



Upper Minnesota Valley
REGIONAL DEVELOPMENT COMMISSION
Helping Communities Prosper

323 W. Schlieman Ave. Appleton, MN 56208 320.289.1981 www.umvrdc.org

BOARD MEETING AGENDA
BOARD OF DIRECTORS
Upper MN Valley Regional Development Commission
August 25, 2020 - 6:30 PM
Appleton Armory

Pledge of Allegiance

Introductions

Approve Agenda/Additions

Round Robin: Share recent actions, discussions or issues from your city, county, council or board

1. **Action Items**

- a. Loan Advisory Board Recommendations
- b. Maynard Local Assistance Fund Request

2. **Information Items**

- a. Planner Update
- b. Executive Director Update
- c. RLF Update

3. **Discussion Items**

- a. Annual Meeting Recap

4. **Consent Agenda Items**

- a. July 2020 Meeting Minutes
- b. July 2020 Treasurer's Report and Board Payment Listings
- c. RLF Treasurer's Report
- d. Maynard Bank Building Grant Writing Contract
- e. Meander Fiscal Agent
- f. Meander website developer Contract
- g. EDA CARES Act Award

NOTE: All items listed under consent agenda will be enacted by one motion. Upon request, member can remove items from the consent agenda list and have them considered separately under Action Items.

Citizen Comments:

Adjournment:

Next Meeting: September 22nd

UMVRDC Mission Statement
"Enable the region to thrive through assisting local governments."

ACTION MEMO

TO: Upper MN Valley RDC Commissioners
FROM: Laura Ostlie, Community Development Planner
DATE: August 25, 2020
RE: RLF Loan Advisory Board Recommendations

CARES Act Recovery Assistance Revolving Loan Fund Plan

The RLF Advisory Board made a recommendation to approve the attached loan plan that for our newly awarded CARES Act Revolving Loan Fund. This new loan plan replicates our current loan plans but prioritizes activities that will prevent, prepare for, and respond to coronavirus and economic injury as a result of the coronavirus.

In addition, the following regulation may be waived or is flexible during the new award's disbursement phase:

- Establish a minimum interest rate for RLF loans
- Require RLF loans to leverage additional capital
- Require evidence demonstrating credit is not otherwise available
- Simplified underwriting and loan approval procedures
- Reduced or eliminated borrower equity and collateral requirements
- Changed maximum or minimum loan amounts
- Standardized portfolio targets

Action Requested:

Approve the RLF Advisory Board Recommendation of the UMRDC's CARES Act Recovery Assistance Revolving Loan Funds Plan

Devo's Paint and Body Loan Request

On August 10th, the RLF Advisory Board made a recommendation to approve a \$88,000 loan request by Devin Olson. This loan will provide gap financing to purchase machinery and equipment for a new business that will be located in Dawson.

With this loan financing, the UMRDC would have a shared 2nd position UCC behind the Dawson Credit Union.

Action Requested:

Approve the RLF Advisory Board Recommendation of a \$88,000 loan at 0% for 2 years, then 2.4% for five years from the UMRDC CARES Act RLF

After Five Supper Club COVID-19 Deferment Request

The RLF Advisory Board made a recommendation to extend the COVID-19 deferment to the After Five Supper Club. Lead lender, the Southwest Initiative Foundation, provided an additional three-month deferment option to their borrowers, which included the After Five Supper Club. The UMRDC has a shared loan structure with SWIF.

Action Requested:

Approve the RLF Advisory Board Recommendation to provide an additional three-month COVID-19 deferment to the After Five Supper Club



***UMVRDC EDA CARES ACT
Recovery Assistance
Revolving Loan Fund***

Approved by the UMVRDC:

323 West Schlieman Avenue, Appleton, MN 56208

320.289.1981 www.umvrdc.org

Eligible Lending Area:

**The Minnesota counties of
Big Stone, Chippewa, Lac qui Parle, Swift and Yellow Medicine**



Part I: The Revolving Loan Fund (RLF) Strategy

A. Economic Adjustment Program Overview

The RLF strategy provides the approach for using RLF financing in conjunction with the goals and objectives established through the Upper Minnesota Valley Regional Development Commission's (UMVRDC) Region 6W Comprehensive Economic Development Strategy (CEDS). The CEDS committee is made up of a broad representation of individuals representing many different interest groups. The CEDS Committee along with the local units of government in Region 6W carry out a continuous economic development process of evaluating and refining the region's CEDS and overseeing its implementation. The Region 6W CEDS is part of an ongoing economic development program that makes use of many forms of U.S. Department of Commerce Economic Development Administration (EDA) assistance.

On March 27, 2020, Congress enacted the Coronavirus Aid, Relief, and Economic Security Act which appropriated supplement funds to the Department of Commerce, Economic Development Administration (EDA) to "prevent, prepare for, and respond to coronavirus. The UMVRDC is the grant recipient of those EDA funds and will use them to create a separate revolving loan fund to respond to the economic impacts resulting from the coronavirus.

It is the intent of the UMVRDC that after the CARES ACT Revolving Loan Funds have been dispersed that the CARES ACT RLF will be combined with the Original RLF. This request will be sent to EDA as soon as the initial disbursement of funds is complete.

The CARES ACT Revolving Loan Fund (RLF) is a strategy that helps rebuild and diversify regional businesses and employment opportunities for those impacted by the coronavirus. The UMVRDC's CEDS identifies RLF's as a strategy and critical tool for rural economic development. The CARES ACT RLF is supported by the CEDS under the economic competitiveness cornerstone. Specifically the portion of the CEDS that identifies the need to support small business, entrepreneurship, and innovation in our region.

The CARES ACT Revolving Loan Fund (RLF) is a program of the UMVRDC with recommendations provided by an RLF Advisory Board. The RLF Advisory Board is made up of local elected officials, appointed individuals, CEDS and UMVRDC members. The Loan Advisory Board oversees the Original Revolving Loan Fund, the 2011 Disaster Response Revolving Loan Fund, and the CARES ACT Revolving Loan Fund. RLF administration and staffing is provided by the UMVRDC.

All of UMRDC area is eligible for the CARES ACT RLF. Region 6W is located along the South Dakota border in western Minnesota. The five counties that make up the region include: Big Stone, Chippewa, Lac qui Parle, Swift and Yellow Medicine Counties. Within these five counties that make up Region 6W are 37 cities and 94 townships.

B. Business Development Strategy

The UMRDC CARES Act Revolving Loan Fund will provide access to affordable capital through gap financing for business start-up or expansion in the region to encourage job creation, job retention, improved income levels, economic diversification and economic stability. The UMRDC's proposed RLF and administration activities will help the lending area to, "prevent, prepare for, and respond to coronavirus" and respond to "economic injury as a result of coronavirus." Prevention in the form of available capital for regional business. Implementing support to innovation in our communities in order to prepare or respond to coronavirus. Along with the ability to finance entrepreneurial growth reacting to the inability of a business to meet its obligations following coronavirus. The UMRDC will address coronavirus through their revolving loan fund by implementing the following the priority:

1. Create or retain permanent employment, with priority given to business affected by coronavirus
2. Reduce unemployment and underemployment in the region in response to economic injury
3. Encourage the creation of jobs that create a living wage and improve income levels
4. Stimulate increased tax base
5. Leverage other public and private (with an emphasis on private) sector investment
6. Encourage growth of the region's existing business and industry with priority given to those directly impacted by coronavirus or other economic injury
7. Develop a diversified base of businesses and industries to insulate the region's economy from changing markets and business cycles
8. Support new and emerging industries
9. Encourage and support entrepreneurship sustained through coronavirus or other economic disaster

In addition to providing needed capital, the RLF will act as a catalyst for achieving the objectives above by:

1. Assisting in loan packaging
2. Assisting in business planning
3. Refer businesses and entrepreneurs to other sources of assistance including, but not limited to, the Minnesota Small Business Development Center, Southwest Minnesota Private Industry Council, Inc., Prairieland Economic Development Corporation, Minnesota Department of Employment and Economic Development, Southwest Minnesota Initiative Foundation, area colleges and universities, and county and city economic development entities.

C. The Financing Strategy

Both existing business in all sectors and entrepreneurs traditionally have had a difficult time obtaining sufficient financing from local banks and credit unions in the region. There are two key reasons for this lack of financing for business development. First, most of the region's lending institutions are small with limited assets. Second, agriculture lending has historically been the focus of the region's lenders because of the area's large agriculture base. As a result, business lending has been and continues to be a small part of the portfolios for the region's lending institutions.

Due to these limiting factors for accessing private financing, public financing is a vital tool for business development in the region. RLF financing will be used to fill financing gaps and be accessed when credit is otherwise not available. The RLF will try to partner with other public sources of funds whenever possible to fill financing gaps. Other gap financing sources that may be accessed include, but are not limited to:

1. Southwest Minnesota Initiative Foundation (private funding)
2. Prairieland EDC (SBA lender)
3. Minnesota Department of Employment and Economic Development (public funding)
4. County and city RLFs (public funding)

The RLF's financing niche will be to provide gap financing to businesses that fulfill one or more objectives of the RLF's business development strategy. The types of businesses/firms eligible for RLF financing are:

1. Manufacturing

2. Commercial/service and retail – commercial and retail business projects, while eligible for RLF financing must fulfill a local need for essential goods and services. Services which have an area greater than the regional or multi-state markets are eligible.
3. Non-profits and Quasi-public
4. Traditional farming activities are not eligible for RLF financing.

To fulfill the RLF's goal and objectives stated herein the RLF may take guidance from the following financing impact factors:

1. The RLF should be market based – RLF investments should capitalize on the region's unique assets and strengths when possible to build comparative advantages for future business investment.
2. The RLF's financing strategy should be proactive in nature and scope – RLF investments should attempt when possible to support and advance innovation and increased productivity. The RLF should attempt to enhance the region's success in achieving a high and rising standard of living.
3. The RLF looks beyond the immediate economic horizon, anticipates economic changes and diversifies the local and regional economy – the RLF investments should attempt to be part of an overarching, long-term regional strategy that includes expanding existing industry and developing emerging, new industry. Investments should try to create conditions for sustained productivity.
4. RLF investments maximize the attraction of private sector investment that would not otherwise come to fruition absent RLF investment – the RLF should try to serve as a unique public sector source of capital to assist distressed communities that otherwise would be at a competitive disadvantage in attracting the private capital investment.
5. RLF investments should have a high probability of success.
6. The RLF should attempt to contribute to an environment where higher-skill; higher-wage jobs are created.
7. The RLF should attempt to maximize the return on taxpayer investment – RLF investments should generate a return for the taxpayer by attracting private capital investment and high wage jobs that promote regional prosperity. Successful RLF investments should promote economic self-sufficiency; provide the resources for building safe, healthy and attractive communities; and minimize poverty.

D. Financing Policies

The RLF Advisory Board shall take guidance from the following guidelines:

1. Demonstrate Financing Gap - The RLF shall not be a substitute for private financing. The fund will lend to applicants who can demonstrate a financing gap. Loan documentation for each RLF loan must demonstrate that credit is not otherwise available on terms and conditions that permit the completion or successful operation of the activity to be financed.

2. Bank Participation Required - As a resource for gap financing, the RLF is intended to augment, not supplant and/or compete with existing sources of local and private capital. Bank financial participation is required. A letter from the bank explaining their financing terms and why they cannot provide the full project financing is also required.

3. Use of Capital
 - (a) General - RLF capital shall be used for the purpose of making RLF loans that are consistent with the RLF Plan or such other purposes approved by the Federal EDA. To ensure that RLF funds are used as intended, each loan agreement must clearly state the purpose of each loan.

 - (b) Restrictions on use of RLF capital - RLF capital shall **not** be used to:
 - (1) Acquire an equity position in a private business

 - (2) Subsidize interest payments on an existing RLF loan

 - (3) Provide for borrowers' required equity contributions under other Federal Agencies' loan programs

 - (4) Make loan guarantees

 - (5) Enable borrowers to acquire an interest in a business either through the purchase of stock or through the acquisition of assets, unless sufficient justification is provided in the loan documentation. Sufficient justification may include acquiring a business to save it from imminent closure or to acquire a business to facilitate a significant expansion or increase in investment with a significant increase in jobs. The potential economic benefits must be clearly consistent with the strategic objectives of the RLF.

(6) Provide RLF loans to a borrower for the purpose of investing in interest-bearing accounts, certificates of deposit or any investment unrelated to the RLF.

