

**INVER GROVE HEIGHTS
ECONOMIC DEVELOPMENT AUTHORITY AGENDA
SPECIAL MEETING**

MONDAY, OCTOBER 26, 2020

**** In Person Meeting and via Zoom (Hybrid Meeting)**

5:30 P.M.

NOTICE TO RESIDENTS: If you are interested in participating in the meeting, please contact Kim Fox prior to this meeting via telephone (651) 450-2545 or email (kfox@invergroveheights.org) to inform her - your name, address and to what you wish to speak on. Individuals may submit written public comments in advance of the meeting by emailing comments to Kim Fox (kfox@invergroveheights.org). Comments received prior to 4:00 p.m. on Friday, October 23, 2020 will be provided to the EDA at or before the October 26, 2020 meeting.

Phone Number to Reach Meeting: 651-450-2471

1. CALL TO ORDER

2. ROLL CALL

3. REGULAR AGENDA –

A. RESOLUTION APPROVING THE DISTRIBUTION OF UP TO \$98,703 TOTAL IN CARES ACT FUNDS TO 7 QUALIFYING NON-PROFIT ORGANIZATIONS SERVING INVER GROVE HEIGHTS RESIDENTS AND BUSINESSES IN COMPLIANCE WITH THE TERMS AND CRITERIA ESTABLISHED BY THE CITY AND ITS EDA AS PART OF AN INVER GROVE HEIGHTS CARES ACT NON-PROFIT RELIEF GRANT PROGRAM

B. RESOLUTION APPROVING THE DISTRIBUTION OF UP TO \$250,000 TOTAL IN CARES ACT FUNDS TO 25 QUALIFYING SMALL BUSINESSES LOCATED IN THE CITY OF INVER GROVE HEIGHTS IN COMPLIANCE WITH THE TERMS AND CRITERIA ESTABLISHED BY THE CITY AND ITS EDA AS PART OF A SMALL BUSINESS CARES ACT RELIEF GRANT PROGRAM

4. NEXT MEETING – The next regularly scheduled meeting is November 9, 2020 at 6:00 p.m.

5. ADJOURN

CITY OF INVER GROVE HEIGHTS

REQUEST FOR EDA ACTION

RESOLUTION APPROVING THE DISTRIBUTION OF UP TO \$98,703 TOTAL IN CARES ACT FUNDS TO 7 QUALIFYING NON-PROFIT ORGANIZATIONS SERVING INVER GROVE HEIGHTS RESIDENTS AND BUSINESSES IN COMPLIANCE WITH THE TERMS AND CRITERIA ESTABLISHED BY THE CITY AND ITS EDA AS PART OF AN INVER GROVE HEIGHTS CARES ACT NON-PROFIT RELIEF GRANT PROGRAM

RESOLUTON APPROVING THE DISTRIBUTION OF UP TO \$250,000 TOTAL IN CARES ACT FUNDS TO 25 QUALIFYING SMALL BUSINESSES LOCATED IN THE CITY OF INVER GROVE HEIGHTS IN COMPLIANCE WITH THE TERMS AND CRITERIA ESTABLISHED BY THE CITY AND ITS EDA AS PART OF A SMALL BUSINESS CARES ACT RELIEF GRANT PROGRAM

Meeting Date: October 26, 2020

Item Type: EDA

Prepared by: Heather Rand, EDA Exec. Director
Amy Hove, City Finance Director

Contact Phone: 651-450-2546

Fiscal/FTE Impact:

☐	None
☐	Amount included in current budget
☐	Budget amendment requested
☐	FTE included in current complement
☐	New FTE requested – N/A
☒	Other – Existing CARES Fund Allocation for Non-Profit and Small Business Relief Program Grants

PURPOSE/ACTION REQUESTED:

For the purpose of providing financial relief to non-profit service organizations that serve Inver Grove Heights residents and businesses, in addition to providing financial relief to Inver Grove Heights small businesses experiencing financial loss due to the COVID-19 pandemic, the city and its EDA created specific relief grant programs for non-profits and small businesses. These 2 grant programs are funded out of an allocation of federal Coronavirus Aid, Relief, and Economic Security (CARES) Act funds that were recently distributed to the state and local units of government. Grant applications have recently been solicited, reviewed for conformance with federal, state, county and EDA program guidelines including verification for completeness. Staff now recommend relief grant fund distribution as delineated in an EDA resolution approving the distribution of up to \$98,203 in CARES Act funds to 6 qualifying non-profit organizations, and an EDA resolution approving the distribution of \$250,000 in CARES Act funds to 25 IGH small businesses.

SUMMARY:

CARES Funded Non-Profit Grant Relief Program

The city and its EDA recently set aside up to \$140,000 in CARES funding to provide Covid-19 Pandemic Relief Grants of up to \$20,000 to local non-profit organizations serving the city's residents, businesses and the IGH community as a whole. This program is formally referred to as the Inver Grove Heights CARES Non-profit Relief Assistance Grant Program. On September 14, 2020 the EDA formally established the program, approved the grant program criteria and award schedule, and further authorized the EDA to enter into a contract with Ehlers Public Financial Advisors to provide certain administrative review services related to the grant program.

