ECONOMIC DEVELOPMENT AUTHORITY AGENDA

PUBLIC MEETING ROOM	THURSDAY, JUNE 20, 2024	7:00 AM

1. Call to Order/Approve Agenda
2. Approval of the Minutes of May 16, 2024
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 (None)
5. Items for Discussion
   - A. Resolution 2024-06 Approve a Downtown Commercial Rehabilitation and Exterior Improvement Program Loan for 13 3rd Street NW
   - B. Provide Directions on Waiving the Personal Guarantee related to the Proposed Loans to Faribault Mill
6. Announcements and Updates
7. Adjournment

ECONOMIC DEVELOPMENT AUTHORITY MINUTES

PUBLIC MEETING ROOM	THURSDAY, MAY 16, 2024	7:00 AM

Meeting Items

1. Call to Order/Approve Agenda

   The regular meeting of the Economic Development Authority was called to order by Chair Gramse at 7:00 am. Commissioners Chris Jeanes, Thomas Spooner, AJ Smith, Kevin Voracek, and Chair Gramse were in attendance. Also in attendance were David Wanberg, Jessica KInser, and Kari Casper. Motion by AJ Smith, seconded by Kevin Voracek to approve the agenda as presented. The motion passed unanimously.

2. Approval of the Minutes of April 18, 2024

   Motion by Tom Spooner, seconded by Kevin Voracek to approve the meeting minutes of April 18, 2024, as presented. The motion passed unanimously.

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

   Casper noted that the 290 Fund balance may seem low but the FDC loan of $500,000 passed through this account. Wanberg mentioned that the permit activity is up since last year. Motion by AJ Smith, seconded by Kevin Voracek to receive and file the Routine Business as presented. The motion passed unanimously.

A. Monthly Loan Status Report

B. Permit Activity Update Report

C. Budget Status Report

4. Public Hearings

   None.

5. Items for Discussion

A. Resolution 2024-05 Resolution Recommending the City Council Modify Development District No.1, Establish Tax Increment Financing District No. 19: Twin Oaks Housing Therein, Adopt a Modification to the Development Program, Adopt the Tax Increment Financing Plan Therfor, Approve a Contract for Private Development and Approve an Interfund Loan

   Wanberg stated that this matter was accepted before the City Council at their last session. Resolution 2024.05 recommends the City Council amend or modify Development District 1 as presented. Motion by AJ Smith, seconded by Christine Jeanes to approve Resolution 2024-05 as presented. The motion passed unanimously.

B. Review Draft TH 60 West Master Plan

   This was presented at the meeting and appeared to not be a final draft. Wanberg will talk further with Ehlers and see if they are intending on sending the final draft. There are corrections that need to be made. Voracek stated that on page 9 the "F's appear to be missing. Wanberg stated that this was a rather large document and contained errors. In reviewing the document, Spooner wanted to know if the cemetery had been notified of this proposal. Wanberg stated that they have been. No action was taken at this time.

C. Announcements and Updates

Wanberg went over the list. 1. Economic Development Coordinator -- he stated that the council and the directors had the annual retreat and were very receptive to adding a position to our department for an Economic Development Coordinator. 2. KGPCo. and potential EDA assistance. - KGPCo is still considering staying in Faribault and really would like to choose a space downtown. The negotiations are continuing. Gramse noted that any financial assistance given would be to the developers of the project, not KGPCo. since they would only be leasing the building. The assistance requested would be $250,000 over a five-year period. 3. FDC investments in the downtown - Wanberg explained that the HRA did pass the final funding for FDC at the meeting on Monday evening and the work continues. 4. Faribault Mill EDIF and Revolving Loan - Wanberg mentioned that they would be requesting a Business Subsidy Loan which would be attached to the equipment. He stated that he would have to go out and take some pictures of the equipment they would be using as collateral. 5. Potential 30-100 acre Industrial Development -- this has been discussed before that this project would be for a data center and, while it doesn't bring in many jobs, it will increase the tax base. The board then had a brief discussion on orderly annexations and Mayor Voracek suggested that we start with Cannon City and work our way around.

6. Adjournment

Motion by AJ Smith, seconded by Christine Jeanes to adjourn the meeting at 8:03 a.m. The motion passed unanimously.

Respectfully submitted,

By:____________________________

Kari Casper, Recording Secretary

Request for Action

TO:	Faribault Economic Development Authority
FROM:	David Wanberg, Director of Community and Economic Development
THROUGH:	
MEETING DATE:	June 20, 2024
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 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. Cataloging which businesses have utilized the various 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.

The attached is a summary of the various City and EDA loan programs

REQUESTED ACTION:
Receive and file as presented.

ATTACHMENTS:
1. 3A - Loan Status Reports

June 2024 Totals

Fund	Program Name	Available Balance	Notes
Fund 249	Minnesota Investment Fund (MIF)	$14,159.05	2018 MN Legislature authorized a 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	$361,889.90	
	- Commercial Development Loan Program (and Grant)		
	- Façade Improvement Micro Loan		
	- EDIF - Economic Development Incentive Program-		- A new program in 2021 – dedicated $200,000 of loan balance. -$100,000 Budgeted Amount - $50,000 for Vetrotech/Sage *(Forgivable)* - $50,000 is requested by Forest to Fork. *(Forgivable)* - **$100,000 TruVue *(Forgivable)* - **$250,000 Faribault Mill Loan or $50,000 *(Forgivable)* - **$100,000 Bowling Center
Fund 243	Industrial Development Loan	$298,522.88	- Last activity was a loan for Cry Baby Craig's. - 2024 Budgeted $100,000.
TOTAL EDA LOAN FUNDS AVAILABLE		***$674,571.83***	
Fund 290	EDA Operating Fund/Fund Balance	*$449,758.37	Includes a one-time transfer from the 2002 land sale
			12/20/2017 – Authorized $100,000 for the airport building demo/site prep (paid 12/2019) to support commercial development at the airport -2021 Microgrant Program of $25,000 FACC -2021 Upstairs Downtown $5,000 FACC -2021 SBDC Office Contribution $3,000 FACC -2022-12-28 FDC $250,000 -2022 Main Street Contribution $14,000 FACC -2022 SBDC Office Contribution $3,000 FACC -2022 Main Street Contribution, $14,000 FACC -2023 DCERIP Darrell Jensen $30,000 -2023 The Golf Box $2,300 2024 FDC $250,000 2024 $30,000 DCERIP – Drevlow 2024 $11,860 DCERIP - Hvistendahl, 10,000 Drops
Fund 248	Federal MIF Loan	$631,299.78	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 funds be transferred into the Small Cities Development Program (same federal objectives). This requires a spending plan and DEED/HUD approval

*Does not include EDA Program Funds of $650,000.00

**Earmarked.

City Of Faribault

Request for Action

TO:	Faribault Economic Development Authority
FROM:	David Wanberg, Director of Community and Economic Development
THROUGH:	
MEETING DATE:	June 20, 2024
SUBJECT:	Permit Activity Update Report

BACKGROUND:
Permit activity (building permits, etc.) is a reflection of 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 every month 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.