(7) Refinance existing debt, unless:

The RLF sufficiently demonstrates in the loan documentation a “sound economic justification” for the refinancing (e.g., the refinancing will support additional capital investment intended to increase business activities). For this purpose, reducing the risk of loss to an existing lender(s) or lowering the cost of financing to a borrower shall not, without other indicia, constitute a sound economic justification; or

RLF capital will finance the purchase of the rights of a prior lien holder during a foreclosure action which is necessary to preclude a significant loss on an RLF loan. RLF capital may be used for this purpose only if there is a high probability of receiving compensation from the sale of assets sufficient to cover an RLF’s costs plus a reasonable portion of the outstanding RLF loan within eighteen (18) months following the date of refinancing.

(8) With prior approval from the Federal EDA, an RLF may enter into a sale or securitization of all or a portion of its RLF loan portfolio.

4. Types of Assets Financed

(a) Working capital

(b) Fixed assets

(c) Real estate

5. Size of Loans - The fund will make loans in the range of \$5,000-\$200,000.

6. Repayment Terms - the term selected will take into consideration the value and depreciable life of the assets to be financed and the forecasted cash flow of the project.

The RLF Advisory Board may elect to use balloon payments for any loan. When a balloon payment comes due the borrower shall pay the remaining principal and interest balance in full or may request

the RLF Advisory Board to rewrite the remaining principal and interest balance with new terms or extend the terms of the existing loan. If the borrower requests a loan extension or the loan to be re-written, the RLF Advisory Board will evaluate the financial position of the borrower to determine if they are able to pay the balance in full, if financing is otherwise available from another source on terms and conditions that permit the completion or successful operation of the activity financed or if there is a need to extend or re-write the existing loan.

The RLF Advisory Board shall use the following as a general guide for repayment:

- (a) Working capital – Terms up to five years
 - (b) Fixed assets – Terms up to 10 years (terms greater than five years will require a five-year balloon)
 - (c) Real estate – Terms up to 20 years (terms greater than 10 years will require a five to 10-year balloon)
7. Interest Rates – The RLF may make loans to eligible borrowers at interest rates and under conditions determined by the RLF Advisory Board to be appropriate in achieving the goals of the RLF. The RLF has a dual interest rate floor where the interest rate charge generally cannot be less than the lower of four (4) percent or seventy five (75) percent of the prime interest rate listed in the Wall Street Journal. However, should the prime interest rate listed in the Wall Street Journal exceed fourteen (14) percent, the minimum RLF interest rate is not required to be raised above ten (10) percent if doing so compromises the ability of the RLF to implement its financing strategy.
- Within the parameters outlined above, the RLF will operate with fixed interest rate schedules which shall be negotiated between the RLF Advisory Board and the borrower after taking into account interest rates prevailing in the local commercial market, the term of the loan request, collateral and the financial projections for the project. The RLF Advisory Board will consider an interest rate in line with the business's internal rate of return. Interest rates will generally be below local financial institutions' rates.
8. Special Financing Techniques – The RLF Advisory Board may deviate from the financing policies stated herein to accomplish the objectives of the RLF. Key factors such as job creation, job retention, wages of jobs created/retained and the amount of capital investment proposed will be evaluated to determine when special financing techniques will be used. The RLF Advisory Board may also deviate from its financing policies to increase the likelihood of RLF capital being repaid.

The RLF reserves for itself the ability to employ the following financing techniques as determined by the RLF Advisory Board:

- (a) Moratorium on principal payments (The maximum moratorium period on principal payments shall be six months. Additional moratorium periods of up to six months each may be granted by the RLF Advisory Board to a borrower after the RLF Advisory Board completes a re-evaluation of the financial condition of the borrower and determines the borrower is not able to resume payments).
 - (b) Subordinated positions
 - (c) Scheduled balloon payments
 - (d) Loan extensions
 - (e) Lower interest rate
 - (f) Longer term
 - (g) Reduced equity requirement
 - (h) Moratorium on principal and interest payments (The maximum moratorium period on principal payments shall be six months. Additional moratorium periods of up to six months each may be granted by the RLF Advisory Board to a borrower after the RLF Advisory Board completes a re-evaluation of the financial condition of the borrower and determines the borrower is not able to resume payments).
9. Equity - In all cases, the strongest possible equity commitment from borrowers shall be sought as determined by the RLF Advisory Board through an analysis of the borrower's net worth and financial condition. As a general guide, a minimum borrower equity contribution of ten (10) percent of the total project cost will be sought when possible. In-kind equity will be allowed to permit greater flexibility.
10. Collateral - The RLF Advisory Board shall make no unsecured loans. Working capital shall be collateralized by any assets and any possible security positions deemed appropriate by the RLF Advisory Board. Personal guarantees and liens against specific personal assets of the borrower may be required.

11. General Policies for Restructuring or Modifying Terms of RLF Loans - The RLF Advisory Board may extend the terms of a loan through a moratorium on principal payments up to six months upon borrower request if circumstances warrant such action. Terms may also be restructured with a loan extension agreement approved by the RLF Advisory Board if circumstances warrant such action. The borrower must provide both past and current personal and business financial information as requested by the RLF Advisory Board. This information will be used by the RLF Advisory Board to evaluate the need for a moratorium or extension on payments.

In addition, the RLF Advisory Board may choose to include a call clause in its contract with the borrower. A call clause would allow the RLF to withdraw its funds ahead of schedule from successful firms that have the called-for repayment ability.

12. Financial Statement - Current financial statements, including operating figures, will be required no less than annually or no less frequently than required by other creditors. Supervision of RLF credits (renewals, refinancing, workouts and collections) plus collateral inspections and file maintenance (current financing statements, operating statements and other paperwork) may be handled by a third party. Any information received by the third party will be sent to the RLF RLF Advisory Board. The RLF Advisory Board of the RLF will review loan activity at each monthly meeting.

E. Portfolio Standards and Targets

The following portfolio standards will be used by the RLF Advisory Board to measure the performance of the RLF, prioritize applications and fulfill the RLF objectives. These standards are meant as guidelines and not absolute requirements.

1. Retail - Retail type business loans will not exceed 30 percent of the RLF capital portfolio.
2. Non-profit/Quasi-public - Loans may be made to not-for-profit and quasi-public organizations providing the combined loans to both will not exceed 15 percent of the total RLF capital portfolio and they meet all other requirements for eligible borrowers. Priority will be given to private borrowers, as private sector employment is a primary goal of the RLF.
3. Working Capital - working capital loans shall not exceed 50 percent of the RLF capital portfolio.
4. Participation Rates – The maximum RLF participation rate for manufacturing projects is 33 percent of the total project costs. The maximum participation rate for all other types of projects is 20 percent.

5. Leverage of Private Sector Investment – Private investment must be leveraged at a minimum of two private dollars to one RLF dollar for the portfolio as a whole. Private investment includes:
 - (a) Capital invested by the borrowers or others
 - (b) Financing from private entities; or
 - (c) The non-guaranteed portions and 90 percent of the guaranteed portions of the U.S. SBA 7(A) and 504 loans.
 - (d) Private investment shall not include accrued equity in a borrower's assets.
6. Cost Per Job – A goal of one job created or retained for every \$25,000 of RLF dollars loaned for the loan portfolio overall. Job retention results from loans to existing firms in the eligible lending area where these jobs would be lost to the local economy but for the RLF.

F. RLF Loan Selection Criteria

In addition to the required selection criteria that financing is not otherwise available and the financial impact factors stated in Part I.C - *The Financing Strategy*, the following criteria will be used to evaluate proposed loans:

1. Job creation is the first priority and job retention is the second priority.
2. Likelihood the proposed loan will benefit the long-term unemployed and underemployed.
3. Emphasis will be on new business start-ups or expansions of existing businesses needing fixed-asset financing.
4. Priority will be given to private borrowers as private sector investment and employment is a primary goal.
5. Manufacturing, renewable energy, value-added agriculture and technology businesses will be encouraged and receive priority.

6. Diversification of the regional economy.
7. Improvements in the income level of residents, either directly or indirectly.
8. The amount of private sector investment.
9. Emerging niche markets.
10. Projects that will lead to increased tax base.

G. Performance Assessment Process

The RLF completes an annual report each year on the performance of the RLF. This annual report is presented to and discussed with UMRDC Board and CEDS Committee. The RLF Plan is annually reviewed, updated and certified by UMRDC and sent to the Economic Development Administration (EDA) every five years as part of a complete update process. In addition, changes are made to the plan as needed and sent to EDA for approval.

H. EDA Specific RLF Guidelines

1. Allowable cash percentage: Effective Jan. 2, 2018, EDA replaced the Capital Utilization Rate of 25 percent with region-specific Allowable Cash Percentage (ACP) that is updated annually. The ACP is the average cash available for RLFs in the Chicago EDA region and is used for risk rating RLFs according to the Risk Analysis System.

Lending activity will be managed so that the cash available for lending is less than the current ACP in effect for the Chicago Region. However, if the Cash Available for Lending is greater than 50% of the RLF Capital Base for 24 consecutive months, EDA may take action to disallow the persistent excess cash.

2. EDA reporting: UMRDC will maintain compliance with all EDA reporting requirements.
3. Audits: The EDA RLF is subject to an annual audit in compliance with 2 CFR Part 200, Subpart F.

Part II: Revolving Loan Fund Operational Procedures

A. Organizational Structure

1. EDA Grant Recipient - the grant recipient and responsible entity for RLF funds.
2. RLF Advisory Board - The RLF Advisory Board will have thirteen members including two voting members from the UMRDC as well as a Chairman.
 - Each county will nominate a county commissioner and an at-large member from an economic development background to serve on the Loan Advisory Board.
 - The UMRDC will appoint three total members from the commission to serve on the RLF Advisory Board with one of those members serving as the Chairman.
 - The UMRDC will approve all appointments.

The RLF Advisory Board's composition to the extent possible will have equal representation by women in its membership. RLF Advisory Board members are encouraged to be from a business or financial background. The term of RLF Advisory Board members that are county commissioners runs concurrent with their elected term. Other RLF Advisory Board members are elected to a three-year term and may not serve more than two terms. A quorum of the RLF Advisory Board requires seven members.

The RLF Advisory Board is responsible for recommending approval or denial of all requests, all major loan modifications or waivers, loan foreclosure actions, recommending RLF loan policy and any other administrative items requiring action that comes before the RLF. The UMRDC will make all final decisions. After a federal disaster declaration, UMRDC staff has the ability to expedite special financing techniques as defined under section D. Financing Policies of this plan. These techniques will be reviewed with the RLF Advisory Board if time allows. All special financing techniques will be approved by the UMRDC.

3. Operational Functions – The following administrative functions have been identified along with the primary source of staffing. This is not an inclusive list as some additional administrative items may arise from time to time. Also, other staffing sources may be needed other than those listed based on the administrative function needed and the expertise of the primary source of staffing.

<u>Administrative Function</u>	<u>Primary Source of Staffing</u>
(a) Marketing and outreach	UMRDC staff
(b) Application preparation	UMRDC staff
(c) Issuance of meeting notices,	UMRDC staff

recording of minutes for
nonprofit RLF corporate body
and RLF Advisory Board, facilitation
of meetings, organization of meetings

(d) Maintenance of financial records

UMVRDC staff

(e) Preparation of required reports

UMVRDC staff

(f) Identification of business loan prospects

local and regional
development entities,
local and regional
development staff, financial
institutions and RDC staff

(g) Explanation of the RLF to
potential borrowers

UMVRDC staff

(h) Coordination with private
sector funding sources

local and regional
development staff,
RDC staff

(i) Coordination of legal and
accounting services needed

UMVRDC staff

(j) Technical assistance

UMVRDC staff; Minnesota

	SBDC
(k) Coordination of the RLF	UMVRDC staff
(l) Environmental review	UMVRDC staff, applicant, consultant
(m) Loan processing	UMVRDC staff
(n) Legal work	Attorney
(o) Credit analysis	UMVRDC staff
(p) Loan write-ups	UMVRDC staff
(q) Closings	UMVRDC staff, participating lead bank/lender, attorney
(r) Repayment and servicing	UMVRDC staff
(s) Default loans, bad debt foreclosures, collateral recovery	Attorney
(t) Compliance with grant requirements	UMVRDC staff
(u) Financial audits	contracted audit professionals

4. Staff qualifications – Loan analysis staff is expected to have appropriate educational background and/or experience. National Development Council certification or similar training is recommended.

All other staff functions should be completed by staff with education and/or experience in the task being completed.

5. Conflict of Interest – Conflicts of interest with staff, RLF Advisory Board, and RDC members will be evaluated prior to any actions taken by the RLF. RLF Advisory Board and UMVRDC members will not be allowed to vote on loan requests and administrative functions that may present a conflict of interest. A code of conduct agreement shall be signed by all Advisory Board and UMVRDC members.