Since that time, city/EDA staff publicly advertised the funding opportunity and solicited applications on a variety of fronts. Applications received by program deadline were then reviewed by city/EDA staff and Ehlers Financial for application completeness, match to program criteria and eligibility, the demonstration of economic impact, and for conformance with CARES Act expense eligibility regulations and rules.

As a result of this grant analysis, city/EDA staff in consultation with Ehlers staff recommend to the EDA the approval of relief assistance grants to all 7 non-profit organizations that submitted grant applications. The 7 non-profit grant applications recommend for approval met the adopted program criteria. The total amount of funds recommended for distribution approval by the EDA for this program is \$98,703. EDA Commissioners can find a summary of grant analysis detail and the corresponding distribution recommendation on an October 21, 2020 dated memo by Ehlers Public Financial Advisors (Attachment A).

Ehlers and the city have received as part of the grant application, an acknowledgement form by the applicant that all grant information submitted is truthful. Before funds are distributed, it is intended that the EDA and city will also receive from the approved grant recipient an executed certification of expenses form. This form, in addition to the complete application will be retained by the EDA and city for record-keeping purposes in keeping with Ehlers Public Finance Advisors advice pertaining to the management of federal government CARES Act funds.

CARES Act Small Business Relief Grant Program

For the purpose of providing financial relief to small businesses located in Inver Grove Heights that are economically challenged by the COVID-19 Pandemic, the city council and its EDA authorized the creation of a COVID-19 Small Business Relief Grant Program and a partnership with the Dakota County Community Development Agency (CDA) to administer said program via a Inver Grove Heights city council resolution 2020-156 at its August 10, 2020 regular City Council meeting and subsequent recent EDA resolutions.

The authorizing resolutions allocated up to \$270,000 in CARES Act funds for the small business relief grant program in addition to authorizing the payment of up to 3.44% (\$9,290) of the program sum to the Dakota CDA for grant administrative services. The city and EDA adopted small business relief grant program criteria mirrored Dakota county and state COVID-19 small business grant relief programs.

At the advice of the city attorney, at a September 14, 2020 city council meeting, the council via resolution 2020-190 transferred the Inver Grove Heights Small Business Relief Grant program oversight responsibility and financial authority for the \$270,000 in city CARES Act funds, and the \$9,290 for grant admin expenses with the Dakota CDA, to the IGH EDA. On that same date, the IGH EDA accepted such program authority and the city allocated CARES Act funds. At an October 5, 2020 IGH EDA meeting, the EDA formalized the grant administration relationship with the Dakota CDA by approving a Joint Powers Agreement and a Subrecipient Agreement between the two parties.

After careful consideration and review of applications for completeness and the verification of applicants eligibility and conformance with program criteria, the Dakota County CDA is recommending approval of 25 IGH Small Business Relief Grant Program applications, each at a grant amount of \$10,000 for a total of \$250,000 in CARES Act funds recommended for immediate disbursement by the EDA. The Dakota CDA have suggested that it is possible that 1 or 2 additional grant applications that are currently deemed incomplete, may yet be completed by the grant applicants and they may then be recommend for IGH EDA approval before the mid-November CARES Act spending deadline.

A complete list of the 25 IGH small businesses recommended for grant funding at this time with business address and grant amount to be disbursed (\$10,000) is denoted in Exhibit A of the attached Small Business Relief Grant Program resolution. The resolution authorizes CARES Act fund disbursement of up to \$250,000, and also authorizes the EDA executive director to enter into a grant agreement with each of the 25 small businesses, such grant agreement terms and format denoted in Exhibit B of the resolution.

Lastly, the template award letter from the City of Inver Grove Heights EDA can be found attached to this memo (Attachment B). The IGH Small Business Relief Grant Program award letters will be individualized to reflect name and address of the business to be receiving funds and accompany the Small Business Relief Grant Program check from the IGH EDA.

Staff recommends approval of both EDA resolutions for the purpose of disbursing these pandemic relief funds promptly.



MEMORANDUM

TO: Amy Hove and Heather Randy, Inver Grove Heights EDA
 FROM: Keith Dahl and Jessica Cook
 DATE: October 21, 2020
 SUBJECT: Award Recommendations for CARES Non-profit Relief Assistance Grants

The Inver Grove Heights EDA allocated \$140,000 of its CARES funding to provide grants of up to \$20,000 to local non-profit organizations. Staff advertised the funding on the City's website, through the Minnesota Council on Nonprofits, and through personal outreach to several organizations. The EDA received seven applications and Ehlers reviewed six of the seven applicants for eligibility and demonstration of economic need. City staff reviewed the seventh application using the same criteria and process.

Recommendation

The seven applicants, their requested grant amount, and the funding recommendations are listed in the chart below:

	Organization	Revenue Loss due to Pandemic	Expense Increase >10% Due to Pandemic	# of Residents Served	Grant Request	Recommended Amount
1	CLIMB Theatre, Inc.	yes	NA	Over 1,000	\$ 20,000	\$ 20,000
2	YMCA of the Greater Twin Cities	yes	yes	313	\$ 20,000	\$ 20,000
3	River Heights Chamber of Commerce	yes	NA	All Businesses within City	\$ 20,000	\$ 20,000
4	Loaves and Fishes	NA	yes	Approx. 900	\$ 2,272	\$ 2,272
5	Salem Hills Elementary PTO	yes	NA	Approx. 450	\$ 1,708	\$ 1,708
6	Portico Healthnet	no	NA	63	\$ 20,000	\$ 20,000
7	Town Square Television	yes	NA	Approx. 6,500 Households	\$ 14,723	\$ 14,723
					\$ 98,703	\$ 98,703

Review Process

Each application was reviewed for completeness, program eligibility, demonstration of economic impact, and eligible expenses. Please find attached the review checklist.

