taxpayer	Fee Owner
Matterdaddy LLC 2626 Lincoln St NE Minneapolis MN 55418		

Land

Lot Area 0.09 Acres ; 4,000 SF

Commercial Buildings

Type	Base Area	Year Built
Store - Retail Small	4000	1920

Sales

Date	Seller	Buyer	Recording	eCRV	Sale Condition - NUTC	Type	Multi Parcel	Amount
8/25/2020	SCHULTZ DONALD G & JUDY, WILLIAM & PEGGY J BERG	MATTERDADDY LLC	729659	1139543	NORMAL ARMS-LENGTH TRANSACTION GOOD SALE	Deed		$235,000.00
11/6/2014	SCHULTZ DONALD & WILLIAM BERG	STATE BANK OF FARIBAULT	673867	NONE	SALE UNDER 1,000 MINIMUM FOR PROP TYPES 21-28, 5,000 MINIMUM FOR ALL OTHER TYPES	Deed		$0.00

Permits

Permit #	Date	Description	Amount
20.1245	12/03/2020	Rehab	125,000

Valuation

	Payable 2023 Values	Payable 2022 Values	Payable 2021 Values	Payable 2020 Values	Payable 2019 Values
EMV Improvement	$179,500	$180,400	$173,600	$170,000	$111,100
EMV Land	$36,000	$24,000	$24,000	$24,000	$24,000
EMV Machine	$0	$0	$0	$0	$0
EMV (Estimated Market Value) Total	$215,500	$204,400	$197,600	$194,000	$135,100
Green Acres Value	$0	$0	$0	$0	$0
Homestead Exclusion	$0	$0	$0	$0	$0

Taxation

		2022 Payable	2021 Payable	2020 Payable	2019 Payable
	Estimated Market Value	$204,400	$197,600	$194,000	$135,100
	Taxable Market Value	$204,400	$197,600	$194,000	$135,100
	Net Tax Amount	$4,720.00	$4,546.00	$4,398.00	$2,730.25
+	Special Assessments	$160.00	$160.00	$160.00	$763.75
=	Total Taxes Due	**$4,880.00**	**$4,706.00**	**$4,558.00**	**$3,494.00**
+	Penalty	$0.00	$188.24	$0.00	$0.00
+	Interest	$0.00	$0.00	$0.00	$0.00
+	Fees	$0.00	$0.00	$0.00	$0.00
-	Amount Paid	$2,440.00	$4,894.24	$4,558.00	$3,494.00
=	Outstanding Balance	**$2,440.00**	**$0.00**	**$0.00**	**$0.00**

Tax Payment

2022

Full Amount

2,440.00

Pay full amount by:

Credit Card E-Check

Partial Installment

(enter amount on next page)

Pay partial installment by:

Credit Card E-Check

Taxes Paid

Please note that it may take up to three days from the date of payment for tax payments to be posted.