Residential projects have been increasing as spring is upon us. There were four permits for new residential construction and 10 new manufactured home move-ins at Evergreen Estates and two in Cannon River. Commercial projects continue.

REQUESTED ACTION:
Receive and file as presented.

ATTACHMENTS:
1. 2024-04 EDA - Permit Activity Report

Permit Activity Report 2024						Permit Activity Report 2023				
		Valuation	# of Permits		Permit Fees		Valuation	# of Permits		Permit Fees
January	$	1,028,550.52	81	$	21,977.30	$	38,646,615.29	84	$	326,594.52
February	$	4,245,529.34	111	$	59,132.10	$	2,241,426.00	50	$	29,846.75
March	$	3,652,527.64	120	$	64,002.34	$	3,194,961.39	105		$57,624.01
April	$	14,300,701.74	161	$	127,751.61	$	5,693,272.00	112	$	68,933.81
May	$	4,384,481.00	149	$	79,092.05	$	5,534,132.36	163	$	70,814.19
June						$	34,548,833.00	181	$	402,574.33
July						$	5,028,277.87	139	$	64,558.92
August						$	5,637,030.95	138	$	60,898.24
September						$	2,744,943.00	151	$	44,052.98
October						$	39,732.39	172	$	60,507.13
November						$	11,335,775.21	105	$	146,763.50
December						$	2,626,163.18	101	$	47,312.35
Total:	**$**	**27,611,790.24**		**$**	**351,955.40**	**$**	**117,271,162.64**		**$**	**1,380,480.73**
YTD Permits:			**622**					**1908**		

**All Permits includes Building Permits in total (plumbing, heating, signs and electrical).*

City Of Faribault

Request for Action

TO:	Faribault Economic Development Authority
FROM:	David Wanberg, Director of Community and Economic Development
THROUGH:	
MEETING DATE:	June 20, 2024
SUBJECT:	Budget Status Report

BACKGROUND:
The budget is divided into "operating expenses" and "program funds." The Program Funds budget is made up of fund balances 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.

REQUESTED ACTION:
Receive and file as presented.

ATTACHMENTS:
1. 290 Detailed Trial Balance

General Ledger

Detailed Trial Balance

User: kcasper
Printed: 06/17/2024 - 9:34AM
Period: 01 to 06, 2024

Account Number				Description		Budget	Beginning Balance	Debit This Period	Credit This Period	Ending Balance
290				Economic Development Authority						
ASSETS										
290-00000-000-10100				Cash		0.00				
1/2/2024	CH	1	5	AR 00001.01.2024				134.50	0.00	
1/9/2024	AP	1	60	AP Computer Cks 179474-179537, 01/09/2024	Ck# 0			0.00	2,300.00	
1/9/2024	CH	1	61	Electronic AP Checks Batch: 00002.01.2024				0.00	10,000.00	
1/23/2024	AP	1	131	AP Computer Cks 179545-179635, 01/23/2024	Ck# 0			0.00	715.00	
1/25/2024	CR	1	171	Tax Settlement - 01-25-2024 Rice County Governm Cash Receipts Batch 99085.01.2024	# 994736			2,184.19	0.00	
1/23/2024	CH	1	219	Electronic AP Checks Batch: 00005.01.2024				0.00	5,133.00	
1/31/2024	GL	1	235	Interest Distribution				2,263.31	0.00	
2/1/2024	CH	2	3	AR 00001.02.2024				134.50	0.00	
2/13/2024	AP	2	57	AP Computer Cks 179650-179753, 02/13/2024	Ck# 0			0.00	1,975.00	
2/27/2024	AP	2	161	AP Computer Cks 179762-179823, 02/27/2024	Ck# 0			0.00	1,472.50	
2/28/2024	CH	2	178	Electronic AP Checks Batch: 00006.02.2024				0.00	5,441.50	
2/1/2024	CH	2	179	Electronic AP Checks Batch: 00005.02.2024				0.00	330.00	
2/29/2024	GL	2	220	Interest Distribution				4,515.78	0.00	
3/1/2024	CH	3	3	AR 00001.03.2024				134.50	0.00	
3/11/2024	CR	3	95	Application Fee - EDA F2F Inc dba Forest to Fork Cash Receipts Batch 00113.03.2024	# 1004089			350.00	0.00	
3/26/2024	AP	3	184	AP Computer Cks 179919-180003, 03/26/2024	Ck# 0			0.00	620.00	
3/27/2024	CR	3	205	Application Fee - EDA TIF Application Rice Count Cash Receipts Batch 00273.03.2024	# 1006577			500.00	0.00	
3/26/2024	CH	3	214	Electronic AP Checks Batch: 00005.03.2024				0.00	5,275.70	
3/31/2024	GL	3	262	Interest Distribution				3,194.22	0.00	
4/1/2024	CH	4	2	AR 00001.04.2024				134.50	0.00	
4/9/2024	AP	4	21	AP Computer Cks 180479-180558, 04/09/2024	Ck# 0			0.00	791,860.00	
4/9/2024	CH	4	56	Electronic AP Checks Batch: 00001.04.2024				0.00	3,663.03	
4/1/2024	CH	4	103	Electronic AP Checks Batch: 00002.04.2024				0.00	320.00	
4/23/2024	CH	4	206	Electronic AP Checks Batch: 00003.04.2024				0.00	3,796.65	
4/30/2024	GL	4	238	Interest Distribution				1,042.21	0.00	
5/1/2024	CH	5	3	AR 00001.05.2024				134.50	0.00	