Application Completeness

Each application was reviewed to ensure that every question was answered on the application form and all the required documents were submitted. If it was determined that a question was not properly answered, a required document wasn't submitted, and/or additional information was necessary for us to complete our review of the application, the applicant was notified and given one week to submit the requested information. With this follow-up, all applicants were able to make their applications complete.

Program Eligibility

Next, applications were reviewed against the eligibility criteria detailed in the program and listed as follows for reference:

- Must demonstrate that its operations have been directly and adversely affected by the COVID-19 pandemic
- Must be established, operated and domiciled in the State of Minnesota
- Must either serve a minimum of 50 residents within the City of Inver Grove Heights in calendar year 2019 and expect to serve 50 residents in 2020, or be physically located within the City of Inver Grove Heights
- Must be a 501(c)(3), 501(c)6 or a 501(c)(9) organization
- Active/In Good Standing with the Secretary of State's Office
- If required, Applicant must be licensed, in good standing
- Must be current on property taxes
- Must have been in operation since March 1, 2019
- May not primarily derive income from gambling or adult entertainment
- May not use funds for religious purposes
- May not restrict activity based on ethnicity, gender, orientation, or ability

Demonstration of Economic Impact

After the completeness and program eligibility review were complete, we conducted an in-depth review of the applicant's ability to demonstrate that their business was adversely affected by an Executive Order related to COVID-19 or experienced a financial hardship as a result of COVID-19. Specifically, an applicant had to meet one or both of the following conditions:

1. Applicant experienced revenue loss year-over-year between March 1 and August 31, 2019 vs. 2020 as a result of the COVID-19 pandemic; or
2. Applicant experienced a 10% increase in programmatic expenditures not previously budgeted in 2020 due to the COVID-19 pandemic.

Eligible Expenses

If an applicant was able to demonstrate an economic impact from COVID-19, we reviewed the requested expenses that the applicant was seeking reimbursement for to ensure they were eligible expenses pursuant to the program and that the applicant had enough eligible expenses to warrant the requested grant amount.

Review by Ehlers vs. City staff

After receipt of the Portico Healthnet application we discovered that a Portico staff member is a family member of an Ehlers' employee. Therefore, to avoid the perception of a conflict of interest, City staff agreed to review the Portico application using the same process and criteria established by the EDA that Ehlers followed.

Selection Process and Recommendation

Funds set aside for the non-profit assistance program are adequate to fund all seven applicants. Therefore, we did not need to prioritize the applicants based on relative need. Ehlers

recommends funding all of the six applicants whose applications we reviewed and city staff recommends funding Portico Healthnet, the applicant reviewed by staff.

Application Checklist for the Inver Grove Heights EDA

- ☐ Completion of application (*all questions have been answered*)

The following documents must be included in order for an application to be considered complete, otherwise an application is considered incomplete and will not be considered.

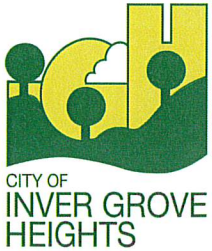
- ☐ 2019 Federal Tax Return (*If 2019 documents are not available, 2018 documents are required*)
- ☐ IRS Form 990
- ☐ W-9 Form (*with signature*)
- ☐ Monthly Profit & Loss Statements for March, April, May, June, July and August (if available) 2020
- ☐ Revised budget for 2020, if applicable, showing changes from the original 2020 budget
- ☐ Certificate of Good Standing from the Minnesota Secretary of State
- ☐ IRS determination letter showing the non-profit status
- ☐ Letter from landlord stating applicant was current on rent prior to March 16, 2020 or statement showing rent has been paid prior to March 16, 2020
- ☐ Proof of eligible expenses from March 1, 2020 to September 30, 2020
- ☐ Acknowledgement Form (*with signature*)

Review of Eligibility Checklist

- ☐ Eligible Organizational Structure ☐ Ineligible Business Structure (*Reason: _____*)
- ☐ Established, operated and domiciled in the State of Minnesota.
- ☐ Active/In Good Standing with the Secretary of State's Office
- ☐ Current on Property Taxes/Current on Rent Payments
- ☐ Serves a minimum of 50 residents within the City of Inver Grove Heights; physically located within the City; or provided an adequate explanation of services within the City
- ☐ Has been in operation since March 1, 2019
- ☐ Demonstrated nonprofit experienced a financial hardship as a result of COVID-19. (*one of the following*)
 - ☐ At least a 25% revenue loss year-over-year between Mar 1 and July 31, 2019 vs. 2020
Revenue Loss (%): _____
 - ☐ At least a 10% expenditure increase in programmatic activities not previously budgeted for in 2020
Expense Increase (%): _____

Review of Grant Request

Grant amount requested: _____ Recommended grant amount: _____



8150 Barbara Avenue
Inver Grove Heights
Minnesota 55077

PHONE 651-450-2500
FAX 651-450-2502

www.ighmn.gov

Grant Recipient Name

1234 Recipient Address
City, State Zip Code

Dear {FIRST NAME},

The City of Inver Grove Heights and its Economic Development Authority wish to congratulate you on being selected for a Small Business Relief Grant through the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Enclosed, please find a grant check that you may endorse and deposit.

