



**HIBBING ECONOMIC DEVELOPMENT
AUTHORITY**
Regular Meeting
Monday, December 8, 2025
5:00 PM

President Shari Majkich Brock
Vice President Steve Jurenes
Councilor John Schweiberger
Councilor Jennifer Hoffman Saccoman
Mayor Pete Hyduke
Member Celia Cameron
Member Mike Egan

City Administrator Greg Pruszinske
Finance Dir - Treasurer Sheena Mulner
City Attorney Andy Borland
Community Dev. Director Betsy Olivanti

Members may participate through remote technology

I. CALL TO ORDER:

II. ADDS AND DELETES:

1. Add: VI. Presentations: 2. Androy Architectural Review Project Update
2. Add: VIII. Loan Requests 1. RSF Business Subsidy Agreement and 2. RSF Loan Request
3. Add: IX. Discussion Items: 5. HEDA loan fund guidelines revisions

III. APPROVAL OF THE AGENDA:

IV. APPROVAL OF MINUTES:

1. Approve the Minutes of the Hibbing Economic Development Authority Meeting of November 10, 2025.

V. CONSENT AGENDA:

1. Affirm the Economic Development Loan Fund account balance as of November 30, 2025 in the amount of \$1,401,581.94
2. Approve disbursements for the month of November in the amount of \$1,095,937.05
 1. Fund 250 (HEDA ED/Rev Ln Fd) - \$61,242.93
 2. Fund 255 (HEDA General Fd) - \$76,783.96
 3. Fund 392 (TIF#12 DS Fd) - \$0
 4. Fund 418 (Downtown Capital Prjt Fd) - \$1,995.80
 5. Fund 440 (Tax Abatement Prjt Fd) - \$19,438.25
 6. Fund 422 (Deferred Loan Fund) - \$81,493.73
 7. Fund 610 (HEDA – AMGS) - \$854,982.38

VI. PRESENTATIONS:

1. Range Steel Revolving Loan Request - Jeff Halter
2. Androy Architectural Review Project Update - Kevin Piron, Widseth

VII. DEPARTMENT AND COMMITTEE REPORTS:

1. Community Development Director Betsy Olivanti

- a. Approve Agreement with Miriam Kero Consulting to write MN Housing - Workforce Grant Application for 400 Block Redevelopment Project or Jefferson Redevelopment Project in the amount of \$3,862.50
- b. Approve agreement with Widseth for the North Hibbing Industrial Park Shovel Ready Site in the amount of \$49,200, half of which will be reimbursed by an IRRR Community Development Partnership Grant.
- c. Approve 2026 HEDA Meeting Schedule as presented.

HEDA Board Regular Meetings occur the **1st Tuesday** of every month, unless there is an exception due to a scheduling conflict. As April's and July's do not line up with a council meeting week, those will be scheduled as listed below. Regular meetings begin at 5 p.m., unless otherwise posted.

- January 6, 2026
- February 3, 2026
- March 3, 2026
- April 14, 2026 – to keep with the council meeting week
- May 5, 2026
- June 2, 2026
- July 14, 2026 – to keep with the council meeting week
- August 4, 2026
- September 1, 2026
- October 6, 2026
- November 17, 2026 - due to the general election
- December 1, 2026

2. Finance Director-Treasurer Sheena Mulner

- a. HEDA Loan Balances

3. City Attorney Andy Borland

VIII. LOAN REQUESTS:

1. Approve the business subsidy agreement with RSF Industries (dba Range Steel Fabricators) to assist with the purchase of new equipment for operations.
2. Approve RSF Industries Inc. (dba Range Steel Fabricators) Revolving Loan Request

IX. DISCUSSION ITEMS:

1. 400 Block Redevelopment Project Update
2. Jefferson School Redevelopment Project Update
3. HPNS Relocation Update
4. 1111 7th Ave. East Purchase Update
5. HEDA Loan Fund Guidelines Revisions

X. ADJOURNMENT:

**THE MINUTES OF THE REGULAR AND WORKSHOP MEETING OF THE
HIBBING ECONOMIC DEVELOPMENT AUTHORITY
Monday, Nov. 10, 2025**

Meeting Information:

- Location: Hibbing City Hall Council Chambers
- Attendees: Present at roll call were President Shari Majkich Brock, Vice President Steve Jurenes, Mayor Pete Hyduke, Member Celia Cameron and Member Mike Egan. Member Jennifer Hoffman Saccoman and Member John Schweiberger were absent. Also present were Attorney Andy Borland, Finance Director Sheena Mulner and Community Development Director Betsy Olivanti.

CALL TO ORDER: President Shari Majkich Brock called the meeting to order at 5 p.m.

Approval of Agenda:

ADD: Department & Committee Reports #1g

The agenda for the meeting with the addition was approved with a motion by Mayor Hyduke and supported by Member Egan. Motion Carried.

Approval of Minutes:

Member Egan supported by Vice President Jurenes moved to approve the minutes of the special meeting of the Hibbing Economic Development Authority for Oct. 28, 2025. Motion Carried.

V. CONSENT AGENDA:

Mayor Hyduke supported by Member Cameron moved to approve the consent agenda as read and published. Motion carried.

1. Affirm the Economic Development Loan Fund account balance as of October 31, 2025, in the amount of \$1,499,744.72.

2. Approve disbursements for the month of October in the amount of \$311,315.75

1. Fund 250 (HEDA ED/Rev Ln Fd) - \$28,755.40
2. Fund 255 (HEDA General Fd) - \$55,914.32
3. Fund 392 (TIF#12 DS Fd) - \$442.50
4. Fund 418 (Downtown Capital Prjt Fd) - \$456.00
5. Fund 440 (Tax Abatement Prjt Fd) - \$0
6. Fund 422 (Deferred Loan Fund) - \$0

7. Fund 610 (HEDA – AMGS) - \$225,747.53

3. Set the next regular Hibbing Economic Development Authority Meeting for Monday, December 8, 2025, at 5 p.m. in the Hibbing City Council Chambers.

VI. PRESENTATIONS:

1. Parking & Traffic Study Presentation by TC2 (Lance Bernard)

The parking and traffic study underway is an evolution from the parking study completed in 2023 via a collaboration between the Hibbing Chamber of Commerce and the Hibbing Economic Development Authority. The study area is much bigger than past studies, extending beyond Howard Street to areas along First Avenue and includes traffic patterns in the downtown corridor. We're evaluating the parking needs within this area and also looking at some of the traffic needs and evaluating the intersections. Data collection revealed heavy use of on-street parking and underutilization of some off-street lots.

Solutions under consideration include reconfiguring on-street parking (angle/reverse angle), improved wayfinding, and evaluating traffic signal needs. Business and community engagement is ongoing, with listening sessions and an online survey.

The study aims to recommend low-cost, high-benefit solutions tailored to Hibbing, with preliminary recommendations expected in early 2026. A parking tool is being developed for future monitoring and development impact assessment. Enforcement and the impact of future developments, such as the 400 block redevelopment, were discussed.

2. Loan Request for 2012 First Avenue – Bulanja Investments

Aaron Bulanja requested a loan for roof repairs at a mixed-use building located at 2012 1st Ave. This loan request is eligible under guideline priorities one and two, investment in building renovations, particularly in the downtown district, energy efficiency upgrades and preservation of mixed-use commercial properties. The project aligns directly with the EDA Revolving Loan Fund objectives to retain existing business operations, improve the quality and safety of downtown structures, and promote reinvestment in Hibbing's Central Business District. This project will fund capital improvements to a mixed-use commercial and residential building. The property consists of 10 residential apartments and four commercial units, currently stabilized at approximately 90% occupancy. The proposed work includes roof and building envelope repairs necessary to preserve the building's long-term viability. The work will be performed by Range Cornice. The total project cost is \$122,757.

3. Subordination Request for 3920 13th Avenue East – Rich Lees

Request to subordinate the city's \$31,000 loan to a new \$250,000 Park State Bank loan for a building with recent improvements.

VII. DEPARTMENT AND COMMITTEE REPORTS:

1. Community Development Director Betsy Olivanti

A. Lease extension request from Hibbing Parents Nursery School for storage.

Request to extend storage lease at Jefferson School until contents are moved; utilities off, insurance maintained. Extension recommended through December 31, 2025, or sooner if contents are moved. Mayor Hyduke supported by Member Cameron motioned to approve the lease extension through Dec. 31, 2025. Motion carried.

B. Lease agreement with Yoder Building Supplies Inc. for 1111 7th Avenue East, Hibbing, MN 55746

Request for the commercial lease with JT Ventures LLC for the full 31,054 square foot premises at 1111 7th Avenue East. This is the interim solution to the federal government shutdown delaying the approval of an SBA loan. Payments that they make toward the rent would go to decrease the building purchase price, plus interest. Member Egan supported by Mayor Hyduke motioned to approve the lease agreement. Motion carried.

C. Loan request from Bulanja Investments for 2012 First Avenue, Hibbing, MN 55746

Aaron Bulanja requested a loan for roof repairs at a mixed-use building (10 apartments, 4 commercial units, 90% occupied). Total project cost: \$122,757; funding sources include HEDA (\$40,919), AEOA's BER program (\$25,000 grant), Northland Foundation loan (\$40,919 requested), and owner equity (~\$16,000). Loan terms: 3% fixed interest over 10 years, interest-only payments for 6 months, secured by mortgage and personal guarantee. Approval contingent on confirmation of other funding and insurance. Vice President Jurenes supported by Member Cameron motioned to approve the loan request. Motion carried.

D. Request for subordination from Park State Bank for Rich & Sherri Lees for 3920 13th Avenue East, Hibbing, MN 55746

Member Egan supported by Mayor Hyduke motioned to approve the request for subordination. Motion carried.

E. 400 Block Demolition Project Update – staff report

Dore & Associates renewed asbestos contractor license; contracts being finalized. Project to start within 10 days of contract signing to meet funding deadlines before end of 2025. City engineer to manage project. Hibbing Fire Department conducted training in the building, with participation from multiple departments. Press release being prepared to highlight training value. Recent five- to six-week training program was highly valued; Training officer, Captain Woinarowicz praised for leadership. Proposal for future training at Jefferson School is expected. No action taken.

F. Approve agreement with AMGS to secure equipment for expansion project funded by \$500,000 of IRRR Building loan.

Mayor Hyde supported by Vice President Jurenes motioned to approve agreement with \$544,211.31 remaining, after AMGS invoice payment. Funds set aside for repair, maintenance, and future office build-out. Motion carried.

G. Approve the Legal Services Agreement between the Hibbing Economic Development Authority and Sellman Borland & Simon PLLC primarily Attorney Andy Borland for 2026.

Member Egan supported by Member Cameron motioned to approve the legal services agreement for 2026. Attorney Borland's services praised as essential. Motion carried.

2. Finance Director-Treasurer Sheena Mulner

A. HEDA Loans Balances - Most loans current; specific updates:

- Moxie: Court scheduling in progress.
- Yoder Building Supplies: Previous loan paid off; new \$250,000 loan for building purchase.
- Advanced Machine Guarding Solutions: Interest-only payments through year-end.
- Arrowhead Motorcycle: Inventory sold, payment applied to COVID loan; remaining balance to be processed through legal.
- Wicked Apothecary: Two ACH payments returned NSF; follow-up in progress.
- Iron Range Management LLC: New draw, balance \$64,814.56.
- Hibbing Heating and Air Conditioning signed both of their loans
- Deferred loan agreements signed: Rich and Sherri Lees, Andrew Hanegmon

Revolving Loan Fund and Cash Balances

- Fund 250: \$1.3 million cash, \$871,558 available to lend.
- Fund 420 renovation fund: \$217,252.55 cash.

B. Deferred Loan Program – staff report

- All funds committed, expected to be expended soon.
- \$515,060 invested in 11 downtown projects, leveraging \$2,638,283.39 in private investment (5x public funds).
- Program performing well; revisions for Deferred Loan Program 2.0 under consideration.

3. City Attorney Andy Borland

Preparing documents for default judgment and demand letters for delinquent loans (Arrowhead Motorcycle, Wicked Apothecary).

X. ADJOURNMENT:

There being no further items on the agenda, a motion was made by Mayor Hyde and supported by Member Egan to adjourn the meeting at 5:50 p.m. Motion carried.

President Shari Majkich Brock

Community Development Dir. Betsy Olivanti

VENDOR I.D.	NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
C-CHECK	VOID CHECK	V	11/14/2025			181447		

* * T O T A L S * *		NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:		0	0.00	0.00	0.00
HAND CHECKS:		0	0.00	0.00	0.00
DRAFTS:		0	0.00	0.00	0.00
EFT:		0	0.00	0.00	0.00
NON CHECKS:		0	0.00	0.00	0.00
VOID CHECKS:		1	VOID DEBITS 0.00		
			VOID CREDITS 0.00	0.00	

TOTAL ERRORS: 0

VENDOR SET: 01	BANK:	TOTALS:	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
			1	0.00	0.00	0.00
BANK:		TOTALS:	1	0.00	0.00	0.00

VENDOR I.D.	NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
005366	ADVANCED MACHINE GUARDING SOLU							
I-2557	AUTOMATIC POWDER COAT SYSTEM	R	11/14/2025			181386		
610 46-6500-520	BLDG IMPROVEMENTS	AUTOMATIC POWDER COA		500,000.00				500,000.00
001744	BARR ENGINEERING 2							
I-23692840.00-19	AMGS NEW BLDG ELECTRICAL	R	11/14/2025			181392		
610 46-6500-520	BLDG IMPROVEMENTS	AMGS NEW BLDG ELECTR		6,509.00				6,509.00
000933	HIBBING AREA CHAMBER OF COMMER							
I-10312025	E3 PROGRAMS	R	11/14/2025			181434		
255 46-6500-490	HEDA-ECO/DEV PROJECTS	E3 PROGRAMS		10,000.00				10,000.00
005733	HOISINGTON KOEGLER GROUP INC.							
I-025-009-8	HBG COMPR PLAN OCT 25	R	11/14/2025			181436		
255 46-6500-300	HEDA-PROFESSIONAL FEES	HBG COMPR PLAN OCT 2		1,671.25				1,671.25
005673	KRAUS-ANDERSON CONSTRUCTION CO							
I-73546 FINAL	PAY APP #14 CONST&CMR/FINAL	R	11/14/2025			181444		
610 20600	CONTRACTS PAYABLE	PAY APP #14 CONST&CM		145,302.88				
610 46-6500-520	BLDG IMPROVEMENTS	PAY APP #14 CONST&CM		18,851.96				
610 46-6500-520	BLDG IMPROVEMENTS	PAY APP #14 CONST&CM		175,889.57				340,044.41
002965	MIRIAM KERO CONSULTING							
I-HIB23DEED	GRANT WR/REDEV JEFFR & N HBG	R	11/14/2025			181458		
255 46-6500-490	HEDA-ECO/DEV PROJECTS	GRANT WR/REDEV JEFFR		643.75				
255 46-6500-300	HEDA-PROFESSIONAL FEES	GRANT WR/REDEV JEFFR		193.13				836.88
003054	RICH LEES & SHERRI LEES/dba LE							
I-11/07/25	HEDA DEFERRED LOAN/1907 3RD AV	R	11/14/2025			181476		
422 11912	N/R - LEES (1907 E 3RD AVE)	HEDA DEFERRED LOAN/1		36,302.25				
422 22200	DEFERRED REVENUE	HEDA DEFERRED LOAN/1		36,302.25CR				
422 46-6500-430	DEFERRED LOAN EXPENDITURES	HEDA DEFERRED LOAN/1		36,302.25				36,302.25
004979	SELLMAN BORLAND & SIMON PLLC							
I-OCT 25 HEDA LEGAL	OCT 2025 HEDA LEGAL SVCS	R	11/14/2025			181480		
255 46-6500-300	HEDA-PROFESSIONAL FEES	OCT 2025 HEDA LEGAL		2,600.00				
I-SEPT 25 HEDA LEGAL	SEPT 2025 HEDA LEGAL SVCS	R	11/14/2025			181480		
255 46-6500-300	HEDA-PROFESSIONAL FEES	SEPT 2025 HEDA LEGAL		1,580.00				4,180.00
005769	TRANSPORTATION COLLABORATIVE &							
I-25-220-2	DOWNTOWN HBG PARKING & TRAFFIC	R	11/14/2025			181490		
255 46-6500-490	HEDA-ECO/DEV PROJECTS	DOWNTOWN HBG PARKING		12,040.00				12,040.00

