

HIBBING ECONOMIC DEVELOPMENT AUTHORITY

REGULAR MEETING AGENDA

Wednesday, September 22, 2021

4:30 PM

City Hall Council Chamber

REVISED

ATTENDANCE:

Vice President Rick Cannata	_____	Pete Hyduke, City Administrator	_____
Member Roger Kivela	_____	Candie Seppala Sr. Executive Assistant	_____
Member Shelly Hanson	_____	Sheena Mulner, Clerk's Office	_____
Member John Schweiberger	_____	Andy Borland, City Attorney	_____
Member Steve Jurenes	_____	John Tourville, Special Projects	_____
Member Jennifer Hoffman Saccoman	_____		
President Shari Majkich Brock	_____		

CALL HEDA MEETING TO ORDER:

CLOSED SESSION: THE MEETING IS CLOSED FOR ATTORNEY CLIENT PRIVILEGE

ADDITIONS/DELETIONS:

APPROVAL OF MINUTES:

- Approve the Minutes of the Regular Meeting of Hibbing Economic Development Authority of August 25, 2021

CONSENT AGENDA:

1. Affirm Economic Development Loan Fund balance as of August 31, 2021 in the amount of **\$473,623.09**
2. Approve disbursements for the month of September, 2021 in the amount of **\$6,053.25**
 - Chisholm Hibbing Airport Authority (September, 2021 rent) \$ 300.00
 - Sellman Borland Simon Law Office/HEDA August, 2021 \$ 717.50
 - Lockridge Grindal Nauen P.L.L.P. – September, 2021 \$ 1,650.00
 - ODC – August, 2021 \$ 3,385.75
3. Set the Next Working Session of HEDA for Monday, October 18, 2021 at 5:00 p.m., City Hall Council Chamber

4. Set the next Regular Meeting of HEDA for Wednesday, October 20, 2021 at 4:45 p.m., City Hall Council Chamber
5. Approve the Legislative Services Agreement between the City of Hibbing and Lockridge Grindal Nauen P.L.L.P. (The City of Hibbing pays 50% and HEDA pays 50% of the monthly fee)

BOARD REPORTS:

1. Authorize the following COVID – 19 Business Assistance HEDA Loans. No repayment on the loans will be due for the first six months followed by 60 months of principal payments.
 - a. Margate Const. Legend Homes LLC - \$30,000

ADJOURNMENT:

**THE MINUTES OF THE REGULAR MEETING OF THE
HIBBING ECONOMIC DEVELOPMENT AUTHORITY
Wednesday, August 25, 2021**

TIME AND PLACE: A Regular Meeting of the Hibbing Economic Development Authority was held on Wednesday, August 25, 2021 at 5:00 p.m.in the City Hall Council Chamber

CALL TO ORDER: President Shari Majkich Brock called the meeting to order at 4:49 p.m.

ATTENDANCE: Present at roll call were President Shari Majkich Brock, Vice President Rick Cannata, Member Jennifer Hoffman Saccoman, Member Roger Kivela, Member Shelly Hanson, Member Steven Jurenes, and Member John Schweiberger. Also present were City Administrator Pete Hyduke, Sr. Executive Assistant Candie Seppala, City Clerk-Treasurer Sheena Mulner, and City Attorney Andy Borland.

ADDITIONS/DELETIONS:

- **ADD: BOARD REPORTS #1 & #2**

APPROVAL OF MINUTES:

Vice President Cannata, supported by Member Kivela, moved to approve the Minutes of the Special Meeting of Hibbing Economic Development Authority for July 28, 2021.

Motion CARRIED

CONSENT AGENDA:

Member Hoffman Saccoman, supported by Member Schweiberger, moved to approve Consent Agenda Item #1 - #4.