Many Inver Grove Heights small businesses have suffered tremendously due to the economic impacts of COVID-19. The city partnered with our county, state and federal policymakers to secure CARES Act funding for a variety of pandemic needs, including the funds being distributed to your business. We can appreciate that this funding may not make up the substantial losses your business has sustained recently, but we do hope it provides some meaningful, immediate relief nonetheless.

If your business continues to experience hardships due to COVID-19, we encourage you to share details about the hardships with your city, county, state and federal elected officials. Such insights are essential to helping us advocate for additional resources for you.

Again, congratulations on your successful grant application for this relief program. Our small businesses are the bedrock of our community, and we are honored to support and partner with you in this way. We thank you for doing business in our city and wish you all the best going forward.

Sincerely,

The Inver Grove Heights Economic Development Authority
City of Inver Grove Heights

INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY

RESOLUTION NO. _____

**RESOLUTION APPROVING THE DISTRIBUTION OF UP TO \$98,703 TOTAL IN CARES ACT FUNDS
TO 7 QUALIFYING NON-PROFIT ORGANIZATIONS SERVING INVER GROVE HEIGHTS
RESIDENTS AND BUSINESSES IN COMPLIANCE WITH THE TERMS AND CRITERIA
ESTABLISHED BY THE CITY AND ITS EDA AS PART OF AN INVER GROVE HEIGHTS CARES
ACT NON-PROFIT RELIEF GRANT PROGRAM**

WHEREAS, the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act provided funding through the Coronavirus Relief Fund (CRF) to the State of Minnesota and eligible units of local government, and the Governor of the State of Minnesota subsequently distributed a portion of the State's CRF allocation to local governments throughout Minnesota to defray the costs of responding to the COVID-19 public health emergency, including \$2,665,614 (CRF Funds to the City of Inver Grove Heights; and

WHEREAS, the City Council (Council) of the City of Inver Grove Heights (City) approved the transfer of up to \$140,000 in CRF Funds, along with funds necessary to cover related administrative expenses, to the Inver Grove Heights Economic Development Authority (EDA) for the EDA to provide assistance to certain eligible non-profit organizations impacted by the COVID-19 public health emergency; and

WHEREAS, the EDA has accepted any such transfer of such CRF Funds established a Non-profit Relief Assistance Grant Program for the purpose of providing grants to certain eligible non-profit organizations impacted by the COVID-19 public health emergency in terms of their service provision, and further, the EDA established grant program criteria and authorized Ehlers Municipal Financial Advisors to provide grant administrative services for such grant program; and

WHEREAS, the IGH CARES Non-Profit Relief Assistance Grant Program applications have been publicly solicited by staff and seven (7) grant applications were received by the publicized application deadline, such applications then reviewed for completeness and grant program eligibility by Ehlers and city/EDA staff, and as a result, Ehlers and staff recommend that the Inver Grove Heights EDA award CARES Act grant funds to all 7 non-profit applicant organizations denoted in Exhibit A, for a total EDA fund distribution amount not to exceed \$98,703.

NOW THEREFORE BE IT RESOLVED by the Board of Commissioners of the City of Inver Grove Heights Economic Development Authority (the "EDA") as follows:

1. The EDA acknowledges acceptance of the Non-Profit Relief Assistance Grant Program recommendation from Ehlers and staff to award grant funds to all seven (7) Non-Profit grant applicants denoted in Exhibit A for a total EDA funds disbursement not to exceed \$98,703.
2. The EDA hereby approves grant awards based on the accepted recommendation for all seven (7) applicants in the amounts listed in Exhibit A and authorize staff to distribute the funds pending completion by the non-profits of Ehlers recommended documentation.

directed to execute, deliver and accept on behalf of the EDA any and all documents and instruments necessary to give effect to this Resolution.

5. All of the actions authorized under this Resolution are contingent upon approval of the Inver Grove Heights City Council of the transfer of the CRF Funds to the EDA necessary to fund the Nonprofit Assistance Program; if the CRF Funds necessary to fund the Nonprofit Assistance Program are not transferred from the City to the EDA, no such program will be established by the EDA, nor will the EDA enter into a contract with Ehlers for administrative services related to the Program.

Approved by the Board of Commissioners of the Inver Grove Heights Economic Development Authority this 26th day of October 2020.