VENDOR I.D.	NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
000918	VISA - PARK STATE BANK (FORMER							
I-8089	OCT 25		11/14/2025			181496		
255 46-6500-300	HEDA-PROFESSIONAL FEES	ACT 8089	OCT 25	39.95				
101 41-1110-430	MISCELLANEOUS	ACT 8089	OCT 25	154.86				194.81
005615	WIDSETH SMITH NOLTING & ASSOC.							
I-241462	PROF SVCS 10/10/25/ANDROY MAIN	R	11/14/2025			181498		
255 46-6500-490	HEDA-ECO/DEV PROJECTS	PROF SVCS	10/10/25/A	12,500.00				12,500.00
005713	WSB LLC							
I-R-027955-000-9	DAYCARE/ROW/PROF SVCS 9/30/25	R	11/14/2025			181499		
255 46-6500-300	HEDA-PROFESSIONAL FEES	DAYCARE/ROW/PROF SVC		334.25				334.25
001744	BARR ENGINEERING 2							
I-23692840.00-20	AMGS NEW BLDG ELECTRICAL	R	11/26/2025			181508		
610 46-6500-520	BLDG IMPROVEMENTS	AMGS NEW BLDG ELECTR		6,156.50				
I-23692863.00-18	AMGS CONSTR SUPPT SVCS	R	11/26/2025			181508		
610 46-6500-300	PROFESSIONAL FEES	AMGS CONSTR SUPPT SV		709.50				6,866.00
005177	BOLTON & MENK							
I-0378716	BME/AMGS ALTA SURVEY 3-10/25	R	11/26/2025			181510		
610 46-6500-520	BLDG IMPROVEMENTS	BME/AMGS ALTA SURVEY		675.00				675.00
005779	HIBBING HEATING A/C & RANGE CO							
I-11/17/25	HEDA DEF & REV LOAN 11/17/25	R	11/26/2025			181544		
422 11911	N/R - HIBBING HEATING & A/C	HEDA DEF & REV LOAN		45,191.48				
422 22200	DEFERRED REVENUE	HEDA DEF & REV LOAN		45,191.48CR				
422 46-6500-430	DEFERRED LOAN EXPENDITURES	HEDA DEF & REV LOAN		45,191.48				
250 12040	N/R - HIBBING HEATING & A/C	HEDA DEF & REV LOAN		45,191.48				90,382.96
005679	INGENUITY BUILDERS							
I-6147	HPNS-DOORS	R	11/26/2025			181546		
255 46-6500-300	HEDA-PROFESSIONAL FEES	HPNS-DOORS		14,549.00				
I-6148	DRYWALL - HPNS	R	11/26/2025			181546		
255 46-6500-300	HEDA-PROFESSIONAL FEES	DRYWALL - HPNS		2,215.83				16,764.83
005546	IRON RANGE MANAGEMENT LLC							
I-11/26/25	HEDA LOAN DRAW #5/1920 4TH AVE	R	11/26/2025			181550		
250 12038	N/R - IRON RG MGMT-1920 4TH AVHEDA LOAN DRAW #5/19			16,051.45				16,051.45
001313	L&M RADIATOR, INC							
I-11/19/25	2025 2ND 1/2 TAX ABATEMENT	R	11/26/2025			181555		
440 46-6500-436	TAF L&M RADIATOR	2025 2ND 1/2 TAX ABA		19,438.25				19,438.25

VENDOR I.D.	NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
002687	LHB INC							
I-250159.00-3	HOWARD ST BLK400 DEMO	11/20/25	R 11/26/2025			181559		
418 46-6500-300	PROFESSIONAL FEES	HOWARD ST BLK400 DEM		1,995.80				1,995.80
000206	PUBLIC UTILITIES COMM							
I-10/1/25-10/31/25	10/1/25-10/31/25 UTILITIES PMT		R 11/26/2025			181579		
255 46-6500-490	HEDA-ECO/DEV PROJECTS	10/1/25-10/31/25 UTI		55.98				
101 49-9990-380	UNALLOCATED - UTILITIES	10/1/25-10/31/25 UTI						
612 46-6500-380	UTILITIES	10/1/25-10/31/25 UTI		430.67				
610 46-6500-380	UTILITIES	10/1/25-10/31/25 UTI		887.97				
101 41-1940-380	PUBLIC UTILITY SERVICES	10/1/25-10/31/25 UTI		2,735.07				
101 42-2210-380	FIRE DEPT-UTILITIES	10/1/25-10/31/25 UTI		2,705.05				
101 42-2211-380	PD ON CALL UTILITIES	10/1/25-10/31/25 UTI		465.63				
101 42-2214-380	EMERG PREPARED-UTILITIES	10/1/25-10/31/25 UTI		144.58				
101 42-2101-380	AN SHLTR - UTILITIES	10/1/25-10/31/25 UTI		371.01				
101 43-3160-380	STREET LIGHTING UTILITIES	10/1/25-10/31/25 UTI		2,103.82				
101 43-3170-380	GARAGE #1- UTILITIES	10/1/25-10/31/25 UTI		6,778.92				
101 45-5150-380	UTILITIES	10/1/25-10/31/25 UTI		21,427.84				
101 49-9010-380	CEMETERY-UTILITIES	10/1/25-10/31/25 UTI		446.88				
211 45-5501-380	LIBRARY-UTILITIES	10/1/25-10/31/25 UTI		4,365.30				
602 43-3259-380	WCS-UTILITIES	10/1/25-10/31/25 UTI		1,188.12				
603 43-3240-380	RECYC CTR-UTILITIES	10/1/25-10/31/25 UTI		87.08				
602 43-3257-380	SWTP-UTILITIES	10/1/25-10/31/25 UTI		2,748.87				
603 43-3230-380	SANITATION-UTILITIES	10/1/25-10/31/25 UTI						
101 45-5101-380	UTILITIES	10/1/25-10/31/25 UTI		1,843.22				
101 45-5250-380	UTILITIES	10/1/25-10/31/25 UTI		316.48				
101 45-5102-380	UTILITIES	10/1/25-10/31/25 UTI		874.36				
101 45-5200-380	UTILITIES	10/1/25-10/31/25 UTI		441.33				50,418.18
005045	ST LOUIS COUNTY AUDITOR - LAND							
I-C22250124	TAX FORFEITED/140-0070-00790		R 11/26/2025			181593		
255 46-6500-490	HEDA-ECO/DEV PROJECTS	TAX FORFEITED/140-00		587.65				587.65
001678	VIKING AUTOMATIC SPRINKLER							
I-1025-F448822	INSTALL ALL DEVICES/HPNS		R 11/26/2025			181603		
255 46-6500-300	HEDA-PROFESSIONAL FEES	INSTALL ALL DEVICES/		17,773.17				17,773.17

* * T O T A L S * *	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	22	1,145,566.14	0.00	1,145,566.14
HAND CHECKS:	0	0.00	0.00	0.00
DRAFTS:	0	0.00	0.00	0.00
EFT:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
VOID CHECKS:	0	VOID DEBITS 0.00	VOID CREDITS 0.00	0.00

TOTAL ERRORS: 0

** G/L ACCOUNT TOTALS **

G/L ACCOUNT	NAME	AMOUNT
101 41-1110-430	MISCELLANEOUS	154.86
101 41-1940-380	PUBLIC UTILITY SERVICES	2,735.07
101 42-2101-380	AN SHLTR - UTILITIES	371.01
101 42-2210-380	FIRE DEPT-UTILITIES	2,705.05
101 42-2211-380	PD ON CALL UTILITIES	465.63
101 42-2214-380	EMERG PREPARED-UTILITIES	144.58
101 43-3160-380	STREET LIGHTING UTILITIES	2,103.82
101 43-3170-380	GARAGE #1- UTILITIES	6,778.92
101 45-5101-380	UTILITIES	1,843.22
101 45-5102-380	UTILITIES	874.36
101 45-5150-380	UTILITIES	21,427.84
101 45-5200-380	UTILITIES	441.33
101 45-5250-380	UTILITIES	316.48
101 49-9010-380	CEMETERY-UTILITIES	446.88
	*** FUND TOTAL ***	40,809.05
211 45-5501-380	LIBRARY-UTILITIES	4,365.30
	*** FUND TOTAL ***	4,365.30
250 12038	N/R - IRON RG MGMT-1920 4TH AV	16,051.45
250 12040	N/R - HIBBING HEATING & A/C	45,191.48
	*** FUND TOTAL ***	61,242.93
255 46-6500-300	HEDA-PROFESSIONAL FEES	40,956.58
255 46-6500-490	HEDA-ECO/DEV PROJECTS	35,827.38
	*** FUND TOTAL ***	76,783.96
418 46-6500-300	PROFESSIONAL FEES	1,995.80
	*** FUND TOTAL ***	1,995.80
422 11911	N/R - HIBBING HEATING & A/C	45,191.48
422 11912	N/R - LEES (1907 E 3RD AVE)	36,302.25
422 22200	DEFERRED REVENUE	81,493.73CR
422 46-6500-430	DEFERRED LOAN EXPENDITURES	81,493.73
	*** FUND TOTAL ***	81,493.73
440 46-6500-436	TAF L&M RADIATOR	19,438.25
	*** FUND TOTAL ***	19,438.25
602 43-3257-380	SWTP-UTILITIES	2,748.87
602 43-3259-380	WCS-UTILITIES	1,188.12
	*** FUND TOTAL ***	3,936.99
603 43-3240-380	RECYC CTR-UTILITIES	87.08
	*** FUND TOTAL ***	87.08

** G/L ACCOUNT TOTALS **

G/L ACCOUNT	NAME	AMOUNT
610 20600	CONTRACTS PAYABLE	145,302.88
610 46-6500-300	PROFESSIONAL FEES	709.50
610 46-6500-380	UTILITIES	887.97
610 46-6500-520	BLDG IMPROVEMENTS	708,082.03
	*** FUND TOTAL ***	854,982.38
612 46-6500-380	UTILITIES	430.67
	*** FUND TOTAL ***	430.67

	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
VENDOR SET: 01 BANK: APBNK TOTALS:	22	1,145,566.14	0.00	1,145,566.14
BANK: APBNK TOTALS:	22	1,145,566.14	0.00	1,145,566.14
REPORT TOTALS:	22	1,145,566.14	0.00	1,145,566.14

SELECTION CRITERIA

VENDOR SET: 01-CITY OF HIBBING
VENDOR: ALL
BANK CODES: Include: APBNK
FUNDS: Include: 221, 250, 255, 392, 417, 418, 420, 422, 440, 610

CHECK SELECTION

CHECK RANGE: 000000 THRU 999999
DATE RANGE: 11/01/2025 THRU 11/30/2025
CHECK AMOUNT RANGE: 0.00 THRU 999,999,999.99
INCLUDE ALL VOIDS: YES

PRINT OPTIONS

SEQUENCE: CHECK NUMBER

PRINT TRANSACTIONS: YES
PRINT G/L: YES
UNPOSTED ONLY: NO
EXCLUDE UNPOSTED: NO
MANUAL ONLY: NO
STUB COMMENTS: NO
REPORT FOOTER: NO
CHECK STATUS: NO
PRINT STATUS: * - All

Loan Application for Hibbing Economic Development Authority

Business Name: RSF Industries Inc dba Range Steel Fabricators
 Business Address: 2212 5th Ave W Hibbing MN 55746
Street City State Zip Code
 Business Phone: 218262 5549

Name of Principal No. 1: <u>Jeff Halter</u>	Name of Principal No. 2: <u>Gina Halter</u>
Home Address: <u>11410 DuPont Rd</u> <u>Hibbing</u> <u>MN</u> <u>55746</u> <small>Street City State Zip Code</small>	Home Address: <u>11410 DuPont Rd</u> <u>Hibbing</u> <u>MN</u> <u>55746</u> <small>Street City State Zip Code</small>
Home Phone: <u>218 966-2897</u>	Home Phone: <u>218 966 2847</u>

Type of Business (LLC, Corp, Sole Prop): Corp

Date Established: 7-1-2016

Amount of financing request from Hibbing Economic Development Authority: ~~\$126,000.00~~ \$128,500.00 JDA
 Total Project Costs: ~~\$378,030.00~~ \$385,454.00 JDA

Signatures: (Must be signed by all parties having 20% or more ownership in the business)

I declare that any statement in this application, or information provided herein, is true and complete to the best of my knowledge and hereby acknowledge that I have read and understand the following statement:

"The State of Minnesota and its agents have the right to verify information provided in this application. False information, in addition to disqualifying the applicant from any further consideration for financial assistance, may also subject the applicant to the penalty provision of Minnesota Statute §609.645."

Name: Jeff Halter Title: President Date: 11-16-25

Name: Gina Halter Title: CEO Date: 11-16-25

PLEASE INCLUDE WITH YOUR APPLICATION (Further Documentation will be Required Upon Approval of Loan – See Loan Guidelines for Details)

- Business/Project Plan and financials for the project, see next page for requirements
- Any and All Estimates for Material/Labor that Applicant has received at time of application
- Job creation, sources/uses, collateral, see page 3 for sample requirements
- Verification that Property Taxes and Utilities are current and paid. Please note: Applicant will not be eligible for loan if past due taxes or utilities exist on subject property.

Please return to: Hibbing Economic Development Authority
 401 East 21st Street
 Hibbing, Minnesota 55746
 Or
HEDA@HibbingMN.gov

For more information or help please call:
 1-218-312-1579

Job Creation

	Full Time	Part Time	Total Full Time Equivalent*
Number of Existing Employees	<u>17</u>	<u>1</u>	<u>17.5</u>
Number of New Jobs Created	<u>1</u> *	<u>0</u>	<u>18.5</u>

*Full time equivalent (FTE) is defined as the number of hours worked by all full-and part-time employees divided by 2,080 (the number of hours in a typical work year: 52 weeks X 40 hours). **+ 2 FTE Retained**

Project Cost and Request Summary

Sources		Uses	
Owners Equity	\$70,300 \$45,300	Land	—
Loan 1 HEDA	\$126,000 \$128,500	Building	—
Loan 2 Park State	90,860 \$105,827	Equipment	\$378,030 \$385,454
Loan 3 IRRR	90,860 \$105,827	Inventory	—
Line of Credit	—	Start-Up Costs	—
	—	Goodwill	—
	—	Refinance	—
TOTAL	\$378,120 \$385,454	Working Capital	—
	TOTAL		\$378,030 \$385,454

JDI

Loan Description: Include lending institution, interest rate, and loan term from list above

	Lending Institution	Interest Rate	Loan Term	Secured? (Y/N)
Loan 1	Park State Bank	7.0%	5/10	Y
Loan 2	IRRR	1.0	10	2nd/3rd
Loan 3	HEDA	3.0	10	2nd/3rd

List of collateral and estimated values:

	Description	Value in \$
Item 1	Clark C80 Forklift	106,000
Item 2	Okuma Lathe	247,230 \$257,230
Item 3	Weld System	14,800 \$18,700
Item 4	Misc small equip	\$3,524
Item 5		



RSF

RANGE STEEL FABRICATORS
INDUSTRIAL FABRICATION AND MACHINING

To: Hibbing Economic Development Authority
Attn: Betsy Olivanti

From: RSF Industries, Inc.
Jeff Halter
jeff@range-steel.com
Mobile: (218) 966-2897

Date: November 16, 2025

RE: Equipment Replacement – Project Narrative

Recently, we made the decision to strategically replace and add manufacturing equipment (heavy forklift and welding system) – soon after we also had a critical failure on a CNC lathe that needs immediate replacement to meet customer demands.

- 1) \$14,800 - Koike track welding system: Track welding system that has been a functional gap for us the past ten years. Additionally, we've recently acquired a new customer that is projected to represent up to 10% increased revenue for us – this system will ensure higher quality product as well as provide opportunities higher skilled employees to grow with us.
- 2) \$106,000 - Clarke C80 18,000# forklift: This will replace an ailing 198x (?) 12,000# Clark forklift that is approaching end of life.
- 3) \$257,230 - Okuma LB4000 EX III MY CNC lathe: Replacement of a 199x (?) CNC lathe that has been ailing prior to our 2016 purchase of the shop. It has been limited to approximately half of its intended functionality, barring us from growing sales in certain shaft and turning products. This has been on our radar for replacement for several years as the machine failed in recent week, we've had technicians put substantial time into repair but have ultimately decided the failure was terminal. This machine replacement will both ensure we can continue making parts for current customers as well as provide new capabilities to go after broader types of work.