B. Loan Processing Procedures

1. Standard Loan Application Requirements – The following is a list of standard items required by RLF loan applicants. It should be noted that not all items will apply to each loan applicant. In certain situations additional items not included on the following list may be required.
 - (a) Complete and signed RLF loan application.
 - (b) Business plan, or a summary of the business's history and a description of the proposed project for which financing is being requested.
 - (c) Credit reports.
 - (d) Financial projections.
 - (e) Schedule of business debts.
 - (f) Statement of collateral.
 - (g) Personal financial statements – Current, dated and signed personal financial statements on all principles with a significant financial interest in the business will be required. The RLF Advisory Board may require joint personal financial statements that show a spouse's assets and liabilities as well.
 - (h) Bank letter – The bank letter should state the financial commitment of the bank to the project and why they are not able to finance the entire project.
 - (i) Affiliates - Description of any affiliates or subsidiaries of the business or principals requesting assistance, as well as balance sheets and income statements for the past two years on such.
 - (j) Appraisals – An appraisal is needed only if RLF financing is being used to finance real estate.
 - (k) Business filing verification and status.

- (l) Income tax statement – the most recent income tax statement for both the business and principal owner(s).
- (m) Federal requirements – A potential borrower will be required to sign documents stating compliance with all applicable Federal requirements including, but not limited to, compliance to Davis-Bacon wage requirements (if applicable), EDA’s non-relocation requirements, Civil Rights Act requirements and assurance of benefits to low-income persons.
- (n) Environmental review – The applicant shall complete an environmental review form included with the loan application. In addition, the RLF Advisory Board, through appropriate staff, shall assess the significance of all environmental impacts of activities to be financed, in compliance with the National Environmental Policy Act of 1969 and other Federal environmental mandates, as required. No activity shall be financed which would result in a significant adverse environmental impact unless that impact is to ensure compliance with applicable laws. The RLF Advisory Board shall make any required mitigation part of the loan conditions.

If deemed necessary, loan applicants may be required to perform or provide evidence of performance of a Phase I Site Assessment to identify possible sources of contamination, a Phase II Site Assessment to test soil and/or groundwater samples, and a Phase III Site Remediation involving mitigation of applicable contaminants. In cases where there are unresolved site contamination issues, RLF staff shall work with the loan applicant and the appropriate state environmental agency office to resolve these outstanding issues.

The Loan Administration Board shall not finance any loan activity which results in development other than underground utilities in the 100-year floodplain as defined by the Federal Emergency Management Agency or unless all capacity removed from such floodplain is to be restored by excavation or other appropriate means. The Board shall not approve any project which would result in alteration of any wetland or in any adverse impact on any wetland without prior consultation with, and consent of, the appropriate local, state and/or federal agency.

- (o) Other documents and information as deemed necessary by the RLF Advisory Board.
2. Loan write-up – A loan write-up will be done for each RLF financing request. The loan write-up will discuss how the proposed RLF loan is not replacing private lender funding sources. The items listed under the Part II.B.1 - *Standard Loan Application Requirements* above will be used in the loan write-up. The loan write-up will be provided to the RLF Advisory Board prior to the loan decision.
 3. Application Review –The RLF Advisory Board shall make an extensive review of the application, with analysis provided by the participating local bank and/or UMVRDC staff. RLF loan applications will be reviewed by the RLF Advisory Board who will provide a recommendation to the UMVRDC to be approved, denied or tabled for a future meeting. Both

boards shall make their decision by a majority vote. Financial data from the applicant is used to make the lending decision but is not passed on to the RDC board and does not become public information. No one other than staff and the RLF Advisory Board shall have access to the entire loan file. The UMRDC will receive the recommendation from the RLF Advisory Board and non-private information.

4. Decisions - RLF Advisory Board and UMRDC decisions will be documented in the corresponding meeting minutes. In approving an application, the RLF Advisory Board will recommend specific interest rates, terms, conditions and limitations, if any to the UMRDC. The UMRDC will accept, modify or reject the recommended terms.
5. Notification to the Applicant – The Applicant will be notified of the RLF Advisory Board and UMRDC’s decisions by either written letter or email notification.

C. Loan Closing and Disbursement Procedures

1. Fees - The borrower will pay an origination fee not to exceed one percent of the loan amount which will cover some of the time needed for loan analysis by the contract staff. In addition to the one percent origination fee, the applicant will also pay any legal, mortgage, UCC, ACH or other fees or costs associated with the loan closing.
2. Loan Closing Documentation Requirements – The following is a list of standard documents that will be required for RLF loans.
 - (a) Note
 - (b) Security agreement (if applicable)
 - (c) Mortgage with title opinion (if applicable)
 - (d) Personal guarantee (if applicable)
 - (e) UCC financing statement and search (if applicable)
 - (f) ACH form for loan repayment (if applicable)
 - (i) Required life, personal property, real estate, flood, mortgage and other applicable insurance policies listing the RLF as a loss payee (if applicable)
 - (i.) Participation agreement, inter-creditor agreement, subordination agreement, development agreement (if applicable)
 - (j) Documentation confirming other project financing committed
 - (k) Memorandum of understanding requiring annual financial statements, insurance policies and other applicable documents be provided to the RLF
 - (l) Other loan documents as needed

3. Loan Disbursement Requirements – All required loan application documents and signatures and all required loan closing documents, signatures and fees must be provided to the RLF by the borrower prior to disbursement of RLF funds. For real estate loans, a purchase agreement must be provided by the borrower. For other loans, invoices or vendor quotes must be provided to the RLF when applicable. To ensure RLF funds are being used as agreed upon in the loan agreement, the RLF may disburse funds directly to a vendor or contractor that the borrower is purchasing items or services from and that are part of the project financing.

D. Loan Servicing Procedures

1. Loan Payment and Collection Procedures - The RLF Advisory Board will authorize a loan repayment schedule and the method of repayment. All borrowers will be required to make RLF loan payments, unless otherwise authorized by the RLF Advisory Board and UMVRDC, by one of the following methods:
 - (a) Electronic transfer (ACH transaction) from an account of the borrower to an RLF account. All fees associated with an electronic transfer payment will be the responsibility of the borrower.
 - (b) A participation agreement with a participating bank or other lender where payments are made to the bank/lender and disbursed to the RLF.

A separate bank account has been established for the RLF so that repayments and interest income are clearly identifiable and auditable. The EDA RLF portfolio and cash are clearly distinguishable from any other Recipient loan program. This includes both the EDA and local share portions of the RLF.

After loans are closed UMVRDC staffs will service the loan using the UMVRDC's Accounting Policies and Procedures Manual. Per the UMVRDC's division of duty policies more than one staff is responsible for handling and verifying loan payments, payment receipts and updating accounting documents.

The UMVRDC RLF Coordinator will be responsible for periodic and as-needed site visits, and maintenance of collateral filings and collateral existence on an annual basis and as-needed basis by review the RLF master file detailing this information.

2. Loan Monitoring – Borrowers will be required to sign a memorandum of understanding at the time of closing requiring them to provide the RLF financial statements, insurance policies and other required documentation annually.

UMVRDC staff will check on initial job creation claims and collateral verification through site visits and/or other documentation from the borrower. Staff will monitor job creation and retention as well as continued insurance coverage through the use of an annual verification worksheet sent out to all borrowers to complete and return. Maintenance of collateral filings is reviewed by the RLF Coordinator annually, while collateral positions are maintained and updated on an as needed basis.

3. Delinquent and Default Loans and Bad Debt Procedures

- (a) Twenty (20) days past due - When payment on account has reached 20 days past due, a phone call will be made to the borrower.

- (b) Thirty (30) days past due – delinquent - When payment on account has reached one month past due and becomes a delinquent account with the RLF, a written notice of payment failure and delinquency will be mailed to the borrower. A personal visit may also be made to the business if deemed necessary. The borrower must show that appropriate measures are being taken to assure that payments will resume.

- (c) Sixty (60) days past due – default - When payment on account has reached two months past due and becomes a defaulted account with the RLF, the borrower must attend a regularly scheduled RLF meeting to address the RLF Advisory Board on the financial condition of the business and provide a plan of action/steps to resume RLF loan payments. The borrower will provide the RLF with the following information:
 - 1. Current business financials
 - 2. Two most recent business tax returns
 - 3. A repayment plan

In addition to the above, the board may obtain a credit history. The Loan Advisory Board and UMVRDC reserve the right to request additional information. Contact with other participating lenders will also be made.

- (d) Ninety (90) days past due - When payment on account has reached three months past due, inquiry into legal action will begin unless the borrower has made reasonable steps towards bringing the loan to current status.

- (e) Loan Satisfaction Options - The RLF Advisory Board will proceed with collection efforts that are deemed the most likely to recover RLF funds. To settle debt, the board will consider the following options:
- (1) Letter requesting payment in full of the loan balance within seven days of the date on the letter.
 - (2) If payment in full is not made, a letter requesting partial payment of the loan (in an amount voted on and approved by the UMRDC) may be sent to the borrower with payment due within seven days of the date of the letter. The RLF Advisory Board will evaluate the financial condition of the business and its owners in determining the partial payment amount.
 - (3) Upon approval by the UMRDC, file default judgment or proceed with foreclosure to obtain assets as settlement for loan.
 - (4) Write-off Procedures - Debt will only be written off after all possible and cost-effective collection efforts are exhausted.

E. Administrative Procedures

1. Loan File Documentation – RLF loan files should include all loan application and loan closing documents as required in this Plan. Loan files will be kept in a locked file.
2. Administration Costs - Eligible and reasonable costs incurred to administer the RLF will be covered by the interest earned on loan repayments and origination fees. While RLF income will be used to pay for eligible and reasonable administrative costs, a reasonable percentage of RLF income will be added to the RLF capital base to compensate for loan losses, the effects of inflation and to maintain a minimum funding level for future borrowing needs within the eligible lending area.
3. EDA Reporting Requirements – RLF loan payments and income sources will be tracked and accounted for by UMRDC financial staff using accounting software and appropriate EDA forms.
4. As an RLF recipient the UMRDC understands that EDA RLF funds are subject to an annual audit requirement and that the full value of the RLF (outstanding loans and available cash) must be shown every year on the Recipient’s Schedule of Federal Expenditures. If the dollar amount of the RLF qualifies the RLF as a major federal program, that the auditor performs the required federal audit procedures.

F. Hold Harmless Provision

All RLF loan documents and procedures must protect and hold the Federal government harmless from and against all liabilities that the Federal government may incur as a result of providing an Award to assist (directly or indirectly) in site preparation or construction, as well as the direct or indirect renovation or repair of any facility or site. These protections apply to the extent that the Federal government may become potentially liable as a result of ground water, surface, soil or other natural or man-made conditions on the property caused by operations of the Recipient or any of its borrowers, predecessors or successors.



Upper Minnesota Valley
REGIONAL DEVELOPMENT COMMISSION
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Revolving Loan Fund

Code of Conduct

In order to eliminate any real or perceived conflict of interest, any transaction involving an employee, officer or board member of UMRDC, will require that the employee, officer or board member remove him or herself from any position of influence or authority as it pertains to the transaction. This includes abstaining from voting on loan approval and re-assignment of duties (such as Loan Summary preparation and Loan Monitoring) as they pertain to the transaction. In no case shall UMRDC's relationship with an employee, officer or director provide a basis for deviating from the credit standards or repayment expectations identified in this policy. In addition, EDA requires inclusion of the following:

1) Definitions.

- a) An "Interested Party" is any officer, employee or member of the board of directors or other governing board of Recipient, including any other parties that advise, approve, recommend or otherwise participate in the business decisions of Recipient, such as agents, advisors, consultants, attorneys, accountants or shareholders. An Interested Party also includes the Interested Party's "Immediate Family" (defined as a person's spouse or partner in a domestic relationship, parents, grandparents, siblings, children and grandchildren, but not distant relatives, such as cousins, unless the distant relative lives in the same household as the person) and other persons directly connected to the Interested Party by law or through a business arrangement.
- b) A conflict of interest generally exists when an Interested Party participates in a matter that has a direct and predictable effect on the Interested Party's personal or financial interests or there is an appearance that an Interested Party's objectivity in performing his or her responsibilities under the Project is impaired.
- c) An appearance of impairment of objectivity could result from an organizational conflict where, because of other activities or relationships with other persons or entities, a person is unable or potentially unable to render impartial assistance, services, or advice. It also could result from non-financial gain to the individual, such as benefit to reputation or prestige in a professional field.

2) Conflicts of Interest Rules.

Recipient must adhere to EDA conflicts of interest rules set forth at 13 CFR § 302.17, including the following rules specific to RLFs:

- a) An Interested Party of Recipient shall not receive, directly or indirectly, any personal or financial benefit resulting from the disbursement of RLF loans. A financial interest or benefit may include employment, stock ownership, a creditor or debtor relationship, or prospective employment with the organization selected or to be selected for a subaward.