Account Number				Description	Budget	Beginning Balance	Debit This Period	Credit This Period	Ending Balance
5/13/2024	CR	5	86	Application Fee - EDA 13 3rd The Dream LLC # 1015573 Cash Receipts Batch 00133.05.2024			150.00	0.00	
5/14/2024	CH	5	96	Electronic AP Checks Batch: 00003.05.2024			0.00	1,849.00	
5/28/2024	AP	5	161	AP Computer Cks 180789-180869, 05/28/2024 Ck# 0			0.00	50,000.00	
6/3/2024	CH	6	2	AR 00001.06.2024			134.50	0.00	
6/11/2024	CH	6	61	Electronic AP Checks Batch: 00002.06.2024			0.00	327.60	
290-00000-000-10100 Totals:					0.00	1,358,247.98	15,006.71	885,078.98	488,175.71
290-00000-000-10410				Investments - Fair Value Adj	0.00				
1/31/2024	GL	1	236	Fair Value Adjustment			2,905.56	0.00	
2/29/2024	GL	2	221	Fair Value Adjustment			0.00	3,650.54	
3/31/2024	GL	3	261	Fair Value Adjustment			2,962.05	0.00	
4/30/2024	GL	4	239	Fair Value Adjustment			0.00	2,029.05	
290-00000-000-10410 Totals:					0.00	-53,405.75	5,867.61	5,679.59	-53,217.73
290-00000-000-10450				Interest Receivable	0.00				
290-00000-000-10450 Totals:					0.00	5,945.98	0.00	0.00	5,945.98
290-00000-000-10500				Taxes Receivable - Current	0.00				
1/25/2024	CR	1	171	Tax Settlement - 01-25-2024 Rice County Governm # 994736 Cash Receipts Batch 99085.01.2024			0.00	2,184.19	
290-00000-000-10500 Totals:					0.00	2,184.19	0.00	2,184.19	0.00
290-00000-000-10700				Taxes Receivable - Delinquent	0.00				
290-00000-000-10700 Totals:					0.00	3,165.54	0.00	0.00	3,165.54
290-00000-000-11500				Accounts Receivable	0.00				
1/1/2024	AR	1	2	AR Invoices 00001.01.2024			134.50	0.00	
1/2/2024	CH	1	5	AR 00001.01.2024			0.00	134.50	
2/1/2024	AR	2	1	AR Invoices 00001.02.2024			134.50	0.00	
2/1/2024	CH	2	3	AR 00001.02.2024			0.00	134.50	
3/1/2024	AR	3	1	AR Invoices 00001.03.2024			134.50	0.00	
3/1/2024	CH	3	3	AR 00001.03.2024			0.00	134.50	
4/1/2024	AR	4	1	AR Invoices 00001.04.2024			134.50	0.00	
4/1/2024	CH	4	2	AR 00001.04.2024			0.00	134.50	
5/1/2024	AR	5	1	AR Invoices 00001.05.2024			134.50	0.00	
5/1/2024	CH	5	3	AR 00001.05.2024			0.00	134.50	
6/1/2024	AR	6	1	AR Invoices 00001.06.2024			134.50	0.00	
6/3/2024	CH	6	2	AR 00001.06.2024			0.00	134.50	
290-00000-000-11500 Totals:					0.00	0.00	807.00	807.00	0.00

Account Number				Description		Budget	Beginning Balance	Debit This Period	Credit This Period	Ending Balance
290-00000-000-13200				Due From Other Governments		0.00				
	290-00000-000-13200 Totals:					0.00	0.00	0.00	0.00	0.00
290-00000-000-13700				Loans Receivable		0.00				
1/1/2024	AR	1	2	AR Invoices 00001.01.2024				0.00	110.24	
2/1/2024	AR	2	1	AR Invoices 00001.02.2024				0.00	110.52	
3/1/2024	AR	3	1	AR Invoices 00001.03.2024				0.00	112.33	
4/1/2024	AR	4	1	AR Invoices 00001.04.2024				0.00	111.09	
5/1/2024	AR	5	1	AR Invoices 00001.05.2024				0.00	112.12	
6/1/2024	AR	6	1	AR Invoices 00001.06.2024				0.00	111.65	
	290-00000-000-13700 Totals:					0.00	9,522.36	0.00	667.95	8,854.41
290-00000-000-13710				Loan Receivable-Deferred		0.00				
	290-00000-000-13710 Totals:					0.00	989,348.48	0.00	0.00	989,348.48
290-00000-000-15500				Prepaid Items		0.00				
	290-00000-000-15500 Totals:					0.00	0.00	0.00	0.00	0.00
	290-00000 ASSETS Totals:					0.00	2,315,008.78	21,681.32	894,417.71	1,442,272.39
	ASSETS Totals:					0.00	2,315,008.78	21,681.32	894,417.71	1,442,272.39
LIABILITIES										
290-00000-000-20200				Accounts Payable		0.00				
1/9/2024	AP	1	35	AP Invoice Batch 00001.01.2024				0.00	10,000.00	
1/9/2024	AP	1	60	AP Computer Cks 179474-179537, 01/09/2024	Ck# 0			2,300.00	0.00	
1/9/2024	CH	1	61	Electronic AP Checks Batch: 00002.01.2024				10,000.00	0.00	
1/23/2024	AP	1	131	AP Computer Cks 179545-179635, 01/23/2024	Ck# 0			715.00	0.00	
1/23/2024	CH	1	219	Electronic AP Checks Batch: 00005.01.2024				5,133.00	0.00	
2/13/2024	AP	2	56	AP Invoice Batch 00001.02.2024				0.00	1,975.00	
2/13/2024	AP	2	57	AP Computer Cks 179650-179753, 02/13/2024	Ck# 0			1,975.00	0.00	
2/1/2024	AP	2	95	AP Invoice Batch 00007.02.2024				0.00	330.00	
2/27/2024	AP	2	132	AP Invoice Batch 00005.02.2024				0.00	6,914.00	
2/27/2024	AP	2	161	AP Computer Cks 179762-179823, 02/27/2024	Ck# 0			1,472.50	0.00	
2/28/2024	CH	2	178	Electronic AP Checks Batch: 00006.02.2024				5,441.50	0.00	
2/1/2024	CH	2	179	Electronic AP Checks Batch: 00005.02.2024				330.00	0.00	
3/26/2024	AP	3	160	AP Invoice Batch 00007.03.2024				0.00	5,895.70	
3/26/2024	AP	3	184	AP Computer Cks 179919-180003, 03/26/2024	Ck# 0			620.00	0.00	
3/26/2024	CH	3	214	Electronic AP Checks Batch: 00005.03.2024				5,275.70	0.00	
4/9/2024	AP	4	20	AP Invoice Batch 00001.04.2024				0.00	795,523.03	
4/9/2024	AP	4	21	AP Computer Cks 180479-180558, 04/09/2024	Ck# 0			791,860.00	0.00	

Account Number				Description		Budget	Beginning Balance	Debit This Period	Credit This Period	Ending Balance
4/9/2024	CH	4	56	Electronic AP Checks Batch: 00001.04.2024				3,663.03	0.00	
4/1/2024	AP	4	69	AP Invoice Batch 00002.04.2024				0.00	320.00	
4/1/2024	CH	4	103	Electronic AP Checks Batch: 00002.04.2024				320.00	0.00	
4/23/2024	AP	4	130	AP Invoice Batch 00005.04.2024				0.00	3,796.65	
4/23/2024	CH	4	206	Electronic AP Checks Batch: 00003.04.2024				3,796.65	0.00	
5/14/2024	AP	5	73	AP Invoice Batch 00002.05.2024				0.00	1,849.00	
5/14/2024	CH	5	96	Electronic AP Checks Batch: 00003.05.2024				1,849.00	0.00	
5/28/2024	AP	5	157	AP Invoice Batch 00006.05.2024				0.00	50,000.00	
5/28/2024	AP	5	161	AP Computer Cks 180789-180869, 05/28/2024	Ck# 0			50,000.00	0.00	
6/11/2024	AP	6	39	AP Invoice Batch 00001.06.2024				0.00	327.60	
6/11/2024	CH	6	61	Electronic AP Checks Batch: 00002.06.2024				327.60	0.00	
290-00000-000-20200 Totals:						0.00	-8,148.00	885,078.98	876,930.98	0.00
290-00000-000-20201				Accounts Payable Pass-Thru		0.00				
290-00000-000-20201 Totals:						0.00	0.00	0.00	0.00	0.00
290-00000-000-20800				Due To Other Governments		0.00				
290-00000-000-20800 Totals:						0.00	0.00	0.00	0.00	0.00
290-00000-000-22000				Deposits		0.00				
290-00000-000-22000 Totals:						0.00	0.00	0.00	0.00	0.00
290-00000-000-22200				Deferred Revenues		0.00				
290-00000-000-22200 Totals:						0.00	-3,165.54	0.00	0.00	-3,165.54
290-00000-000-22210				Loans Receivable - Deferred		0.00				
290-00000-000-22210 Totals:						0.00	-989,348.48	0.00	0.00	-989,348.48
290-00000 LIABILITIES Totals:						0.00	-1,000,662.02	885,078.98	876,930.98	-992,514.02
LIABILITIES Totals:						0.00	-1,000,662.02	885,078.98	876,930.98	-992,514.02
FUND BALANCE										
290-00000-000-25300				Unreserved Fund Balance		0.00				
290-00000-000-25300 Totals:						0.00	-1,314,346.76	0.00	0.00	-1,314,346.76
290-00000 FUND BALANCE Totals:						0.00	-1,314,346.76	0.00	0.00	-1,314,346.76
FUND BALANCE Totals:						0.00	-1,314,346.76	0.00	0.00	-1,314,346.76
REVENUE										