Sincerely,



Jeff Halter
President & Owner



ANDROY ARCHITECTURAL REVIEW NARRATIVE

Project Overview

This proposed architectural and engineering review of the historic Androy Hotel Ballroom builds upon the momentum of the Hibbing Redevelopment Deferred Loan Program, a key initiative launched in 2023 by the Hibbing Economic Development Authority (HEDA). That program, funded through a successful IRRR grant and local match, addressed a backlog of building code violations, accessibility barriers, and visual blight across a dozen smaller commercial properties in Hibbing’s Focus District.

The next logical step is to expand this effort by evaluating several signature anchor properties, beginning with the Androy. As one of the largest and most iconic downtown buildings, the Androy Hotel has untapped potential to serve as a year-round civic gathering space and hospitality destination. This architectural review will assess whether the ballroom can be reconfigured to host events of over 150 attendees or subdivided to accommodate multiple concurrent functions with food and beverage service—something no current local venue can support with consistency.

This project directly responds to findings from two foundational studies:

- The 2022 Hibbing Chamber of Commerce Downtown Business Survey revealed that business owners and operators identified the top benefits of being downtown as visibility, location, and foot traffic. However, their top barriers were limited parking, substandard and dilapidated buildings, and snow removal. Among the top suggestions for improvement were increasing investment in buildings and filling vacant lots.
- In 2023, HEDA partnered with the Arrowhead Economic Opportunity Agency (AEOA) to conduct a visual survey of building conditions in the downtown focus district. That study found that 47% of buildings were substandard or dilapidated, with aging facades, deferred maintenance, and accessibility challenges. Of the 152 buildings reviewed, 72 were identified as needing major repairs or rehabilitation.

The Androy stands at the heart of this challenge—and opportunity. Owned by Trellis, which is currently investing \$13 million into comprehensive building renovations—including HVAC, MEP, and building envelope improvements—the property is well-positioned for adaptive reuse. This proposed review is designed to align with those upgrades and provide a framework for reimagining the ballroom as a key piece of Hibbing’s downtown revitalization strategy.

This project also aligns with Hibbing’s 2023 Strategic Plan goals to revitalize Howard Street, preserve historic downtown assets, and support economic development that enhances both livability and tourism. By focusing on one of the city’s largest and most versatile historic spaces, this effort will demonstrate how coordinated investment, planning, and partnership can restore the heart of Hibbing’s civic and commercial life. Since the launch of the Hibbing Redevelopment Deferred Loan Program, HEDA has deployed approximately 85% of the initial public funding and completed 9 projects in the Focus District. As of mid-2025, these investments have catalyzed over \$2,128,152 in private investment across the first five completed projects—representing a remarkable 10:1 return on public dollars. Estimated Market Value (EMV) for these initial properties has increased from \$568,400 in 2023 to \$1,058,200 in 2025. This early success underscores the catalytic potential of targeted redevelopment and reinforces the strategic value of focusing next on large-scale assets like the Androy.



1. Job Creation and Retention

The project will stimulate both immediate and long-term job creation:

- Future renovations (following the review) will require professional services (architecture, engineering), construction and skilled trades, and historic preservation specialists.
- If the review leads to implementation, Boomtown will expand operations, potentially hiring more event staff, kitchen crew, and hospitality coordinators.
- The project supports business retention by offering Boomtown a path to grow on-site, thus securing their long-term investment in Hibbing's economy.

It also aligns with the City's Strategic Goal of Economic Vitality, particularly in expanding and retaining quality jobs.

2. Enhances Livable Communities

The ballroom renovation addresses a major infrastructure gap:

- Hibbing currently lacks a year-round venue capable of accommodating 150+ attendees. This project would support weddings, cultural events, fundraisers, and public forums.
- It strengthens downtown livability through adaptive reuse of a historic asset, echoing the community's desire to preserve and revitalize East Howard Street as identified in both the 2018 Comprehensive Plan and 2023 Strategic Plan.
- Directly responds to the Community Vision Statement in the Comp Plan: enhancing quality of life through revitalized historic structures and accessible event spaces.

3. Maximizes Collaborations and Partnerships

This project is built on robust public-private collaboration:

- HEDA leads coordination and grant management.
- Trellis, the Androy's owner, is investing \$13M in building-wide improvements, demonstrating strong alignment of capital resources and vision.
- Boomtown is an invested tenant with a proven record in revitalization.
- Widseth will lead the architectural review, supported by other consultants as needed.

This partnership network advances the City's Core Strategy of "Engaged and Forward-Thinking Leadership" and leverages regional tourism and hospitality assets.

4. Strengthens Businesses and Worker Education

This project directly supports:

- Boomtown's business expansion, allowing for a broader service offering.
- Workforce growth in hospitality, events, and food service—industries identified in the Comprehensive Plan as job creators with above-average growth potential.
- Future phases would provide skilled trades opportunities, aligning with local training pipelines and offering potential apprentice positions.

The reuse of a historic property for a modern economic purpose exemplifies Hibbing's holistic economic development principles and workforce strategies.



5. Diversity, Equity, Inclusion and Accessibility

The Androy Ballroom project is located in Census Tract 27137012300, designated as an economically distressed area. This neighborhood faces elevated vacancy rates, aging infrastructure, and reduced access to economic opportunities. Revitalizing a key downtown anchor within this tract directly addresses geographic disparities in investment.

This project also represents a meaningful step toward rural equity by ensuring that communities like Hibbing—often underserved by state and federal infrastructure investments—receive targeted support for catalytic redevelopment. Unlike metropolitan areas with access to a broader tax base and philanthropic capital, rural cities face systemic funding challenges for adaptive reuse and large-scale civic infrastructure.

The architectural review will ensure that any future renovation plans incorporate ADA compliance and universal design standards, advancing physical accessibility for all residents regardless of mobility or ability. By reactivating a historic space for public and private use, this project provides equitable access to community events, cultural gatherings, and economic opportunity, while affirming that rural Main Streets are equally deserving of vibrant, inclusive spaces.

This approach supports Hibbing’s strategic priority of building a “Safe, Secure, and Valued Community”, where all residents feel part of a shared civic identity, and downtown investments reflect the diverse needs of a rural population.

6. Environmental Impact and Mitigation

Although this is a planning phase, environmental goals are integrated:

- The review will recommend energy-efficient interior design solutions for any future kitchen, bathroom, or service area upgrades.
- These recommendations will complement the HVAC, MEP, and building envelope upgrades already underway by Trellis during their 2025 renovations.
- By renovating the ballroom rather than building new, the project embraces adaptive reuse principles, reducing construction waste and preserving embodied energy.
- The space’s central location promotes walkability, reducing car dependence and supporting low-emission urban behavior.
- Future recommendations may also explore AEOA energy retrofit funding and sustainable materials sourcing.

7. Alignment with Strategic and Comprehensive Plans

This project is tightly aligned with:

- Strategic Plan Core Strategies:

- “Thriving Destination and Regional Leader” – by improving a key venue that draws visitors.
- “Vibrant Economic Hub” – strengthening downtown as a dining and event destination.
- “Well-rounded, Strong Quality of Life” – by creating accessible civic event infrastructure.

- Comprehensive Plan Goals:

- Reuse of historic structures for economic development and community well-being.
- Fulfillment of “Future Land Use” objectives for downtown revitalization, public-private partnerships, and enhanced civic programming.
- Prioritization of mixed-use development, strong tourism, and retention of the city’s unique historic character.



HIBBING ECONOMIC DEVELOPMENT AUTHORITY
401 East 21st Street, Hibbing, MN 55746

Conclusion

The Androy Ballroom Architectural Review will set the stage for transformational investment in Hibbing's historic downtown. It builds on existing infrastructure investments, aligns with the City's long-range planning documents, and enhances both the livability and economic dynamism of the downtown core.



ANDROY HOTEL COMMUNITY SPACE REVITALIZATION

09/05/25

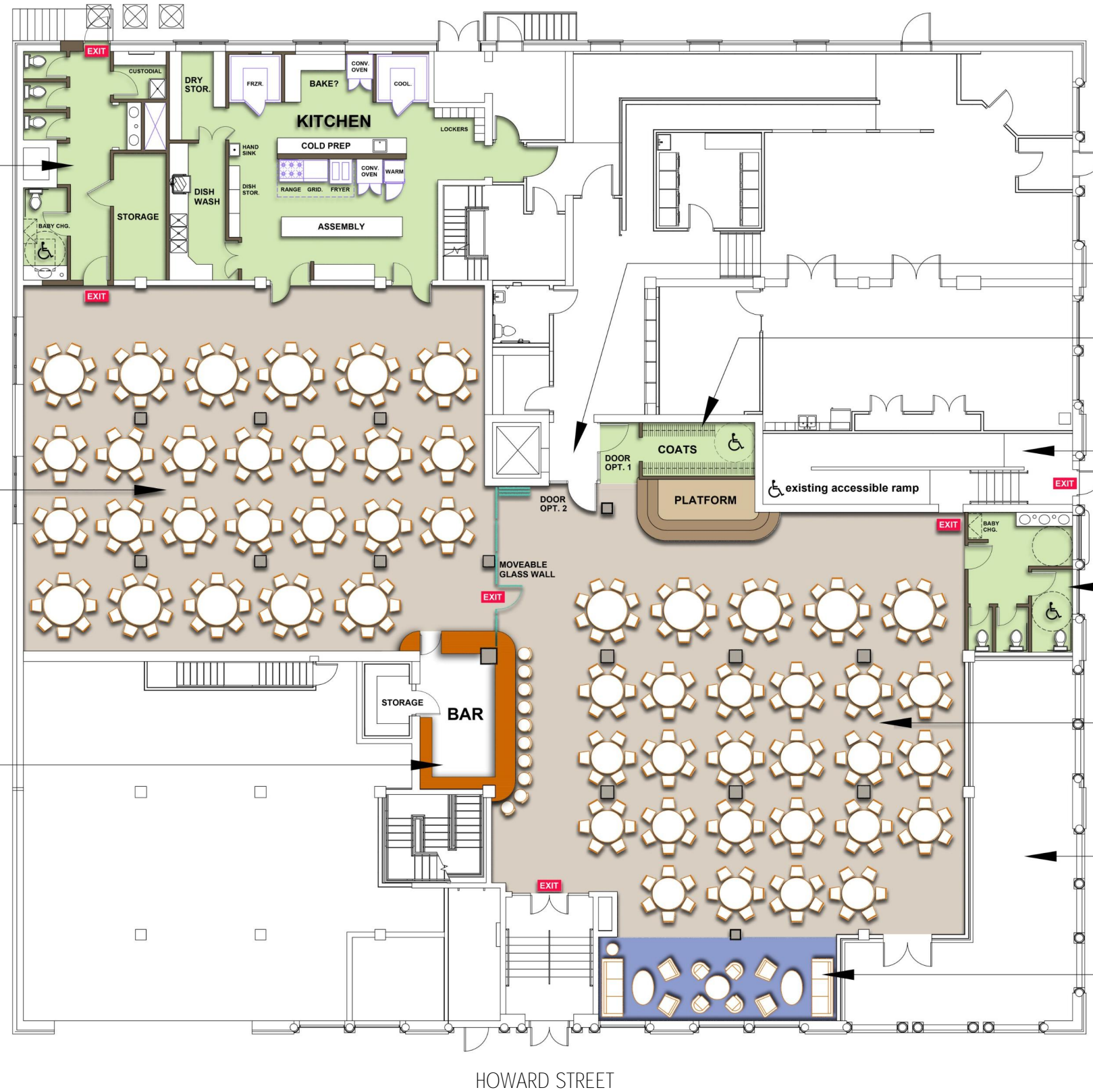
HISTORIC ANDROY HOTEL MAIN FLOOR RENOVATION PROPOSED PLAN

20 August 2025

New kitchen, restrooms,
and emergency exit

Renovated Banquet Hall
seating for 172 shown

New bar at original
front desk location



Possible alternate
service access

Main stair remodeled
for coats, platform

Existing ADA access

New restrooms

5TH AVENUE E.

Renovated Ball Room
seating for 172 shown

Existing porch remains

Remodeled lounge

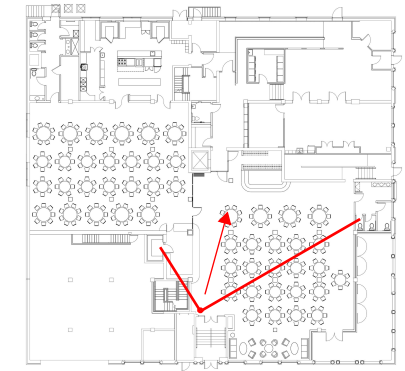
HOWARD STREET

ANDROY HOTEL COMMUNITY SPACE REVITALIZATION

09/05/25



ENTRY VIEW



BALLROOM/LOBBY - ENTRY VIEW

HISTORICAL CONSIDERATIONS

- RECREATE THE ORIGINAL HOTEL CHECK-IN DESK TO SERVE AS CENTRALLY LOCATED BAR
- RESTORE EXISTING ORIGINAL COLMNS AND CEILING DETAILS
- RESTORE TERRAZZO/REPAIR EXISTING ORIGINAL TERRAZZO FLOORING
- RESTORE AND REPLACE ORIGINAL EXISTING WAINSCOTT

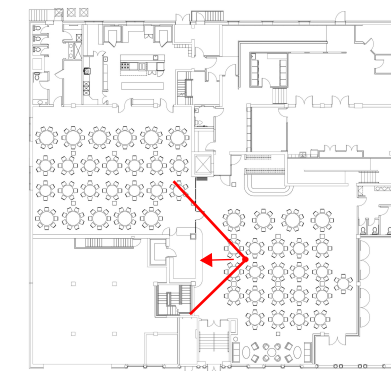
COMMUNITY CONSIDERATIONS

- NEED FOR 350+ COMMUNITY EVENT SPACE
- NEED FOR FLEXIBLE MULTI-EVENT COMMUNITY SPACE

BALLROOM REVITALIZATION

ANDROY HOTEL BY BOOMTOWN

09/05/25



BAR VIEW - RECREATED ORIGINAL CHECK IN



HISTORICAL CONSIDERATIONS

- RECREATE THE ORIGINAL HOTEL CHECK-IN DESK TO SERVE AS CENTRALLY LOCATED BAR
- REPEAT ORIGINAL COLUMN DESIGN FOR ANY NEEDED SUPPORTS
- UPDATE FUNCTION AND DESIGN WITH DETAILS FROM ORIGINAL CONSTRUCTION AND PREVIOUS CRYSTAL LOUNGE TO BRING THE ANDROYS HISTORY AND FUTURE TOGETHER



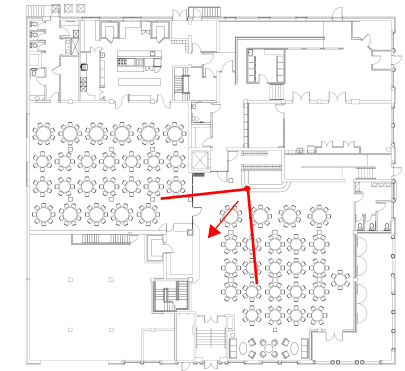
ANDROY HOTEL CHECK IN DESK

ORIGINAL CHECK IN DESK/ NEW BAR VIEW

BALLROOM REVITALIZATION

ANDROY HOTEL BY BOOMTOWN

09/05/25



BALLROOM/LOBBY - BAR VIEW

HISTORICAL CONSIDERATIONS

- RECREATE THE ORIGINAL HOTEL CHECK-IN DESK TO SERVE AS CENTRALLY LOCATED BAR
- REPEAT ORIGINAL COLUMN DESIGN FOR ANY NEEDED SUPPORTS
- RESTORE AND REPLACE ORIGINAL EXISTING WAINSCOTT WHERE REMOVED

COMMUNITY CONSIDERATIONS

- REMOVE INTERIOR WALLS AT SERVICE ROOM - OPEN SPACE TO SEAT 350+ EVENT
- NON HISTORICAL DIVIDERS TO BE GLASS OPERABLE PARTITIONS OF VARIOUS TRANSPARENCY
- BAR SPACE ACCESSIBLE FROM BOTH EVENT SPACES
- NEED FOR FLEXIBLE MULTI-EVENT COMMUNITY SPACE

BAR VIEW

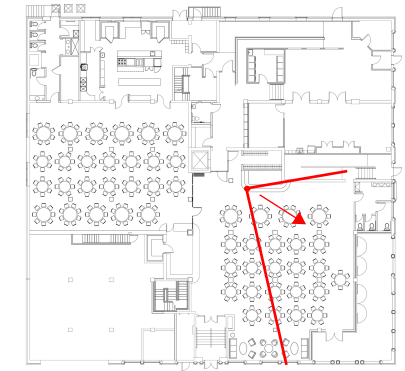
BALLROOM REVITALIZATION

ANDROY HOTEL BY BOOMTOWN

09/05/25



RESTROOMS/ PATIO CONNECTION VIEW



BALLROOM/LOBBY - LATRINE/PATIO VIEW

**HISTORICAL
CONSIDERATIONS**

- OPAQUE NON HISTORICAL DIVIDERS TO INCLUDE HISTORICAL IMAGES
- ADD ADDITIONAL PATIO SPACE OPENINGS
- REMOVE NEW WALL TO OPEN LOUNGE/ORIGINAL WRITING ROOM TO MAIN SPACE
- RESTORE AND REPLACE ORIGINAL EXISTING WAINSCOTT WHERE REMOVED
- NEEDED TOILET ROOMS CREATED

**COMMUNITY
CONSIDERATIONS**

- NON HISTORICAL DIVIDERS TO BE GLASS PARTITIONS OF VARIOUS TRANSPARENCY
- ORIGINAL WRITING ROOM TO BE FLEXIBLE FOR LOUNGE, SMALL PARTIES AND BRIDAL FAMILY ROOM.