Rosemary Piekarski-Krech
Its: President

Attest:

Heather Rand
Its: Executive Director

EXHIBIT A

Organization		Revenue Loss due to Pandemic	Expense Increase >10% Due to Pandemic	# of Residents Served	Grant Request	Recommended Amount
1	CLIMB Theatre, Inc.	yes	NA	Over 1,000	\$ 20,000	\$ 20,000
2	YMCA of the Greater Twin Cities	yes	yes	313	\$ 20,000	\$ 20,000
3	River Heights Chamber of Commerce	yes	NA	All Businesses within City	\$ 20,000	\$ 20,000
4	Loaves and Fishes	NA	yes	Approx. 900	\$ 2,272	\$ 2,272
5	Salem Hills Elementary PTO	yes	NA	Approx. 450	\$ 1,708	\$ 1,708
6	Portico Healthnet	no	NA	63	\$ 20,000	\$ 20,000
7	Town Square Television	yes	NA	Approx. 6,500 Households	\$ 14,723	\$ 14,723
					\$ 98,703	\$ 98,703

INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY

RESOLUTION NO. _____

RESOLUTION APPROVING THE DISTRIBUTION OF UP TO \$250,000 TOTAL IN CARES ACT FUNDS TO 25 QUALIFYING SMALL BUSINESSES LOCATED IN THE CITY OF INVER GROVE HEIGHTS IN COMPLIANCE WITH THE TERMS AND CRITERIA ESTABLISHED BY THE CITY AND ITS EDA AS PART OF A SMALL BUSINESS CARES ACT RELIEF GRANT PROGRAM

WHEREAS, the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act provided funding through the Coronavirus Relief Fund (CRF) to the State of Minnesota and eligible units of local government, and the Governor of the State of Minnesota subsequently distributed a portion of the State's CRF allocation to local governments throughout Minnesota to defray the costs of responding to the COVID-19 public health emergency, including \$2,665,614 CRF Funds to the City of Inver Grove Heights; and

WHEREAS, the creation of a small business relief grant program is an eligible Fund expenditure to reimburse the costs of business interruption caused by required closures; and

WHEREAS, creation of an IGH Small Business Relief Grant Program with criteria was approved by the Inver Grove Heights City Council and its EDA on September 14, 2020 (EDA Resolution No. 20-05, City Council Resolution No. 20-156, 20-190), and the City transferred certain CARES funds, along with administrative authority for the same to the EDA to be used for a IGH Small Business Relief Grant Program; and

WHEREAS, the City and its EDA have adopted resolutions authorizing the Dakota CDA to provide certain IGH Small Business Relief Grant Program administration services on behalf of the city and its EDA and further, authorized up to \$270,000 to fund the IGH Small Business Relief Grant Program grant awards and up to \$9,290 in funds as payment to the Dakota CDA for grant administrative expenses related to the IGH Small Business CARES Act Relief Grant Program; and

WHEREAS, the Dakota CDA in partnership with the city and its EDA solicited applications for the grant program, such application then reviewed for completeness and eligibility by the CDA and now finally, the CDA recommends approval of twenty-five (25) small business applications for EDA funding with grant awards up to \$10,000 each as denoted in Exhibit A and the total grant fund disbursement is not to exceed \$250,000 in EDA funds.

NOW THEREFORE BE IT RESOLVED by the Board of Commissioners of the City of Inver Grove Heights Economic Development Authority (EDA) that the grant recommendation from the Dakota CDA to approve and award grant funds to the attached list (Exhibit A) of 25 small business grant applicants with specific funding amounts be approved by the EDA and the total funds to be disbursed not exceed \$250,000. The awarded funds cannot be used to replace small business lost revenues. Funds may be used to cover operating expenses, including payroll, rent/lease payments,

mortgage payments, utilities, payments to suppliers, or other critical business expenses including business consulting to modify business operations as a result of the public health emergency and as approved and authorized by the program.

BE IT FURTHER RESOLVED by the EDA that the Executive Director of the EDA is hereby authorized to execute a grant agreement (Exhibit B) with each EDA approved grant recipient and upon execution of such agreement, the Executive Director may disburse the EDA approved grant funds.

Approved by the Board of Commissioners of the Inver Grove Heights Economic Development Authority this 26th day of October 2020.

Rosemary Piekarski-Krech
Its: President

Attest:

Heather Rand
Its: Executive Director

EXHIBIT A

Ashton Inc.	6449 Concord Blvd	IGH	MN 55076	\$10,000
B & H Florists, Inc	7301 Babcock Tr	IGH	MN 55077	\$10,000
Ben J Christopherson, DDS, PA	6665 Cahill Ave	IGH	MN 55076	\$10,000
Bill Rascher Mechanical, Inc	4921 Babcock Tr, Ste C	IGH	MN 55077	\$10,000
Brown's Guitar Factory	7482 Concord Blvd	IGH	MN 55076	\$10,000
Bruce Flatmoe Inc	5842 Blackshire Path	IGH	MN 55076	\$10,000
Cahill Dental Care PA	6105 Cahill Ave	IGH	MN 55076	\$10,000
Elizabeth Kathryn Gullerud	7319 Clay Ave E	IGH	MN 55076	\$10,000
GTS Tire and Truck Repair LLC	11650 Courthouse Blvd	IGH	MN 55077	\$10,000
Health 1st Chiropractic & Wellness	2922 Upper 55th St	IGH	MN 55076	\$10,000
Huynh Corporation Inc	9024 Cahill Ave	IGH	MN 55076	\$10,000
IGH Hotels LLC	5681 Bishop Ave	IGH	MN 55076	\$10,000
Inver Grove Storage, LLC	10125 Courthouse Blvd	IGH	MN 55077	\$10,000
M and Z Food, Inc.	6504 Cahill Ave	IGH	MN 55076	\$10,000
Mi Familia Child Care Center	2855 47th St E	IGH	MN 55076	\$10,000
Mississippi Pub, Inc	4455 66th S E	IGH	MN 55076	\$10,000
Murray Counseling PLLC	5798 Blackshire Path	IGH	MN 55076	\$10,000
Nona LLC	6555 Cahill Ave	IGH	MN 55076	\$10,000
QBIZ Integrated Services, LLC	5874 Blackshire Path	IGH	MN 55076	\$10,000
South East Towing, Inc.	7401 Dickman Tr	IGH	MN 55076	\$10,000
Southridge Dental PA	1320 Mendota Rd E	IGH	MN 55077	\$10,000
Steven J. Benke, DDS	5972 Cahill Ave, Ste 109	IGH	MN 55076	\$10,000
Synergy Chiropractic, P.A.	2125 Upper 55th St E	IGH	MN 55077	\$10,000
Tabby Cat, LLC	5743 Blaine Ave	IGH	MN 55076	\$10,000
The Times Hair Designs Inc	6635 Cahill Ave	IGH	MN 55076	\$10,000