Account Number				Description		Budget	Beginning Balance	Debit This Period	Credit This Period	Ending Balance
290-00000-462-31010				Current Ad Valorem Taxes		372,648.00				
	290-00000-462-31010 Totals:				Var: 372,648.00	372,648.00	0.00	0.00	0.00	0.00
290-00000-462-31020				Delinquent Ad Valorem Taxes		0.00				
	290-00000-462-31020 Totals:					0.00	0.00	0.00	0.00	0.00
290-00000-462-31030				Mobile Home Taxes		0.00				
	290-00000-462-31030 Totals:					0.00	0.00	0.00	0.00	0.00
290-00000-462-31035				Delinquent Mobile Home Taxes		0.00				
	290-00000-462-31035 Totals:					0.00	0.00	0.00	0.00	0.00
290-00000-462-31040				Excess Tax Increment		0.00				
	290-00000-462-31040 Totals:					0.00	0.00	0.00	0.00	0.00
290-00000-462-31500				PILOT		0.00				
	290-00000-462-31500 Totals:					0.00	0.00	0.00	0.00	0.00
290-00000-462-31550				Green Acres		0.00				
	290-00000-462-31550 Totals:					0.00	0.00	0.00	0.00	0.00
290-00000-462-33402				Market Value Homestead Credit		0.00				
	290-00000-462-33402 Totals:					0.00	0.00	0.00	0.00	0.00
290-00000-462-33422				Other State Grants & Aids		0.00				
	290-00000-462-33422 Totals:					0.00	0.00	0.00	0.00	0.00
290-00000-462-34108				Administrative Fees		0.00				
	290-00000-462-34108 Totals:					0.00	0.00	0.00	0.00	0.00
290-00000-462-34700				Application Fees		2,500.00				
3/11/2024	CR	3	95	Application Fee - EDA F2F Inc dba Forest to Fork Cash Receipts Batch 00113.03.2024	# 1004089			0.00	350.00	
3/27/2024	CR	3	205	Application Fee - EDA TIF Application Rice Count Cash Receipts Batch 00273.03.2024	# 1006577			0.00	500.00	
5/13/2024	CR	5	86	Application Fee - EDA 13 3rd The Dream LLC Cash Receipts Batch 00133.05.2024	# 1015573			0.00	150.00	
	290-00000-462-34700 Totals:				Var: 1,500.00	2,500.00	0.00	0.00	1,000.00	-1,000.00
290-00000-462-36200				Other Miscellaneous Revenue		500.00				

Account Number				Description		Budget	Beginning Balance	Debit This Period	Credit This Period	Ending Balance
		290-00000-462-36200 Totals:			Var: 500.00	500.00	0.00	0.00	0.00	0.00
290-00000-462-36210				Interest on Investments		20,580.00				
1/31/2024	GL	1	235	Interest Distribution				0.00	2,263.31	
2/29/2024	GL	2	220	Interest Distribution				0.00	4,515.78	
3/31/2024	GL	3	262	Interest Distribution				0.00	3,194.22	
4/30/2024	GL	4	238	Interest Distribution				0.00	1,042.21	
		290-00000-462-36210 Totals:			Var: 9,564.48	20,580.00	0.00	0.00	11,015.52	-11,015.52
290-00000-462-36211				Interest Market Value		0.00				
1/31/2024	GL	1	236	Fair Value Adjustment				0.00	2,905.56	
2/29/2024	GL	2	221	Fair Value Adjustment				3,650.54	0.00	
3/31/2024	GL	3	261	Fair Value Adjustment				0.00	2,962.05	
4/30/2024	GL	4	239	Fair Value Adjustment				2,029.05	0.00	
		290-00000-462-36211 Totals:			Var: -188.02	0.00	0.00	5,679.59	5,867.61	-188.02
290-00000-462-36215				Loan Interest		383.00				
1/1/2024	AR	1	2	AR Invoices 00001.01.2024				0.00	24.26	
2/1/2024	AR	2	1	AR Invoices 00001.02.2024				0.00	23.98	
3/1/2024	AR	3	1	AR Invoices 00001.03.2024				0.00	22.17	
4/1/2024	AR	4	1	AR Invoices 00001.04.2024				0.00	23.41	
5/1/2024	AR	5	1	AR Invoices 00001.05.2024				0.00	22.38	
6/1/2024	AR	6	1	AR Invoices 00001.06.2024				0.00	22.85	
		290-00000-462-36215 Totals:			Var: 243.95	383.00	0.00	0.00	139.05	-139.05
290-00000-462-36240				Refunds & Reimbursements		0.00				
		290-00000-462-36240 Totals:				0.00	0.00	0.00	0.00	0.00
290-00000-462-36400				Loan Principal		0.00				
		290-00000-462-36400 Totals:				0.00	0.00	0.00	0.00	0.00
290-00000-462-39100				Sale of Land		0.00				
		290-00000-462-39100 Totals:				0.00	0.00	0.00	0.00	0.00
290-00000-462-39200				Transfer In		0.00				
		290-00000-462-39200 Totals:				0.00	0.00	0.00	0.00	0.00
		290-00000 REVENUE Totals:				396,611.00	0.00	5,679.59	18,022.18	-12,342.59
		REVENUE Totals:				396,611.00	0.00	5,679.59	18,022.18	-12,342.59