- b) Recipient shall not lend RLF funds to an Interested Party.
- c) Former board members of Recipient and members of their Immediate Family shall not receive a loan from the RLF for a period of two years from the date that the board member last served on the board of directors.

3) Duty to Disclose.

Recipient must, in a timely fashion, disclose to EDA in writing any actual or potential conflict of interest.

4) Written Standard of Conduct.

- a) Recipient must maintain written standards of conduct to establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of a personal or organizational conflict of interest or personal gain in the administration of this RLF Award.
- b) Recipient must maintain written standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award and administration of contracts. See Section K, Other EDA Requirements, Subsection 4., Codes of Conduct and Sub-Award, Contract and Subcontract Provisions, Subsection b), Competition and Codes of Conduct for Subawards.

I have read this Code of Conduct and understand the conflict-of-interest rules as they pertain to federal funding and the Revolving Loan Fund. In order for the UMRDC to establish safeguards and maintain the highest standard of conduct, I will abide by the Conflict-of-Interest Rules as defined by the U.S. Economic Development Administration.

Signature

Date

Addendum to the Upper Minnesota Valley Regional Development Commission EDA CARES ACT RECOVERY ASSISTANCE Revolving Loan Fund Plan dated August 25, 2020.

EDA has provided certain flexibilities to recipients of EDA-funded RLF awards in light of the impact of COVID-19 on small businesses, the increasing demand for RLF loans, and the need for RLFs to provide credit quickly and efficiently to their communities.

These flexibilities include waiving for the Disbursement Phase* of the RLF, the following regulations that:

- Establish a minimum interest rate for RLF loans
- Require RLF loans to leverage additional capital
- Require evidence demonstrating credit is not otherwise available
- Simplified underwriting and loan approval procedures
- Reduced or eliminated borrower equity and collateral requirements
- Changed maximum or minimum loan amounts
- Standardized portfolio targets

****The Disbursement Phase of this Award is the period of lending activity during which award funds have not been fully disbursed to the EDA Recipient. During the Revolving Phase when RLF funds are re-lent to new borrowers the three above-listed regulations will apply to the RLF.***

ACTION MEMO

TO: Upper MN Valley RDC Commissioners
FROM: Kristi Fernholz, Planning Director
DATE: August 25, 2020
RE: Maynard Local Assistance Fund Request

The City of Maynard has requested assistance with grant writing to the Minnesota Historical Society Legacy Funds.

Benson has submitted a Local Assistance Fund Grant application for less than 50% of the total contract cost, in the amount of \$3,900

In FY 2021 we have expended the Local Assistance Fund for the following:

- \$5,000 Dawson SCDP Grant Writing
- \$5,000 Benson SCDP Grant Writing

Local Assistance Fund Grant Program

The purpose of this fund is to act as a catalyst and financial resource for units of government to address priority issues through contracts with the UMRDC.

1. We wanted to entice contracts with units of government we were not regularly working with, especially our smallest communities that have more limited capacity and budgets.
2. We wanted to fund grant writing that has the potential to generate follow up grant administration for the RDC.
3. We wanted to encourage larger scale planning processes that may lead to future opportunities and contracts with the RDC to implement the work of the plans.

The Commission has the following options:

- a) Fully fund the application
- b) Partially fund the application
- c) Deny the application

ACTION REQUESTED

Review the Local Assistance Fund Application request for \$3,900 from the City of Maynard and recommend action.



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323 W. Schlieman Ave. Appleton, MN 56208 320.289.1981 www.umvrdc.org

The purpose of this fund is to act as a catalyst and financial resource for units of government to address priority issues through contracts with the UMVRDC.

Local Assistance Fund Review Criteria

Date: August 24, 2020
City/County/Township/Tribal/School District Name: City of Maynard
Project Name: Maynard Bank Building MNHS Grant Writing
Cost: \$ <u>7,800</u> Total Estimated Project Cost \$ <u>3,900</u> Total local share \$ <u>3,900</u> Requested Amount from the Local Assistance Fund <i>(50% of the total project cost up to \$5,000.)</i> \$ <u>6,100</u> Amount left for cities under 500 if this project is funded \$ <u>0</u> Amount left for other units of government <i>(Pending Approvals)</i>

Criteria	
No	City under 500 population
No	Received a Local Assistance Fund Grant this RDC fiscal year (July-June)
In progress	UMVRDC proposal accepted and action to be taken at upcoming council meeting
Comprehensive Planning Strategic Planning Grant Writing	Eligible project area:
2019	Year of last contract with RDC: Maynard Bank Building
Yes	Potential for follow up work: Contract includes funding for implementation of grant funds above the \$7,800 grant writing
\$13,800	Total contract amount
Yes/No	RDC Recommended for funding DATE: _____

TO: Upper MN Valley RDC Commissioners

FROM: Kristi Fernholz, Melissa Streich, Kirk Bustrom, Laura Ostlie, Chad Kingstrom, Matt Moe, Jordan Hulscher

DATE: August 25, 2020

RE: **Planner Update**

In the continuing effort to update the Commission on projects, staff has prepared the following summary.

CONTRACTS:

Benson Technical Assistance – Laura, Melissa, Kirk

RDC staff continued to participate in Benson EDA meetings, along with staffing meetings. Staff worked with existing RLF borrowers around loss mitigation options and pay off strategies. Mapping work was provided to consultants interested in a city owned property along with inquiries to the State of Minnesota around available feedstock. RDS staff responded to RLF borrower inquiries around Covid-19 relief grants and participated in correspondence EDA.

Benson Federal EDA Disaster Assistance Grant – Kirk

The City of Benson has requested assistance to author a grant application to the Department of Commerce Federal EDA FY 2019 EDA Disaster Supplemental Notice of Funding Opportunity (NOFO) (Disaster Supplemental NOFO) to fund wastewater treatment facility flood mitigation and industrial park wastewater main upgrades. Staff are assisting the city to define project scope of work, including all relevant design and construction cost estimates in accordance with program-defined disaster recovery and resilience efforts and coordinate required information with Federal EDA District Point of Contact (POC) for grant application submittal pushed back to July due to remaining engineering and environmental information provided by the City's contracted engineering firm.

Dawson EDA USDA RLF Grant & Administration – Kirk

The Dawson EDA was successfully awarded the grant from the USDA for establishment and capitalization of an RLF. Staff are working with the EDA and the USDA to establish the fund and any associated requirements as well as administration by the UMRDC.

Dawson MNHS project – Kristi

Kristi assisted Dawson to get a grant from the MNHS for roof replacement, repair to the site grade, and mold abatement. The city has rebid the project in chunks and received bids for all except the interior work.

Memorial Park – Kristi, Chad

The city of Granite Falls application with the Greater MN Regional Parks and Trails Commission was submitted.

Clara City SCDP – Kristi, Laura

We were notified that Clara City's SCDP application was funded by DEED. The application consisted with unit goals of ten owner occupied, eight single family rental, and four commercial rehabilitation projects. The environmental review process has started.

Appleton SCDP– Kristi, Laura

We were notified that Appleton's SCDP application was funded by DEED. The application provides funding to rehab 18 owner occupied homes and five commercial units. The environmental review process has started.

Milan/Watson SCDP – Laura, Jordan

The city's goals are for 14 owner-occupied, 16 units for multi-family and 4 commercial units to be rehabbed by September 2022. Two commercial applications are being reviewed while one project is under inspection, and one is out for bids. Five owner occupied homes are in the inspection phase, three applications are being reviewed, and three fact sheets have been sent out. Contractors are proceeding with one of the rental properties while another inspection is taking place.

Canby SCDP – Laura, Jordan

The city's goal to rehab 17 owner occupied homes and 12 commercial properties will have until September 2022 within their SCDP grant. One commercial application is being reviewed, seven are in the inspection phase, while another application was sent out. As for owner occupied homes, five are being inspected, two applications are in the review stage, and five additional applications were sent out.

Benson SCDP – Laura

The Benson SCDP project has all 20 owner occupied projects solidified. The remaining commercial projects have been identified and are on track to finish by the end of the grant timeline.

Granite Falls SCDP Admin – Laura, Jordan

The Granite Falls SCDP project has had two rental inspection while two are in the proceed process. For the owner-occupied activity, one project is completed, one is in inspection, two in proceed, four are working on financing, while another application is being reviewed. Granite's commercial activity has two bid packets out, three proceeds out, one working through financing, and four application taken.

Clarkfield SCDP Admin – Laura, Jordan

Public infrastructure bids went out and the project started June 29th. One monthly progress meeting has occurred with another scheduled next week. Three owner occupied application currently out, while one is in the bidding process, one is working through financing, one project completed, one is being inspected, and four in the proceed process and four applications. Two commercial projects are underway, one in the bid process, one being inspected, while one property's application is being reviewed.

Browns Valley Grant Admin – Toelle Coulee Flood Risk Reduction – Matt

We were asked to provide grant administration for flooding project between Browns Valley and the DNR. The final request has been finalized.

Maynard Museum – Kristi

The city of Maynard completed their conditions assessment on the Maynard Museum. The next step is to write a grant for the drawings for the first items addressed in the conditions assessment: The roof, HVAC system and masonry restoration. A contract is on the agenda this month for the UMRDC to continue to assist the city with this.

Regional Transportation Coordination Council (RTCC) – Kristi, Chad

The UMRDC has continued to meet with Prairie Five to discuss how to move forward with the planning during the COVID-19 pandemic. The UMRDC has been working on the public outreach and will complete the plan. A meeting is being scheduled for September 9th.

Swift County OHV Park Master Plan – Kristi, Kirk, Chad

The UMRDC will be completing a master plan for the Swift Count OHV Park over the next many months. The survey continues to be distributed in order to get feedback from the public.

PROGRAM UPDATES:

Federal EDA Planning Grant – Kirk

In addition to the EDA CARES Act scope of work, staff have also developed the FY21 workplan for its regular annual EDA planning grant scope of work. The UMRDC's 5-year Comprehensive Economic Development Strategy (CEDS) is scheduled for update subsequent to expiration after 2021. Update and establishment of an updated CEDS is a component of the organization's workplan and staff have begun preliminary planning work associated with the update.

Federal EDA CARES Act Institutional Grant Scope of Work – Kirk

The UMRDC was invited to apply for supplemental institutional grant funding up to \$400K over 24 months associated with COVID19 recovery associated with the CARES Act legislation. Application was required within 30 days and submitted the first week of June. Staff determined activities and workplan in accordance with a provided standardized scope of work. Grant award information is scheduled to be made soon with SOW initiation as of July1. Preliminary planning is underway, specifically with regard to planning and development work associated with establishment of a Regional Redevelopment Fund Plan in conjunction with the EDA University Center through the U of M.

Meander – Kristi, Jordan

The Meander Steering committee has met a number of times via Zoom over the past month to discuss how to proceed with the 2020 Meander Art Crawl. The in-person event will not take place. Instead an Art Auction will be held online during Meander weekend. The brochure will be printed and we will continue to market both the area and the artists.

MN River Valley National Scenic Byway - Kristi

The byway completed their Tear Map which is a map of the central part of the byway. We are working with MapFormations, a company out of Springfield MN. The byway also received another grant from the Minnesota Historical Society to work on other brochures and collaborative projects for the byway in the next two years.

Prairie Waters Regional Marketing – Melissa & Jordan

Melissa continues to attend board meetings to present the 2021 Prairie Waters Program and workplan to our Local Units of Government (LUGS). Staff re-sent the membership forms out to LUGS with an adjustment of the membership fee which includes half of the original request, that will be covered by an external grant. Board had voted and decided not to plan an annual gathering this year, due to COVID-19.

Transportation – Chad

The bicycle and pedestrian counter was installed on the Dawson pedestrian bridge for the purpose of providing data for the Statewide Bicycle and Pedestrian Counting Taskforce. The counter will also be in Granite Falls at two locations for two weeks. Staff have been developing the content for new plans for addressing bicycle and pedestrian infrastructure in our region's

communities and a survey has gone out to local units of government to gauge interest in active living planning for their communities. Staff have met with partners in the region to discuss guidelines for grant applications related to bicycle and pedestrian infrastructure. Staff have been working with various partners in the region on topics and project ideas for their communities.

STRATEGIC PLANNING: REGIONAL TRENDS + NEW INITIATIVES

Public Art Case Studies (RT) – Kristi, Jordan

To offer another way for redevelopment in our region, we are putting together case studies that outline how Montevideo and Madison came together to complete their public art projects. This project would create case studies that will serve as a “how to do this in your community”. The document will share what we did in Montevideo and Madison and the steps to take if a community would like a public art project in their town.