BALLROOM REVITALIZATION

ANDROY HOTEL BY BOOMTOWN

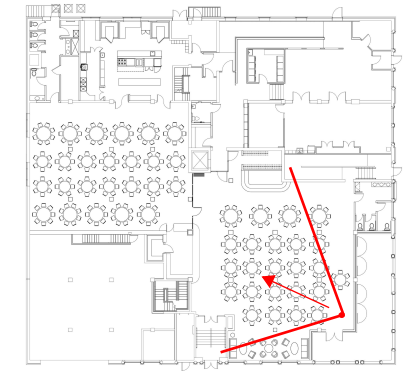
09/05/25



STAGE/DANCE FLOOR VIEW

BALLROOM REVITALIZATION

ANDROY HOTEL BY BOOMTOWN



BALLROOM/LOBBY - STAGE VIEW

WIDSETH

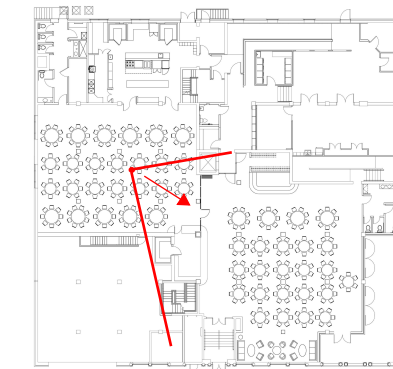
HISTORICAL CONSIDERATIONS

- REUSE OF ORIGINAL STONE TYPES AS ACCENT FEATURE
- RESTORE AND REPLACE ORIGINAL EXISTING WAINSCOTT WHERE REMOVED

COMMUNITY CONSIDERATIONS

- OPAQUE NON HISTORICAL DIVIDERS TO INCLUDE HISTORICAL IMAGES
- EXISTING STAIR HAS BEEN USED AS STAGE FOR DECADES
- USE HISTORICAL ELEMENTS TO CREATE A STAGE AT ILLEGAL STAIR LOCATION
- COAT ROOM CREATED FOR ACCOMMODATING LARGE EVENTS
- UPDATE SOUND AND LIGHTING FOR COMMUNITY EVENT NEEDS
- OPEN DINING ROOM ALLOWS FOR EVENT DANCE FLOOR SPACE

09/05/25



DINING ROOM - BAR VIEW

HISTORICAL CONSIDERATIONS

- RECREATE THE ORIGINAL HOTEL CHECK-IN DESK TO SERVE AS CENTRALLY LOCATED BAR
- REPEAT ORIGINAL COLUMN DESIGN FOR ANY NEEDED SUPPORTS
- RECREATE ORIGINAL WOOD DINING ROOM FLOOR
- RESTORE AND REPLACE ORIGINAL EXISTING WAINSCOTT WHERE REMOVED

COMMUNITY CONSIDERATIONS

- NON HISTORICAL DIVIDERS TO BE OPERABLE GLASS PARTITIONS OF VARIOUS TRANSPARENCY
- BAR SPACE ACCESSIBLE FROM BOTH EVENT SPACES
- NEED FOR FLEXIBLE MULTI-EVENT COMMUNITY SPACE

BAR VIEW FROM DINING ROOM

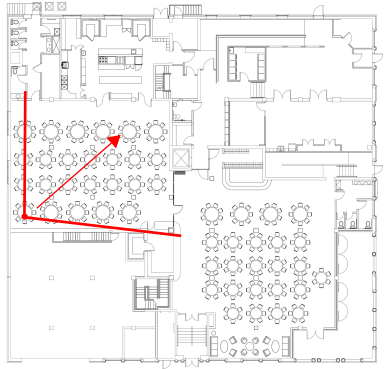
BALLROOM REVITALIZATION

ANDROY HOTEL BY BOOMTOWN

09/05/25



DINING ROOM VIEW



DINING ROOM - NORTH VIEW

**HISTORICAL
CONSIDERATIONS**

- RECREATE THE ORIGINAL KITCHEN DOOR TYPES
- RECREATE ORIGINAL WOOD DINING ROOM FLOOR
- RESTORE AND REPLACE ORIGINAL EXISTING WAINSCOTT WHERE REMOVED

**COMMUNITY
CONSIDERATIONS**

- NON HISTORICAL DIVIDERS TO BE GLASS PARTITIONS OF VARIED TRANSPARENCY
- CREATE NEW EXIT WITH ADDITIONAL TOILET ROOM ACCESS
- NEED FOR FLEXIBLE MULTI-EVENT COMMUNITY SPACE

BALLROOM REVITALIZATION

ANDROY HOTEL BY BOOMTOWN

09/05/25

HISTORIC ANDROY HOTEL MAIN FLOOR RENOVATION PROPOSED BUDGET – ALTERNATE COAT ROOM CONCEPT

1 December 2025



1. ARCHITECTURAL INTERIOR RENOVATION of BANQUET HALL & BALL ROOM	\$850,000.00
2. KITCHEN RECONFIGURATION & EXPANSION	\$550,000.00
3. RESTROOM AREAS	\$350,000.00
4. MAIN STAIR REMODEL ALLOWANCE	\$35,000.00
5. NEW BAR ALLOWANCE	\$100,000.00
6. MECHANICAL & ELECTRICAL ALLOWANCE	\$550,000.00
7. LIGHTING ALLOWANCE	\$100,000.00
8. TECHNOLOGY ALLOWANCE	\$75,000.00
9. <u>FURNISHINGS, FIXTURES & EQUIPMENT ALLOWANCE</u>	<u>\$125,000.00</u>
SUBTOTAL:	\$2,735,000.00
SOFT COSTS:	\$815,000.00
• Architectural & Engineering Fees	
• Contractor General Conditions, O&P	
• Construction Contingency	
• Design Contingency	
• Insurance, Permits, Plan Review, Testing	
SHPO REVIEW ALLOWANCE	\$100,000.00
<u>INFLATION ALLOWANCE</u>	<u>\$100,000.00</u>
TOTAL:	\$3,750,000.00

HISTORIC ANDROY HOTEL MAIN FLOOR RENOVATION PROPOSED BUDGET

2 December 2025

1. ARCHITECTURAL INTERIOR RENOVATION of BANQUET HALL & BALL ROOM	\$990,000.00
2. KITCHEN RECONFIGURATION & EXPANSION	\$600,000.00
3. RESTROOM AREAS	\$250,000.00
4. MAIN STAIR AREA COATS AND PLATFORM	\$125,000.00
5. NEW BAR ALLOWANCE	\$100,000.00
6. MECHANICAL & ELECTRICAL ALLOWANCE	\$600,000.00
7. LIGHTING ALLOWANCE	\$75,000.00
8. TECHNOLOGY ALLOWANCE	\$30,000.00
9. <u>FURNISHINGS, FIXTURES & EQUIPMENT ALLOWANCE</u>	<u>\$90,000.00</u>
SUBTOTAL:	\$2,860,000.00
SOFT COSTS:	\$855,000.00
• Architectural & Engineering Fees	
• Contractor General Conditions, O&P	
• Construction Contingency	
• Design Contingency	
• Insurance, Permits, Plan Review, Testing	
• Other Professional Fees	
SHPO REVIEW ALLOWANCE	\$100,000.00
<u>INFLATION ALLOWANCE</u>	<u>\$85,000.00</u>
TOTAL:	\$3,900,000.00

Miriam Kero
Miriam Kero Consulting
208 East Park Drive
Hibbing, MN 55746

October 2, 2025

Betsy Olivanti
Community Development Director
City of Hibbing
401 East 21st Street
Hibbing, MN 55746

Re: Proposal for 2026 Minnesota Workforce Housing Development Program application assistance

Dear Betsy:

Thank you for the opportunity to submit a proposal to the City of Hibbing for writing assistance on a 2026 Minnesota Workforce Housing Development Program application. Per our discussion, this document outlines the proposed scope of work and exclusions for completing an application to the program.

SCOPE OF WORK

Task 1: Miriam Kero will orchestrate a kickoff meeting with the Community Development Director after release of the application (expected by January 2026).

Task 2: Miriam Kero will obtain information as needed and draft grant application text.

Task 3: Miriam Kero will provide draft grant application text to the Community Development Director, and Kero will coordinate a review meeting of the text.

Task 4: Miriam Kero will make final revisions and provide the final application text to the city for submission/submit the application.

EXCLUSIONS

The Community Development Director will be responsible for:

- Contacting workforcehousingdevprog.mhfa@state.mn.us for a (highly encouraged) consultation session with Minnesota Housing staff to review project concepts, project workbooks and financial structures, preliminary building design or scopes of work, and Minnesota Housing's scoring process.
- Providing the necessary project details (zoning, securing funding, market characteristics, etc.).
- Obtaining necessary grant application signatures.
- Submission of grant reporting will be completed by the City.

COST ESTIMATE

SCOPE OF WORK	Subtotal	HOURS \$128.75/hr
Task 1: Miriam Kero will orchestrate a kickoff meeting with the Community Development Director after release of the application (expected by January 2026).	515	4
Task 2: Miriam Kero will obtain information as needed and draft grant application text.	2575	20
Task 3: Miriam Kero will provide draft grant application text to the Community Development Director, and Kero will coordinate a review meeting of the text.	515	4
Task 4: Miriam Kero will make final revisions and provide the final application text to the city for submission/submit the application.	257.5	2
Total Not to Exceed	3862.5	30

Thank you for the opportunity to assist with this project. Please let me know if you have any questions or comments with respect to this proposal.

Sincerely,



Miriam Kero, Owner, Miriam Kero Consulting
Enclosure: Consulting Services Agreement

ACCEPTED: Miriam Kero is authorized to perform the scope of work in accordance with attached Consulting Services Agreement and proposed fees.

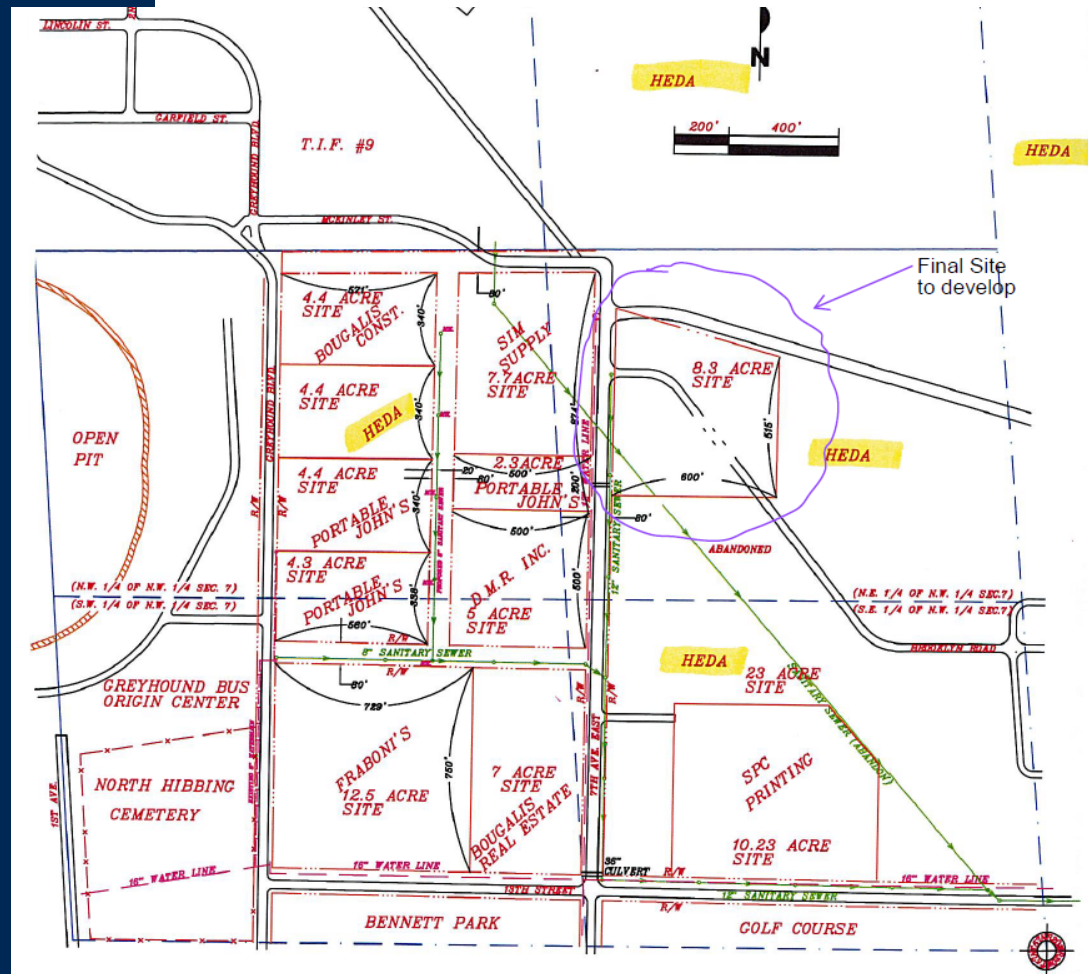
BY: _____ DATE: _____
Name, Title

PROFESSIONAL SERVICES

PARCEL 140-0270-00362

NORTH HIBBING INDUSTRIAL PARK SITE DEVELOPMENT

SEPTEMBER 17, 2025



JEREMY SCHWARZE PE

Civil Engineer

jeremy.schwarze@widseth.com

218.274.6058

WIDSETH

CELEBRATING FIFTY YEARS | EST. 1975

WIDSETH INTRODUCTION



*WIDSETH IS COMMITTED
TO PRESERVING AND
ENHANCING THE
COMMUNITIES WE SERVE
THROUGH CAREFUL
STEWARDSHIP OF
THEIR RESOURCES.*

IN-HOUSE DISCIPLINES

- Aerial Mapping
- Archaeology
- Architecture
- Civil Engineering
- Electrical Engineering
- Environmental
- Funding
- GIS
- Interior Design
- Land Surveying
- Landscape Architecture
- Mechanical Engineering
- Planning
- Public Engagement / Communications
- Structural Engineering
- Transmission & Distribution Design
- Transportation Engineering
- Water Resources Engineering