Batch No _____
 Funder _____

Application ID: CSBRP(then APP ID) _____

GRANT AGREEMENT FOR INVER GROVE HEIGHTS SMALL BUSINESS RELIEF GRANT PROGRAM

This Agreement is between the City of Inver Grove Heights Economic Development Authority, 8150 Barbara Avenue, Inver Grove Heights, Minnesota 55077("EDA") and:

 ("GRANTEE")
 GRANTEE's Name

 GRANTEE's Address

WHEREAS, as part of the Coronavirus Aid, Relief and Economic Security (CARES) Act, the Coronavirus Relief Fund (CRF) was established to assist States and eligible units of local government to respond to COVID-19; and

WHEREAS, one of the eligible uses of CRF dollars is providing grants to small businesses to reimburse the costs of business interruption caused by the COVID-19 pandemic; and

WHEREAS, the City Council of the City of Inver Grove Heights ("COUNCIL") approved the disbursement of a portion of the funds it received under CARES as grants to small businesses for eligible business interruption expenses, and pursuant to Resolution No. 2020-156 and 2020-190, transferred certain funds to the EDA to administer the small business grant program; and

WHEREAS, the Dakota County Community Development Agency (CDA) is managing the grant administration in accordance with an agreement between the CDA and EDA.

WHEREAS, the CDA has contracted with NEXTSTAGE, a Minnesota non-profit organization, for grant administration services; and

WHEREAS, GRANTEE has made an application for a grant award and has been selected for grant funding in accordance with the terms of this Agreement;

The EDA and GRANTEE agree as follows:

1. TERM AND AMOUNT OF GRANT

GRANTEE shall complete all grant requirements ("Grant Requirements") commencing upon both parties signing this agreement and expiring six months thereafter or when all requirements of the Agreement have been complete, whichever comes first, unless cancelled or terminated earlier in accordance with the provisions herein.

The total amount of this grant is \$_____ (“Grant Funds”).

2. GRANT REQUIREMENTS

By entering into this Grant Agreement, GRANTEE certifies that it is a for-profit business organized under the laws of Minnesota with a physical establishment located within the boundaries of the City of Inver Grove Heights and that as of March 1, 2020, all of the following are true and correct:

- A. The business data and financial information reported in GRANTEE’s application are true and accurate; and
- B. GRANTEE had no more than 50 full-time (or equivalent) employees; and
- C. GRANTEE was and still is majority owned by a permanent resident of Minnesota; and
- D. The Grant Funds shall only be used to pay for “eligible expenses” as are identified in grant program criteria and approved in GRANTEE’s application.

GRANTEE acknowledges that the source of funds for this Grant Agreement is from the CRF provided to the City of Inver Grove Heights (“CITY”) and the EDA and approved for disbursement by the EDA as small business grants to reimburse the costs of business interruption caused by the COVID-19 pandemic. GRANTEE acknowledges that this grant may be subject to federal and state taxes.

GRANTEE further certifies that as of the date this Agreement is signed, all of the following are true and correct:

- A. GRANTEE is in good standing and required filings are current with the Minnesota Secretary of State;
- B. GRANTEE is in good standing with the Minnesota Department of Revenue;
- C. GRANTEE is in good standing with Dakota County and the CITY/EDA;
- D. GRANTEE is current on property taxes that were ordinarily due and payable on or before May 15, 2020, or on a County-approved payment plan, if applicable;
- E. GRANTEE experienced significant loss in revenue since March 15, 2020, and incurred costs due to COVID-19-related business interruption and required closures; GRANTEE was adversely affected by Executive Orders related to COVID-19 business restrictions and experienced financial hardship as a result of COVID-19; and

- F. GRANTEE has not and will not receive COVID-related emergency funds related to its application through the State of Minnesota, including but not limited to funds from either the Small Business Emergency Loan (SBEL) or DEED Small Business Relief Grant Program.

3. DOCUMENTATION OF ELIGIBLE COSTS OF BUSINESS INTERRUPTION

As part of its application, GRANTEE has provided documentation to demonstrate that the GRANTEE has experienced a business interruption (“Interruption”) due to COVID-19 and is otherwise eligible to receive the grant funds in accordance with the Grant Requirements stated above.

GRANTEE shall provide an itemized and documented list of eligible costs incurred as a result of the Interruption, as more fully described in Attachment A.