Contracts

Benson SCDP
Granite Falls SCDP
Clarkfield SCDP
Canby SCDP
Milan/Watson SCDP
Appleton RLF Administration
Benson Technical Assistance
Lac qui Parle RLF Administration

Anticipated Completion

September 2020
September 2021
September 2021
September 2022
September 2022
June 2020
December 2020
December 2020

INFORMATION MEMO

TO: Upper MN Valley RDC Commissioners
FROM: Dawn Hegland, Executive Director
DATE: August 25, 2020
RE: Executive Director Update

To update the Commission on my activities, I prepared the following summary of actions that I worked on since the last board meeting.

- Annual meeting recap and follow up with staff
- Reviewing applications with Kristi and Matt for new grant manager position
- Review and monitoring of new year budget
- Attended Swift County board meeting
- Outreach, research and meetings around local government CARES Act funding
- Significant time developing process and application and technology for YM County CARES Act funding
- Research for the development of our RLF application online
- Research with IT consultant on software and hardware solutions
- Review of documentation for RLF and EDA grant awards
- Researching agency employee fidelity bond coverage
- MADO executive director virtual meeting
- Working with Melissa on her maternity leave notes
- Researching options/ideas for our Meander and Prairie Waters projects under the EDA CARES Act grant
- Working with Benson to discuss EDA recovery coordinator position
- Outreach and discussion with regional EDA staff about CARES Act administration and processes
- Research into a regional SCORE chapter

INFORMATIONAL ONLY- No Action requested

INFORMATION MEMO

TO: Upper MN Valley RDC Commissioners
FROM: Laura Ostlie, Community Development Planner
DATE: August 25, 2020
RE: RLF Update

LOAN STATUS REPORT

DEFAULTS (90days+)

R & R Outdoors- Borrowers are currently in default. Was notified by bank that their account tied to the ACH payments had been closed. Called and left borrowers' voicemail along with emails following notification. Other gap lenders are not receiving payments currently either.

DELINQUENT (less than 90 days)

None

DEFERRED PAYMENTS

After Five-Following an inquiry with SWIF, who the UMRDC has a shared loan structure with, the RDC was informed that SWIF offered all of their loan clients an additional three-month deferment.

PAID IN FULL

Handeland Chiropractic, LLC- Paid loan in full including UCC termination fees in July.

LOANS APPROVED BUT NOT DISBURSED

None

NEW LOANS

None

OTHER

UMVRDC staff were notified on July 27th, that their CARES Act RLF application for \$1.72 million in new revolving loan funds along with \$172,000 in administration funds was awarded. UMRDC staff are currently working to provide the required documentation to EDA along with following through with marketing strategies for the funds. The UMRDC has 24 months to lend the funds and utilize the administration reimbursement.

INFORMATIONAL ONLY- No Action requested

DISCUSSION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Dawn Hegland, Executive Director

DATE: August 25, 2020

RE: Annual Meeting Recap

This year, we heard about and seen a variety of projects in the community of Madison. We spent the majority of the day at the Madison City Hall where we heard presentations, conducted the business meeting, and enjoyed a meal prepared by the After 5 Supper Club, an RLF recipient.

DISCUSSION REQUESTED:

Feedback on the annual regional tour. Suggestions and or ideas for next year.

RDC BOARD MINUTES-ANNUAL MEETING
Upper Minnesota Valley Regional Development Commission
City of Madison – City Hall Auditorium
July 28, 2020

Board Members Present: Jim Dahlvang, Mark Bourne, Jim Schmaedeka, Gary Johnson, Gary Hendrickx, Lucas Olson, Warren Rau, Brett Buer, Jim Curtiss, Chuck Swanson, Jeff Olson, Gene Bies, Diane Kepner, Roy Marihart, Rusty Dimberg, Carrie Bendix, Dawn Regnier

Board Members Absent: Gene Stengel, Bill McGeary, Jay Backer, Michele Backer

Staff Present: Dawn Hegland, Melissa Streich, Matt Moe, Laura Ostlie, Kristi Fernholz, Kirk Bustrom, Chad Kingstrom, Jordan Hulscher, Jackie Sigdahl

Guests: Scott Marquardt

Call to Order

Chairman Johnson called the meeting to order at 7:30pm
Introductions made. Welcome made to new board candidate Scott Marquardt.

Approve Agenda/Additions

M/S/P – Warren Rau, Dawn Regnier made motion to approve the agenda with the addition of 3I. CARES Act RLF Award and 3m. Yellow Medicine County CARES Act Administration.

Round Robin Discussion:

- *Gary Hendrickx, Swift County:* County reaching out to businesses to apply for CARES money. City of Holloway interested in use of CARES.
- *Jay, Big Stone County:* absent
- *Gary Johnson, Yellow Medicine County:* One union going to arbitration. Clarkfield school lot sold to Hutt Oil for \$10,000. CARES money will be divided approximately to 50% to businesses, 30% to schools, hospitals and joint powers.
- *Rusty, Big Stone County Townships:* Working on planning the annual township picnic.
- *Brett, Dawson/Boyd Schools:* The maintenance building at school is moving forward nicely. Online survey for school district showed that 95% want to be back in school face-to-face this Fall.
- *James, Chippewa County Townships:* passed
- *Jim, Chippewa County:* New staff were hired for the HR position as well as the Hwy Engineer position
- *Mark, LqP County Townships:* passed
- *Jeff, LqP County Municipalities:* City street project will begin in the Fall.
- *Warren, Swift County Townships:* Rain was welcomed. Quiet.
- *Roy, LqP County:* Arena Township voted against Riverview Dairy moving in.
- *Gene Stengel, Yellow Medicine County Townships:* absent
- *Diane, Prairie Five CAC, Inc:* City buses have started charging fares again.

- *Gene Bies, Yellow Medicine County Municipalities:* Infrastructure project-streets completed. Boulevards need work.
- *Bill McGeary, Benson Schools:* absent
- *Lucas Olson, Swift County Municipalities:* New arrival/departure garage at airport is finished. Chlorine gas leak damage from last year has been repaired. Discovery Kids has moved into new space. CARES money will be used on technology upgrades, HVAC system, armory and library building projects.
- *Dawn R, MnWest Community & Technical College:* passed
- *Carrie, Private Industry Council:* Unemployment for 5 county area is 5.2% which is lowest in state. The state is at 10%. The extra \$600 unemployment ends this week. Working on motivating individuals and promoting jobs. Coursera is a new resource that provides free online courses.
- *Jim C, Chippewa County Municipalities:* New public works building construction has begun. The back alley off of main street is under construction.
- *Chuck, Upper Sioux Community:* passed
- *Michele, Big Stone County Municipalities:* absent
- *Scott, SWIF:* Warning on scammers out there promoting business programs. The Minnesota Small Business Relief Grants Program conducted its selection process with assistance from the Minnesota Lottery. Grants of \$10,000 will be awarded under this program. Approximately 28,000 business applied for funding.
- *Laura, UMVRDC:* Gift certificates are from current RLF borrowers
- *Dawn, UMVRDC:* Grants Management position has been posted. Discussion made on ideas for August meeting – was voted to have it in-person

M/S/P – Gary Hendrickx, Gene Bies made motion to open the public hearing at 7:47pm for the purpose of receiving public comment(s) on the FY21 work plan, budget, and proposed levy.

1. Consent Agenda Items

- Minutes from June 2020
- June 2020 Treasurer's Report and List of Bills
- RLF Treasurer's Report
- FY21 Fund Balance Schedule/Policy/Resolution
- Appleton RLF Administration Contract
- Benson SCDP Application Contract
- Dawson SCDP Application Contract

M/S/P – Gary Hendrickx, Rusty Dimberg made motion to accept and approve the Consent Agenda Items as follows:

- Approval of the meeting minutes from the ZOOM meeting of June 23, 2020
- Approval of the June 2020 Treasurer's Report along with the payment listings (21079-21106) and ACH transactions as presented
- Approval of the ending balances on the June RLF Treasurer's Report of \$228,039.56-original fund and \$65,848.43-disaster fund
- Approval of the existing Governmental Accounting Standards Board (GASB 54) policy with no changes; approval of the FY21 Fund Balance Schedule; approval of the FY21 Fund Balance Resolution

- Approval and authorization of signature on the contract with the City of Appleton to administer their revolving loan fund
- Approval and authorization of signature on the \$10,000 contract with the City of Benson to author a Small Cities Development Program grant
- Approval and authorization of signature on the \$10,000 contract with the City of Dawson to author a Small Cities Development Program grant

2. Information Items

- Planner Update – A summary of current projects being worked on in the office by various staff.
- Executive Director’s Report – A brief-summary of activities that have required Dawn’s time and attention.
- RLF Update – Loan status report on loan activity.
- Defederalization of RLF’s – MADO and NADO have been developing information for a number of years. A bill has been sponsored by both parties to defederalize the EDA RLFs at RDCs across the country. Hopeful to see some movement on this issue.

M/S/P – Jim Dahlvang, Jim Curtiss made motion to close the public hearing at 7:51pm. No citizen comments were received.

3. Action Items

- Adoption of the Levy, Indirect Cost Plan, Budget and FY21 Work Plan

M/S/P – Jim Dahlvang, Jeff Olson made motion to accept and adopt the work plan, levy, indirect cost plan, and proposed budget for FY21 of revenues of \$1,101,859 and expenses of \$1,094,696; and authorize the signatures on the Resolution of Authorization for a zero percent increase for county tax levies payable in 2021. The motion passed with a vote of 9 to 8 in favor of 0% levy increase to counties.

- Elect Board of Director
The elected officials from each county have nominated the Board of Directors.

Big Stone County:	Jay Backer – FY21 Michele Backer – alternate
Chippewa County:	James Schmaedeka - FY20, 21 Jim Dahlvang - alternate
Lac qui Parle County:	Brett Buer – FY21 Jeff Olson- alternate
Swift County:	Lucas Olson – FY21 Bill McGeary - alternate
Yellow Medicine County:	Gary Johnson – FY21 Gene Bies – alternate

M/S/P – Brett Buer, Jim Curtiss made motion to certify the board of directors and alternates as presented for FY21.

- Elect Officers
The nominating committee members developed nominations for the FY21 officers from the board of directors.

M/S/P – Rusty Dimberg, James Schmaedeka made motion to cast a unanimous ballot to elect Mark Bourne as Chairman.

M/S/P – Brett Buer, Jeff Olson made motion to cast a unanimous ballot to elect Lucas Olson as Vice Chair.

M/S/P – Warren Rau, Rusty Dimberg made motion to case a unanimous ballot to elect Brett Buer as Secretary/Treasurer.

d. **Board Membership Appointments**

The following four individuals were voted to serve on the board for a 1-year term as public interest representatives from the region.

The nominations received for public interest group representatives are as follows:

- Diane Kepner - Prairie Five Community Action Council Board Member
- Carrie Bendix – SW MN Private Industry Council Executive Director
- Dawn Regnier - MnWest Community & Technical College Dean of Career and Workplace Solutions
- Scott Marquardt – Southwest Initiative Foundation Senior Vice President

M/S/P - Jim Schmaedeka, Jeff Olson made motion certifying the public interest group representatives to serve on the UMRDC board for FY21.

e. **Committee Assignments**

Current UMRDC committee assignments that are re-appointed each year for the Revolving Loan Fund, Western MN Prairie Waters and Transportation.

Revolving Loan Fund Advisory Committee

UMVRDC

3 Representatives (Gary Hendrickx, Gary Johnson, Rusty Dimberg)

Swift County

Joe Fox – County Commissioner

Eddie Massee – EDA/Banker Rep.

Yellow Medicine County

Glen Kack – County Commissioner

Craig Bakkellund – EDA/Banker Rep.

Big Stone County

Erick Klepel – County Commissioner

Vicki Oakes – EDA/Banker Rep.

Lac qui Parle County

Ben Bothun – County Commissioner

Lucas Strand – EDA/Banker Rep.

Chippewa County

Jeff Lopez – County Commissioner
Austin Hoehne – EDA/Banker Rep.

M/S/P – Jim Dahlvang, Scott Marquardt made motion to approve the UMRDC Revolving Loan Fund Advisory committee members for FY21 and to pay per diem and mileage for the appointed UMRDC board members (Gary Hendrickx, Gary Johnson and Rusty Dimberg). The remaining RLF members are reimbursed mileage only.

M/S/P – Brett Buer, Roy Marihart made motion to re-appoint Gary Hendrickx as RLF Chairman.

Western MN Prairie Waters Advisory Committee

Swift County: Gary Hendrickx (Chair) – County Commissioner

Chippewa County: Matt Gilbertson – County Commissioner

Yellow Medicine County: John Berends – County Commissioner

Lac qui Parle County: Ben Bothun – County Commissioner

Madison: Maynard Meyer – City Rep/Chamber/Business

Benson: Lucas Olson – City Rep/Chamber/Business

Granite Falls: Linda Mathiasen – City Rep/Chamber/EDA

Appleton: Angel Molden – City Business

Montevideo: Jim Curtiss – City Rep

Canby: Becca Schrupp – Chamber

Dawson: Tami Schuelke-Sampson – City Rep

M/S/P – Jim Dahlvang, Scott Marquardt made motion to approve the Western MN Prairie Waters Advisory Committee members for FY21 and to pay per diem and mileage for the appointed UMRDC board members. The remaining PW committee members are reimbursed mileage only.