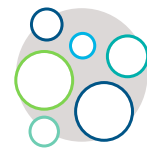
12

Locations



250+

Employees



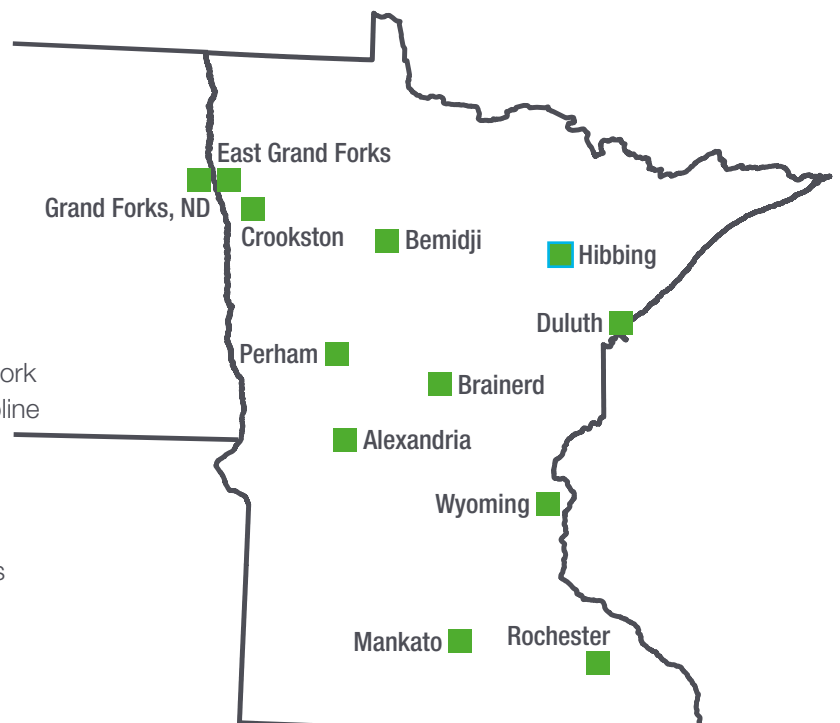
MULTI

discipline

Planning & Design

Widseth is an architecture, engineering, land surveying and environmental services firm with 12 offices in Minnesota and North Dakota and 250+ employees. Our engineering practice includes civil, structural, mechanical and electrical engineers who work on a wide range of projects for public and private clients. Our architectural portfolio includes schools, sports and recreational facilities, maintenance buildings, clinics, senior living, retail, offices, factories, historic buildings and more. Our land survey crews and environmental specialists work throughout the Midwest. Together, this multi-discipline team provides our clients a complete package of services to lead their project from concept to completion. Widseth was established in 1975.

Widseth was established in 1975, and 2025 marks 50 years of dedicated service to our clients and communities. This milestone reflects our long-standing commitment to excellence, innovation, and building lasting relationships.



September 17, 2025

Betsy Olivanti
Community Development Director
City of Hibbing
401 East 21st Street
Hibbing, MN 55746
BetsyOlivanti@hibbingmn.gov

Professional Services Proposal

Parcel 140-0270-00362 North Hibbing Industrial Park Site Development

Dear Ms. Olivanti,

Thank you for the opportunity to assist the City of Hibbing in site development for parcel 140-0270-00362 in the North Hibbing Industrial Park. Widseth Smith Nolting & Associates, Inc. (dba Widseth) is pleased to submit the following proposal for professional services. This proposal, as dated above, shall be governed by the attached General Provisions of Professional Services Agreement and amended to include the following information.

Project Understanding

Widseth understands that the City of Hibbing is interested in developing an 8–9-acre site on parcel 140-0270-00362. We understand the City of Hibbing is requesting a boundary/topographic survey and legal descriptions to separate out the 8–9-acre site for development, phase 1 ESA, historical review archeological/cultural resources, threatened and endangered species review, wetland delineation, and pre-design and engineering to deliver utilities to the site including power, water, sewer, sanitary, and broadband.

Scope of Services

Based on the Project Understanding outlined above, Widseth proposes the following Scope of Services:

Survey

- Perform a boundary and topographical survey of the proposed 8-9-acre project site, including a Gopher State OneCall for public utilities.
- Sub-divide and create two (2) 4-4.5-acre parcels by legal description.

Phase I ESA

- Review available public records/documents that will help identify recognized environmental conditions (hazardous substances or petroleum products) in connection with the property.
- Request a search of state and federal agency databases that would list known evidence of contamination at or near the property.
- Conduct a site reconnaissance to collect data and observe environmental conditions related to the property and any structures located on the premises to the extent not obstructed by adjacent buildings, bodies of water, asphalt, or other paved areas.
- Interview the site owner, occupants, or designated persons to review property boundaries and obtain information that may be relevant to the site or adjoining land. Interview knowledgeable persons (e.g., neighbors, former owners, regulatory agencies) to establish previous property uses and conditions.

- Prepare a report containing observations relating to the apparent environmental condition of the site, describing areas of impact, summary of records/documents reviewed, analysis of collected data, and the consultant’s conclusions.

Historical Review Archaeological/Cultural Resources

- Conduct background research using Minnesota State Historic Preservation Office (SHPO) MnSHIP system and the Minnesota Office of the State Archaeologist (OSA) portal to review previously identified historic properties and archaeological sites on or near the property.
- Review of cultural resources and historic properties listed, nominated, or determined eligible for the National Register Historic Places.
- Review of published and unpublished sources on culture resources in the area to determine potential cultural resource presence or absence.
- Review a wide assortment of historic maps, aerial photographs, and other archival resources.
- Prepare a report summarizing background research and providing a recommendation on whether further work is needed.
- Consult with SHPO and Minnesota Indian Affairs Council to determine the need for a Phase 1 Archaeological Survey based on the results of background research.

Threatened and Endangered Species

- State endangered species review through the MN Conservation Explorer and the MN DNR Natural Heritage Review.
Federal endangered species review through USFWS Information for Planning and Consultation (IPAC).

Wetland Delineation

- Widseth will review existing records/maps/surveys and existing data as required by the 1987 U.S. Army Corps of Engineers Wetlands Delineation Manual (1987 Manual). This will include aerial photos, National Wetland Inventory maps, and soil surveys.
- Conduct the field visit to document the soil, hydrology and vegetation analysis necessary to complete the wetland delineation datasheets.
- Mark the existing wetlands limits with flags and survey the wetland limits with a GPS.
- Prepare the necessary report, figures, and data sheets for submittal to the WCA Local Government Unit and the U.S. Army Corps of Engineers.
- Review delineation with the WCA Technical Evaluation Panel members.

Pre-Design & Engineering

- Review survey and environmental information as well as available online resources to determine the feasibility of potential buildable areas.
- Prepare up to three conceptual site layouts for an 8-9-acre development.
- Coordinate a geotechnical investigation to be performed by a sub-consultant. The scope of services includes performing five (5) 20’ deep borings and providing a report to summarize findings, testing results, groundwater levels, and overall project recommendations for proposed construction.
- Prepare a set of preliminary ‘shovel ready’ site construction plans showing proposed building areas, utilities connections, and mass site grading.
- Provide budgetary construction cost estimates for anticipated site development.

Not Included in the Scope of Services

- Structural, mechanical/electrical, architectural, or other professional services
- Permitting assistance or fees
- Bidding or construction phase services
- Public involvement/engagement

ARCHITECTS ■ ENGINEERS ■ SCIENTISTS ■ SURVEYORS

- Platting, easements, or other survey work not described above

Proposed Fees

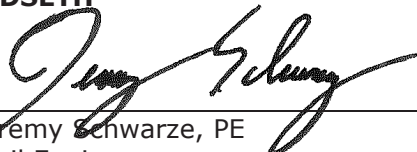
Widseth proposes to complete the Scope of Services described above for a **Total Lump Sum fee of \$49,200.00** (forty-nine thousand two hundred dollars). This total fee is broken down as follows:

Survey	\$4,200.00
Phase 1 ESA	\$3,900.00
Historical Review Archaeological/Cultural Resources	\$2,500.00
Threatened and Endangered Species	\$500.00
Wetland Delineation	\$4,600.00
Pre-Design & Engineering	\$23,000.00
Geotechnical Investigation (sub-consultant)	\$10,500.00
Total:	\$49,200.00

If this proposal meets your approval, please sign and return a copy of the executed agreement to our office and we will schedule our work accordingly. This proposal will remain valid for 45 days after the submission date and shall be governed by the attached General Provisions of Professional Services Agreement.

If you have any questions or would like to discuss any items in more detail, please feel free to reach out to me at Jeremy.schwarze@widseth.com or 218-274-6058. We look forward to working with you on this exciting project.

Sincerely,
WIDSETH



Jeremy Schwarze, PE
Civil Engineer

9/17/25



Katie Hildenbrand, CID
Vice President

9/17/25

Accepted by the City of Hibbing.: The above proposal is satisfactory and Widseth Smith Nolting and Associates, Inc., (DBA WIDSETH) is authorized to do the work as specified. Payment will be made upon completion of the proposed work. Owner may accept this contract through its signature below.

Signature (Date)

ARCHITECTS ■ ENGINEERS ■ SCIENTISTS ■ SURVEYORS

PROJECT TEAM RESUMES



JEREMY SCHWARZE PE

Civil Engineer

Jeremy is part of Widseth's civil engineering department with 13 years of experience working with both public and private clients. His expertise includes cost estimating, permitting assistance, site design, and project management for complex industrial and manufacturing sites, private and commercial projects, and various government/public civil projects. He works closely with owners, contractors, and the design team to create efficient, economical, and pragmatic solutions for all types of projects.

License/Certification

Professional Engineer:
MN (55498)

Design of Construction
SWPPP

Education

Bachelor of Science
| University of
Minnesota, Duluth

RELEVANT EXPERIENCE

- Advanced Machine Guarding Solutions (AMGS) New Facility—Hibbing, MN
- Tomassoni Memorial Arch—Chisholm, MN
- Hibbing Public Safety Building—Hibbing, MN
- Scranton Iron Scrap Metal Processing Facility—Hibbing, MN*
- Home & Comfort Assisted Living Addition—Coleraine, MN
- Cheever Field Stormwater Improvements—Hibbing, MN
- Mesabi Trail: Embarrass to Wahlsten Rd—St. Louis County, MN*

*Completed prior to joining Widseth



TONY PALCICH LS, CFEDS

Land Surveyor, Certified Federal Surveyor

Tony serves as a land surveyor in Widseth's Hibbing office. With more than 13 years of experience, Tony has successfully contributed to all phases of land surveying, working on various projects for both private and public clients. His expertise includes city and county remonumentation projects, standard 505 plats, RLS plats, CIC plats, right-of-way plats, boundary commission plats, and cemetery plats. Additionally, Tony is proficient in drafting precise legal and easement descriptions.

License/Certification

Professional Land
Surveyor: MN (53737)

Certified Federal
Surveyor (CFedS)

Education

Associate of Arts |
Lake Superior College

Bachelor of Science
| St. Cloud State
University

RELEVANT EXPERIENCE

- Advanced Machine Guarding Solutions (AMGS) New Facility—Hibbing, MN
- Scranton Iron, Easements over Railroad Grade in Section 13 Township 57 N Range 21 W—St Louis County, MN*
- Cedar Lakes Casino & Hotel ALTA Survey, Topographic Survey, and Construction Staking—Cass Lake, MN*
- Rock Ridge Public Schools ALTA Surveys, Topographic Surveys, and Construction Staking: Bus Garage, High School, Laurentian Elementary, and North Star Elementary—Virginia, Eveleth, MN*
- Countryside Apartments, Existing Conditions and Boundary Survey—Eveleth, MN*
- Meadowbrook Apartments ALTA Survey—Virginia, MN*
- Blue Cross and Blue Shield, ALTA Survey—Virginia, MN*

*Completed prior to joining Widseth

PROJECT TEAM RESUMES CONTINUED



MIKE PEDERSON CMWP

Director of Environmental Services

Mike has 18 years of environmental experience including wetland delineations, environmental surveys, and environmental compliance monitoring. His roles include authoring and reviewing technical reports such as Environmental Narratives (ENs), Environmental Assessment Worksheets (EAWs), and Phase I and Phase II Environmental Site Assessments. He also has extensive experience conducting wetland bank monitoring, noise monitoring and analysis, soil and water sampling, soil remediation, Stormwater Pollution Prevention Plans (SWPPP), and more.

License/Certification

Certified Minnesota
Wetland Professional
(CMWP) #1265

40-Hour OSHA
HAZWOPER Training

Design of
Construction SWPPP

Education

Bachelor of Science,
Natural Resource
Management | North
Dakota State University

RELEVANT EXPERIENCE

- AMGS Manufacturing Facility Site Design—Hibbing, MN
- AEOA Weatherization Building—Hibbing, MN
- Mille Lacs Energy Cooperative, New Service Center—Aitkin, MN
- Mineral Springs Development—Owatonna, MN
- U.S. Highway 281, PCN 04XE—Westport, SD
- Nokomis Street Improvements—Alexandria, MN
- Northwoods ATV Trail EAW—Malmö, MN
- 34th to 44th Avenue Wetland Delineation and Permitting—Alexandria, MN

*Completed prior to joining Widseth



GRAHAM GOODWIN PHD, RPA

Staff Archaeologist

Graham is a professional archaeologist with deep experience in cultural resource management, site assessments, and historic preservation. He works closely with our environmental team to ensure compliance with federal and state regulations, particularly on projects involving land development, infrastructure, and public funding. His expertise includes conducting Phase I archaeological surveys and coordinating tribal consultations, helping project teams navigate complex regulatory requirements while protecting culturally significant sites.

License/Certification

Registered Professional
Archaeologist: CA
(6091)

Education

Bachelor of Arts |
Willamette University

Doctor of Philosophy
(Ph.D.) | University of
California-Merced

Master of Arts |
University of Nebraska-
Lincoln

Master of Arts |
University of
California-Merced

RELEVANT EXPERIENCE

- National Loon Center Phase 1 Survey—Crosslake, MN
- Enterprise-CP Phase 1 Survey—Long Prairie, MN
- Sequoia and Kings Canyon National Park Historic Property Inventory—Fresno County, CA*
- Moss Beach Phase 1 Survey—San Mateo County, CA*
- Pescadero Creek Road Phase 1 Survey—San Mateo County, CA*
- Las Cuevas Archaeological Reconnaissance Project—Cayo District, Belize*
- Luce Foundation Rock Art Project—Merced County, CA*

*Completed prior to joining Widseth

General Provisions of Professional Services Agreement



These General Provisions are intended to be used in conjunction with a letter-type Agreement or a Request for Services between Widseth Smith Nolting & Assoc., Inc., a Minnesota Corporation, hereinafter referred to as WIDSETH, and a CLIENT, wherein the CLIENT engages WIDSETH to provide certain Architectural, and/or Engineering services on a Project.

As used herein, the term "this Agreement" refers to (1) the WIDSETH Proposal Letter which becomes the Letter Agreement upon its acceptance by the Client, (2) these General Provisions and (3) any attached Exhibits, as if they were part of one and the same document. With respect to the order of precedence, any attached Exhibits shall govern over these General Provisions, and the Letter Agreement shall govern over any attached Exhibits and these General Provisions. These documents supersede all prior communications and constitute the entire Agreement between the parties. Amendments to this Agreement must be in writing and signed by both CLIENT and WIDSETH.

ARTICLE 1. PERIOD OF SERVICE

The term of this Agreement for the performance of services hereunder shall be as set forth in the Letter Agreement. In this regard, any lump sum or estimated maximum payment amounts set forth in the Letter Agreement have been established in anticipation of an orderly and continuous progress of the Project in accordance with the schedule set forth in the Letter Agreement or any Exhibits attached thereto. WIDSETH shall be entitled to an equitable adjustment to its fee should there be an interruption of services, or amendment to the schedule.

ARTICLE 2. SCOPE OF SERVICES

The scope of services covered by this Agreement shall be as set forth in the Letter Agreement or a Request for Services. Such scope of services shall be adequately described in order that both the CLIENT and WIDSETH have an understanding of the expected work to be performed.

If WIDSETH is of the opinion that any work they have been directed to perform is beyond the Scope of this Agreement, or that the level of effort required significantly exceeds that estimated due to changed conditions and thereby constitutes extra work, they shall notify the CLIENT of that fact. Extra work, additional compensation for same, and extension of time for completion shall be covered by a revision to the Letter Agreement or Request for Services and entered into by both parties.