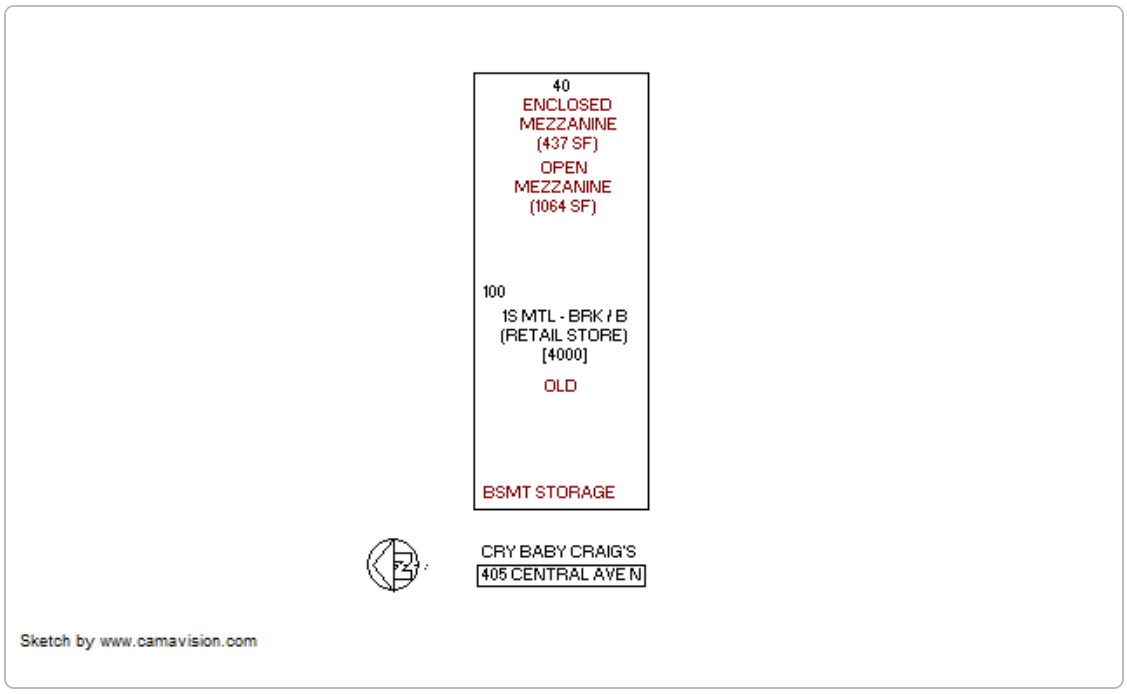
Tax Year	Receipt	Payment Date	Tax Amount	Special Assessment	Penalty	Interest	Fees	Total Payment
2022	U22.4836	5/5/2022	($2,360.00)	($80.00)	$0.00	$0.00	$0.00	($2,440.00)
2021	U21.23672	11/29/2021	($483.00)	($17.00)	$0.00	$0.00	$0.00	($500.00)
2021	U21.23607	11/23/2021	($1,790.00)	($63.00)	($188.24)	$0.00	$0.00	($2,041.24)
2021	U21.23601	11/23/2021	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
2021	U21.8026	5/12/2021	($289.80)	($10.20)	$0.00	$0.00	$0.00	($300.00)
2021	U21.3548	4/22/2021	($1,983.20)	($69.80)	$0.00	$0.00	$0.00	($2,053.00)
2020	U20.18600	10/15/2020	($2,199.00)	($80.00)	$0.00	$0.00	$0.00	($2,279.00)
2020	U20.8772	5/13/2020	($2,199.00)	($80.00)	$0.00	$0.00	$0.00	($2,279.00)
2019	U19.17918	10/14/2019	($1,365.12)	($381.88)	$0.00	$0.00	$0.00	($1,747.00)
2019	U19.8612	5/14/2019	($1,365.13)	($381.87)	$0.00	$0.00	$0.00	($1,747.00)
2018	U18.17736	10/12/2018	($1,267.75)	($396.25)	$0.00	$0.00	$0.00	($1,664.00)
2018	U18.7436	5/10/2018	($1,267.75)	($396.25)	$0.00	$0.00	$0.00	($1,664.00)
2017	U17.16305	10/10/2017	($1,732.38)	($410.62)	$0.00	$0.00	$0.00	($2,143.00)
2017	U17.8693	5/15/2017	($1,732.37)	($410.63)	$0.00	$0.00	$0.00	($2,143.00)
2016	U16.16328	10/12/2016	($1,778.00)	($425.00)	$0.00	$0.00	$0.00	($2,203.00)
2016	U16.5888	5/10/2016	($1,778.00)	($425.00)	$0.00	$0.00	$0.00	($2,203.00)

Unpaid Taxes

		2022 Payable
+	Net Tax Amount	$4,720.00
+	Special Assessments	$160.00
=	Total Taxes Due	**$4,880.00**
+	Penalty	$0.00
+	Interest	$0.00
+	Fees	$0.00
-	Amount Paid	$2,440.00
=	Outstanding Balance	**$2,440.00**

Photos

Sketches



TriMin LandShark

Click here to search for Parcel in TriMin LandShark

Tax Statements

Click here to show a list of available documents

Plats

Click here to show a list of available documents

No data available for the following modules: Condominiums, Mobile Home on Leased Land, Cell Towers, Cooperative, Divided Interest, Leased Land, Apartments, Billboards, Agricultural Land, Residential Dwellings, Agricultural Buildings, Yard Extras.