Transportation Advisory Committee

There were no motions made for these committees due to changes being made with MnDOT.

f. Designation of UMRDC Depository

Current account type and location for agency:

Prairie Sun Bank – General checking and Money Market account

Farmers and Merchants – Two RLF Savings accounts

State Bank of Bellingham – Three Certificate of Deposits

MAGIC Fund – Investments in their MAGIC term (currently not being used)

M/S/P – Lucas Olson, Brett Buer made motion to designate and approve official depository for agency funds for FY21 as listed.

g. UMRDC Meeting Schedule

All meetings are tentatively scheduled for the 4th Tuesday of each month beginning at 6:30pm unless otherwise noted.

M/S/P – Rusty Dimberg, Jim Curtiss made motion to approve the FY21 meeting schedule and allow for the Executive Director to change, if needed.

h. FY20 UMRDC Annual Report

Once approved, this report will be sent to several stakeholders in our region and will be distributed by staff at various meetings and events over the next year.

M/S/P – Carrie Bendix, Jeff Olson made motion to adopt the 2020 Annual Report.

i. Benson Local Assistance Fund Request

The city has requested assistance with a Small Cities Development Program grant application. The application is due November 2020. Total cost is \$10,000.

M/S/P – Gary Hendrickx, Lucas Olson made motion to approve and fully fund the Local Assistance Fund request of \$5,000 from the City of Benson.

j. Dawson Local Assistance Fund Request

The city has requested assistance with a Small Cities Development Program grant application. The application is due November 2020. Total cost is \$10,000.

M/S/P – Gary Hendrickx, Lucas Olson made motion to approve and fully fund the Local Assistance Fund request of \$5,000 from the City of Dawson.

k. RLF Annual Report

The FY20 UMRDC Revolving Loan Fund annual report has been completed. Once adopted, it will be used as a marketing tool and provided to many stakeholders.

M/S/P – Warren Rau, Rusty Dimberg made motion to adopt the FY20 RLF annual report.

l. CARES Act RLF Award

EDA has awarded the UMRDC with the CARES Act Recovery Assistance RLF for \$1,720,000 to capitalize a new RLF to alleviate sudden and severe economic dislocation caused by COVID-19 and another \$172,000 for administration costs.

M/S/P – Jim Schmaedeka, Carrie Bendix made motion to authorize the signature and submission of the CARES Act RLF award.

m. Yellow Medicine County CARES Act Administration

Yellow Medicine County has requested assistance in administering their CARES Act Coronavirus Relief Fund. Due to many unknown aspects, this work will be completed at an hourly rate of \$80.

M/S/P – Jeff Olson, Jim Dahlvang made motion to approve the contract with Yellow Medicine County to administer their CARES Act CRF.

Adjournment

A motion by Rusty Dimberg, Jim Curtiss for adjournment was made at 8:30pm. Meeting ended.

APPROVED BY:

PREPARED BY:

Mark Bourne
UMVRDC Chairman

Jackie Sigdahl
UMVRDC Administrative Assistant

ACTION MEMO

TO: Upper MN Valley RDC Commissioners
FROM: Matt Moe, Finance Officer
DATE: August 25, 2020
RE: July 2020 Treasurer's Reports & Payment Listing

Attached is the treasurer's report for July 2020. On the bottom of the revenue report is the current and year to date pass-thru revenue that is not included on the itemized revenue report. Pass-through items include things like payments to grants recipients; Meander and Tourism ads and special activities; Byway projects as well. At the end of the disbursement report are the agency bank balances for all accounts.

Also enclosed is the board payment listing that includes all checks and ACH payments for the months of July 2020.

I am currently working on closing out our fiscal year and preparing for our annual audit scheduled for September.

ACTION REQUESTED:

For the Commission to approve the July Treasurer's Report, and Board Payment Listing with all checks (check # 21107–21132) and all ACH transactions.

July					
UPPER MINNESOTA VALLEY REGIONAL DEVELOPMENT COMMISSION					
REVENUE & EXPENSE REPORT					
	FY21 Budget	Current July	YR-To-DT Jul	Percent of Budget	
Agency Revenues					
Interest	10,000	1,487	1,487	15%	
Levy	317,500		-	0%	
			-		
Potential HH Grants \$20,000 - will reduce levy as awarded	(20,000)		-		
			-		
			-		
			-		
			-		
			-		
Match Fiscal Year 21 - will reduce as matched to contracts below			-		
Prairie Waters	(20,000)		-		
Transportation	(13,235)		-		
RLF	(10,000)		-		
			-		
Miscellaneous	2,500		-	0%	
			-		
Ongoing Program Revenue			-		
EDA Planning Grant	70,000		-		
Meander	36,500		-		
Prairie Waters / Get Rural (\$20,000 FY21 Match)	138,500	15,607	15,607	11%	
Revolving Loan Fund Admin (Includes 10,000 FY 21 Match)	58,000		-	0%	
Transportation Planning Grant FY21 (Includes 13,235 FY21 Match)	88,235		-	0%	
			-		
Local Contract Revenue			-		
New Contracts needed	259,378		-		
Technical Assistance	-		-		
Benson TA Contract	21,000		-	0%	
Dawson MHS Roof Replacement	1,560		-	0%	
Maynard Museum	803	803	803		
RTCC	11,192		-	0%	
Swift County OHV - Master Park Plan	16,550		-	0%	
			-		
Grant Writing and Administration			-		
Appleton RLF Admin	2,100		-	0%	
Benson EDA Grant App	4,000		-		
Browns Valley Flood Recovery	1,200		-	0%	
Clarkfield SCDP RDGB grant admin	2,000		-	0%	
Dawson EDA RDGB grant admin	7,000		-	0%	
Granite Falls Memorial Park Funding requets	3,200		-	0%	
Granite Falls Park Conservation Legacy Grant	3,000		-		
LQP County Park Grant # 3	2,520		-	0%	
LQP RLF Admin	2,100		-	0%	
SCDP Admin - Appleton	11,000		-		
SCDP Admin - Benson	1,256		-	0%	
SCDP Admin - Canby	19,000		-	0%	
SCDP Admin - Clara City	11,000		-	0%	
SCDP Admin - Clarkfield	19,500		-	0%	
SCDP - Admin Granite Falls	8,500		-	0%	
SCDP - Admin Milan Watson	16,000		-	0%	
SCDP - App Benson (\$5,000 FY21 HH)	10,000		-	0%	
SCDP - App Dawson (\$5,000 FY21 HH)	10,000		-	0%	
Total Revenue	1,101,859	17,897	17,897	2%	
Pass-Thru Revenue (not included above)		14,713	14,713		

	FY21 Budget			
Expenses				
Salaries/Fringe	885,586	68,079	68,079	8%
Commissioner's Expense			-	
Per Diem / FICA	10,800		-	0%
Public Officials Ins.	3,500		-	0%
Meeting Expense	1,500	546	546	36%
Travel C&C	6,500		-	0%
Training	1,000		-	0%
Audit	14,000		-	0%
Contract for Services			-	
Vivid Marketing - PW and General	1,500		-	0%
CST Students - PW	1,750		-	0%
Additional Contract work	3,000		-	0%
Landscape Architect	6,400		-	0%
Computer Technical Assistance	8,000	1,275	1,275	16%
Virtual Server	4,000	510	510	13%
Structure and Comp Study	8,000		-	0%
Copy Charge/xerox lease	4,000	0	-	0%
Depreciation	4,000	431	431	11%
Dues / memberships	5,000	16	16	0%
Insurance	1,300		-	0%
Legal Fees	2,000		-	0%
Miscellaneous	1,000		-	0%
Office Rent	12,210	1,017	1,017	8%
Postage	3,500	583	583	17%
Printing/Advertising	4,500		-	0%
RDC Marketing Item	2,000	60	60	3%
Registration/Conference	4,000		-	0%
Repairs/Maintenance	1,000		-	0%
Software GMS/GIS/General	8,650		-	0%
Sub./Publications	2,000		-	0%
Supplies	4,500	463	463	10%
Telephone/Internet	8,000	450	450	6%
Staff Expense			-	
Travel	25,000	24	24	0%
Morale	2,000		-	0%
Wellness	2,000		-	0%
Web Hosting/Maintenance	3,500		-	0%
Pass Thru Activity			-	
Meander	23,000	750	750	3%
Prairie Waters Ads	16,000		-	0%
Total Expenses	1,094,696	74,206	74,206	7%
EXCESS REV. OVER EXP.	7,163	(56,309)	(56,309)	
General Checking	\$ 432,254			
Money Market	\$ 22			
Certificate of Deposit	\$ 360,148			
RLF Savings	\$ 315,238			
Agency Auto	\$ 46,234			
Equipment Fund	\$ 16,770			
UMVRDC Secretary/Treasurer	Date	UMVRDC Executive Director		Date

July 2020 Check/ACH Listing

Check#	Check Date	Vendor Name	Check Amount	Description
21107	7/20/2020	Mark Bourne	46.17	board mtg
21108	7/20/2020	Jim Dahlvang	46.17	board mtg
21109	7/20/2020	Gary Johnson	92.35	board mtg
21110	07/15/2020	CANBY NEWS	93.75	legal mtg notice
21111	07/15/2020	CULLIGAN WATER CONDITIONING	48.50	water/cooler rent
21112	07/15/2020	DONS FOOD PRIDE	22.21	supplies
21113	07/15/2020	Hagstrom Engineering	658.00	ohv park
21114	07/15/2020	Outdoor News Publications	150.00	ad
21115	07/15/2020	Xerox Corporation	315.28	june base charge
21116	07/15/2020	CITY OF APPLETON	1,016.67	july rent
21117	07/15/2020	Federated Telephone, Inc	1,313.33	internet/IT support
21118	07/15/2020	MN PEIP	7,676.12	aug coverage
21119	07/15/2020	NCPERS Group Life Ins	16.00	addl life ins
21120	07/29/2020	Chase Card Services	339.99	mm: postage/onstar
21120	07/29/2020	Chase Card Services	60.00	jh: postage
21120	07/29/2020	Chase Card Services	16.02	kf: zoom
21120	07/29/2020	Chase Card Services	463.16	mm: supplies
21120	07/29/2020	Chase Card Services	67.29	dh: office supplies
21121	07/29/2020	Laura Ostlie	35.65	mileage
21122	07/29/2020	Pemberton, Sorlie, Rufer & Kershner, PLLP	111.50	legal work
21123	07/29/2020	Ruth Keller	30.00	March cleaning services
21124	07/29/2020	George Kahmann	750.00	meander posters
21125	07/29/2020	After 5	482.58	annual mtg meal/gift cards
21126	07/29/2020	Headquarters Bar and Grill, Inc.	15.00	AM gift cards
21127	07/29/2020	Jamers 1 Stop	15.00	AM gift cards
21128	07/29/2020	NCPERS Group Life Ins	16.00	august coverage
21129	07/29/2020	After 5	78.75	AM meal tip
21130	07/29/2020	Lumpy's Inc.	15.00	AM gift cards
21131	07/29/2020	S & L General Contracting	14,645.00	watson: 42 hwy 7
21132	07/30/2020	Upper MN River Watershed Dist.	375,652.31	final request for Browns Valley Flood
ACH	07/31/2020	Federated Telephone, Inc	295.38	Telephone/Internet
ACH	07/05/2020	Delta Dental	689.55	Dental Insurance
ACH	07/05/2020	MN State Retirement System	4,295.00	Staff PR Deferred comp
ACH	07/05/2020	Internal Revenue Service	5,562.71	UMVRDC Staff PR taxes
ACH	07/05/2020	State of Minnesota	784.00	Staff State taxes
Direct Deposit	07/05/2020	PSB-Upper MN Valley RDC - Staff PR	16,009.26	Staff Payroll
ACH	07/05/2020	Public Employees Retirement Assoc	3,541.52	Staff PR PERA
ACH	07/20/2020	Internal Revenue Service	5,022.50	UMVRDC Staff PR taxes
ACH	07/20/2020	State of Minnesota	784.00	Staff State Taxes
ACH	07/20/2020	MN State Retirement System	764.00	Staff PR Deferred comp
ACH	07/20/2020	Public Employees Retirement Assoc	3,541.52	Staff PR PERA
ACH	07/05/2020	Further Select Account	1,641.65	Staff PR HSA
ACH	07/20/2020	Further Select Account	1,641.65	Staff PR HSA
Direct Deposit	07/20/2020	PSB-Upper MN Valley RDC - Staff PR	16,420.09	Staff Payroll
ACH	07/20/2020	Internal Revenue Service	145.52	Commissioner taxes
ACH	07/31/2020	AFLAC	37.58	July coverage
ACH	07/31/2020	Prairie Sun Bank	28.00	direct deposit fee
ACH	07/05/2020	Further Select Account	22.50	admin fee
ACH	07/24/2020	Further Select Account	250.00	medical flex
ACH	07/06/2020	Syvantis	510.42	sharepoint support
ACH	07/31/2020	USPS	200.66	PW mailing
ACH	07/31/2020	USPS	322.64	annual report mailing
			<u>466,613.26</u>	Total Checks/ACH payments

Pass-Thru Payments

 UMRDC Secretary/Treasurer Date

 UMRDC Executive Director Date

ACTION MEMO

TO: Upper MN Valley RDC Commissioners
FROM: Laura Ostlie, Community Development Planner
DATE: August 25, 2020
RE: RLF Treasurer's Report

Financial information presented in this report is separated into the two RLF loan fund pools the UMRDC currently manages. The report shows the active loans in the RLF portfolios. In the RLF treasurer's report the following information regarding each loan is presented: borrower, loan amount, interest rate, term, the loan pool from which each loan is from, informational notes, and activity detail for the loan transactions.