ARTICLE 3. COMPENSATION TO WIDSETH

A. Compensation to WIDSETH for services described in this Agreement shall be on a Lump Sum basis, Percentage of Construction, and/or Hourly Rate basis as designated in the Letter Agreement and as hereinafter described.

1. A Lump Sum method of payment for WIDSETH's services shall apply to all or parts of a work scope where WIDSETH's tasks can be readily defined and/or where the level of effort required to accomplish such tasks can be estimated with a reasonable degree of accuracy. The CLIENT shall make monthly payments to WIDSETH within 30 days of date of invoice based on an estimated percentage of completion of WIDSETH's services.
2. A Percentage of Construction or an Hourly Rate method of payment of WIDSETH's services shall apply to all or parts of a work scope where WIDSETH's tasks cannot be readily defined and/or where the level of effort required to accomplish such tasks cannot be estimated with any reasonable degree of accuracy. Under an Hourly Rate method of payment, WIDSETH shall be paid for the actual hours worked on the Project by WIDSETH technical personnel times an hourly billing rate established for each employee. Hourly billing rates shall include compensation for all salary costs, payroll burden, general, and administrative overhead and professional fee. In a Percentage of Construction method of payment, final compensation will be based on actual bids if the project is bid and WIDSETH's estimate to the CLIENT if the project is not bid. A rate schedule shall be furnished by WIDSETH to CLIENT upon which to base periodic payments to WIDSETH.
3. In addition to the foregoing, WIDSETH shall be reimbursed for items and services as set forth in the Letter Agreement or Fee Schedule and the following Direct Expenses when incurred in the performance of the work:
 - (a) Travel and subsistence.
 - (b) Specialized computer services or programs.
 - (c) Outside professional and technical services with cost defined as the amount billed WIDSETH.
 - (d) Identifiable reproduction and reprographic costs.
 - (e) Other expenses for items such as permit application fees, license fees, or other additional items and services whether or not specifically identified in the Letter Agreement or Fee Schedule.
4. The CLIENT shall make monthly payments to WIDSETH within 30 days of date of invoice based on computations made in accordance with the above charges for services provided and expenses incurred to date, accompanied by supporting evidence as available.

B. The CLIENT will pay the balance stated on the invoice unless CLIENT notifies WIDSETH in writing of the particular item that is alleged to be incorrect within 15 days from the date of invoice, in which case, only the disputed item will remain undue until resolved by the parties. All accounts unpaid after 30 days from the date of original invoice shall be subject to a service charge of 1 % per month, or the maximum amount authorized by law, whichever is less. WIDSETH shall be entitled to recover all reasonable costs and disbursements, including reasonable attorneys fees, incurred in connection with collecting amount owed by CLIENT. In addition, WIDSETH may, after giving seven days written notice to the CLIENT, suspend services and withhold deliverables under this Agreement until WIDSETH has been paid in full for all amounts then due for services, expenses and charges. CLIENT agrees that WIDSETH shall not be responsible for any claim for delay or other consequential damages arising from suspension of services hereunder. Upon payment in full by Client and WIDSETH's resumption of services, the time for performance of WIDSETH's services shall be equitably adjusted to account for the period of suspension and other reasonable time necessary to resume performance.

ARTICLE 4. ABANDONMENT, CHANGE OF PLAN AND TERMINATION

Either Party has the right to terminate this Agreement upon seven days written notice. In addition, the CLIENT may at any time, reduce the scope of this Agreement. Such reduction in scope shall be set forth in a written notice from the CLIENT to WIDSETH. In the event of unresolved dispute over change in scope or changed conditions, this Agreement may also be terminated upon seven days written notice as provided above.

In the event of termination, and upon payment in full for all work performed and expenses incurred to the date of termination, documents that are identified as deliverables under the Letter Agreement whether finished or unfinished shall be made available by WIDSETH to the CLIENT pursuant to Article 5, and there shall be no further payment obligation of the CLIENT to WIDSETH under this Agreement except for payment of an amount for WIDSETH's anticipated profit on the value of the services not performed by WIDSETH and computed in accordance with the provisions of Article 3 and the Letter Agreement.

In the event of a reduction in scope of the Project work, WIDSETH shall be paid for the work performed and expenses incurred on the Project work thus reduced and for any completed and abandoned work, for which payment has not been made, computed in accordance with the provisions of Article 3 and the Letter Agreement.

ARTICLE 5. DISPOSITION OF PLANS, REPORTS AND OTHER DATA

All reports, plans, specifications, field data and notes and other documents, including all documents on electronic media, prepared by WIDSETH or its consultants are Instruments of Service and shall remain the property of WIDSETH or its consultants, respectively. WIDSETH and its subconsultants retain all common law, statutory and other reserved rights, including, without limitation, copyright. WIDSETH and its subconsultants maintain the right to determine if production will be made, and allowable format for production, of any electronic media or data to CLIENT or any third-party. Upon payment in full of monies due pursuant to the Agreement, WIDSETH shall make hard copies available to the CLIENT, of all documents that are identified as deliverables under the Letter Agreement. If the documents have not been finished (including, but not limited to, completion of final quality control), then WIDSETH shall have no liability for any claims expenses or damages that may arise out of items that could have been corrected during completion/quality control. Any Instruments of Service provided are not intended or represented to be suitable for reuse by the CLIENT or others on extensions of the Project or any other project. Any modification or reuse without written verification or adaptation by WIDSETH for the specific purpose intended will be at CLIENT's sole risk and without liability or legal exposure to WIDSETH. CLIENT shall indemnify, defend and hold harmless WIDSETH from any and all suits or claims of third parties arising out of use of unfinished documents, or modification or reuse of finished documents, which is not specifically verified, adapted, or authorized in writing by WIDSETH. This indemnity shall survive the termination of this Agreement.

Should WIDSETH choose to deliver to CLIENT documents in electronic form, CLIENT acknowledges that differences may exist between any electronic files delivered and the printed hard-copy. Copies of documents that may be relied upon by CLIENT are limited to the printed hard-copies that are signed and/or sealed by WIDSETH. Files in electronic form are only for convenience of CLIENT. Any conclusion or information obtained or derived from such electronic documents will be at user's sole risk. CLIENT acknowledges that the useful life of some forms of electronic media may be limited because of deterioration of the media or obsolescence of the computer hardware and/or software systems. Therefore, WIDSETH makes no representation that such media will be fully usable beyond 30 days from date of delivery to CLIENT.

ARTICLE 6. CLIENT'S ACCEPTANCE BY PURCHASE ORDER OR OTHER MEANS

In lieu of or in addition to signing the acceptance blank on the Letter Agreement, the CLIENT may accept this Agreement by permitting WIDSETH to commence work on the project or by issuing a purchase order signed by a duly authorized representative. Such purchase order shall incorporate by reference the terms and conditions of this Agreement. In the event of a conflict between the terms and conditions of this Agreement and those contained in the CLIENT's purchase order, the terms and conditions of this Agreement shall govern. Notwithstanding any purchase order provisions to the contrary, no warranties, express or implied, are made by WIDSETH.

ARTICLE 7. CLIENT'S RESPONSIBILITIES

A. To permit WIDSETH to perform the services required hereunder, the CLIENT shall supply, in proper time and sequence, the following at no expense to WIDSETH:

1. Provide all program, budget, or other necessary information regarding its requirements as necessary for orderly progress of the work.
2. Designate in writing, a person to act as CLIENT's representative with respect to the services to be rendered under this Agreement. Such person shall have authority to transmit instructions, receive instructions, receive information, interpret and define CLIENT's policies with respect to WIDSETH's services.
3. Furnish, as required for performance of WIDSETH's services (except to the extent provided otherwise in the Letter Agreement or any Exhibits attached hereto), data prepared by or services of others, including without limitation, core borings, probes and subsurface explorations, hydrographic and geohydrologic surveys, laboratory tests and inspections of samples, materials and equipment; appropriate professional interpretations of all of the foregoing; environmental assessment and impact statements; property, boundary easement, right-of-way, topographic and utility surveys; property descriptions; zoning, deed and other land use restriction; and other special data not covered in the Letter Agreement or any Exhibits attached hereto.
4. Provide access to, and make all provisions for WIDSETH to enter upon publicly or privately owned property as required to perform the work.
5. Act as liaison with other agencies or involved parties to carry out necessary coordination and negotiations; furnish approvals and permits from all governmental authorities having jurisdiction over the Project and such approvals and consents from others as may be necessary for completion of the Project.
6. Examine all reports, sketches, drawings, specifications and other documents prepared and presented by WIDSETH, obtain advice of an attorney, insurance counselor or others as CLIENT deems necessary for such examination and render in writing, decisions pertaining thereto within a reasonable time so as not to delay the services of WIDSETH.
7. Give prompt written notice to WIDSETH whenever CLIENT observes or otherwise becomes aware of any development that affects the scope of timing of WIDSETH's services or any defect in the work of Construction Contractor(s), Consultants or WIDSETH.
8. Initiate action, where appropriate, to identify and investigate the nature and extent of asbestos and/or pollution in the Project and to abate and/or remove the same as may be required by federal, state or local statute, ordinance, code, rule, or regulation now existing or hereinafter enacted or amended. For purposes of this Agreement, "pollution" and "pollutant" shall mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, alkalis, chemicals and hazardous or toxic waste. Hazardous or toxic waste means any substance, waste pollutant or contaminant now or hereafter included within such terms under any federal, state or local statute, ordinance, code, rule or regulation now existing or hereinafter enacted or amended. Waste further includes materials to be recycled, reconditioned or reclaimed.

If WIDSETH encounters, or reasonably suspects that it has encountered, asbestos or pollution in the Project, WIDSETH shall cease activity on the Project and promptly notify the CLIENT, who shall proceed as set forth above. Unless otherwise specifically provided in the Letter Agreement, the services to be provided by WIDSETH do not include identification of asbestos or pollution, and WIDSETH has no duty to identify or attempt to identify the same within the area of the Project.

With respect to the foregoing, CLIENT acknowledges and agrees that WIDSETH is not a user, handler, generator, operator, treater, storer, transporter or disposer of asbestos or pollution which may be encountered by WIDSETH on the Project. It is further understood and agreed that services WIDSETH will undertake for CLIENT may be uninsurable obligations involving the presence or potential presence of asbestos or pollution. Therefore, CLIENT agrees, except (1) such liability as may arise out of WIDSETH's sole negligence in the performance of services under this Agreement or (2) to the extent of insurance coverage available for the claim, to hold harmless, indemnify and defend WIDSETH and WIDSETH's officers, subcontractor(s), employees and agents from and against any and all claims, lawsuits, damages, liability and costs, including, but not limited to, costs of defense, arising out of or in any way connected with the presence, discharge, release, or escape of asbestos or pollution. This indemnification is intended to apply only to existing conditions and not to conditions caused or created by WIDSETH. This indemnification shall survive the termination of this Agreement.

9. Provide such accounting, independent cost estimating and insurance counseling services as may be required for the Project, such legal services as CLIENT may require or WIDSETH may reasonably request with regard to legal issues pertaining to the Project including any that may be raised by Contractor(s), such auditing service as CLIENT may require to ascertain how or for what purpose any Contractor has used the moneys paid under the construction contract, and such inspection services as CLIENT may require to ascertain that Contractor(s) are complying with any law, rule, regulation, ordinance, code or order applicable to their furnishing and performing the work.

10. Provide "record" drawings and specifications for all existing physical features, structures, equipment, utilities, or facilities which are pertinent to the Project, to the extent available.
11. Provide other services, materials, or data as may be set forth in the Letter Agreement or any Exhibits attached hereto.

B. WIDSETH may use any CLIENT provided information in performing its services. WIDSETH shall be entitled to rely on the accuracy and completeness of information furnished by the CLIENT. If WIDSETH finds that any information furnished by the CLIENT is in error or is inadequate for its purpose, WIDSETH shall endeavor to notify the CLIENT. However, WIDSETH shall not be held responsible for any errors or omissions that may arise as a result of erroneous or incomplete information provided by CLIENT.

ARTICLE 8. OPINIONS OF COST

Opinions of probable project cost, construction cost, financial evaluations, feasibility studies, economic analyses of alternate solutions and utilitarian considerations of operations and maintenance costs provided for in the Letter Agreement or any Exhibits attached hereto are to be made on the basis of WIDSETH's experience and qualifications and represent WIDSETH's judgment as an experienced design professional. It is recognized, however, that WIDSETH does not have control over the cost of labor, material, equipment or services furnished by others or over market conditions or contractors' methods of determining their prices, and that any evaluation of any facility to be constructed, or acquired, or work to be performed on the basis of WIDSETH's cost opinions must, of necessity, be speculative until completion of construction or acquisition. Accordingly, WIDSETH does not guarantee that proposals, bids or actual costs will not substantially vary from opinions, evaluations or studies submitted by WIDSETH to CLIENT hereunder.

ARTICLE 9. CONSTRUCTION PHASE SERVICES

CLIENT acknowledges that it is customary for the architect or engineer who is responsible for the preparation and furnishing of Drawings and Specifications and other construction-related documents to be employed to provide professional services during the Bidding and Construction Phases of the Project, (1) to interpret and clarify the documentation so furnished and to modify the same as circumstances revealed during bidding and construction may dictate, (2) in connection with acceptance of substitute or equal items of materials and equipment proposed by bidders and Contractor(s), (3) in connection with approval of shop drawings and sample submittals, and (4) as a result of and in response to WIDSETH's detecting in advance of performance of affected work inconsistencies or irregularities in such documentation. CLIENT agrees that if WIDSETH is not employed to provide such professional services during the Bidding (if the work is put out for bids) and the Construction Phases of the Project, WIDSETH will not be responsible for, and CLIENT shall indemnify and hold WIDSETH, its officers, consultant(s), subcontractor(s), employees and agents harmless from, all claims, damages, losses and expenses including attorneys' fees arising out of, or resulting from, any interpretation, clarification, substitution acceptance, shop drawing or sample approval or modification of such documentation issued or carried out by CLIENT or others. Nothing contained in this paragraph shall be construed to release WIDSETH, its officers, consultant(s), subcontractor(s), employees and agents from liability for failure to perform in accordance with professional standards any duty or responsibility which WIDSETH has undertaken or assumed under this Agreement.

ARTICLE 10. REVIEW OF SHOP DRAWINGS AND SUBMITTALS

WIDSETH may review and approve or take other appropriate action on the contractor's submittals or shop drawings for the limited purpose of checking for general conformance with information given and design concept expressed in the Contract Documents. Review and/or approval of submittals is not conducted for the purpose of determining accuracy and completeness of other details or for substantiating instructions for installation or performance of equipment or systems, all of which remain the exclusive responsibility of the contractor. WIDSETH's review and/or approval shall not constitute approval of safety precautions, or any construction means, methods, techniques, sequences or procedures. WIDSETH's approval of a specific item shall not indicate approval of an assembly of which the item is a component. WIDSETH's review and/or approval shall not relieve contractor for any deviations from the requirements of the contract documents nor from the responsibility for errors or omissions on items such as sizes, dimensions, quantities, colors, or locations. Contractor shall remain solely responsible for compliance with any manufacturer requirements and recommendations.

ARTICLE 11. REVIEW OF PAY APPLICATIONS

If included in the scope of services, any review or certification of any pay applications, or certificates of completion shall be based upon WIDSETH's observation of the Work and on the data comprising the contractor's application for payment, and shall indicate that to the best of WIDSETH's knowledge, information and belief, the quantity and quality of the Work is in general conformance with the Contract Documents. The issuance of a certificate for payment or substantial completion is not a representation that WIDSETH has made exhaustive or continuous inspections, reviewed construction means and methods, verified any back-up data provided by the contractor, or ascertained how or for what purpose the contractor has used money previously paid by CLIENT.

ARTICLE 12. REQUESTS FOR INFORMATION (RFI)

If included in the scope of services, WIDSETH will provide, with reasonable promptness, written responses to requests from any contractor for clarification, interpretation or information on the requirements of the Contract Documents. If Contractor's RFI's are, in WIDSETH's professional opinion, for information readily apparent from reasonable observation of field conditions or review of the Contract Documents, or are reasonably inferable therefrom, WIDSETH shall be entitled to compensation for Additional Services for WIDSETH's time in responding to such requests. CLIENT may wish to make the Contractor responsible to the CLIENT for all such charges for additional services as described in this article.