Information is believed reliable, but its accuracy cannot be guaranteed.
User Privacy Policy
GDPR Privacy Notice

Developed by Schneider GEOSPATIAL

Last Data Upload: 5/17/2022, 3:00:59 AM

Version 2.3.194

May 13, 2022

Undated Photo from Rice County Assessor

Agenda Item: 6

Request for Action

TO:	Faribault Economic Development Authority
FROM:	Stephanie Aman, Economic Development Coordinator
MEETING DATE:	May 19, 2022
SUBJECT:	Project Updates

BACKGROUND:
Project updates are attached.

REQUESTED ACTION:
No action required.

ATTACHMENTS:
1. 6 - Project Updates - May

Discussion Items

TO: Faribault EDA
FROM: Stephanie Aman, Economic Development Coordinator
THROUGH: Deanna Kuennen, Community & Econ Dev Director
MEETING DATE: May 19, 2022
SUBJECT: Updates/Project Reports

UPDATES
Active Prospects/Business Updates:

Food Producer	Last spring, staff had been in contact with a food producer regarding possible expansion in Faribault. Staff prepared a proposal of possible land and financing options. By fall of 2021, they had identified a property and have proceeded forward with fundraising and meetings with City Staff to understand what needs to be done and the timeline. Staff and our Economic Development partners are actively working with the business to ensure that they understand timelines and possible funding opportunities. They are completing due diligence.
Potential Food Production/Restaurant Business	Staff was provided a lead for a local food production/restaurant that may be interested in opening a bricks and mortar facility to Faribault. Staff has identified possible sites for this company and the owners are exploring the sites. Staff continue to stay in touch and follow up to ensure that this business is supported and will arrange a meeting with economic development partners when the timing is right. Business owner is in conversation with a potential site and developer and are working through logistics of a build out. Staff have helped in finding funding opportunities as well as potential sites. The owners are completing due diligence on one site, while pursuing two additional leads for a location before finalizing plans.
Food Manufacturing Expansion	A local business contacted staff seeking help in finding property to expand and already successful food business. They seek space for automating their manufacturing process and staff prepared several sites that would meet their current needs and criteria. Business was happy with the sites presented and they are good options. They may have found a commercial kitchen that meets their needs. Staff continue to follow up to ensure they have the information they need.

Adult Day Care Services	Staff have met with an individual that is seeking space to open an adult day care service. Several sites have been identified and staff continue to work with the potential owner to ensure that they have what they need to find a good fit for the service. The site this business was considering recently went under contract to another business. Staff continue to work with them to find a good fit.
Family Restaurant	A broker has contacted staff seeking potential sites in Faribault for a family restaurant. Staff has provided contact information for sites that match their criteria. Staff will work with the broker to ensure that their client has the information that is needed. Staff learned of another available property and has connected the property owner with the broker.
Automotive Business	Staff were contacted about a possible business venture in the automotive field. Staff connected the owner with a possible site and toured the site with them. They are in contact with City Staff to ensure zoning, permitting, and timelines all work correctly. Staff will remain in contact with the owners through the process of site selection.
Potential Light Manufacturing Business	Staff attended the December CVN meeting and met with the Business Development Manager of a Minnesota based light manufacturing company that is looking to relocate their operations. A response was prepared with possible sites for this company. Staff will continue to follow up with them as they make decisions on their new location. The business is completing a campaign to raise funds, and will be making decisions on site tours in the next couple of months. Staff continue to follow up to ensure they have the information they need when they are ready for site selection.
HWY 60 Project(s)	Staff has participated in a number of different meetings regarding potential development/redevelopment along the Hwy 60 W corridor. Staff will continue to be an active participant in development/redevelopment opportunities, and will bring potential projects/requests to the EDA as appropriate. October: Land has been purchased along the south side of Hwy 60 and staff has been in contact with the new owner regarding development possibilities. Conversations are ongoing.