Motion CARRIED

1. Affirm Economic Development Loan Fund balance as of June 30, 2021 in the amount of **\$458,434.84**
2. Approve disbursements for the month of August, 2021 in the amount of **\$6,008.25**
 - Chisholm Hibbing Airport Authority (August, 2021 rent) \$ 300.00
 - Sellman Borland Simon Law Office/HEDA July, 2021 \$ 962.50
 - Lockridge Grindal Nauen P.L.L.P. – August, 2021 \$ 1,650.00
 - ODC – June \$ 311.75
 - ODC – July \$ 2,784.00
3. Set the Next Working Session of HEDA for Monday, September 20, 2021 at 5:00 p.m., City Hall Council Chamber
4. Set the next Regular Meeting of HEDA for Wednesday, September 22, 2021 at 4:45 p.m., City Hall Council Chamber

BOARD REPORTS:

Authorize the HEDA Loan of Blue Moon in the amount of \$50,000 with an interest rate of 2% for 10 years

Sr. Executive Assistant Candie Seppala stated that this loan was discussed at the Working Session on Monday night. Jeff Cristlieb of Blue Moon is requesting \$50,000 to remodel the entrance of their new showroom and for remodeling part of their building. The interest rate will be 2%

Member Schweiberger, supported by Vice-President Cannata, moved to authorize the HEDA loan of Blue Moon in the amount of \$50,000 with an interest rate of 2% for 10 years.

Member Kivela asked if the loan would be drafted by ACH. Sr. Executive Assistant Candie Seppala stated that it would be.

Motion CARRIED

Authorize the following COVID – 19 Business Assistance HEDA Loans. No repayment on the loans will be due for the first six months followed by 60 months of principal payments.

a.	Benders Shoes	\$40,000
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Sr. Executive Assistant Candie Seppala explained that this is another loan that was discussed at the Working Session on Monday night. Bender's Shoes will be remodeling the interior of their store. They are looking for a \$40,000 loan. The requirements are keeping employees employed, keeping businesses open from the pandemic and through the pandemic, making sure all obligations are paid to other agencies. Bender's meets all of the requirements. This loan brings the total that HEDA has loaned to \$727,000.

President Majkich Brock stated that Benders Shoes has been a long-time business in the community, and it is great that we can assist them in this process.

Member Jurenes, supported by Member Hoffman Saccoman, moved to authorize the following COVID-19 Business Assistance HEDA Loan to Benders Shoes with no repayment on the loan due for the first six months, followed by 60 months of principal only payments.

Motion CARRIED

ADJOURNMENT: There being no further business, the meeting was adjourned at 4:58 p.m. by Vice President Cannata, supported by Member Kivela.

Motion CARRIED

President Shari Majkich Brock

Sr. Executive Assistant Candie Seppala

Chisholm-Hibbing Airport Authority

11038 Hwy 37
Hibbing, MN 55746

INVOICE

Invoice Number: 7724
Invoice Date: Sep 1, 2021
Page: 1

Voice: 218-262-3452
Fax: 218-262-6245

Hibbing Econ. Development Authority
401 East 21st Street
Hibbing, MN 55746

Hibbing Econ. Development Authority
401 East 21st Street
Hibbing, MN 55746

Hibbing EDA

Net 30 Days

Courier

9/30/21

Hibbing Animal Shelter Ground Lease- Sept
2021 Rent

300.00

Subtotal

300.00

Sales Tax

Total Invoice Amount

300.00

Payment/Credit Applied

Check/Credit Memo No:

SELLMAN BORLAND & SIMON PLLC

Attorneys at Law

Richard K. Sellman - Retired
Andy Borland
Jaclyn Corradi Simon

1907 Third Avenue East, Suite 2
P.O. Box 37
Hibbing, Minnesota 55746
Telephone (218) 262-5502
Facsimile (218) 263-4060
attorneys@sellmanborlandsimon.com

August 31, 2021
mailed September 2, 2021

Pete Hyduke
City Administrator
City of Hibbing
401 East 21st Street
Hibbing, Minnesota 55746

cc: Candie Seppala
Senior Executive Assistant
City of Hibbing
401 East 21st Street
Hibbing, Minnesota 55746