Account Number	Description		Budget	Beginning Balance	Debit This Period	Credit This Period	Ending Balance
EXPENSE							
290-46500	Economic Development						
290-46500-462-42110	General Supplies		0.00				
290-46500-462-42110 Totals:			0.00	0.00	0.00	0.00	0.00
290-46500-462-42115	Meeting		250.00				
290-46500-462-42115 Totals:		Var: 250.00	250.00	0.00	0.00	0.00	0.00
290-46500-462-42420	Minor Computer Equipment		0.00				
290-46500-462-42420 Totals:			0.00	0.00	0.00	0.00	0.00
290-46500-462-43030	Engineering Fees		0.00				
290-46500-462-43030 Totals:			0.00	0.00	0.00	0.00	0.00
290-46500-462-43040	Legal Fees - Civil Process		20,000.00				
2/27/2024 AP 2 132	K0006 - Kennedy & Graven, Chartered	Ck# 0			464.10	0.00	
2/27/2024 AP 2 132	K0006 - Kennedy & Graven, Chartered	Ck# 0			313.10	0.00	
2/27/2024 AP 2 132	K0006 - Kennedy & Graven, Chartered	Ck# 0			163.80	0.00	
3/26/2024 AP 3 160	K0006 - Kennedy & Graven, Chartered	Ck# 0			3,238.70	0.00	
4/9/2024 AP 4 20	K0006 - Kennedy & Graven, Chartered	Ck# 0			27.30	0.00	
4/9/2024 AP 4 20	K0006 - Kennedy & Graven, Chartered	Ck# 0			3,553.83	0.00	
4/9/2024 AP 4 20	K0006 - Kennedy & Graven, Chartered	Ck# 0			81.90	0.00	
4/23/2024 AP 4 130	K0006 - Kennedy & Graven, Chartered	Ck# 0			300.30	0.00	
4/23/2024 AP 4 130	K0006 - Kennedy & Graven, Chartered	Ck# 0			1,310.40	0.00	
4/23/2024 AP 4 130	K0006 - Kennedy & Graven, Chartered	Ck# 0			1,375.95	0.00	
6/11/2024 AP 6 39	K0006 - Kennedy & Graven, Chartered	Ck# 0			27.30	0.00	
6/11/2024 AP 6 39	K0006 - Kennedy & Graven, Chartered	Ck# 0			300.30	0.00	
290-46500-462-43040 Totals:		Var: 8,843.02	20,000.00	0.00	11,156.98	0.00	11,156.98
290-46500-462-43080	Indirect Cost Allocation		0.00				
290-46500-462-43080 Totals:			0.00	0.00	0.00	0.00	0.00
290-46500-462-43090	Expert & Professional Services		75,000.00				
2/27/2024 AP 2 132	B0036 - Bolton & Menk Inc	Ck# 0			4,500.50	0.00	
2/27/2024 AP 2 132	E0005 - Ehlers & Associates Inc	Ck# 179778			1,472.50	0.00	
3/26/2024 AP 3 160	B0036 - Bolton & Menk Inc	Ck# 0			2,037.00	0.00	
3/26/2024 AP 3 160	E0005 - Ehlers & Associates Inc	Ck# 179941			620.00	0.00	
4/23/2024 AP 4 130	B0036 - Bolton & Menk Inc	Ck# 0			810.00	0.00	
5/14/2024 AP 5 73	B0036 - Bolton & Menk Inc	Ck# 0			1,849.00	0.00	
290-46500-462-43090 Totals:		Var: 63,711.00	75,000.00	0.00	11,289.00	0.00	11,289.00

Account Number	Description		Budget	Beginning Balance	Debit This Period	Credit This Period	Ending Balance
290-46500-462-43095	Software Maintenance & Support		0.00				
290-46500-462-43095 Totals:			0.00	0.00	0.00	0.00	0.00
290-46500-462-43130	EDA Program Budget		650,000.00				
4/9/2024 AP 4 20	1456 - DIC Holdings LLC	Ck# 180497			30,000.00	0.00	
4/9/2024 AP 4 20	2395 - Hvisten Corporation	Ck# 180513			11,860.00	0.00	
4/9/2024 AP 4 20	2596 - Faribo Downtown Central LLC	Ck# 180506			500,000.00	0.00	
4/9/2024 AP 4 20	2596 - Faribo Downtown Central LLC	Ck# 180506			250,000.00	0.00	
5/28/2024 AP 5 157	2876 - F2F Inc	Ck# 180813			50,000.00	0.00	
290-46500-462-43130 Totals:		Var: -191,860.00	650,000.00	0.00	841,860.00	0.00	841,860.00
290-46500-462-43140	Training & Education		3,500.00				
290-46500-462-43140 Totals:		Var: 3,500.00	3,500.00	0.00	0.00	0.00	0.00
290-46500-462-43220	Postage		0.00				
290-46500-462-43220 Totals:			0.00	0.00	0.00	0.00	0.00
290-46500-462-43250	Other Communications		0.00				
290-46500-462-43250 Totals:			0.00	0.00	0.00	0.00	0.00
290-46500-462-43310	Travel Expense		4,500.00				
290-46500-462-43310 Totals:		Var: 4,500.00	4,500.00	0.00	0.00	0.00	0.00
290-46500-462-43430	Advertising - Other		45,000.00				
2/1/2024 AP 2 95	2035 - Cardmember Service	Ck# 0			330.00	0.00	
290-46500-462-43430 Totals:		Var: 44,670.00	45,000.00	0.00	330.00	0.00	330.00
290-46500-462-43510	Legal Notices Publishing		500.00				
290-46500-462-43510 Totals:		Var: 500.00	500.00	0.00	0.00	0.00	0.00
290-46500-462-43520	Recording Fees		1,000.00				
290-46500-462-43520 Totals:		Var: 1,000.00	1,000.00	0.00	0.00	0.00	0.00
290-46500-462-43610	Insurance & Bonds		1,771.00				
2/13/2024 AP 2 56	M0078 - League of Minnesota Cities Ins Trust	Ck# 179705			1,975.00	0.00	
290-46500-462-43610 Totals:		Var: -204.00	1,771.00	0.00	1,975.00	0.00	1,975.00
290-46500-462-43810	Electric Utilities		0.00				
290-46500-462-43810 Totals:			0.00	0.00	0.00	0.00	0.00
290-46500-462-43860	Storm Water Utilities		40.00				

Account Number	Description		Budget	Beginning Balance	Debit This Period	Credit This Period	Ending Balance
290-46500-462-43860 Totals:		Var: 40.00	40.00	0.00	0.00	0.00	0.00
290-46500-462-44160	Rents & Leases		0.00				
290-46500-462-44160 Totals:			0.00	0.00	0.00	0.00	0.00
290-46500-462-44330	Dues & Subscriptions		24,000.00				
1/9/2024 AP 1 35	1096 - Real Estate Publishing Corporation	Ck# 0			10,000.00	0.00	
4/1/2024 AP 4 69	2035 - Cardmember Service	Ck# 0			320.00	0.00	
290-46500-462-44330 Totals:		Var: 13,680.00	24,000.00	0.00	10,320.00	0.00	10,320.00
290-46500-462-44370	Miscellaneous Charges		0.00				
290-46500-462-44370 Totals:			0.00	0.00	0.00	0.00	0.00
290-46500-462-44390	Taxes & Licenses		50.00				
290-46500-462-44390 Totals:		Var: 50.00	50.00	0.00	0.00	0.00	0.00
290-46500-462-44600	Loans & Grants		345,000.00				
290-46500-462-44600 Totals:		Var: 345,000.00	345,000.00	0.00	0.00	0.00	0.00
290-46500-462-45100	Land		0.00				
290-46500-462-45100 Totals:			0.00	0.00	0.00	0.00	0.00
290-46500-462-47200	Transfer Out		0.00				
290-46500-462-47200 Totals:			0.00	0.00	0.00	0.00	0.00
290-46500 EXPENSE Totals:			1,170,611.00	0.00	876,930.98	0.00	876,930.98
EXPENSE Totals:			1,170,611.00	0.00	876,930.98	0.00	876,930.98
290 Totals:			1,567,222.00	0.00	1,789,370.87	1,789,370.87	0.00
Report Totals:			1,567,222.00	0.00	1,789,370.87	1,789,370.87	0.00