ARTICLE 13. CONSTRUCTION OBSERVATION

If included in the scope of services, WIDSETH will make site visits as specified in the scope of services in order to observe the progress of the Work completed. Such site visits and observations are not intended to be an exhaustive check or detailed inspection, but rather are to allow WIDSETH to become generally familiar with the Work. WIDSETH shall keep CLIENT informed about the progress of the Work and shall advise the CLIENT about observed deficiencies in the Work. WIDSETH shall not supervise, direct or have control over any Contractor's work, nor have any responsibility for the construction means, methods, techniques, sequences or procedures selected by the Contractor nor for the Contractor's safety precautions or programs in connection with the Work. These rights and responsibilities are solely those of the Contractor. WIDSETH shall not be responsible for any acts or omissions of any Contractor and shall not be responsible for any Contractor's failure to perform the Work in accordance with the Contract Documents or any applicable laws, codes, regulations, or industry standards.

If construction observation services are not included in the scope of services, CLIENT assumes all responsibility for interpretation of the Contract Documents and for construction observation, and the CLIENT waives any claims against WIDSETH that are connected with the performance of such services.

ARTICLE 14. BETTERMENT

If, due to WIDSETH's negligence, a required item or component of the Project is omitted from the construction documents, WIDSETH shall not be responsible for paying the cost required to add such item or component to the extent that such item or component would have been required and included in the original construction documents. In no event, will WIDSETH be responsible for any cost or expense that provides betterment or upgrades or enhances the value of the Project.

ARTICLE 15. CERTIFICATIONS, GUARANTEES AND WARRANTIES

WIDSETH shall not be required to sign any documents, no matter by who requested, that would result in WIDSETH having to certify, guarantee or warrant the existence of conditions whose existence WIDSETH cannot ascertain. CLIENT agrees not to make resolution of any dispute with WIDSETH or payment of any amount due to WIDSETH in any way contingent upon WIDSETH signing such certification.

ARTICLE 16. CONTINGENCY FUND

CLIENT and WIDSETH agree that certain increased costs and changes may be required because of possible omissions, ambiguities or inconsistencies in the plans and specifications prepared by WIDSETH, and therefore, that the final construction cost of the Project may exceed the bids, contract amount or estimated construction cost. CLIENT agrees to set aside a reserve in the amount of 5% of the Project construct costs as a contingency to be used, as required, to pay for any such increased costs and changes. CLIENT further agrees to make no claim by way of direct or third-party action against WIDSETH with respect to any increased costs within the contingency because of such changes or because of any claims made by any Contractor relating to such changes.

ARTICLE 17. INSURANCE

WIDSETH shall procure and maintain insurance for protection from claims against it under workers' compensation acts, claims for damages because of bodily injury including personal injury, sickness or disease or death of any and all employees or of any person other than such employees, and from claims against it for damages because of injury to or destruction of property including loss of use resulting therefrom.

Also, WIDSETH shall procure and maintain professional liability insurance for protection from claims arising out of performance of professional services caused by any negligent act, error, or omission for which WIDSETH is legally liable.

Certificates of insurance will be provided to the CLIENT upon request.

ARTICLE 18. ASSIGNMENT

Neither Party to this Agreement shall transfer, sublet or assign any rights or duties under or interest in this Agreement, including but not limited to monies that are due or monies that may be due, without the prior written consent of the other party. Subcontracting to subconsultants, normally contemplated by WIDSETH as a generally accepted business practice, shall not be considered an assignment for purposes of this Agreement.

ARTICLE 19. NO THIRD-PARTY BENEFICIARIES

Nothing contained in this Agreement shall create a contractual relationship or a cause of action by a third-party against either WIDSETH or CLIENT. WIDSETH's services pursuant to this Agreement are being performed solely for the CLIENT's benefit, and no other party or entity shall have any claim against WIDSETH because of this Agreement.

ARTICLE 20. CORPORATE PROTECTION

It is intended by the parties to this Agreement that WIDSETH's services in connection with the Project shall not subject WIDSETH's individual employees, officers or directors to any personal legal exposure for the risks associated with this Project. Therefore, and notwithstanding anything to the contrary, CLIENT agrees that as the CLIENT's sole and exclusive remedy, any claim, demand or suit shall be directed and/or asserted only against WIDSETH, a Minnesota corporation, and not against any of WIDSETH's individual employees, officers or directors.

ARTICLE 21. CONTROLLING LAW

This Agreement is to be governed by the laws of the State of Minnesota.

ARTICLE 22. ASSIGNMENT OF RISK

In recognition of the relative risks and benefits of the project to both the CLIENT and WIDSETH, the risks have been allocated such that the CLIENT agrees, to the fullest extent permitted by law, to limit the liability of WIDSETH, employees of WIDSETH and sub-consultants, to the CLIENT and to all construction contractors, subcontractors, agents and assigns on the project for any and all claims, losses, costs, damages of any nature whatsoever or claims expenses from any cause or causes, so that total aggregate liability of WIDSETH, employees of WIDSETH and sub-consultants, to all those named shall not exceed WIDSETH's total fee received for services rendered on this project. Such claims and causes include, but are not limited to negligence, professional errors or omissions, strict liability, breach of contract or warranty.

ARTICLE 23. NON-DISCRIMINATION

WIDSETH will comply with the provisions of applicable federal, state and local statutes, ordinances and regulations pertaining to human rights and non-discrimination.

ARTICLE 24. SEVERABILITY

Any provision or portion thereof in this Agreement which is held to be void or unenforceable under any law shall be deemed stricken and all remaining provisions shall continue to be valid and binding between CLIENT and WIDSETH. All limits of liability and indemnities contained in the Agreement shall survive the completion or termination of the Agreement.

ARTICLE 25. PRE-LIEN NOTICE

PURSUANT TO THE AGREEMENT WIDSETH WILL BE PERFORMING SERVICES IN CONNECTION WITH IMPROVEMENTS OF REAL PROPERTY AND MAY CONTRACT WITH SUBCONSULTANTS OR SUBCONTRACTORS AS APPROPRIATE TO FURNISH LABOR, SKILL AND/OR MATERIALS IN THE PERFORMANCE OF THE WORK. ACCORDINGLY, CLIENT IS ENTITLED UNDER MINNESOTA LAW TO THE FOLLOWING NOTICE:

- (a) **ANY PERSON OR COMPANY SUPPLYING LABOR OR MATERIALS FOR THIS IMPROVEMENT TO YOUR PROPERTY MAY FILE A LIEN AGAINST YOUR PROPERTY IF THAT PERSON OR COMPANY IS NOT PAID FOR ITS CONTRIBUTIONS.**
- (b) **UNDER MINNESOTA LAW, YOU HAVE THE RIGHT TO PAY PERSONS WHO SUPPLIED LABOR OR MATERIALS FOR THIS IMPROVEMENT DIRECTLY AND DEDUCT THIS AMOUNT FROM OUR CONTRACT PRICE, OR WITHHOLD THE AMOUNTS DUE FROM US UNTIL 120 DAYS AFTER COMPLETION OF THE IMPROVEMENT UNLESS WE GIVE YOU A LIEN WAIVER SIGNED BY PERSONS WHO SUPPLIED ANY LABOR OR MATERIALS FOR THE IMPROVEMENT AND WHO GAVE YOU TIMELY NOTICE.**



WIDSETH

ARCHITECTS ■ ENGINEERS
SCIENTISTS ■ SURVEYORS

CELEBRATING FIFTY YEARS | EST. 1975

Alexandria | Bemidji | Brainerd | Crookston | Duluth | East Grand Forks
Grand Forks | Hibbing | Mankato | Perham | Rochester | Wyoming

Widseth.com

BUSINESS SUBSIDY AGREEMENT

This Business Subsidy Agreement (the “**Agreement**”) is made effective as of _____ (“**Effective Date**”), by and between **RSF Industries Inc. d/b/a Range Steel Fabricators, a Minnesota corporation (hereinafter RSF)**, having a principal place of business at 2212 5th Avenue West, Hibbing, Minnesota 55746, United States, and the **Hibbing Economic Development Authority**, an economic development authority existing under the laws of the State of Minnesota, having its principal address at 401 East 21st Street, Hibbing Minnesota 55746, United States (**hereinafter “HEDA”**).

WHEREAS, RSF is seeking to upgrade and replace personal property at 2212 5th Avenue West for Range Steel Fabricators. in Hibbing, Minnesota as follows:

- 1) a track welding system
- 2) a Clarke C80 Forklift
- 3) a Okuma LB4000 ExIII Lathe

and,

WHEREAS, RSF received previous support from HEDA in the form of a revolving loan in the amount of \$81,900 in 2019; and,

WHEREAS, RSF has committed itself to this personal property upgrade but to complete the upgrade RSF needs substantial capital investment over and above what it currently has available; and,

WHEREAS, RSF has represented that its obtaining of this new personal property will and shall see to the retention of 17.5 jobs plus potentially increase 1 job position; and,

WHEREAS, RSF seeks financial assistance from HEDA, Park State Bank and IRRR for an amount of approximately \$330,000; and,

WHEREAS, RSF is seeking financial assistance (the business subsidy) through Grantor (HEDA) from various sources through HEDA as follows:

- HEDA Loan for \$128,5000.

The funds as set forth above are all for the acquisition of the personal property which RSF will be able to use to run its operations; and,

WHEREAS, HEDA has reviewed its criteria for granting a business subsidy as set forth in Resolution 04-04-01 of April 7, 2004, and believes the business conducted by RSF meets the criteria established by HEDA it its Business Subsidy Criteria in that:

- 1) The project will not proceed in its present design and timetable without the business incentive.
- 2) The project will increase the number of full time employees.
- 3) That RSF has shown to the satisfaction of HEDA that it has adequate financing to complete the project and that the project will be completed in a timely fashion.
- 4) Tha RSF's application meets the criteria under HEDA's/City of Hibbing's Business Subsidy Criteria as well as that set forth in Minnesota Statutes Section 116J.993.

Business Subsidy Agreement
HEDA - RSF
2025-12-08

WHEREAS, RSF acknowledges that the Business Subsidy Agreement it is executing is subject to the loan guidelines of the Hibbing Economic Development Authority.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

- 1) That RSF and HEDA will enter into this Business Subsidy Agreement in the amount of \$128,500.00.
- 2) That this loan meets the criteria of a public purpose in that it will retain all permanent positions and will create new full time positions.
- 3) That RSF shall be obligated to repay all of the business loans it is receiving that are a part of this Business Subsidy per the terms as set forth by the HEDA Board. Said business loan will include at minimum a note, Security Agreement, as well as RSF signing up for ACH payments and personal guarantees executed by owners of RSF.
- 4) That the parties agree that said subsidy is needed to help RSF complete the acquisition of specific personal property for its business at 2212 5th Avenue West, Hibbing, Minnesota 55746.
- 5) The parties agree that all wages paid by RSF will be a livable wage (110% of the poverty rate for St. Louis County, Minnesota for a family of four) and further that RSF will comply with all provisions in the Loan Agreement documents, a copy of which are attached hereto and made a part hereof.
- 6) That job creation for this particular project will be set at one (1), however RSF agrees that the employee level of RSF shall not drop below their current levels which presently have a cumulative total of 17.5.
- 7) That RSF, in consideration for said subsidy, agrees to maintain its operations within the City of Hibbing for at least five (5) years from the time said subsidy is provided.
- 8) That RSF acknowledges that it has been advised that as a part of this Business Subsidy Agreement it has an obligation to provide reports to HEDA for a Business Subsidy and said forms are prepared by the Department of Employment and Economic Development.
- 9) That RSF further agrees that if it fails to meet any of the criteria set forth above, HEDA has the right to call the whole amount due on its note immediately.
- 10) **MISCELLANEOUS:**
 - a) All notices from one party to the other required or permitted under this Agreement will be in writing, will refer specifically to this Agreement, and will be delivered in person, or sent by electronic or facsimile transmission for which a confirmation of delivery is obtained, or sent by registered mail or express courier services providing evidence of delivery, in each case to the recipient party's respective address set forth on the signature page hereof (or to such updated address as may be specified in writing to the other party from time to time). Such notices will be deemed effective as of the date so delivered or on the third business day following mailing.
 - b) Other than as expressly set forth in this agreement, RSF makes no representation or warranty and hereby expressly disclaims any representation or warranty of any kind, express or implied.

- c) HEDA makes no representation or warranty and hereby expressly disclaims any representation or warranty of any kind, express or implied.
- d) This Agreement is binding on HEDA, on RSF, and both parties' successors and assigns. It constitutes the entire agreement between the parties relating to the subject matter hereof and supersedes all other Agreements between the parties prior to the Effective Date, in connection with the subject matter hereof. The headings or titles in this Agreement are for purposes of reference only and will not in any way affect the interpretation or construction of this Agreement.
- e) No waiver of any of the provisions of this Agreement will be valid unless in a written document, signed by the party against whom such a waiver is sought to be enforced, nor will failure to enforce any right hereunder constitute a continuing waiver of the same or a waiver of any other right hereunder. All amendments of this Agreement will be made in writing and signed by both parties, and no oral amendment will be binding on the parties.
- f) This Agreement will be governed by and construed in accordance with the laws of the State of Minnesota without giving effect to any conflict of law principles to the contrary. If any provision of this Agreement is held to be invalid or unenforceable to any extent in any context, it will nevertheless be enforced to the fullest extent allowed by law in that and other contexts, and the validity and force of the remainder of this Agreement will not be affected thereby.

IN WITNESS WHEREOF, the parties have executed this Business Subsidy Agreement as of the Effective Date shown above. Each of the persons signing this Agreement affirms that he or she is duly authorized to do so and thereby to bind the indicated entity. This Agreement may be executed simultaneously in two or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument.

RSF INDUSTRIES INC.
 2212 5th Avenue West
 Hibbing, Minnesota

**HIBBING ECONOMIC DEVELOPMENT
 AUTHORITY:**
 401 East 21st Street
 Hibbing Minnesota 55746

By: _____

By: _____

Name: Jeff Halter

Name: Shari Majkich Brock

Title: President

Title: President

Date: _____

Date: _____



Hibbing Economic Development Authority Range Steel Fabricators (RSF Industries, Inc.) Revolving Loan Write Up

Eligibility within the framework of the revolving loan fund plan:

This project qualifies under Priority #2: business expansion, retention, and equipment purchase. RSF Industries, Inc. seeks financing for the replacement and addition of critical manufacturing equipment including a Koike track welding system, Clarke C80 18,000 lb forklift, and Okuma LB4000 EX III MY CNC lathe. These investments support operational needs and maintain competitiveness in Hibbing.

Overall economic benefits of the proposed project:

The \$385,454 project supports retention of 17.5 FTE positions and creation of up to 2 new FTE, revenue growth from increased fabrication and machining capabilities, and improved efficiency and safety. The new equipment allows RSF to serve major customers and pursue new market opportunities.

Balance sheet and ratio analysis and determination of adequate capital and equity:

Year-to-date net income shows ability to repay RSF's current debt and the new loans for this equipment. Collateral analysis provided by the senior lender, Park State Bank, demonstrates adequate security coverage for all lenders, including the proposed HEDA loan.

Analysis of repayment ability:

Global cash flow analysis shows a projected DSCR of 1.39x in 2026, including all new equipment obligations. RSF maintains diversified revenue streams and consistent profitability, demonstrating strong repayment ability.

Management skill of the applicants:

Owners Jeff and Gina Halter bring extensive experience in metal fabrication operations management. Their leadership has contributed to operational growth, customer diversification, and prudent equipment investment planning.

Collateral offered and lien position:

Collateral includes financed equipment (lathe, forklift, welding system), existing equipment, inventory, and receivables. HEDA will hold a subordinate lien position behind Park State Bank and IRRR.

Staff Recommended Loan Terms:

Loan Amount: \$128,500 at 3.00% fixed for 10 years.
Disbursement: Reimbursement or direct vendor payment with invoices.
Insurance: HEDA listed as additional insured.
Collateral: Subordinate UCC filing and personal guarantee from owners.
Payment Method: ACH required.