Date	Services Provided	Time
Legal Services to Hibbing Economic Development Authority (HEDA) for the month of August 2021, including the following:		
08/13/21	To City Hall to deliver Satisfaction of Mortgage for signature	.125
08/23/21	Review Agenda; call Senior Executive Assistant Candie Seppala	.125
08/23/21	HEDA Working Session	2.250
08/24/21	Research; e-mails to Candie Seppala	.250
08/25/21	Board Meeting	.500
08/26/21	Prepare directives for HEDA Revolving Loan Fund and COVID-19 Business Assistance loans; call Anna Show returning the phone message she left for City Clerk Sheena Mulner	.500
08/27/21	Draft Complaint against Anna Show; call Bethany in Clerk's office ...	.875
08/30/21	Review COVID loan for Bender's Shoes; review loan documents for Blue Moon Appliance; call Candie Seppala	.500
	Total Hours	<u>5.125</u>

ATTORNEY FEES:

5.125 hours at \$140.00 per hour \$717.50

cc: Sheena Mulner, City Clerk - via email only

LOCKRIDGE GRINDAL NAUEN P.L.L.P.

Attorneys at Law
SUITE 2200
100 WASHINGTON AVENUE SOUTH
MINNEAPOLIS, MINNESOTA 55401
TELEPHONE (612) 339-6900

DATE 9/1/2021

Statement No. 111458
Page : 1
Client ID : 07388-0040
Government Relations

City of Hibbing
Candle Seppala
401 East 21st Street
Hibbing, MN 55746

Please detach here. Return this portion with your payment. Thank you.

Professional services rendered for the month of September 2021.

3,300.00

Total Current Billing:	3,300.00
Previous Balance Due:	< 3,300.00 >
Total Now Due:	6,600.00 3,300

101 411110

255 466500

\$ 1650

\$ 1650



Mail payment to:
1520 Hwy. 32 S.
Thief River Falls, MN 56701

Invoice

Phone: (218) 681-4949
Fax: (218) 681-7635
odcmn.org
accountsreceivable@odcmn.org

Date	Invoice #
8/31/2021	7156092

Bill To
CITY OF HIBBING Attn: Candie Seppala 401 EAST 21ST ST HIBBING, MN 55746

Ship To
CITY OF HIBBING Attn: Candie Seppala 401 EAST 21ST ST HIBBING, MN 55746

P.O. Number	S.O. No.	Due Date	Ship	Via	Terms	F.O.B.
		9/30/2021	8/31/2021		NET 30	

Item Code	Quantity	Description	Price Each	Amount
775154501	116.75	August 2021 Downtown Clean-Up	29.00	3,385.75
ODC's Mission: "Developing the skills of individuals with disabilities by providing opportunities for suitable, sustainable employment that results in greater independence."			Sales Tax (0.0%) \$0.00 Total \$3,385.75 Payments \$0.00 Balance Due \$3,385.75	

RETURN POLICY:

ALL PRODUCT RETURNS ARE SUBJECT TO A 20% RESTOCKING FEE & SHIPPING RETURNS WILL NOT BE ACCEPTED AFTER 30 DAYS.

We will begin charging a finance fee effective 10/1/2019. Past due accounts will be subject to a late charge of \$1.00 or 5% on invoices considered past due. Past due is any invoice that is older than 30 days.

LEGISLATIVE SERVICES AGREEMENT

THIS AGREEMENT, made and entered into by and between **City of Hibbing** ("Client") and **LOCKRIDGE GRINDAL NAUEN P.L.L.P.** ("Consultant" or "LGN") (collectively the "Parties").

W I T N E S S E T H

WHEREAS, Client, wishes to purchase the services of Consultant to assist Client in monitoring, reporting, and lobbying related to certain state legislative and administrative matters;

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

1. CONSULTANT SERVICES

Consultant shall provide, in coordination with Client's officers, committees and staff, the services listed in Exhibit A hereto. If additional services, projects or work is agreed upon by both Consultant and Client, fees for such additional services, project or work will be negotiated and mutually agreed upon in writing prior to the performance of additional services, projects or work.

2. TERM AND TERMINATION

2.1 Term. The term of engagement for the services provided shall be **January 1-December 31, 2021**, subject to termination as provided in Section 2.2.