City Of Faribault

Request for Action

TO:	Faribault Economic Development Authority
FROM:	David Wanberg, Director of Community and Economic Development
THROUGH:	
MEETING DATE:	June 20, 2024
SUBJECT:	Resolution 2024-06 Approve a Downtown Commercial Rehabilitation and Exterior Improvement Program Loan for 13 3rd Street NW

BACKGROUND:

On May 13, 2024, Daniel Beckham (the "Owner") submitted an application for a deferred loan through the Economic Development Authority's (the "EDA's") Downtown Commercial Rehabilitation and Exterior Improvement Program (the "Program") to replace the roof and remove an unused and unsafe chimney at 13 3rd Street NW (the "Property"). The unused chimney contributes to the existing roofing problems and may become a hazard if not repaired or removed. Per the Program policies, the Owner received two bids for the proposed work with the lowest bid at $13,875.00. Given a Program policy that limits roofing awards to 20 percent of the Owner's lowest bid, the maximum Program award is $2,775.00 ($13,875.00 x 0.20 = $2,795.00).

The Heritage Preservation Commission (the "HPC") will review the Owner's Certificate of Appropriateness request for the work referenced above on June 26, 2024. The EDA should condition any Program award on the HPC's issuance of a Certificate of Appropriateness.

REQUESTED ACTION:

Approve Resolution 2024-06, which awards the Owner a $2,775 deferred loan (with conditions) to replace the roof and remove the chimney at 13 3rd Street NW.

ATTACHMENTS:

1. 2024-06 Approve DREICP Loan for 13 3rd St NW

ECONOMIC DEVELOPMENT AUTHORITY OF FARIBAULT

Resolution #2024-06

APPROVE A DOWNTOWN COMMERCIAL REHABILITATION AND EXTERIOR IMPROVEMENT PROGRAM LOAN FOR 13 3RD STREET NW
PID 18.31.1.26.336

WHEREAS, on May 13, 2024, Daniel Beckham, on behalf of the Dream LLC (the "Owner"), submitted a complete application (see Exhibit A) to the Economic Development Authority of Faribault, Minnesota (the "EDA") for a deferred loan through the Downtown Commercial Rehabilitation and Exterior Improvement Program (the "Program") to replace the roof and remove an unused and unsafe chimney (the "Project") at 13 3rd Street NW (PID 18.31.1.26.336) (the "Property"); and

WHEREAS, the Owner received the following bids for the Project (see Exhibit A: Owner's Application):

1. LionHeart Building & Consultants (dated January 25, 2024): $18,533.00; and

2. Pro Exteriors (dated February 22, 2024): $13,875.00; and

WHEREAS, based on a Program policy that limits roofing awards to 20 percent of the Owner's lowest bid, the maximum Program award is $2,775.00 ($59,300.00 low bid x 0.20 = $11,860.00); and

WHEREAS, the Heritage Preservation Commission (the "HPC") will review the Owner's request on June 26, 2024, for the work referenced above; and

WHEREAS, the EDA must condition any Program award on the issuance of a Certificate of Appropriateness; and

WHEREAS, the EDA has reviewed the Owner's request for Program funding and found it consistent with the Program's policies and not subject to the Business Subsidy requirements outlined in state law.

NOW, THEREFORE, BE IT RESOLVED, by the Economic Development Authority of the City of Faribault, Minnesota (the "EDA"), as follows:

Section 1: Program Award. The EDA approves a $2,775.00 deferred loan to the Owner for the Project outlined in the recitals above with the following conditions:

A. The Owner must comply with all terms and conditions outlined in the Program policies adopted by the EDA in March 2022 and updated in October 2023.
B. The Owner must obtain a Certificate of Appropriateness from the HPC before beginning any work on the Project.
C. The Owner must obtain all required permits before beginning any work on the Project.

Section 2: Authorization to Execute Agreements. The EDA authorizes its President and the Secretary to execute all required financial agreements on behalf of the EDA in furtherance of the above-approved Program award.

ADOPTED: June 20, 2024

ATTEST:

____
Rodney Gramse, President

____

AJ Smith, Secretary

EXHIBIT A

RECEIVED
MAY 13 2024
City of Faribault
Community Development

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 the Economic Development Coordinator at:
507.333.0388 or dwanberg@ci.faribault.mn.us

Application Information

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

Name(s) of Property Owner/Applicant			
The Dream LLC (Daniel Beckmann)			
Telephone Number:	507-304-3264		
Email Address:	danielbeckmann@hotmail.com		
Mailing Address:	3036 Cedar lake blvd		
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:	13 3rd Street N W, Faribault	
Parcel ID (PID):	18.31.1.26.336	
Original Year of Construction:	1900	
Business/Occupant(s):	Old Towne Salon upstairs Apartment	
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

Reimbursement Disbursement Schedule for Program Award*	
Provide Receipts for Full Project Costs (Equity + EDA Funds)	EDA Funds Paid in Full to Owner
Provide Receipts for Owner Equity + ½ EDA Funds	½ EDA Funds Paid to Owner
Provide Receipts for Owner Equity + Second ½ EDA Funds	Second ½ EDA Funds Paid to Owner