At the bottom of the report, the balances of the bank accounts are presented. First, the amounts for each RLF loan fund pool are presented as totals. These totals show the total of the outstanding loan balance for each fund and the addition of each corresponding month-end bank balance. Each fund's monthly activity is broken down into the various activities that affect the bank balances and the balances available for lending.

July 2020 Transaction Notes:

- R&R Outdoors-Default
- After Five Supper Club-Deferred
- Handeland Chiropractic-Paid in full

ACTION REQUESTED: To approve the UMRDC's July 2020 RLF Treasurer's Report with the following available for lending balances – meaning fund balances less the funds already committed to loans that have yet to close: *\$243,930.51 (Original RLF) and \$71,397.06 (Disaster RLF).*

July 2020 RLF TREASURER'S REPORT

	Terms				Reporting Transactions				
	Original RLF Loan Amount	Disaster RLF Loan Amount	Interest Rate	Term (years)	Loan Closed	Notes	July Payments	Original RLF Balance at 7/30/21	Disaster RLF Balance at 7/31/20
1 After Five Supper Club	40,000		5.00%	5	9/14/2018	Deferred	\$ -	\$ 37,492.18	
2 AI's Mercantile	50,000		5.00%	10	1/21/2011		\$ 538.82	\$ 2,661.76	
3 Anderson TeBeest Funeral Home	69,720		4.50%	7	3/29/2018		\$ 970.12	\$ 49,688.57	
4 Appleton Power	40,000		4.00%	10	11/1/2018		\$ 404.98	\$ 35,965.88	
5 Barr's/Conroy Electric, Inc.	46,000		4.00%	10	1/5/2012		\$ 466.73	\$ 10,258.98	
6 BK Bar & Grill	40,000		5.50%	10	10/5/2018		\$ 435.11	\$ 34,935.88	
7 Books by Kelly	20,000		5.00%	5	7/31/2010		\$ 121.69	\$ 6,191.50	
8 Clara City Foods, Inc	100,000	100,000	4.00%	10	4/8/2016		\$ 2,025.90	\$ 65,250.58	\$ 65,250.58
9 Clarkfield Enterprises, Inc	60,000		4.50%	7	11/1/2017		\$ 835.01	\$ 41,967.06	
10 DoMat's	100,000		4.00%	10	8/29/2016		\$ 1,013.45	\$ 66,337.19	
11 Falls Café and Canoe	15,100		5.00%	5	6/25/2020	Closed 6/25/20		\$ 15,100.00	
12 Granite Falls Dairy Queen, Inc	100,000		4.00%	10	4/25/2012		\$ 1,013.45	\$ 24,619.96	
13 GoFasters Powersports & Marine	50,000	50,000	5.00%	15	6/14/2019		\$ 791.79	\$ 48,613.28	\$ 48,613.28
14 Handeland Chiropractic, LLC	33,000		5.00%	10	1/5/2011	Paid in full	\$ 3,296.05	\$ -	
15 Headquarters Bar & Grill		90,000	5.50%	10	10/26/2018		\$ 977.74		\$ 80,746.85
16 Jammers 1 Stop		20,000	4.50%	5	3/1/2018		\$ 373.86		\$ 12,391.77
17 KEC of Granite Falls DBA Picht's	50,000		4.00%	10	5/26/2016		\$ 507.23	\$ 31,956.31	
18 Krave Wellness Studio	26,000		5.00%	5	7/24/2019		\$ 491.65	\$ 23,219.45	
19 Korthuis Jewelry	38,000		4.00%	7	6/19/2020	Closed 6/19/20		\$ 38,000.00	
20 Lumpy's Inc.	30,000		5.00%	5	12/14/2017		\$ 566.14	\$ 17,116.17	
21 Merritt Construction, Inc.	10,000		4.50%	12	7/11/2012		\$ 104.64	\$ 507.23	
22 Northern Geo, LLC	50,000	100,000	4.00%	10	2/27/2014		\$ 1,518.68	\$ 22,988.31	\$ 45,976.63
23 Northern Geo, LLC (2)	60,000	20,000	4.25%	10	1/6/2017		\$ 819.50	\$ 43,650.97	\$ 14,550.32
24 R&R Outdoors	11,000		4.00%	10	8/23/2013	Default	\$ -	\$ 7,537.20	
25 SEWearable Designs (2)	27,250		4.50%	10	2/14/2017		\$ 282.41	\$ 20,275.50	
26 Stony Ridge Foods, Inc	150,000	50,000	4.00%	10	6/30/2020	Closed 6/30/20		\$ 150,000.00	\$ 50,000.00
27 Streblov Family Enterprise dba Carl's Bakery		50,000	5.00%	10	8/30/2019		\$ 531.33		\$ 48,163.34
28 The Dryer Doctors	34,000		4.50%	10	8/14/2017		\$ 352.87	\$ 26,634.14	
29 The Dryer Doctors (2)	28,000		4.50%	10	7/31/2019		\$ 290.69	\$ 26,749.40	
30 The Sawmill	50,000		4.00%	10	3/31/2010		\$ 203.81	\$ 22,839.22	
31 Trish's Catering	38,000		4.25%	10	5/31/2017		\$ 390.26	\$ 29,181.48	
32 Western Consolidated Cooperative	100,000	100,000	4.25%	10	10/24/2017		\$ 2,049.75	\$ 76,469.70	\$ 76,469.70
	1,466,070	580,000					\$ 21,373.66	\$ 976,207.90	\$ 442,162.47

Balance of Bank Accounts			
Total Original RLF Funds:	1,220,138.41	Total Disaster RLF Funds:	513,559.53
Previous month's bank balance	228,039.56	Previous month's Bank Balance	65,848.43
Loan Repayment	15,839.69	Loan Repayment	5,533.97
Loan Disbursement	-	Loan Disbursement	-
July 2020 - Bank Interest	51.26	July 2020 Bank Interest	14.66
Admin Transfer -	-	Admin Transfer	-
Origination or Loan Payoff Fees	-	Origination or Loan Payoff Fees -	-
Bank Account Balance at 7/31/2020	243,930.51	Bank Account Balance 7/31/2020	71,397.06
Balance available for lending	\$ 243,930.51	Balance available for lending	\$ 71,397.06

UMVRDC Secretary/Treasurer

UMVRDC Executive Director

Date

Date

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Kristi Fernholz, Planning Director

DATE: August 25, 2020

RE: Maynard Bank Building Grant Writing Contract

The UMVRDC has been asked to continue to implement and coordinate programs for the Maynard Bank Building which houses their city museum. The contract is for \$13,800 which includes writing two grants and implementing both of them.

ACTION REQUESTED:

Authorization for the Executive Director to sign the Technical Assistance agreement with the city of Maynard for the Museum TA Contract.



Upper Minnesota Valley
REGIONAL DEVELOPMENT COMMISSION
Helping Communities Prosper

323 W. Schlieman Ave. Appleton, MN 56208 320.289.1981 www.umvrdc.org

CONTRACT FOR PROFESSIONAL SERVICES
UPPER MINNESOTA VALLEY REGIONAL DEVELOPMENT COMMISSION
AND THE
CITY OF MAYNARD
#FY21-12

This Contract for Services is by and between the CITY OF MAYNARD, MINNESOTA, hereinafter referred to as the CITY, and the UPPER MINNESOTA VALLEY REGIONAL DEVELOPMENT COMMISSION, hereinafter referred to as the UMRDC; and

The purpose of this Contract is to provide a mutual understanding concerning the services to be rendered to the CITY by the UMRDC to assist the CITY with grant writing and administration for the Maynard Bank Building

SECTION I. DESCRIPTION OF UMRDC SERVICES

The UMRDC hereby agrees to:

- A. Appoint a primary contact for this project:
Kristi Fernholz, Planning Director
320-289-1981
kristi.fernholz@umvrdc.org
- B. Prepare a small MNHS Legacy Grant for design and construction documents of roof, HVAC system and masonry restoration. Complete an RFP process before writing the grant.
- C. Implement successful small MNHS Legacy grant. Work with architect on possible ADA short term solutions.
- D. Prepare a large MNHS Legacy Grant for construction of roof, HVAC system and masonry restoration.
- E. Implement successful large MNHS Legacy Grant.

SECTION II. DESCRIPTION OF CITY'S RESPONSIBILITIES

The CITY agrees to:

- A. Appoint a primary contact for this project:
Name:
Title:
Phone:
Email:

- B. If needed, pay for all cost related to public hearings and corresponding publications and notifications

- C. Compensate the UMRDC in accordance with Section IV of this Contract

- D. Supply any documents, maps, match commitments, and/or pay for any required landscape architect fees that would be required to complete the grants.

SECTION III. CONTRACT PERIOD

This Contract is effective from August 26, 2020, 2020 through June 30, 2022.

The time period for this Contract may be amended as mutually agreed upon in writing by both the UMRDC and CITY.

SECTION IV. COMPENSATION FOR SERVICES

The cost for this project is as follows:

Section 1B - \$3,200 *grant writing

Section 1C - \$3,000

Section 1D - \$4,600 *grant writing

Section 1E - \$3,000

The CITY agrees to pay a total of \$13,800 for the UMRDC to complete the activities outlined in Section I. Incidentals are included in this cost.

The CITY is eligible to apply for a UMRDC Local Assistance Grant of up to \$3,900 for the grant writing portion of this grant to offset the cost of this contract.

The UMRDC will provide the CITY with an invoice indicating services provided and the total amount due.

In the event the CITY requests additional service from that described in Section I, and such services are to be completed by the UMRDC, the UMRDC shall be entitled to additional compensation as agreed to by both the UMRDC and CITY. This Contract shall be amended or a new contract shall be created to reflect additional services and compensation.

SECTION V. GENERAL PROVISIONS

A. Changes in UMRDC Services

In the event the CITY requests additional service from that described in Section I, and such services are to be completed by the UMRDC, the UMRDC shall be entitled to additional compensation as agreed to by both the UMRDC and CITY. This Contract shall be amended or a new contract shall be created to reflect additional services and compensation.

B. Insurance and Liability

To the fullest extent permitted by law, the EDA and UMRDC agree to defend, indemnify and hold harmless the other party and its owners, members, shareholders, officers, directors, board members, contractors, subcontractors, employees, officials, and agents from and against all claims, actions, damages, lawsuits, losses and expenses, including reasonable attorney fees and costs, arising out of a party's negligence or a party's performance or failure to perform its obligations under this Contract. A party's indemnification obligation shall apply to a party's contractor(s), subcontractor(s), or anyone directly employed or hired by a party, or anyone for whose acts a party may be liable. The EDA and UMRDC agree this indemnity obligation shall survive the completion or termination of this Contract.

C. Termination

This agreement may be terminated by either the UMRDC or CITY upon fourteen (14) days prior written notice.

In the event of termination, the CITY shall be obligated to the UMRDC for payment of amounts due and owing including payment for services performed or furnished to the date of termination, computed in accordance with Section IV of this Contract agreement.

D. Severability

Any provision or part of this Contract identified by either party as unenforceable under any law or regulation shall be considered stricken, but all remaining provisions shall continue to be valid and binding upon the UMRDC and CITY.

The Contract shall be revised to replace such stricken provision with a valid and enforceable provision that comes as close as possible to expressing the intentions of the stricken provision.