The undersigned representative of the GRANTEE represents that the undersigned is duly authorized to bind the Grantee to this Agreement and affirms all statements and information that has been submitted or will be submitted to the EDA COMMISSION are true and correct and that the documented costs have not and will not be reimbursed through any other federal, state or local funding source.

4. GRANT DISBURSEMENT

EDA shall pay Grant Funds directly to GRANTEE within twenty (20) business days of a fully executed Grant Agreement and submission of all necessary documentation supporting the eligible costs and submission of GRANTEE’s W-9 to the EDA.

5. INDEPENDENT CONTRACTOR

Nothing is intended nor should be construed as creating or establishing the relationship of a partnership or a joint venture between the parties or as constituting GRANTEE as the agent, representative, or employee of the EDA for any purpose. GRANTEE is and shall remain an independent contractor under this Agreement.

6. NON-DISCRIMINATION

GRANTEE shall not exclude any person from full employment rights nor prohibit participation in or the benefits of any program, service or activity on the grounds of any protected status or class including but not limited to race, color, creed, religion, age, sex, disability, marital status, sexual orientation, public assistance status, or national origin. No person who is protected by applicable federal or state laws against discrimination shall be subjected to discrimination.

7. INDEMNIFICATION

GRANTEE shall defend, indemnify, and hold harmless the CITY, EDA, CDA, NEXTSTAGE and their present and former officials, officers, agents, volunteers, and

employees from any liability, claims, causes of action, judgments, damages, losses, costs, demands for repayment or expenses, including attorney's fees, resulting directly or indirectly from any fraudulent act or use of Grant Funds by the GRANTEE, a subcontractor, anyone directly or indirectly employed by GRANTEE, and/or anyone for whose acts and/or omissions GRANTEE may be liable in the performance of this Agreement.

8. DATA PRIVACY AND SECURITY

The Parties acknowledge that the Minnesota Government Data Practices Act and all other applicable state and federal laws relating to data privacy or confidentiality govern the use of data submitted by GRANTEE. Without limitation, in accordance with Minnesota Statute Section 13.591, the following data, that are submitted by the GRANTEE to receive the Grant Funds, are private or nonpublic data:

financial information about the business, including credit reports; financial statements; net worth calculations; business plans; income and expense projections; balance sheets; customer lists; income tax returns; and design, market, and feasibility studies not paid for with public funds.

The above data become public when the Grant Funds are disbursed pursuant to this Agreement, except that the following data remain private or nonpublic:

business plans; income and expense projections not related to the financial assistance provided; customer lists; income tax returns; and design, market, and feasibility studies not paid for with public funds.

9. RECORDS – AVAILABILITY/ACCESS AND RIGHT TO AUDIT

Subject to the requirements of Minnesota Statutes § 16C.05, subd. 5, NEXTSTAGE (Grant Administrator), the CITY, EDA, the CDA, the State Auditor, or any of their authorized representatives which may include other independent financial analysts at any time during normal business hours, and as often as they may reasonably deem necessary, shall have access to and the right to request submission of documentation, examine, audit, excerpt, and transcribe any books, documents, papers, records, or other data, which are pertinent to the accounting practices and procedures of GRANTEE and involve transactions relating to this Agreement. GRANTEE shall maintain these materials and allow access during the period of this Agreement and for six (6) years after its expiration, cancellation or termination.

10. SUCCESSORS, SUBCONTRACTING AND ASSIGNMENTS

A. GRANTEE shall not assign, transfer or pledge this Agreement whether in whole or in part, nor assign any monies due or to become due to it without the prior written consent of the EDA. A consent to assign shall be subject to such conditions and provisions as the EDA may deem necessary, accomplished by

execution of a form prepared by the EDA and signed by GRANTEE, and the assignee. Permission to assign, however, shall under no circumstances relieve GRANTEE of its liabilities and obligations under the Agreement.

- B. GRANTEE shall not subcontract this Agreement whether in whole or in part, without the prior written consent of the EDA.

11. MERGER, MODIFICATION AND SEVERABILITY

- A. The entire Agreement between the parties is contained herein and supersedes all oral agreements and negotiations between the parties relating to the subject matter. All items that are referenced or that are attached are incorporated and made a part of this Agreement. If there is any conflict between the terms of this Agreement and referenced or attached items, the terms of this Agreement shall prevail.

GRANTEE and/or the EDA are each bound by its own electronic signature(s) on this Agreement, and each agrees and accepts the electronic signature of the other party.

- B. Any alterations, variations or modifications of the provisions of this Agreement shall only be valid when they have been reduced to writing as an amendment to this Agreement signed by the parties. Except as expressly provided, the substantive legal terms contained in this Agreement including but not limited to Indemnification, Insurance, Merger, Modification and Severability, Default and Cancellation/Termination or Minnesota Law Governs may not be altered, varied, modified or waived by any change order, implementation plan, scope of work, development specification or other development process or document.
- C. If any provision of this Agreement is held invalid, illegal or unenforceable, the remaining provisions will not be affected.