** Please note:*

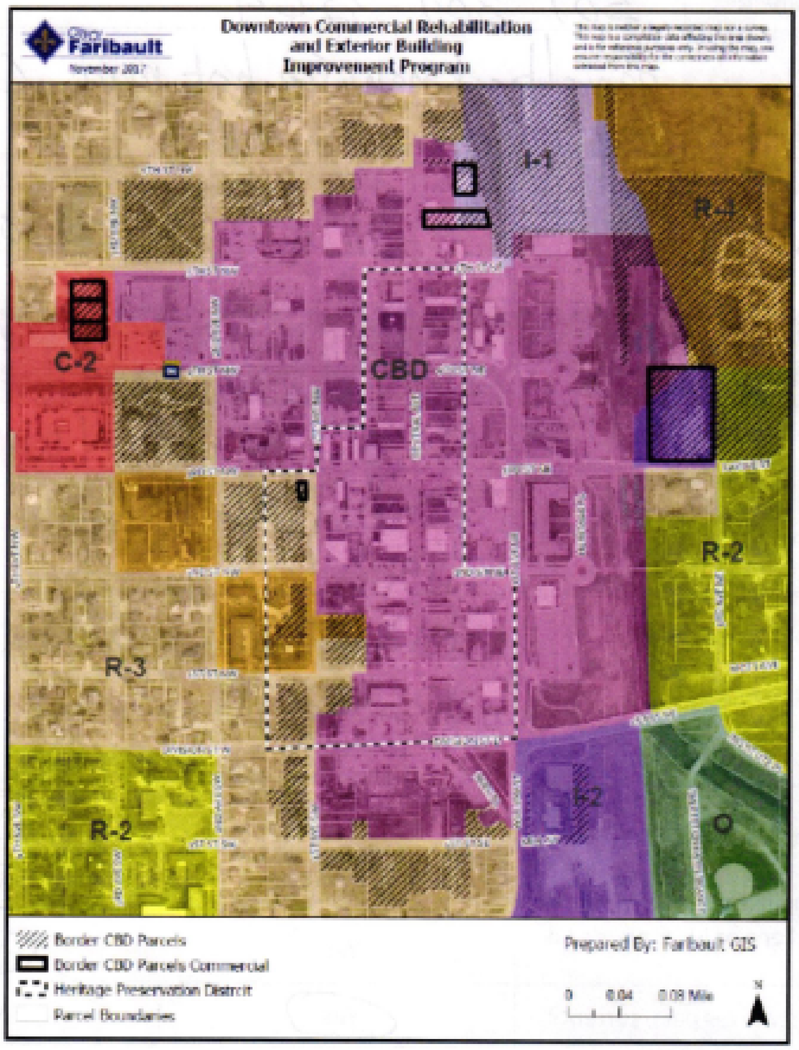
a) Funds will be disbursed on a reimbursement basis – based on submitted receipts.

b) Owners' equity must be the first funds used before EDA can release funds.

c) EDA funds will be disbursed incrementally (½) or in one-lump sum payment upon completion of project.

Loan Repayment

Deferred loan will be immediately due and payable in the event that the owner sells or otherwise transfers all of his/her/their ownership interest in the property within three (3) years of the date of the Agreement.



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)***	~~$13,875.00~~ $18,533.00
Requested Loan Amount: ***(based on Program scale)***	

Description of Proposed Improvements / Project

Remove existing ballast and single-ply rubber membrane.
Remove existing wall skirting and coping, cant metal if unable to reuse.
Tear-down chimney to roofline and cap top.
Install ½" hardboard with plates and screws to manufacturer's specifications.
Install fully adhered 60 mil EPDM membrane system, all details to meet 20-year NDL specifications.

Company project manager to monitor progress.
Approximately 3-5 workdays to complete.
Permits and dumpsters to be supplied by Pro Exteriors

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.

Preserving the building's structural integrity -

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.

Daniel Beckman — May 13, 2024

Property Owner/Applicant — Date

Co-Property Owner/Applicant — Date

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).

Daniel Beckman — May 13 - 2024

Property Owner/Applicant — Date

Co-Property Owner/Applicant — Date

Acknowledgements	
Please initial each to confirm that you have read and understand the program policy and guidelines.	
DB	**I/We** understand that awards are based on eligibility, availability, and completeness of application – approval is at the sole discretion of the EDA.
DB	**I/We** understand that I/We can only receive one award at a time (only one project – building/PID at a time).
DB	**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.
DB	**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.
DB	**I/We** are the owner of the commercial property to be improved.
DB	**I/We** are current with mortgage, real estate taxes, and insurance payments.
DB	**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.
DB	**I/We** understand that the building must be free of all lien and judgments.
DB	**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.
DB	**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.
DB	**I/We** understand that I/we will be required to sign loan documents upon award, including a Promissory Note and Repayment Agreement.
DB	**I/We** understand that the loan will be forgiven if I/we maintain ownership of the building for three (3) years.
DB	**I/We** understand that if I/we sell the building or otherwise transfer all ownership interest within three (3) years – the loan must be repaid in its entirety.

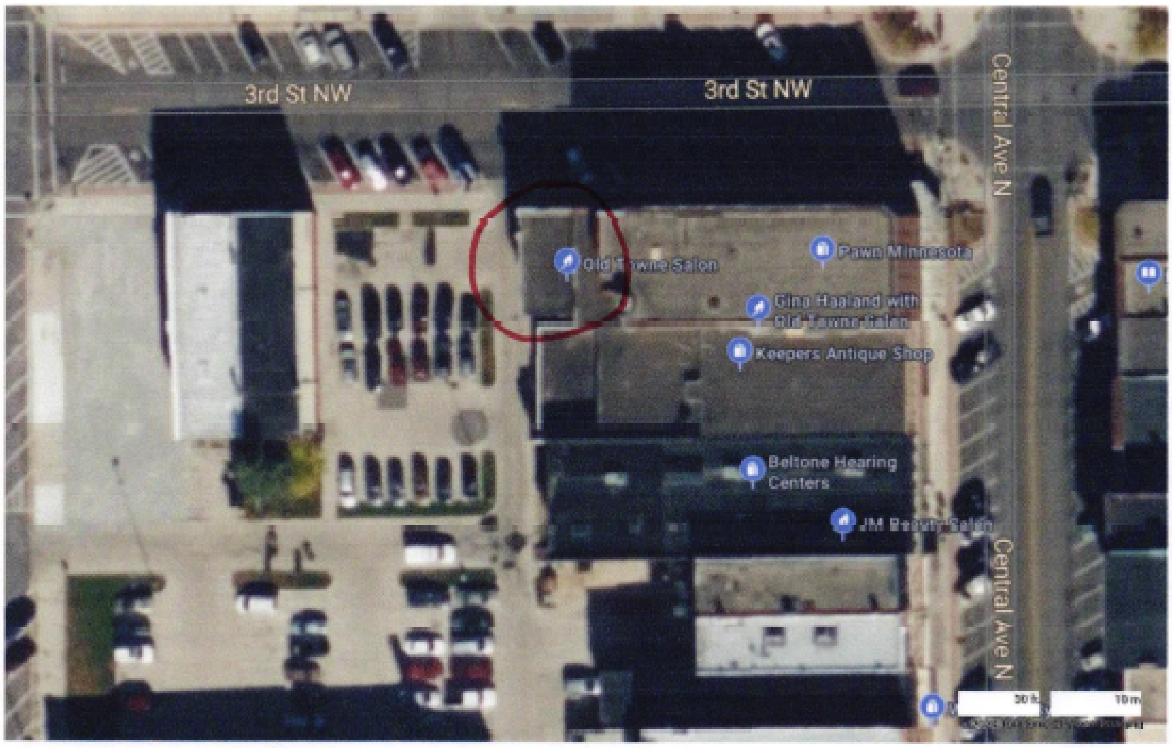
Daniel Beekman | | May 13, 2024

Property Owner/Applicant | **Title** | **Date**

Co-Property Owner/Applicant | **Title** | **Date**

bing maps

Faribault, MN
Country: United States
County Rice
Founded: February 1855
Elevation: 981 ft (299 m)



PRO EXTERIORS

RESIDENTIAL | COMMERCIAL

Pro Exteriors Remodeling Proposal

9001 E. Bloomington Fwy #143
2023
Bloomington, MN 55420
O: (952) 426-0447 F:(952) 303 4647 MN License No.: BC688198

Date: February 2, 2024

To: Daniel Beckman

Address: 13 3rd St NW

Phone: 507-304-3264

City, St, Zip: Faribault, MN 55021

Email : danielbeckman@hotmail.com

Project Manager: Mike Heidersheid

Project: Roof replacement

Start Date: TBD

Pro Exteriors will furnish all materials and perform all labor necessary to complete the following:

Remove existing ballast and single-ply rubber membrane.
Remove existing wall skirting and coping, cant metal if unable to reuse.
Tear-down chimney to roofline and cap top.
Install ½" hardboard with plates and screws to manufacturer's specifications.
Install fully adhered 60 mil EPDM membrane system, all details to meet 20-year NDL specifications.