Warm Prospects/Business Updates:

Food Producer/CVN Prospect	September: Staff connected with a food producer prospect at CVN and prepared a very high-level informational response; including two different sites that fit their criteria. Faribault originally made the short list of places to be considered, but other areas (states) were able to offer lower taxes and more incentives. Staff recently learned that there has been some reconsideration for Faribault and is in touch with this company.
Truck Driving School/Station	Staff were contacted about possible property that would be a good fit for a training course for truck drivers. Staff provided information and have followed up with the owner.
Potential Food Manufacturer	Staff was made aware of a regional food manufacturer that is looking to expand their product offering and had identified a possible site for their business to expand into. Staff met with company leaders to discuss location options and possible funding incentive. Staff were made aware of a potential location for lease, and have followed up with this option. Staff will continue to stay in touch with the company leaders as they decide on the location for their project.
Cold Storage Property	Staff were contacted by a company seeking rail accessible property to build a facility. Information regarding accessible property and city infrastructure was provided. Staff continue to follow up to ensure the company has the information they need to determine a best fit for their business. The property presented has made a short list of properties the company is considering. Staff obtained additional requested pictures of the property and continues to follow up with any requested information. Staff continues to follow up with the company their plans, but they seem to have gone dark.

Inactive Prospects/Business Updates:

Potential Food Manufacturer	Staff is working with an existing Minnesota food manufacturing company that is looking to expand their product line, and have identified a possible site for this part of their business to expand into. Staff participated in a virtual meeting with the company and partners to explore funding and incentives for the expansion. Staff continues to follow up with the company while they make a decision on the location for their project.
Potential Food Manufacturer	Staff responded for a request for information from CVN for a Minnesota based food manufacturer looking to expand operations. Staff met the president of the company at the CVN event, and followed up with their operations manager. Faribault is being considered and the company is looking at a possible site visit in the very near future.

	The site that was submitted to this company recently sold and Faribault does not have a building that meets the business needs. Staff has reached out to this business with a lease space that could meet their needs.
International Manufacturer	Staff were contacted by an international manufacturing company looking for space in Faribault. Staff are working to ensure that the proper infrastructure is in place to meet their needs. The company has identified the property they think would be a good fit. Staff is providing requested information to the company, specifically regarding electrical capacity and loading dock feasibility.
MISC.	**1.** Staff has been made aware that there are possibly two (2) distribution type of businesses seeking a location along the I-35 corridor. Currently the site selector is looking at locations further north than Faribault – but Staff has provided information on possible Faribault locations for consideration. **2.** Staff has provided available land information to a Twin Cities broker working with various warehouse/distribution type businesses. Through conversations with the broker it was confirmed that there is growing demand for land outside of the metro area, and he was collecting information proactively for potential clients. Staff will continue conversations with the broker on demand and movement.

Other:

- Staff participated in several Business Retention and Expansion visits in April, and were pleased to hear about potential expansion efforts as well as successful expansion. Staff will continue follow up on those expansion efforts, as well as visit other businesses in the coming months. COVID19 restrictions have made this a more difficult task.
- Staff continue to participate in discussions around state and federal funding that is being made available to businesses and communities including for downtowns and small businesses.
- Staff participated in the county Economic Development meeting. Natalie Siderius from DEED was present to discuss state programming and receive feedback on development opportunities for Economic Development professionals would be helpful.
- Staff attended the Minnesota Real Estate Journal awards ceremony on April 21. The City of Faribault was awarded the Municipality of the Year!
- Staff met with the Paradise Center for the Arts to share the good news of their grant award from the April meeting and to discuss the parameters around the projects.
- Staff met with a developer that has interest in working with rural areas to construct all levels of housing from workforce to market rate rentals. Discussion is ongoing as we bring industry leaders to the table to understand their needs more fully.
- Staff met with Economic Development professionals from Xcel Energy to better understand their programs and partnerships that would help current and future businesses in Faribault.

Marketing:

Minnesota Real Estate Journal

- Staff were advised that registration was not ideal to hold the Historic to High-Tech MicroSummit on April 28. The date has been rescheduled for Friday, June 17. The location is now at Corks and Pints and will be a morning session with a reception at Cry Baby Craig's at noon. We will keep the agenda the same to include 3 panels of local businesses and partners that highlight some unique attributes to Faribault that others may not know and would be interesting to businesses looking to expand or move here.
- Staff attended Minnesota Real Estate Journal's Development Land Conference. Staff was also included in a panel as a speaker at the conference.

- **Minnesota Marketing Partnership**
  - Faribault continues to be active participants in the Minnesota Marketing Partnership (MMP). Last year Faribault elected to participate in the MMP digital marketing campaign, and now has access to all of the video and social medial materials. In addition – Staff was selected to help represent the State of MN – specifically Faribault/SE MN, with DEED and others, at the Site Selector Guild table talks. This has generated additional connections with the site selector community.