City of Hibbing
400 Block Demolition Project

Pigeon Removal
January 12-18, 2026

Universal Waste
January 19-25, 2026

Asbestos Abatement
January 26-February 20, 2026

Fence Installation/Demo mobilization
February 23-February 27, 2026

Demolition of 400 Block
March 2-April 6, 2026

Debris Load-out
March 9-April 13, 2026

*Backfill
April 13-May 8, 2026

*Topsoil
May 4-May 31, 2026

*These are stretched out more due to unknown weather conditions at that time; we will have better idea as those time frames approach closer

NOTE: Due to the recent change order to add 507 Howard and the need for an asbestos survey to determine length of time for abatement prior to demo, 507 is not included with this initial schedule. We will provide a more updated schedule once the survey is complete and we have a better understanding of abatement needing to be done before the demolition.

HEDA Update - 12/04/2025

Dear HEDA Board Members,

I just wanted to give a quick update on our relocation.

We have received our Northland funding and finally acquired our shed. We are now in the process of moving the last bit out of the Jefferson School, bit by bit.

Additionally, all City relocation funding claims have been processed, except our moving reimbursement, as we need to be completely moved out before it can be paid to us.

We are happy to finally be settled in and the Church has been absolutely wonderful to work with.

We thank you for all the help, patience and understanding we've received from you all!

Pia and the HPNS Staff



December 5, 2025

Hibbing Economic Development Agency
Attn: Betsy Olivanti
City of Hibbing
410 East 21st St.
Hibbing, MN 55746

Re: Yoder Building Supplies, Inc. and JT Ventures, Inc.
Purchase and renovation of the project located at 1111 7th Ave East, Hibbing, MN

Dear Betsy,

This letter serves as confirmation that Security State Bank of Hibbing is approved and prepared to provide financing of \$1,569,645 for the above-referenced project with an intended closing date of on or before December 22, 2025.

Should you have any questions or require additional information please contact me at 218.391.7757 or jryan@ssbhibbing.com.

Sincerely,

SECURITY STATE BANK HIBBING

Jennifer L Ryan
Chief Credit Officer



Hibbing Economic Development Authority Loan Program Guidelines

PROGRAM PURPOSE AND TERMS

The City of Hibbing, through the Hibbing Economic Development Authority (HEDA), maintains a revolving loan fund for the specific purpose of providing below market rate financing to support the following business financing projects:

1. Investment in commercial/industrial building renovations, primarily in the downtown area;
 - Physically enhance or improve the exterior or interior appearance of their structure
 - Improve energy efficiency
 - Conform to all City Codes, including Building Maintenance and Fire Safety/Prevention
 - Provide or enhance Handicap accessibility
 - Invest in our community

All work shall conform to City Code(s) and City Policies for Building Permits and other requirements, including the use of licensed, insured contractors.

2. Provide financial support to start-up businesses, business expansions, business retention and business acquisition projects. Financing will be provided to support the purchase or improvement of commercial/industrial real estate, equipment purchases and working capital. This financing would typically be provided in conjunction with and would be subordinate to the traditional lenders.

This below market rate financing for the above-mentioned project types is to assist eligible Hibbing Businesses to create or retain tax base and jobs in our community. Any loan provided by the HEDA board to a local business that is over \$75,000 but, less than \$150,000 will be declared a business subsidy through a business subsidy agreement between the HEDA board and the borrower. Any loan that is \$150,000 or greater will also require a public hearing on the declared subsidy in addition to the agreement.

FINANCING POLICIES AND CRITERIA

- LOAN AMOUNTS:
The maximum amount for this loan program will vary by project and is subject to availability of funds within the program. Loan amounts would typically be 33% or less of total project financing to meet loan leveraging requirements.
- TERM OF LOANS:
Maximum terms in years:

Working Capital	5 years
Equipment	7-10 years, depending on the life of the equipment
Real Estate	10 years

For any combination of the above uses in one loan, the maximum term is negotiable by the HEDA Board.

- INTEREST RATE: Guaranteed and fixed for the term of the loan. Rates are determined based on project risk and economic conditions.



Hibbing Economic Development Authority

Loan Program Guidelines

- **ELIGIBLE BORROWERS:** Owners, tenants, or operators of businesses within the City of Hibbing. As the ultimate beneficiary of improvements, the owner of record shall consent to the work and provide collateral or a personal guarantee for payment. Applicants may be legally organized in any manner permitted by the laws of the State of Minnesota. Loan applicants to be assisted must be a for-profit entity or a non-profit entity that can demonstrate jobs and other economic impact, such as investment in real estate and product or service sales, in the community of Hibbing. Applicants may not apply for more than one loan in a twelve-month period. Repeat applicant's requests will be looked at in aggregate and may require additional information to be considered.
- **INELIGIBLE BORROWERS:** The following types of businesses would normally be ineligible for assistance under the program: speculative real estate, media, casino & sports facility, and any others prohibited by law.
- **ELIGIBLE USE OF LOAN PROCEEDS:**
 - a. land and building acquisition
 - b. land improvements
 - c. new building construction
 - d. building renovation
 - e. machinery purchase/equipment
 - f. inventory purchase

HEDA loan proceeds cannot be used for debt refinancing.

- **EQUITY AND COLLATERAL:** Loan applicants must demonstrate an acceptable level of project equity as determined by the HEDA Board. Typically, new businesses will require more equity than established businesses. Additionally, the HEDA Board may ask start-up businesses or those who are under-collateralized to sign a personal guarantee.

Collateral must be acceptable as determined by the HEDA Board. Loan Fund collateral coverage ratio standard shall be 1.5 to 1. A minimum of 1 to 1 of collateral coverage will be established, however exceptions can be made with HEDA Board approval. Collateral position will typically be subordinate to private sector lenders.

- **PRIVATE SECTOR LEVERAGE:** The ratio of private sector investment dollars to be leveraged by HEDA Loan Fund will be a minimum of 2 to 1 private to HEDA financing.
- **JOB COST RATIO:** The minimum Job/Cost Ratio will be \$50,000 per job created or retained. These are direct jobs only; part-time jobs should be summed to full-time equivalents and jobs should only be counted as saved when there is sufficient evidence that without the loan they would have been lost. This may be negotiated by the HEDA Board if other economic development factors are met by the project.
- **LOAN CONCENTRATION LIMITS:** Loans to a single borrower and/or its affiliates or to the same industry shall be considered a concentration risk if the loan balances are 10% or more of the loan fund total capitalization. In situations



Hibbing Economic Development Authority

Loan Program Guidelines

where a loan request will result in a concentration, in excess of 10%, additional loan credit scrutiny will be required.

The HEDA board prefers to be 1/2 or less of the overall lending for the entire project and equal to or less than other lenders participating in the financing of the project. This ensures that the below market rate lending provided by the HEDA board does not compete with local lending institutions and is used for financing funding gaps.

For any combination of sources and uses in a project, the maximum lending amount is negotiable by the HEDA Board and taken up on a project-by-project basis.

- **PERSONAL LIFE INSURANCE CONSIDERATION:**

If the project is dependent upon the efforts and talents of a single owner, or, if the requested loan is deemed substantial and the debt will be subordinated, or if the liquidation value of the collateral is deemed to make it hard for HEDA to collect the remaining balance of the loan, the HEDA Board may require the project to obtain a life insurance policy for the principal amount and name HEDA as the insured.

Any deviation from these financing policies and criteria can be considered by HEDA as an exception to policy.

LOAN APPROVAL PROCESS

FULL APPLICATION

Applicants must submit the complete application and required materials to HEDA. HEDA will administer and process all loans and loan applications. Once a full application has been authorized, the HEDA Executive Director will discuss with the business the full details of the application preparation. The full application includes a list of items and exhibits required of HEDA loan applicants.

The exhibit checklist of information is as follows:

- **EXHIBIT 1: History and Description of Business.** The history and description of the business should be one or two pages describing the company, operation and product line, history, principals, market and competition, affiliates, legal structure and employment. Keep this exhibit simple and restrict it to the basics.
- **EXHIBIT 2: Marketing Plan.** Provide a detailed marketing strategy including such as:
 - a. Target Market
 - b. Competition
 - c. Pricing
 - d. Distribution
 - e. Advertising
 - f. Sales Promotion
- **EXHIBIT 3: Detailed use of Proceeds.** Describe in detail how the total project amount will be used. All funds requested or provided must be shown here. Written cost estimates must accompany this exhibit. Debt refinancing is prohibited.



Hibbing Economic Development Authority

Loan Program Guidelines

- EXHIBIT 4: Impact on Community/Area. Describe how the proposed financing will benefit the community or area in which the business is located. In addition, estimates of annual payroll, local purchases, and other economic impacts should be included here. A complete list of all jobs created and/or retained.
- EXHIBIT 5: Commitment Letters. A firm commitment from the participating bank stating the terms and conditions of its participation, signed by an officer of the bank. Also, commitment letters from all other funding sources must be included. In lieu of this commitment letter, the loan may be approved contingent upon the borrower securing other lending.
- EXHIBIT 6: List of Collateral. A detailed list of all collateral offered, its value, and security position by funding sources.
- EXHIBIT 7: Resumes and Personal Financial Statements. Resumes of all principals and key management personnel as well as current, dated, and signed personal financial statements and income taxes on all principals with significant financial interest in this business for the past three years.
- EXHIBIT 8: Business Financial Statements. Applicant must provide balance sheets and income statements for past three fiscal years. If business has been in existence less than three years, provide as many as possible.
- EXHIBIT 9: Interim Financial Statements. Applicant must provide a balance sheet and income statements less than 90 days old, as well as a separate detailed list which contains current obligations.
- EXHIBIT 10: Schedule of Business Debts. This list will include original amount and date, present balance owed, interest rate, monthly payments, maturity, and indicate whether the loan is current or delinquent. All obligations must be consistent with interim balance sheet.
- EXHIBIT 11: Projections. All projections will cover a minimum of two complete fiscal years. Two (2) years proforma balance sheets. Two (2) years projected income statements. Two (2) years projected cash flow (monthly and annually).
- EXHIBIT 12: Affiliates. Description of any affiliates or subsidiaries of business or principal(s) requesting assistance, as well as balance sheets and income statements for past two fiscal years on such affiliates or subsidiaries.
- EXHIBIT 13: Appraisals/Proposed Lease/Purchase Options or Agreements. If HEDA is first secured on the real estate, an independent appraisal will be required for any real estate which is a subject of the proposed financing, or which is offered as a major source of collateral to secure the loan. Otherwise, if HEDA is a subordinate lender, the borrower may provide a copy of the lead lender's valuation write-up. Also include copies of existing or proposed lease, purchase options or agreements, or other financial arrangements.
- EXHIBIT 14: Applicant must demonstrate financial need. Applicants for RLF financing must demonstrate that credit is not otherwise available on terms and conditions which would permit completion and/or the successful operation or accomplishment of the project activities to be financed. In this section the applicant must address its financial needs consistent with the above requirement.

CREDIT AND FINANCIAL ANALYSIS

Once the complete full application has been received, HEDA Staff or its Agent conducts a review of the application and prepares a loan write up summary. This review and write up may include, but not be limited to, the following areas:



Hibbing Economic Development Authority

Loan Program Guidelines

- Eligibility within the framework of the revolving loan fund plan;
- Overall economic benefits of the proposed project;
- Balance sheet and ratio analysis and determination of adequate capital and equity;
- Analysis of repayment ability;
- Management skill of the applicant;
- Collateral values with supporting appraisal reports;
- Collateral offered and lien position;
- Credit risk of applicant;
- Credit reports on borrower and/or principals;
- Need for any special requirements such as hazard insurance, key man life insurance, personal guarantees, etc.;
- Credit not otherwise available

PROCEDURES FOR LOAN APPROVALS

- The HEDA staff will review the completed application and contact the business to either schedule the HEDA presentation or for additional information.
- The HEDA Staff reviews all completed full applications and prepares a review and loan write up for presentation to the HEDA Finance Committee for review
- The HEDA Finance Committee reviews the application and loan write up and either declines to make the loan or forwards for approval to the full HEDA board at their next meeting
- The HEDA Board reviews the project, HEDA Finance Committee recommendations, etc., and makes a decision on the application. The decision in the form of a financial majority (2/3) vote of Board Members.
- Loan approvals are documented by a **Loan Commitment Resolution** approved by the HEDA Board and a copy of the Board's meeting minutes.
- HEDA Staff informs the applicant of the decision made by the HEDA Board and will require acknowledgment of approved Loan Commitment Resolution by signing the loan documents within thirty-days of notification that the loan documents are drafted and ready for signature. If the loan documents are not executed or an extension is not approved for an additional thirty (30) days by the HEDA Board, the loan approval is considered rescinded, and the borrower will have to reapply for a new loan.
- Borrowers are responsible for keeping HEDA staff apprised of progress on their project to ensure that loan funds are drawn down at a reasonable rate. A period of no activity for six months or loan funds that remain undrawn for the project after twelve months without an approved extension by the HEDA Board will be considered rescinded and deposited back into the appropriate loan fund for subsequent borrowers.
- If the borrower changes the business name or other pertinent information after the board approval, the borrower may be responsible for additional fees to update the loan documentation.

LOAN SERVICING



Hibbing Economic Development Authority

Loan Program Guidelines

REPAYMENT:

Loan payment and accounting services will be provided by the city of Hibbing's finance department.

- Borrowers are required to sign up for an automated clearing house (ACH) payment per the loan terms, upon execution of the loan documents.
- If a borrower moves the funded business outside of the city limits of Hibbing before the loan is fully repaid, any outstanding funds will be due in full.
- The finance department will provide payment billings and notices to all loan fund borrowers
- The finance department will provide monthly reporting to the HEDA board of all deployed funds, including delinquent payments by individual loan and amounts (P & I)
 - The monthly record keeping provided to the HEDA board will include itemizing total principal payments and balances, interest payments and balances for each loan in the portfolio.

MONITORING:

Loan monitoring and servicing will be handled by city of Hibbing's finance department. Staff will take responsibility for monitoring and keeping records on accounts in terms of repayments, collection of ongoing financial information, annual insurance renewals, UCC extensions, and borrower site visits. Further, the finance department will handle all local, state and federal reporting requirements for the loan portfolio.

LOAN FILES:

Loan files will be maintained by the city's finance department for each approved loan. A Loan Application file and a Loan Closing file will be created, along with a business subsidy agreement if required. The Loan Application file will contain the full application. The Loan Closing file will include all loan closing documents, including but not limited to copies of promissory notes, loan agreements, security agreements, UCC's, mortgages, evidence of insurance, loan commitment resolutions, loan summary (loan write ups), subsidy agreements, and general correspondence.

LOAN DEFAULTS:

The HEDA policy regarding delinquencies (less than 60 days delinquent) will be firm, yet flexible with provisions for modifying or restructuring the terms of delinquent loans consistent with program objectives and responsible money management. Any modifications to the loan terms and conditions must be requested in writing by the applicant.

Defaults (delinquencies more than 60 days or failing to meet any of the other loan covenants) will be handled on a case-by-case basis. Specific action taken will depend on the nature and circumstances surrounding the default, the amount and availability of collateral involved, and the costs versus the benefits of obtaining and liquidating assets. Any action taken will be handled by HEDA Staff and HEDA attorneys, with necessary approval of the HEDA Board.

When HEDA receives proceeds on a defaulted or written off loans, the loan fund will apply such proceeds in the following order of priority:

- First, towards any costs of collection;
- Second, towards outstanding penalties and fees;



Hibbing Economic Development Authority Loan Program Guidelines

- Third, towards any accrued interest to the extent due and payable; and
- Fourth, towards any outstanding principal balance.

Any borrower who defaults on a loan must make reasonable recompense to the HEDA revolving loan fund as determined by the HEDA Board before initiating any additional loan applications for the same or subsequent businesses.

LOAN WRITE OFFS:

HEDA shall exhaust all remedies available to ensure that the entire debt is collected. Upon final disposition of the loan, if a portion of the loan is deemed uncollectable, it will be written off in accordance with general accounting procedures. Loans with an outstanding balance that have been placed in default and remain outstanding after 180 days will generally be written off. However, collection efforts will continue until determined not to be cost effective or prospects for recovery no longer exist. All write-offs must be directed to the HEDA Board for approval.