12. DEFAULT AND CANCELLATION/TERMINATION

- A. If GRANTEE fails to perform any of the provisions of this Agreement including providing false, misleading or incomplete information in documents submitted to the EDA or documented in Attachment A, fails to use Grant Funds exclusively for costs included in Exhibit A or uses other sources of federal funds for costs included in Exhibit A, the performance of the Agreement or otherwise breaches or fails to comply with any of the terms of this Agreement, it shall be in default. Unless GRANTEE's default is excused in writing by the EDA, the EDA may upon written notice immediately cancel or terminate this Agreement in its entirety and may demand repayment in full of the Grant Funds. Additionally, failure to comply with the terms of this Agreement shall be just cause for the EDA to delay payment until GRANTEE's compliance. In the event of a decision to withhold payment, the EDA shall furnish prior written notice to GRANTEE.

- B. Notwithstanding any provision of this Agreement to the contrary, GRANTEE shall remain liable to the EDA for damages sustained by the EDA by virtue of any breach of this Agreement by GRANTEE. Upon notice to GRANTEE of the claimed breach and the amount of the claimed damage, the EDA may withhold any payments to GRANTEE for the purpose of set-off until such time as the exact amount of damages due the EDA from GRANTEE is determined. Following notice from the EDA, CDA or NEXTSTAGE of the claimed breach and damage, GRANTEE and the EDA shall attempt to resolve the dispute in good faith.
- C. The above remedies shall be in addition to any other right or remedy available to the EDA under this Agreement, law, statute, rule, and/or equity.
- D. The EDA's failure to insist upon strict performance of any provision or to exercise any right under this Agreement shall not be deemed a relinquishment or waiver of the same, unless consented to in writing. Such consent shall not constitute a general waiver or relinquishment throughout the entire term of the Agreement.
- E. If this Agreement expires or is cancelled or terminated, with or without cause, by either party, at any time, GRANTEE shall not be entitled to any payment, fees or other monies.
- F. Upon written notice, the EDA may immediately suspend or cancel/terminate this Agreement in the event any of the following occur: (i) the EDA does not obtain anticipated funding from the federal government for this project; (ii) funding for this project from the federal government is withdrawn, frozen, shut down, is otherwise made unavailable or the EDA loses the outside funding for any other reason.

13. SURVIVAL OF PROVISIONS

Provisions that by their nature are intended to survive the term, cancellation or termination of this Agreement do survive such term, cancellation or termination. Such provisions include but are not limited to: SERVICES TO BE PROVIDED; GRANT REQUIREMENTS; INDEPENDENT CONTRACTOR; INDEMNIFICATION; DUTY TO NOTIFY; DATA PRIVACY AND SECURITY; RECORDS- AVAILABILITY/ACCESS; DEFAULT AND CANCELLATION/TERMINATION; MEDIA OUTREACH; and MINNESOTA LAW GOVERNS.

14. GRANT ADMINISTRATION

The CDA is managing the grant administration in accordance to the agreement between the CDA and EDA. The CDA has contracted with NEXTSTAGE for grant administration services. NEXTSTAGE will serve as liaison between the CDA, EDA, and GRANTEE.

_____ shall manage the agreement on behalf of GRANTEE. GRANTEE may replace such person but shall immediately give written notice to the EDA of the name, phone number and email address of such substitute person and of any other subsequent substitute person.

15. COMPLIANCE AND NON-DEBARMENT CERTIFICATION

- A. GRANTEE shall comply with all applicable federal, state and local statutes, funding sources, regulations, rules and ordinances currently in force or later enacted.
- B. GRANTEE certifies that it is not prohibited from doing business with either the federal government or the state of Minnesota as a result of debarment or suspension proceedings.
- C. Because the source or partial source of funds for payment under this Agreement is from federal or state monies or from a federal, state or other grant source, GRANTEE is bound by and shall comply with applicable law, rules, regulations, applicable documentation or other directives relating to the source and utilization of such funds including but not limited to applying for Grant Funds that have been or will be reimbursed under any federal, county, city or state program.

16. NOTICES

Unless the parties otherwise agree in writing, any notice or demand which must be given or made by a party under this Agreement or any statute or ordinance shall be in writing and shall be sent registered or certified mail. Notices to the EDA shall be sent to the EDA Executive Director at the address given in the opening paragraph of this Agreement. Notice to GRANTEE shall be sent to the address stated in the opening paragraph of this Agreement.

17. CONFLICT OF INTEREST

GRANTEE affirms that to the best of GRANTEE's knowledge, GRANTEE's involvement in this Agreement does not result in a conflict of interest with any party or entity which may be affected by the terms of this Agreement. Should any conflict or potential conflict of interest become known to GRANTEE, GRANTEE shall immediately notify the EDA of the conflict or potential conflict, specifying the part of this Agreement giving rise to the conflict or potential conflict, and advise the EDA whether GRANTEE will or will not resign from the other engagement or representation. Unless waived by the EDA, a conflict or potential conflict may, in the EDA's discretion, be cause for cancellation or termination of this Agreement.

18. MINNESOTA LAWS GOVERN

The laws of the state of Minnesota shall govern all questions and interpretations concerning the validity and construction of this Agreement and the legal relations between the parties and their performance. The appropriate venue and jurisdiction for any litigation will be those courts located within the County of Dakota, State of Minnesota. Litigation, however, in the federal courts involving the parties will be in the appropriate federal court within the state of Minnesota.

[Signature page follows]

I hereby agree to the terms outlined in the Agreement.

EDA:

Inver Grove Heights EDA

By: _____

Its Executive Director Heather Rand

Date: _____

GRANTEE:

GRANTEE Name

By: _____

Owner's Name

Its _____

Date: _____