2.2 Termination. This Agreement may be terminated prior to its expiration only as follows:

2.2.1 Upon the written mutual agreement of the Parties hereto;

2.2.2 By either Party upon sixty (60) days written notice to the other Party.

3. COST OF AND PAYMENT FOR SERVICES

3.1 Fees. In consideration of services performed as specified in Section 1 and Exhibit A of this Agreement, Client shall pay Consultant the professional fees in the amount of **\$39,600 payable in twelve (12) installments of \$3,300 per month commencing January 1, 2021.**

3.2 Costs. In addition to payment for professional fees, Client shall pay Consultant for all reasonable incidental expenses incurred by Consultant on Client's behalf.

3.3 Payment. Payment for professional fees and expenses shall be made to Consultant upon submission by Consultant to Client of invoices for services rendered and expenses incurred and Client shall pay Consultant by the dates listed above.

4. **INDEPENDENT CONTRACTOR**

Consultant shall select the means, method, and manner of performing the services herein. Consultant is and shall remain an independent contractor with respect to all services performed under this Agreement.

5. **COMPLETE AGREEMENT**

The Parties each agree and understand that this Agreement, including all Exhibits hereto, constitutes the entire agreement between the Parties and supersedes any prior or contemporaneous oral understandings or agreements with respect to the subject matter hereof.

6. **AMENDMENTS AND WAIVERS**

This Agreement may not be amended, altered, enlarged, supplemented, abridged, or modified, nor can any provision hereof be waived, except by a writing executed by both Parties which shall be attached hereto. Failure of any Party to enforce any provision of this Agreement shall not constitute or be construed as a waiver of such provision nor of the right to enforce such provision.

7. **NOTICES**

All notices, demands, and requests permitted or required to be given under this Agreement shall be in writing and deemed given when mailed by the United States mail, postage prepaid, registered or certified mail, return receipt requested, to the address of the appropriate Party as provided herein.

8. **ASSIGNMENT.**

Contract may not be assigned without the written approval of the City.

9. **GOVERNING LAW.**

This Contract shall be governed by the Laws of the State of Minnesota.

10. **VENUE OF LAWSUITS.**

Any litigation with regard to said contract shall be venued in St. Louis County, Minnesota at the St. Louis County Courthouse in Hibbing, Minnesota.

11. **GOVERNMENT DATA PRIVACY.**

The Consultant agrees to abide by the applicable provisions of the Minnesota Government Data Practice Act, Minnesota Statutes, Chapter 13, HIPAA requirements, and all other applicable state or federal rules, regulations, or orders pertaining to privacy or confidentiality. The Contractor understands that all of the data created, collected, received, stored, used, maintained, or disseminated by the Consultant in performing those functions that the City would perform is subject to the requirements of Chapter 13, and the Consultant must comply with those requirements as if it were a government entity. This does not create a duty on the part of the Consultant to provide the public with access to public data if the public data is available from the City, except as required by the terms of this Agreement."

IN WITNESS WHEREOF, the duly authorized representatives of the Parties hereto have executed this Agreement this ____ day of _____, 2020.

ADDRESS:

401 East 21st Street
Hibbing, MN 55746

CLIENT:

City of Hibbing '


By: Tom Dicklich
Its: City Administrator

ADDRESS:

Suite 2200
100 Washington Avenue South
Minneapolis, MN 55401

CONSULTANT:

LOCKRIDGE GRINDAL NAUEN P.L.L.P.


By: Rebecca Kanninen
Its: Partner

EXHIBIT A

Lockridge Grindal Nauen will provide state lobbying services related to local government aid, capital investment and other items as needed.

COVID -19 Business Assistance HEDA Loan Application

Business Name: Margate Const. Legend Homes llc.
Business Address: PO Box 305 Hibbing MN 55746
Business Phone: 218-340-0689
Business e-mail: legendhomes218@gmail.com

Business Owners Name: Bruce Eichorn
Home Address: 5079 Owens Way Hibbing MN

Type of Business: (Sole Proprietor, Corporation, LLC, Partnership) LLC.

What will you use the HEDA loan funds for? (Specify the use and cost) To Continue
renovating Vic Power Townhomes

What security or collateral will be backing your loan? Town homes

Loan Amount you are requesting from HEDA: \$ 30,000.⁰⁰

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

Applicant Signature:  Date: 9/18/21