SECTION VI. ACCEPTANCE

The UMRDC and CITY hereby accept this Contract for professional services. The parties hereto have caused this Contract to be duly executed.

Authorized Official Name: _____

Signature: _____

Title : _____

Date: _____

UMVRDC Authorized Official Name: Dawn E Hegland

Signature: _____

Title: Executive Director Upper Minnesota Valley Regional Development Commission

Date: _____

Date of UMRDC Board Approval: _____

ACTION MEMO

TO: Upper MN Valley RDC Commissioners
FROM: Kristi Fernholz, Planning Director
DATE: August 25, 2020
RE: Meander Fiscal Agent and Grant Application

The UMRDC has been involved in coordinating the Meander Art Crawl since 2004. Since the Meander is not a formal organization, a fiscal agent is needed to procure grant funds. A signature is needed on the Southwest Minnesota Arts Council (SMAC) grant application as well as a fiscal agent agreement for the 2021 Meander.

ACTION REQUESTED:

Approval of the fiscal agent agreement between the UMRDC and Meander, and authorization of the executive director's signature on the grant application to SMAC.

FISCAL SPONSOR AGREEMENT

This Agreement is made on this 25th day of August 2020 between Upper Minnesota Valley Regional Development Commission (hereafter referred to as “Fiscal Sponsor”) and Meander (hereafter referred to as the “Sponsored Organization”):

Sponsored Organization’s proposed project (hereafter referred to as “the Project”):

Meander is an art event in the 5 counties of the UMVRDC region: Yellow Medicine, Chippewa, Lac qui Parle, Swift and Big Stone.

The Fiscal Sponsor has determined that sponsorship of the Project would be consistent with its goals and wishes to make arrangements with the Sponsored Organization for the implementation and operation of the Project.

1. The Fiscal Sponsor hereby agrees to sponsor the Project and to assume administrative, programmatic, financial and legal responsibility for the purposes of the requirements of funding organizations. The Sponsored Organization agrees to implement and operated the Project, in accordance with the terms of this agreement and with any requirements imposed by funding organizations.
2. The Project shall be operated in a manner consistent with the Fiscal Sponsor’s tax-exempt status and as described in this agreement. No material changes in the purposes or activities of the Project shall be made without prior written permission of the Fiscal Sponsor and in accordance with any requirements imposed by funding organizations, nor shall the Sponsored Organization carry on activities or use funds in any way that jeopardizes the Fiscal Sponsor’s tax-exempt status.
3. The Sponsored Organization shall not, and shall not permit the Project to, attempt to influence legislation or participate or intervene in any political campaign on behalf (or in opposition to) any candidate for public office or otherwise engage in the carrying on of propaganda (within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986).
4. The Sponsored Organization will provide the Fiscal Sponsor with reports describing programs and services of the Project as necessary.
5. The Sponsored Organization will provide all information and prepare all reports, including interim and final reports, required by funding organizations with the Fiscal Sponsor’s assistance and final approval.
6. On behalf of the Sponsored Organization, the Fiscal Sponsor will establish and operate for the use of the Project a designated account (“Account”) segregated on the Fiscal Sponsor’s books. All amounts deposited into a Project’s Account will be used in its support, less administrative charges, if any, and subject to the conditions set forth below.
7. The Fiscal Agent will disburse funds to pay all bills from the project. Disbursements will be restricted to the support and implementation of the Project only.

8. The Sponsored Organization designates Dawn Hegland to act as authorizing official. The authorizing official shall act as principal coordinator of the Project's daily business with the Fiscal Sponsor and shall have authority to sign disbursement requests.
9. The Fiscal Sponsor and Sponsored Organization will maintain all financial records relating to the Project according to generally accepted accounting principles, retain records as long as required by law, and make records available to auditors as required by law.
10. The Fiscal Sponsor and the Sponsored Organization will reflect the activities of the Project, to the extent required, on their state and federal government tax returns and financial reports. All disbursements from an Account shall be treated as payments made to or on behalf of the Sponsored Organization to accomplish the purposes of the Project. The Sponsored Organization will provide the Fiscal Sponsor with proper documentation to accomplish this, including furnishing the Fiscal Sponsor with the Sponsored Organization's Federal Employer Identification Number.
11. In the event this Agreement is terminated, the Fiscal Sponsor and Sponsored Organization will comply with any termination conditions imposed by funding organizations.

In witness whereof, the parties hereto have executed this Agreement on the day and year first written above.

Accepted for the Fiscal Sponsor:

For the Sponsored Organization:

Authorized signer

Authorized signer

Date

Date

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Kristi Fernholz, Planning Director

DATE: August 25, 2020

RE: Meander Website Developer Contract

As part of the EDA CARES funding, we have identified updating the Meander website. We completed an RFP process and selected the lowest bidder Rachel Holdgrapher Digital Marketing. She came highly recommended and specializes in artis- based websites.

ACTION REQUESTED:

Approval of the executive director's signature on the contract with Rachel Holdgrapher Digital Marketing.

Upper Minnesota Valley Regional Development Commission Consultant Agreement

THIS AGREEMENT is made and entered into by and between the Upper Minnesota Valley Regional Development Commission (UMVRDC) and Rachel Holdgrafer Digital Marketing (Consultant).

WHEREAS, the UMVRDC is in need of professional services for a website developer for Meander;

WHEREAS, the UMVRDC selected Rachel Holdgrafer Digital Marketing to be the Consultant to perform these services.

NOW THEREFORE, in consideration of the mutual undertakings and agreements hereinafter set forth, UMVRDC and Consultant agree as follows:

I. TERM

This agreement shall be effective starting on the last date of execution by the parties and shall continue in effect until December 1, 2020, or until the UMVRDC feels the Consultant's obligations as stated herein have been provided or until this agreement is terminated by either the UMVRDC or Consultant, whichever comes first.

II. CONSULTANT OBLIGATIONS

The Consultant will create a new website with Wordpress that includes at least the following:

1. Utilize current website data
2. Ability for entire website to be updated by site admin.
 - a. New artists
 - b. New meander logo/artwork
 - c. New brochure
3. Go live with part of the website by September 15, 2020.
4. Be aesthetically pleasing
5. Create a website that is mobile/tablet friendly, ADA compliant and search engine optimized.
6. Keep annual expenses at a minimum. We currently have a hosting contract for 3 years with HostGator.

Include the following pages:

- Home page
- Artists and subpages
- Press

Brochure
Ability to add PDF versions
Sponsors
Contact

Please see attached proposal for details.

III. UMVRDC'S OBLIGATIONS

A. UMVRDC Contact for this Agreement

Kristi Fernholz
323 West Schlieman Avenue
Appleton MN 56208
320-289-1981 x106 phone
kristi.fernholz@umvrdc.org

- B.** The UMVRDC shall provide the following:
- Content for website
 - Meetings to develop timeline and give feedback on look of website

- C.** The UMVRDC will review all final products for content and accuracy of copy, graphics, maps, illustrations, and other information provided by the Consultant.

- D.** The UMVRDC will facilitate approvals to serve as a basis for the Consultant's proceeding to the next planned activity.

- E.** The UMVRDC shall immediately notify the Consultant of any condition it or the Steering Committee observes which may adversely affect the completion and outcome of this project.

IV. PAYMENTS AND SERVICES

- A.** UMVRDC shall pay Consultant \$1,500 for services provided in order to fulfill this Agreement. This is the Total Agreement Amount and the Consultant agrees that all services to be provided will be done so within the mutually agreed upon amount.

- B.** The UMVRDC agrees to pay for the "Scope of Services". Invoices shall be submitted to the Client. The Client agrees to pay the Consultant within thirty (30) days. Payment schedule is ½ down at the beginning of the project and balance when project is complete.

V. GENERAL PROVISIONS

- A. Independent Contractor: Nothing contained in this Agreement is intended or shall be constructed as creating an employer-employee relationship between the UMRDC and the Consultant. No tenure or any rights or benefits, including workers compensation, unemployment insurance, medical care, sick leave, vacation leave, severance pay, PERA or other benefits available to UMRDC employees or UMRDC-related representatives, shall accrue to Consultant or Consultant’s employees.
- B. Merger and Modification: The entire project Agreement between the UMRDC and mapformation, is contained herein. This project agreement supersedes all oral agreements and negotiations between parties. Any future modifications of this Consultant Agreement shall only be valid when they have been reduced to writing and submitted to all parties.
- C. Termination: UMRDC or Consultant may terminate this Agreement, with or without cause, upon written notice. Settlement of fees due to the Consultant shall be based on the hours of services performed at the date of termination.
- D. Subcontracting and Assignment: Consultant shall not enter into any subcontract for performance of any services under this Agreement without the prior written approval of UMRDC.
- E. Responsibility for Damages Claims: Consultant shall indemnify and save harmless the UMRDC and their officers and employees from all suits, actions, and claims of arising out of the negligent acts, errors or omissions of the Consultant.
- F. Accuracy, Errors, and Omissions: Consultant agrees that all information provided to UMRDC will be true and correct to the best of Consultant’s knowledge. UMRDC is not liable for its use or dissemination of false or erroneous information, data or other materials provided by the Consultant.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates indicated below.

Rachel Holdgrafer Digital Marketing

UMVRDC

By _____

By _____

Title _____

Title _____

Date _____

Date _____

PROJECT RECOMMENDATIONS & DETAILS

- Use WordPress as the content management system.
- Keep the site hosted at HostGator to minimize expenses.
- Utilize premium WordPress theme from Athemes available at no charge to the Arts Meander, compliments of Holdgrafer Marketing.
- Implement the free version of Elementor site builder plugin to make site simple to update after launch
- Based on my current project load, Phase 1 can be completed by no later than September 30, 2020. An earlier launch date may be possible based on how quickly reviews and approvals can be made. An official project timeline with due dates will be created during the project kickoff meeting.
- I would be glad to help with any additional phases of the project.

PHASE 1 PROPOSAL

Launch a refreshed website promoting the Arts Meander as Minnesota's leading "trip on a tank full" to experience the culture, beauty and gifted artists of the Upper Minnesota River Valley. Site should be mobile optimized, easy to use for people of all abilities, and simple for a site administrator to update and maintain without coding experience.

- Review/identify demographic data of ideal Arts Meander patrons
- Brainstorm keywords potential patrons might use in searching for an experience like the Arts Meander
- Conduct basic keyword research to inform SEO efforts
- Complete competitive analysis on 3 similar arts organizations to set the Meander apart
- Select a new, easy to use mobile-optimized theme for the site. Premium theme options available at no charge via Athemes compliments of Holdgrafer Marketing.
- Establish intuitive site information architecture to improve user experience and performance in search results
- Style site theme as needed including colors, fonts, images, and page layouts with visual focus on Meander artists
- Recommend page layout for ease of use and telling the Meander Art Crawl story
- Optimize client-provided images to maximize site speed

-
- Optimize client-provided website content using keyword research, ideal patron demographic data, and online content best practices
 - Identify opportunities for new website content in Phase 2
 - Build web pages using current website content, ensuring website is ADA compliant
 - Implement a call to action on each page to drive site engagement
 - Offer downloadable PDFs for brochures and other organization documents
 - Optimize URL structure to meet current industry best practices
 - Optimize all on-page SEO including meta title/description, internal/external links, alt tags
 - Implement SSL Certificate to improve site performance in search
 - Leverage new organization logo, provided by client
 - Launch the new website
 - Redirect pages from old site structure to new site structure to minimize 404 errors
 - Create Google Analytics account and connect it to website, if needed
 - Set up Google Search Console account if needed and submit sitemap for indexing
 - Create 3-month marketing plan supporting the launch of the new site
 - Provide SEO checklist to facilitate easy creation of new SEO-optimized content
 - Weekly meetings and meetings as needed to keep project moving forward
 - Use of Basecamp project management software for online collaboration at no charge

INVESTMENT

\$1,500 payable in two installments. (½ at project start, ½ when the site goes live.)

Cost of website hosting, domain names, branded Gmail accounts, stock photography and graphics purchases, SSL certificate, content strategy, writing/copyediting and any recommended marketing tactics are additional.

PORTFOLIO

<https://www.holdgrafermarketing.com/portfolio>

CONSENT MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Kirk Bustrom, Senior Planner

DATE: August 25, 2020

RE: CARES Act EDA Award

The UMRDC received notification on July 30, 2020 that the agency's CARES Act COVID-19 Recovery and Resiliency Project Institutional application was awarded. EDA invited certain recipients of existing EDA-funded planning grant awards to apply for a supplemental award to help respond to the unusual and compelling urgency of the coronavirus pandemic.

EDA is awarding the UMRDC \$400,000 over a 24-month period.

ACTION REQUESTED:

Authorize the Executive Director to sign and submit the CARES Act COVID-19 Recovery and Resiliency Project Financial Assistance Award.