Company project manager to monitor progress.
Approximately 3-5 workdays to complete.
Permits and dumpsters to be supplied by Pro Exteriors

Note: Structural repairs (if necessary upon discovery) will be at additional cost.

The above work to be completed in a substantial workmanlike manner according to standard practices. Any alteration or deviation from the above specifications involving extra cost of material or labor will only be executed upon written orders for same, and will become an extra charge over the sum mentioned in this contract. All agreements must be made in writing. All elements of this agreement are contingent upon strikes, accidents, or delays beyond our control. The Pro Exteriors estimate does not include material price increases, or additional labor and materials which may be required should unforeseen problems arise after the work has started. **You the buyer may cancel this purchase at any time prior to midnight of the third business day after the date of transaction. Cancellation must be done in writing.**

Price includes all labor, material, taxes, permit fees, and disposal.

Total Sum of:
Thirteen thousand eight hundred seventy-five dollars

Total Price: $ 13,875
Deposit: $ 6,937
Balance $ 6,938 (On completion)

Proposal Acceptance

The above prices, specifications and conditions are satisfactory and are hereby accepted: You are authorized to do the work specified. Payment will be made as outlined above.

Signature_______________ Date_______ Signature_______________ Date_______

LionHeart Building & Consultants LLC

LionHeart
BUILDING & CONSULTANTS

Daniel Beckmann

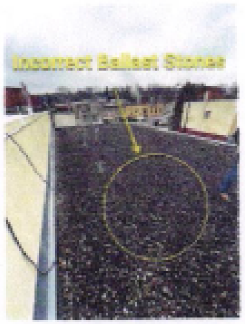
Roofing

The current roof is an EPDM, it is ballasted with rock, the roof is structurally sloped. The existing rock is not the appropriate type of stones, they should be rounded or tumbled river rock, these are sharp weight from snow/ice can cause leaks.

The existing perimeter metal including the coping on the street side requires replacement, it is rusted and deteriorated in several locations.

The scupper collection box and downspout will need to be replaced with new. The downspout is missing.

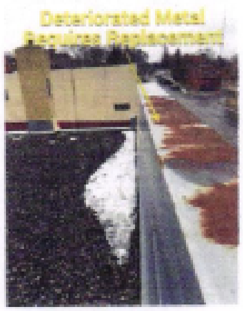
1



Ballast stones are improper for a EPDM roof and should be removed.

Project: Daniel Beckmann
Date: 1/25/2024, 1:58pm
Creator: Andrew J. Geist

2



The metal coping is unfinished, which has lead to the accelerated deterioration from the elements. This metal is to be replaced with long-lasting 26 gauge, baked enamel finish galvanized steel.
There are many colors to choose from.

Project: Daniel Beckmann
Date: 1/25/2024, 1:58pm
Creator: Andrew J. Geist

3

The perimeter metal is to be replaced with new.

Project: Daniel Beckmann
Date: 1/25/2024, 2:00pm
Creator: Andrew J. Geist

Chimney

The chimney is unused, and is in very poor condition, causing damage to the stucco wall below. This chimney will be completly removed, pipes capped, and new parapet metal installed.

1

The chimney has been leaking for quite a while and needs to be removed.

Project: Daniel Beckmann
Date: 1/25/2024, 2:21pm
Creator: Andrew J. Geist

2

The chimney will be removed and capped, with new metal installed over it's current location.

Project: Daniel Beckmann
Date: 1/25/2024, 1:58pm
Creator: Andrew J. Geist

PROPOSAL

ROOFING & CHIMNEY:

- Remove existing ballast material and dispose.

- Remove all existing metals and dispose. This includes the coping on the front elevation, the perimeter metal, and the reglet flashing on the adjoining building.

- Remove brick chimney and dispose.

- Remove the existing EPDM membrane, inspect insulation layer for condition and thickness.

- Install 1/2" Hardboard iso material for new surface. Ensure the roof slopes towards the scupper collection box & downspout

- Replace through roof penetration flashings. HVAC and plumbing flashings will be replaced.

- Install a new scupper collection box, built from 26 gauge galvanized steel, prefinished in the color of choice.

- Install a fully-adhered, 60 Mill EPDM Mule Hide membrane to manufacturers specifications.

- Install a new downspout, 6" open face, commercial grade, matching the existing metal colors.

- Install new perimeter metal, including the front elevation storefront coping and over the chimney cut out. The metal is 26 gauge galvanized steel, pre-finished baked enamel paint in the color of choice.

- 20 year labor and material warranty from the manufacturer

Includes all labor, materials, permits & debris disposal = $18,533.00

1

Project: Daniel Beckmann
Date: 1/25/2024, 2:20pm
Creator: Andrew J. Geist

City Of Faribault

Request for Action

TO:	Faribault Economic Development Authority
FROM:	David Wanberg, Community and Economic Development Director
THROUGH:	
MEETING DATE:	June 20, 2024
SUBJECT:	Provide Directions on Waiving the Personal Guarantee related to the Proposed Loans to Faribault Mill

BACKGROUND:

Over the past several months, the Economic Development Authority (the "EDA") has discussed providing Faribault Mill with a $50,000.00 forgivable Economic Development Investment Fund (EDIF) loan and a $250,000 low-interest revolving fund loan for equipment upgrades. Typically, EDA loans require personal guarantees. However, the EDA can accept equipment as loan collateral.

For various ownership reasons, Faribault Mill will not enter into a loan with the EDA that requires personal guarantees. However, Faribault Mill proposes that the EDA has a first lien position on the equipment that Faribault Mill intends to purchase. In the event that Faribault Mill defaults on the loan, the EDA could attempt to sell the equipment and recover some of its loan. Nevertheless, the EDA must understand that there may be a limited market for the equipment. Consequently, before the EDA authorizes the City Attorney to prepare the loan documents, the EDA should provide direction regarding whether it will accept a first lien position on the equipment instead of personal guarantees.

REQUESTED ACTION:

Provide directions on waiving the personal guarantee related to the proposed loans to Faribault Mill.

ATTACHMENTS: