

GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY

**Tuesday, June 27, 2017
4:00pm
Grand Rapids City Hall**

NOTICE IS HEREBY GIVEN, that a special meeting of the Grand Rapids Economic Development Authority will be held in Conference Room 2A in the Grand Rapids City Hall, 420 North Pokegama Avenue, in Grand Rapids, Minnesota on Tuesday, June 27, 2017 at 4:00 pm.

AGENDA

1. Call to Order
2. Call of Roll
3. Setting of the Regular Agenda - *This is an opportunity to approve the regular agenda as presented or add/delete by a majority vote of the Commissioners present an agenda item.*
4. Approval of minutes from the June 8, 2017 regular meeting.
5. Conduct a public hearing concerning submittal of an application to the Minnesota Department of Employment and Economic Development for a grant under the Minnesota Investment Fund (MIF) program for the ASV Parts Distribution Center project.
6. Consider adopting a resolution authorizing a Minnesota Investment Fund application for the ASV Parts Distribution Center project.
7. Updates:
8. Adjourn

GREDA Members/terms:

Dale Christy – 12/31/18 (with council term)
Rick Blake– 12/31/18 (with council term)
Mike Przytarski – 3/1/21
Cory Jackson – 3/1/23
Mike Stefan – 3/1/18
Chris Lynch – 3/1/19
Sholom Blake – 3/1/19

**GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY
REGULAR MEETING
THURSDAY, JUNE 8, 2017
8:00 A.M.
GRAND RAPIDS CITY HALL – CONFERENCE ROOM 2A
420 NORTH POKEGAMA AVE., GRAND RAPIDS, MINNESOTA**

CALL TO ORDER: Pursuant to due notice and call thereof, a Regular Meeting of the Grand Rapids Economic Development Authority (GREDA) was called to order on Thursday, June 8, 2017 at 8:00 a.m. in Conference Room 2A of City Hall, 420 North Pokegama Avenue, Grand Rapids, Minnesota.

CALL OF ROLL: On a Call of Roll the following members were present: Commissioners: Sholom Blake, Dale Christy, Cory Jackson, Mike Przytarski, Chris Lynch. Absent: Rick Blake, Michael Stefan.

SETTING OF REGULAR AGENDA: Approved with addition.

- Approve payment in the amount of \$60,309.40 to TNT Aggregates, LLC for Pay Estimate #4 on the Swan Machine project.

APPROVAL OF MINUTES:

MOTION BY COMMISSIONER LYNCH, SECOND BY COMMISSIONER CHRISTY TO APPROVE THE MINUTES OF THE MAY 24, 2017 SPECIAL MEETING. The following voted in favor thereof: Lynch, S. Blake, Christy, Przytarski, Jackson. Opposed: None, passed unanimously.

APPROVAL OF CLAIMS:

MOTION BY COMMISSIONER PRZYTARSKI, SECOND BY COMMISSIONER JACKSON TO APPROVE CLAIMS IN THE AMOUNT OF \$5,598.05.

Anthony & Linda Budrow	\$5,598.05	Minnesota Energy Resources	\$37.71
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The following voted in favor thereof: S. Blake, Christy, Lynch, Jackson, Przytarski. Opposed: None, passed unanimously.

Approve payment in the amount of \$60,309.40 to TNT Aggregates, LLC for Pay Estimate #4 on the Swan Machine project.

MOTION BY COMMISSIONER CHRISTY, SECOND BY COMMISSIONER JACKSON TO APPROVE PAYMENT TO TNT AGGREGATES, LLC IN THE AMOUNT OF \$60,309.40. The following voted in favor thereof: Jackson, Lynch, Christy, Przytarski, S. Blake. Opposed: None passed unanimously.

Updates:

ACC Manufacturing will be moving out of the airport maintenance building and into the IEDC building middle of June. The Eclipse Jet flew in this week they will be putting in a new GPS system.

There being no further business the meeting adjourned at 8:09 a.m.

Respectfully submitted:

Aurimy Groom, Recorder

DRAFT



CITY OF
GRAND RAPIDS
 IT'S IN MINNESOTA'S NATURE

REQUEST FOR GRAND RAPIDS EDA ACTION

Agenda Item #5

Meeting Date: 6/27/16

Statement of Issue:

Conduct a public hearing concerning submittal of an application to the Minnesota Department of Employment and Economic Development for a grant under the Minnesota Investment Fund (MIF) program for the ASV Parts Distribution Center project.

Background:

Over the past month staff has participated in a number of meetings involving the Chief Operating Officer of ASV, Mr. Jim DiBiagio, together with IEDC staff, IRRRB staff and Minnesota Dept. of Employment and Economic Development (DEED) staff to discuss a potential project that would move ASV's parts distribution business function to Grand Rapids.

Currently, ASV parts distribution is contracted out to a third-party logistics (3PL) company in Southaven, MS. ASV's business relationship with this company originated through Terex Corporation, the former parent company of ASV. With ASV now an independent, publicly traded company, they are looking at options for either contracting with another 3PL in the same southern region of the United States, or bringing the parts distribution in-house to a Grand Rapids location.

The Grand Rapids option would involve ASV leasing approximately 53,000 sf of existing warehouse space from Arrowhead Promotion and Fulfillment, at their building located at 1104 SE 8th St.. The leased space will require some lighting upgrades, however the majority of the \$680,000 budgeted cost of this option is associated with a staged process of shipping and restocking the large parts inventory from Southaven to Grand Rapids as well as other transitioning/start-up costs, and for the purchase of necessary floor equipment. At full staffing levels, ASV is anticipating the distribution center would employ a minimum of 13 FTE positions at a minimum base wage of \$15.49/hour and an average base wage of \$19.04/hour, exclusive of the employee benefit package which includes: health, dental, life insurance and retirement.

According to ASV, the Grand Rapids parts distribution center option has the advantage of proximity to the factory/headquarters, as well as an in-house operation providing the Company better control over customer service in its parts sales, an important source of revenue for the company. These advantages compete against the additional cost of transitioning from Southaven and start-up in Grand Rapids.

At a recent board of directors meeting, ASV discussed the following potential sources of funding/economic development assistance for the Grand Rapids project, which were developed by IRRRB, DEED and City staff:

- \$300,000 IRRRB Business Loan to ASV (low interest, 7 year term with targeted employment-based loan forgiveness)

	<p>incentives)</p> <ul style="list-style-type: none"> • \$20,000 IRRRB Business Energy Retrofit Program Grant to building owner for lighting upgrades. • \$125,000 DEED/GREDA MIF Loan (0% interest, 7 year term) <p>The balance of the project cost will be funded with ASV equity.</p> <p><u>DEED/City MIF Loan:</u> The proposed project meets the criteria for the DEED Minnesota Investment Fund (MIF) program. Under that program, GREDA would apply for a grant from DEED. The \$125,000 grant, when received from DEED, would be used by GREDA to provide a \$125,000 equipment loan to ASV. Under this program, GREDA has the ability to make the 40% local portion of the loan (\$50,000) forgivable to the business. I communicated to ASV, prior to their discussion of this project at the board directors meeting, that it will be and now is my recommendation to the City and GREDA that we provide these forgivable terms. The proceeds received from the remaining 60% of the loan are returned to DEED.</p> <p>ASV has decided they will move forward with the Grand Rapids Parts Distribution Center option, provided the IRRRB and DEED/City assistance is approved. It was clear in the recent communication of this decision by ASV, that this option/project would not likely have been approved by their board without this assistance.</p> <p>The Company's requested IRRRB funding has yet to be approved. It, tentatively, will be reviewed by their technical advisory committee on June 27th.</p> <p>This is a very exciting opportunity for Grand Rapids. With this assistance the project will add jobs to the community and will diversify ASV's employment base in Grand Rapids.</p> <p>(The City Council will be considering their support for this application on June 26th.)</p>
<p>Recommendation:</p>	<p>Conduct a public hearing concerning submittal of an application to the Minnesota Department of Employment and Economic Development for a grant under the Minnesota Investment Fund (MIF) program for the ASV Parts Distribution Center project.</p> <p><u>Public Hearing protocol:</u></p> <ul style="list-style-type: none"> ▪ State the purpose of the public hearing. ▪ Verify that legal notice of the public hearing has been made. ▪ Staff will present the background. ▪ Request public input on the proposed MIF application either in favor, or in opposition, and ask that any person from the public wishing to make a statement state their name and address for the record. ▪ After public input is received, entertain a motion to close

	<p>the public hearing portion.</p> <ul style="list-style-type: none">▪ Close the public hearing, and proceed to the next agenda item.
Required Action:	Conduct the public hearing
Attachments:	<ul style="list-style-type: none">▪ Draft MIF application w/out attachments

**Minnesota Investment Fund (MIF)
Program Application**
State Funds

APPLICATION PROCEDURES

The Minnesota Investment Fund (MIF) Program provides loans to businesses that create or retain high-paying, full-time permanent jobs, and invest in machinery or real property acquisition or improvements. The program is available statewide for manufacturing, distribution, warehousing, and other eligible business activities. Applications are accepted on a year-round basis as funds are available.

To receive funds, a business must work in conjunction with the local or county government where the business will be located. A MIF application must be completed and submitted to the Department of Employment and Economic Development (DEED). Step-by-step instructions are listed below and applications may be submitted by mail or email to the Loan Officer for the appropriate region of the state.

Please consult with your DEED loan officer before completing this application.

COMPLETING THE APPLICATION

In consultation with DEED, the local government will make a preliminary determination about whether a business meets the minimum program requirements. Use the MIF Eligibility Checklist on the program website for guidance. If a business is potentially eligible, the following steps are completed:

1. The business provides the information to the local government needed to complete the MIF Application. The local government must submit the completed application to DEED. **Please utilize application checklist to ensure application is completed correctly.**
2. DEED evaluates the application and notifies the local government and business of approval or denial. If approved, DEED will determine a maximum funding amount and job creation requirements.
3. Jobs created and/or capital investment expenditures may be counted after the business is formally notified by DEED that an award has been made. If hiring needs to begin sooner, please discuss the business needs with your DEED Loan Officer.
4. DEED will draft a Contract specifying the details of the award and job creation requirements. The local government and the DEED commissioner sign the Contract.
5. After the Contract is fully executed, the local government will enter into a Loan Agreement with the business. MIF funds will be paid on a reimbursement basis after required documentation verifying expenditures is submitted.
6. The local government will submit required annual progress reports, payment request documentation, and other information requested by DEED.

MINNESOTA INVESTMENT FUND (MIF) PROGRAM APPLICATION

SECTION 1 - LOCAL GOVERNMENT APPLICANT INFORMATION

Local Government Applicant: Grand Rapids Economic Development Authority	Local Government Contact Name and Title: Rob Mattei, Director of Community Development
Email: rmattei@ci.grand-rapids.mn.us	Telephone: 218 326-7622
Address: 420 N. Pokegama Avenue	City/State/Zip: Grand Rapids, MN 55744

PART A – Local Resources & Financing Request

Does local government have Revolving Loan Funds? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No *A copy of the Local Government's Revolving Loan fund Policies must be submitted with this application
If yes: What is the balance of the revolving loan funds?
What is the local government committing to this project (please provide specifics)? If this application is funded, the Grand Rapids Economic Development Authority intends to provide forgivable terms to the Business for the 40% local portion of the MIF Loan.
Is the applicant up to date with the filing of Minnesota Business Assistance Forms? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is the applicant up to date with the filing of MIF Revolving Loan Fund annual reports? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
What is the requested MIF loan amount? \$125,000
What rate and term is the local government proposing for the new MIF loan funds? 0% interest, 7 year term
What collateral will be pledged for the MIF loan? purchased equipment
What will the MIF funds be used for (attach estimates)? Building Shop Floor Equipment (see attached listing/budget)
When was the local government's latest audit (please attach a copy of the audit results)? 12/31/16

PART B – Community Needs

Include a project narrative which addresses the following areas as appropriate. Describe your community and economic development needs in detail and identify priorities and strategies for resolving these needs based on the following criteria:

1. Economic vulnerability of the community (Examples: need to diversify industrial base, underemployment of labor pool, labor pool needs);
2. Events contributing to a unique situation (Examples: recent loss of large employer, labor pool dependent upon one sector or industry, seasonality of employment, natural disaster);
3. Out migration due to lack of jobs (provide data showing a recent population decline due to lack of employment);
4. Project will support the economic viability of underserved businesses (e.g. veteran, minority, disabled, or women owned);
5. Tax Base: An increase in the value of the parcel(s) of land that will be directly assisted by the project (Provide a letter from the county/city assessor).

PART C – Citizen Participation

1. A public hearing is required to provide citizen notification and involvement prior to submitting the application. Submit a copy of the public hearing minutes, a copy of the public notice and affidavit of publication, and the Local Government Resolution.
2. Samples of the public hearing notice and the Local Government Resolution are attached as Exhibits A & B.

PART D – Business Credit Check

1. The following information searches on the business and owners holding 10 percent or more of the business must be acquired and reviewed prior to passing the Local Government Resolution: Google news, Secretary of State Good Standing, property tax status, lien/judgment, criminal record, pending lawsuit, credit status, bankruptcy. Provide a short narrative describing the steps completed for due diligence.
2. Please attach a bank reference letter from the business’ primary financial institution.
3. Attach a narrative describing the local governments’ ability to manage the grant, revolving loan fund, state and local compliance requirements, and the implementation of the project.

PART E - Other Assistance

List and provide amount of other public financial assistance and location in which the business has received **within the last five years** or expects to receive related to this expansion from state or local governments, such as tax credits, loans, grants, tax increment financing, and tax abatements:

Subsidy Grantor	Subsidy Amount	Date Subsidy Received/Will be Received	Type of Subsidy	Location where Subsidy Received/Used
Example: City	\$100,000	01/01/2014	Loan	Saint Cloud, MN
IRRRB	\$300,000	7/31/2017	Loan	Grand Rapids, MN
IRRRB	\$20,000	7/31/2017	BER Grant	Grand Rapids, MN

PART F – Financial Analysis

1. The local government must conduct a financial underwriting analysis of project/business financials for the proposed project.
2. What were the findings of your financial analysis?

We spread the financial statements provided by ASV, and in our review made the following positive findings: the business collects and pays within average terms, A/P<Inventory, they are current on taxes, they control their inventory, their debt to equity ratio is reasonable, they maintain their margins (COGS/sales is stable), they control overhead (SGA/sales is stable), and their operating profit/sales is rising.

3. Please attach a copy of the lead lender’s credit presentation with this application.

PART G – Project Compliance with State Statutes & Rules

All businesses receiving a MIF loan must abide by the following statutes and rules:

1. Minnesota Statutes, Section 181.59. Prohibits discrimination in contracts.
2. Minnesota Statutes, Section 363A.08. Prohibits unfair discrimination practices related to employment or unfair employment practices.
3. Minnesota Statutes Chapter 363 Minnesota Human Rights Act. Requires that all public services be operated in such a manner that does not discriminate against any person in the access to, admission to, full utilization of or benefit from such public service.
4. Minnesota Statutes, Sections 176.181 – 176.182. Requires recipients and subcontractors to have worker’s compensation insurance coverage.
5. Minnesota Statutes, Sections 290.9705. Requires that 8 percent of payments made to out-of-state contractors be withheld once cumulative payments made to the contractor for work done in Minnesota exceed \$50,000 in a calendar year, unless a waiver is granted by the Department of Revenue.
6. Minnesota Statutes, Section 116J.871. Requires recipients of \$500,000 or more of state loan funds to be used for construction to ensure that prevailing wages are paid to laborers and mechanics at the project construction site.
7. Minnesota Statutes Sections 471.87 and 471.88. Forbids public officials from engaging in activities which are, or have the appearance of being, in conflict of interest.
8. Minnesota Statutes 116J.993-995. Business Subsidy laws apply to this project.
9. Minnesota Statutes, 116J.8731. Minnesota Investment Fund laws apply to this project.
10. Minnesota Investment Fund, Rules Chapter 4300.
11. Minnesota Statutes, Chapter 13. The Minnesota Government Data Practices Act provides guidance on data privacy related to this project.

LOCAL GOVERNMENT CERTIFICATION:

If an award is provided for the project, the information contained in the application will become a matter of public record with the exception of those items protected under the Minnesota Government Data Practices Act found in Minnesota Statutes, Chapter 13. I also certify compliance with the appropriate State Statutes and Rules as stated in the accompanying Local Government Resolution.

I have read the above statement and I agree to supply the information requested to the Minnesota Department of Employment and Economic Development, Office of Business Finance with full knowledge of the information provided herein. I certify the information contained herein is true and accurate.

Name/Title of Local Government Official: Robert A. Mattei, Director of Community Development

Signature of Local Government Official: _____ Date: _____

Conflict of Interest Disclosure Form

This form gives grantees an opportunity to disclose any actual, potential or perceived conflicts of interest that may exist when receiving a grant. It is the grantee's obligation to be familiar with the Office of Grants Management (OGM) Policy 08-01, Conflict of Interest Policy for State Grant-Making and to disclose any conflicts of interest accordingly.

All grant applicants must complete and sign a conflict of interest disclosure form.

- I or my grant organization do NOT have an ACTUAL, POTENTIAL, or PERCEIVED conflict of interest.

If at any time after submission of this form, I or my grant organization discover any conflict of interest(s), I or my grant organization will disclose that conflict immediately to the appropriate agency or grant program personnel.

- I or my grant organization have an ACTUAL, POTENTIAL, or PERCEIVED conflict of interest. (*Please describe below*):

If at any time after submission of this form, I or my grant organization discover any additional conflict of interest(s), I or my grant organization will disclose that conflict immediately to the appropriate agency or grant program personnel.

Printed name:

Signature:

Organization:

Date:

SECTION 2 – BUSINESS INFORMATION

Business:	Business Legal Name:	Name of Borrower (if different):
ASV	ASV Holdings, Inc.	

Business Mailing Address: 840 Lily Lane	Street Address for MIF Project Site: 1104 SE 8th Street
Business City/State/Zip: Grand Rapids, MN 55744	City/State/Zip for MIF Project Site: Grand Rapids, MN 55744
Primary Business Contact and Title: Jim DiBiagio, Chief Operating Officer	
E-mail: jim.dibiagio@asvllc.com	Telephone: 218-999-4265
Website: www.asvllc.com	FEIN: 82-1501649
NAICS Code: 33120	Minnesota Tax ID: 5083813

PART A – Business Description.

Describe the business and its major activities. Please attach a narrative and include the following information:

1. Business overview and company history and ownership
2. Product or industry outlook for the MIF project
3. Markets (local, statewide, national, international) and competitive advantage
4. Attach three years historical financials (profit & loss/balance sheets) and 2 years financial projections, and year to date internally generated financials. Audited or reviewed financials are requested, if not available, copies of tax returns will be required.

Indicate type of business & provide verification:

- Corporation: Articles of Incorporation, By-Laws, Certificate of Incorporation
- Partnership: Partnership Agreement
- LLC: Articles of Organization, Operating Agreement, Member Control Agreement, Certificate of Organization
- Proprietorship or operates under a name other than the businesses legal name: Assumed Name Certificate, Affidavit of Publication
- Foreign Corporation: Certificate to Do Business in Minnesota and in home state.

Proprietorship, partners, officers, directors, holders of outstanding stock of 10 % or more of business ownership must be accounted for. For holders over 10% that are active in the business and holders over 20% - personal financial statements must be submitted.

Name	Title	% of Ownership

List Officers / Key Employees and include resumes (President, Vice President, etc.):

Name	Title	Years at Company
Andrew Rooke	CEO	1/2
Melissa How	CFO	18
James DiBiagio	COO	4 1/2

Does the property or the business have any outstanding local, state or federal tax liabilities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, describe:
Are there current or unsatisfied judgments or injunctions against the business or owners? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe:
Is there current or pending litigation involving the business? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, attach summary and disposition.
Within the past five years, has there been any violation(s), citation(s), or complaint(s) of discrimination filed against the company in a state or federal court or before any state, federal or local government agency? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, attach a copy of the violation(s), citation(s), or complaint(s) and the disposition of each.
Have there been any current or past bankruptcies on the part of the business, or on the part of any current (or prospective) officer, principal, owner or in any business dealings of current (or prospective) officers, principals, or owners of the applicant entity? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

SECTION 3 - PROJECT OVERVIEW

PART A – Project Description. Describe the project for which MIF funds are being requested. Please attach a narrative and include the following information:

1. Provide details for the project for which MIF funds are being requested. Discuss topics such as square footage, lease versus ownership, new construction versus renovation, or leasehold improvements, etc.
2. Is this a new facility/site, expansion and/or acquisition?
3. Will the business purchase/lease/or construct the facility? Who will own the facility?
4. Explain why MIF financing is necessary for this project to move forward (e.g. financing gaps, lack of collateral, potential non-Minnesota locations).
5. Describe how the MIF project will strengthen and/or diversify the local or Minnesota economy.
6. Describe any local government assistance for the MIF project (e.g., city loan, abatement, TIF, etc.).
7. Attach a commitment letter from each financing source, including a letter of commitment for any business equity.

PART B – Project Timeframe

Task	Estimated Completion Date
Commitment of all funds	July 2017
Start of construction	July 2017
Purchase Equipment	July-Sept. 2017
Project Completion	December 2017

PART C – Project Sources & Uses

Do you acknowledge that Personal Guaranties are required as a condition of the MIF loan? Yes

	MIF	Bank	Equity (describe below)	Local Government	Other (describe below)	Total
Property Acquisition						
Site Improvement						
New Construction						
Renovation of Existing Bldg.			\$35,751	\$8,000	\$20,000	\$63,751
Purchase of M & E	\$125,000				\$58,100	\$183,100
Other			\$193,876		\$241,900	\$435,776
Total Project Cost	\$125,000		\$229,627	\$8,000	\$320,000	\$682,627
Term (years)	7			Rebate from Grand Rapids PUC	7	
Interest Rate	0% (40% local share forgivable)				3%(w/forgivable terms)	
Collateral						
Lien Position						

Description of equity or other: Other: \$20,000 grant from IRRRB Business Energy Retrofit program for lighting upgrades & \$300,000 IRRRB Business Loan

PART D – Detailed Job & Wage Information.

Current number of employees company-wide: 159
Current number of permanent, FTE employees in Minnesota: 153
Current number of permanent, FTE employees at proposed MIF project site: 0 *Provide a most recent payroll report to document current employment levels. Social security numbers and other sensitive information should be redacted.
Will any jobs be relocated from another Minnesota site to the proposed MIF site? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, which location(s) will the employees be relocated from? ASV, 840 Lily Lane, Grand Rapids, MN 55 *For jobs relocated from another Minnesota location, a letter in support of the move from the city where the jobs will be moving from must be attached
Number of new FTE jobs to be created within 2 years in Minnesota: 13 *Full-time equivalent (FTE) permanent jobs based upon expected work hours of 2080 annually
Will non-mandated benefits be provided? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Which non-mandated benefits will be provided? <input checked="" type="checkbox"/> Health <input checked="" type="checkbox"/> Dental <input checked="" type="checkbox"/> Retirement <input checked="" type="checkbox"/> Life <input type="checkbox"/> Profit Sharing/Bonuses

JOB CREATION FORM – LIST ALL PERMANENT JOBS TO BE CREATED

POSITION TITLE (List permanent FTE positions only)*	HOURLY CASH RATE WITHOUT BENEFITS	HOURLY VALUE OF BENEFITS **	TOTAL HOURLY WAGE INCLUDING BENEFITS ***
Distribution Center Manager	\$33.65	\$10.43	\$44.08
Customer Service Specialist	\$17.50	\$5.43	\$22.93
Customer Service Specialist	\$17.50	\$5.43	\$22.93
Receiving Personnel (entry rate, max = \$18.66)	\$15.49	\$4.80	\$20.29
Receiving Personnel (entry rate, max = \$18.66)	\$15.49	\$4.80	\$20.29
Receiving Personnel (entry rate, max = \$18.66)	\$15.49	\$4.80	\$20.29
Pick/Pack/Ship Personnel (entry rate, max = \$18.66)	\$15.49	\$4.80	\$20.29
Pick/Pack/Ship Personnel (entry rate, max = \$18.66)	\$15.49	\$4.80	\$20.29
Pick/Pack/Ship Personnel (entry rate, max = \$18.66)	\$15.49	\$4.80	\$20.29
Cycle Counter (entry rate, max = \$18.66)	\$15.49	\$4.80	\$20.29
Product Support Tech.	\$24.04	\$7.45	\$31.49
Accounts Payable/Freight	\$17.50	\$5.43	\$22.93
Buyer/Planner/Purchasing	\$28.85	\$8.94	\$37.79
**Non-mandated benefits = 31%			
***Total=Hrly Cash Rate = Non-mandated Benefits			

Total jobs to be Created: 13

Average hourly wage: \$19.04

Average hourly benefits: \$5.90

Lowest Hourly wage: \$15.49

Lowest hourly benefits: \$4.80

*For the purposes of the Minnesota Investment Fund program, jobs considered must be non-contract, non-seasonal, permanent full-time (or part time that add to 2080) equivalent positions working at least 2080 hours per year.

** Only non-mandated benefits to the employee. Social security tax, unemployment insurance, workers compensation insurance and other benefits mandated by law *must be excluded*.

*** Total compensation including base wage and benefits must be at least 110% of the federal poverty income level for a family of four (verify current wage levels with loan officer at the time of application).

PART E - Environmental

1. Are there any environmental risks associated with the site, building, or the business itself? Yes No
If yes, please describe:

2. Have state environmental review requirements been met, if applicable? Yes No

SECTION 4 - BUSINESS ACKNOWLEDGMENT AND CERTIFICATION

DATA PRIVACY ACKNOWLEDGMENT:

Tennessee Warning Notice: per MN Statutes 13.04, Subd.2, this data is being requested from you to determine if you are eligible for assistance from the Minnesota Department of Employment and Economic Development. You are not required to provide the requested information, but failure to do so may result in the department’s inability to determine your eligibility for assistance. The data you provide that is classified as private or non-public and will not be shared without your permission except as specified in state and federal laws.

Data Privacy Notice: per MN Statutes 13.591, Subdivision 1, certain data provided in this Application is private or non public data; this includes financial information about the business, including credit reports, financial statements, net worth calculations, business plans; income and expense projections; balance sheets; customer lists; income tax returns; and design, market, and feasibility studies not paid for with public funds. Per MN Statutes 116J.401, Subd. 3., certain data provided in this application is private data; this includes data collected on individuals pursuant to the operation of business finance programs.

BUSINESS CERTIFICATION:

Financial Assistance Certification: I hereby certify that the Minnesota Investment Fund program is necessary to my business start-up or expansion and that without the Minnesota Investment Fund my business start-up or expansion project would not happen to the extent outlined in the Minnesota Investment Fund Application. I certify that I will not count any existing positions or employees moved or relocated from another of Minnesota facility where my business conducts operations as new permanent full-time employees for the purposes of fulfilling requirements of the Minnesota Investment Fund Program. I certify I will not terminate, lay-off, or reduce the working hours of an employee for the purpose of hiring an individual to fulfill the requirements of the Minnesota Investment Fund Program.

I have read the above statements and I agree to supply the information requested to the MN Department of Employment and Economic Development, Office of Business Finance with full knowledge of the information provided herein. I certify that all information provided herein is true and accurate and that the official signing this form has authorization to do so.

Name/Title of Business Official: James J. DiBiagio, COO

Signature of Business Official: _____ Date: _____

NOTICE OF JOB LISTING AGREEMENT

Businesses receiving an award from the State of Minnesota of at least \$200,000 must complete this certification which explains the job listing requirements for this project.

This Job Listing Agreement is designed to help you find new employees by providing a free and simple method of recruiting and hiring qualified candidates.

Businesses receiving an award from the State of Minnesota in excess of \$200,000 must enter into a Job Listing Agreement and list any vacant or new positions on the state’s job posting website www.MinnesotaWorks.net.

You are also encouraged to use your Workforce Center Business Services Specialist to help you recruit job candidates and utilize other programs such as the Work Opportunity Tax Credit.

If you are required to enter into a Job Listing Agreement, these are the steps that are followed:

1. We will notify a MinnesotaWorks.net Help Desk Specialist of your business’ name, contact person’s name, address, phone number, and the number and type of jobs to be created as a result of the award.
2. A representative from your local Workforce Center will schedule a meeting with you to discuss and sign the Job Listing Agreement.
3. When you have a job opening related to the project for which the award was granted, you must:
 - a) notify the Workforce Center of the opening at least 15 days prior to the anticipated hiring date, and
 - b) post the opening on www.MinnesotaWorks.net at least 15 days prior to filling the position.

Your Workforce Center Business Services Specialist is available to assist you with these requirements.

4. Job openings for internal promotions, managerial positions or positions that require unusual skills are not required to be posted under a Job Listing Agreement.
5. Job applicants apply for the open position by following the instructions on your job posting. You make all decisions regarding which candidates you interview and hire.

If you have questions, please contact the MinnesotaWorks.net Help Desk at (651)259-7500.

I HAVE READ THIS NOTICE AND, IF MY BUSINESS IS RECEIVING AN AWARD IN EXCESS OF \$200,000, WILL EXECUTE A JOB LISTING AGREEMENT.

Name/Title of Business Contact: _____

Signature of Business Contact: _____ Date: _____

Telephone Number: _____ Email Address: _____

PREVAILING WAGE CERTIFICATION

Businesses receiving an award from the State of Minnesota of at least \$500,000 must complete this certification which explains the prevailing wage requirements for this project.

I certify as follows:

- 1. I have the following relationship with the business named below, which is a Recipient of benefits from the Minnesota Investment Fund, and am authorized to act on behalf of the business:

Relationship to Recipient business (i.e., President, Vice President, owner, partner, etc.):

Name of Recipient business:

- 2. The Recipient business intends to construct, make improvements or purchase equipment to its Project at the following address:

Facility address:

- 3. The construction, improvements or installation of equipment directly financed with \$500,000 or more of state loan funds for the Recipient’s Project at the address in Paragraph 2 will involve the employment of laborers, workers, or mechanics for erection, construction, installation, remodeling or repair activities.
- 4. Because the Recipient is receiving an award under the Minnesota Investment Fund and because the construction or improvements referenced above will involve the employment of laborers, workers, or mechanics for erection, construction, installation, remodeling or repair activities, the Recipient:
 - a) Agrees all such persons will be paid the prevailing wage rate, as defined in Minn. Stat. § 177.42, subd. 6, as required under the laws of the State of Minnesota, and
 - b) Understands that failure to pay prevailing wage is a misdemeanor and that each day of violation is a separate offense.

Authorized Signature

Printed Name

If you have questions about these requirements, please visit <http://www.dli.mn.gov/LS/PrevWage.asp> or call the Minnesota Department of Labor and Industry at 651-284-5091.

**Consent to Release Private Business Employment and Wage Data
Collected and Maintained by the Unemployment Insurance Program
Minnesota Department of Employment and Economic Development (DEED)**

Your business is requesting financial assistance from a DEED business finance program that requires a commitment to create and/or retain jobs at selected wage levels. To help verify your current and future employment and wage levels during your participation in the program, DEED's Business Finance Office staff needs to review the monthly and quarterly employment and wage data that you submit to DEED's Unemployment Insurance Program (UIP).

Because your UIP employment and wage data is private, it cannot be provided to Business Finance staff without your permission. The data that will be provided with your permission includes aggregate Minnesota employment levels for your company and at the project site, as well as specific wages and hours worked by your individual employees in Minnesota. **It is important to note that data or information on specific individuals will be identify-protected so information such as social security numbers or names will not be provided.**

Once you provide permission for UIP to share the data, UIP can provide the data to the Office of Business Finance. You have the right to not provide consent by refusing to sign this consent form, however refusal may limit business finance program eligibility. The Office of Business Finance may not release the data to any parties other than to your business representatives and will only receive the data until all job creation and wage level commitments have been met.

To view the data or if you have questions, please contact Bob Isaacson, Executive Director, Office of Business Finance at 651-259-7458 or bob.isaacson@state.mn.us.

I give my permission for the Unemployment Insurance Program to release monthly and quarterly employment and wage data to DEED's Office of Business Finance; and

I understand that this data will be used by the Office of Business Finance to verify job and wage goal attainment associated with financial assistance it provides.

Signature of Business Representative	Company	Date
James J. DiBiagio	Chief Operating Officer	
Printed Name of Business Representative	Position	

82-1501649	jim.dibiagio@asvi.com	218-999-4265
Federal EIN #	E-mail	Phone

State Funded Minnesota Investment Fund (MIF) APPLICATION & ATTACHMENTS CHECKLIST

Please review your application for the following prior to submittal:

- Yes No Has this potential project been discussed with a DEED loan officer?
 Yes No Has DEED loan officer approved the project timetable?

Section 1 - Local Government Application Information

- Yes No Contact information complete?
 Yes No **Part A** - Local resources & financing request information complete?
 Yes No Revolving Loan Fund Policies attached?
 Yes No Cost estimates for project are attached with documentation?
 Yes No **Part B** - Community Needs Narrative Complete? Sections included on following:
 Yes No Economic vulnerability
 Yes No Events contributing to a unique situation
 Yes No Out migration
 Yes No Project will support underserved businesses
 Yes No Tax base - Letter from Assessor detailing project impact attached?
 Yes No **Part C** - Public hearing completed with copies of public notice, affidavit of publication, signed resolution and meeting minutes attached?
 Yes No **Part D** - Business credit check completed with documentation and statement of findings attached?
 Yes No **Part F** - Financial analysis completed with documentation and statement of findings attached?
 Yes No Copy of lead lender's credit presentation attached?
 Yes No **Part G** - Project compliance with State Statutes & Rules signed?

Section 2 - Business Information

- Yes No Contact and identification information complete?
 Yes No Business description attached including:
 Yes No Business overview
 Yes No Product and industry outlook
 Yes No Markets and competitive advantage
 Yes No 3 years of historical P&Ls and Balance Sheets attached?
 Yes No 2 years of financial projections attached?
 Yes No Year-to-date internally generated financial statements attached?

- Yes No Business type identified and verification of chartering attached?
- Yes No Business ownership section completed?
- Yes No Officers / key employee section complete with resumes attached?
- Yes No Legal questions complete and explanations attached, if applicable?

Section 3 – Project Overview

- Yes No **Part A** - Project description complete?
 - Yes No Project details
 - Yes No New facility / site, expansion or acquisition detailed
 - Yes No Ownership
 - Yes No Why MIF is necessary
 - Yes No How MIF will help strengthen / diversity the economy
 - Yes No Local unit of government financial assistance
 - Yes No Commitment letters attached
- Yes No **Part B** - Project sources and uses of funds complete?
- Yes No Descriptions of equity and other provided?
- Yes No **Part C** - Project timeframe information complete?
- Yes No **Part D** – Detailed job and wage information complete?
- Yes No Job creation details and attachments completed?
- Yes No Job creation form completed?
- Yes No Payroll report submitted?
- Yes No Relocation letter, if applicable, attached?
- Yes No **Part E** – Environmental section complete?

Section 4 – Business Acknowledgement and Certification

- Yes No Business certification signed?
- Yes No Job listing agreement signed?
- Yes No Prevailing wage certification filled out and signed?

**LOCAL GOVERNMENT RESOLUTION EXAMPLE
MINNESOTA INVESTMENT PROGRAM**

*Applicants must adopt and submit the following resolution.
This resolution must be adopted prior to submission of the application.*

BE IT RESOLVED that *(Applicant)* act as the legal sponsor for the project contained in the Minnesota Investment Fund Application to be submitted on or about *(Date)* and that *(Title of First Authorized Official)* and *(Title of Second Authorized Official)* are hereby authorized to apply to the Department of Employment and Economic Development for funding of this project on behalf of *(Applicant)*.

BE IT FURTHER RESOLVED that *(Applicant)* has the legal authority to apply for financial assistance, and the institutional, managerial, and financial capability to administer the proposed project.

BE IT FURTHER RESOLVED that *(Applicant)* has not violated any Federal, State, or local laws pertaining to fraud, bribery, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

BE IT FURTHER RESOLVED that upon approval of its application by the State, *(Applicant)* may enter into a Grant Contract with the State of Minnesota for the approved project, and that *(Applicant)* certifies that it will comply with all applicable laws, statutes, regulations and rules as stated in the Grant Contract and described in the Project Compliance Certification of the Application.

AS APPLICABLE, BE IT FURTHER RESOLVED that *(Applicant)* has obtained credit reports and credit information on *(Name of Business)* and *(Name of Owners)*. Upon review by *(Applicant)* and *(Applicant's Legal Counsel)*, no adverse findings or concerns regarding, but not limited to, tax liens, judgments, court actions, and filings with state, federal and other regulatory agencies were identified. Failure to disclose any such adverse information could result in revocation or other legal action.

NOW, THEREFORE BE IT RESOLVED that *(Title of First Authorized Official)* and *(Second Authorized Official)*, or their successors in office, are hereby authorized to execute the Grant Contract and amendments, thereto, as are necessary to implement the project on behalf of the *(Applicant)*.

I CERTIFY THAT the above resolution was adopted by the *(City Council or County Board)* of *(Applicant)* on *(Date)*.

SIGNED: _____
(First Authorized Official)

WITNESSED: _____
(Signature)

(Title) (Date)

(Title) (Date)

SIGNED: _____
(Second Authorized Official)

(Title) (Date)

PUBLIC HEARING NOTICE EXAMPLE

Exhibit B

Notice of Public Hearing

Notice is hereby given that on (date/time) at (location details) the (local unit of government) will hold a public hearing concerning submittal of an application to the Minnesota Department of Employment and Economic Development for a grant under the Minnesota Investment Fund (MIF) program.

The (local unit of government) is requesting approximately \$ (amount of MIF funds to be requested) to assist with the (start-up or expansion) of (name of business). The funds will be used for the creation of jobs.

All interested parties are invited to attend the public hearing at which time you will be given the opportunity to express comments on the project.

Written testimony will also be accepted at the public hearing. Written comments must be received by (date) at (address). Specific questions can be directed to (contact name and phone number).

The (local unit of government) makes reasonable accommodation for any known disability and to meet the needs of non-English speaking residents that may interfere with a person's ability to participate in this public hearing. Persons needing an accommodation must notify (contact person, phone number) no later than (date) to allow adequate time to make needed arrangements.



CITY OF
GRAND RAPIDS
IT'S IN MINNESOTA'S NATURE

REQUEST FOR GRAND RAPIDS EDA ACTION

Agenda Item #6	Meeting Date: 6/27/16
Statement of Issue:	Consider adopting a resolution authorizing a Minnesota Investment Fund application for the ASV Parts Distribution Center project.
Background:	Upon concluding the public hearing, if the Grand Rapids EDA supports moving forward with the Minnesota Investment Fund (MIF) application for the ASV Parts Distribution Center project, adoption of the draft, attached, resolution authorizing the application is recommended.
Recommendation:	Adopt the resolution authorizing a Minnesota Investment Fund application for the ASV Parts Distribution Center project.
Required Action:	Pass a motion adopting a resolution authorizing a Minnesota Investment Fund application for the ASV Parts Distribution Center project.
Attachments:	<ul style="list-style-type: none">▪ Draft resolution

Grand Rapids Economic Development Authority Commissioner
following resolution and moved for its adoption:

introduced the

**GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY
RESOLUTION NO. 17-04**

**A RESOLUTION AUTHORIZING A MINNESOTA INVESTMENT FUND
APPLICATION FOR THE ASV PARTS DISTRIBUTION CENTER PROJECT**

BE IT RESOLVED that the Grand Rapids Economic Development Authority act as the legal sponsor for the project contained in the Minnesota Investment Fund Application to be submitted on or about June 30, 2017 and that the Grand Rapids Economic Development Authority President and Executive Director are hereby authorized to apply to the Department of Employment and Economic Development for funding of this project on behalf of the Grand Rapids Economic Development Authority.

BE IT FURTHER RESOLVED that the Grand Rapid Economic Development Authority has the legal authority to apply for financial assistance, and the institutional, managerial and financial capability to administer the proposed project.

BE IT FURTHER RESOLVED that the Grand Rapids Economic Development Authority has not violated any Federal, State, or local laws pertaining to fraud, bribery, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

BE IT FURTHER RESOLVED that upon approval of its application by the State, the Grand Rapids Economic Development Authority may enter into a Grant Contract with the State of Minnesota for the approved project, and that the Grand Rapids Economic Development Authority certifies that it will comply with all applicable laws, statutes, regulations and rules as stated in the Grant Contract and described in the Project Compliance Certification of the Application.

AS APPLICABLE, BE IT FURTHER RESOLVED that the Grand Rapids Economic Development Authority has obtained available records and completed a business credit analysis of ASV Holdings, Inc. Upon review by the Grand Rapids Economic Development Authority, no significant adverse findings or credit worthiness concerns regarding but not limited to tax liens, judgements, court actions and filings with regulatory agencies were identified. Failure to disclose such adverse information could result in revocation or other legal action.

NOW, THEREFORE BE IT RESOLVED that the Grand Rapids Economic Development Authority President and Executive Director, or their successors in office, are hereby authorized to execute the Grant Contract and amendments, thereto, as are necessary to implement the project on behalf of the Grand Rapids Economic Development Authority.

I CERTIFY THAT the above resolution was adopted by the Grand Rapids Economic Development Authority on June 27, 2017.

SIGNED:

WITNESSETH:

President, Grand Rapids EDA

Executive Director

Date

Date

Commissioner
favor thereof:
whereby the resolution was declared duly passed and adopted.

seconded the foregoing resolution and the following voted in
and the following voted against same: none,