



Request for Council Action

TO: Mayor and City Council
THROUGH: Tim Murray, City Administrator
FROM: Deanna Kuennen, Community & Economic Development Director
MEETING DATE: August 28, 2018
SUBJECT: Resolution 2018-173 Support of a Minnesota Investment Fund Program Application in Connection with Daikin Applied Americas, Inc.

Background:

On June 12, 2018 – City Council passed Resolution 2018-132 Supporting a Minnesota Investment Fund (MIF) Program Application in Connection with Daikin Applied Americas, Inc. As part of this resolution, the City supported the MIF application, and authorized and directed the Economic Development Authority of the City of Faribault (EDA) to administer and execute the Grant Contract, amendments thereto, and related documents associated with the MIF application.

The MIF application was approved by the State of Minnesota on June 27, 2018. Since then, Staff has been working with the appropriate parties to execute all necessary grant contracts and loan agreements. As part of these efforts, legal counsel identified that the City, not the EDA, should be the MIF sponsor, and should be the party represented on the grant contracts and loan agreements. To enable this, the City Council is being asked to consider Resolution 2018-173, which authorizes the City Council to administer and execute the proper documents associated with the MIF awarded for the Daikin project.

Recommendation:

City of Faribault City Council – Adopt Resolution 2018-173 Support of a Minnesota Investment Fund Program Application in Connection with Daikin Applied Americas, Inc.

Attachments:

Resolution 2018-173 Support of a Minnesota Investment Fund Program Application in Connection with Daikin Applied Americas, Inc.

CITY OF FARIBAULT

RESOLUTION #2018-173

SUPPORT OF A MINNESOTA INVESTMENT FUND PROGRAM APPLICATION IN CONNECTION WITH DAIKIN APPLIED AMERICAS, INC.

BE IT RESOLVED by the City Council of the City of Faribault, Minnesota (the "City") as follows:

Section 1. Recitals.

1.01. The City may act as the legal sponsor for the Daikin Applied Americas, Inc. project (the "Project") referenced in the Minnesota Investment Fund ("MIF") Application to be submitted on or about June 13, 2018, and the City is hereby authorized to apply to the Department of Employment and Economic Development for funding of this Project.

1.02. The City has the legal authority to apply for financial assistance, and the institutional, managerial, and financial capability to administer the proposed Project.

1.03. That upon approval of its application by the State, the City may enter into a Grant Contract and related documents with the State of Minnesota for the approved Project, and the City certifies that it will comply with all applicable laws, statutes, regulations and rules as stated in the Grant Contract and described in the Project Compliance Certification of the MIF Application.

1.04. The City has obtained credit reports and credit information on Daikin Applied Americas, Inc., and Daikin Holdings America, Inc., and upon review by the City and the City's Legal Counsel, no adverse findings or concerns regarding, but not limited to, tax liens, judgments, court actions, and filing with state, federal, and other regulatory agencies were identified. Failure to disclose any such adverse information could result in revocation or other legal action regarding the MIF Application.

Section 2. Findings.

2.01. The recitals set forth above in this Resolution are incorporated into this Resolution as if fully set forth herein and constitute the findings of the City.

Section 3. Implementation.

3.01. The City hereby authorizes and directs the Mayor and City Administrator to execute the Grant Contract, amendments thereto, and related documents regarding the MIF Application as are necessary to implement the Project on behalf of the City and Daikin Applied Americas, Inc.

3.02. The City directs City staff to take any appropriate action and to prepare any appropriate documents to facilitate the directives of the City as set forth in this Resolution.

3.03. The Mayor, City Administrator, City staff, City attorney, and City consultants are hereby authorized and directed to take any and all additional steps and actions necessary or convenient in order to accomplish the intent of this Resolution.

Section 4. Effective Date. This resolution is effective upon the date of its adoption.

Date Adopted: August 28, 2018.

Faribault City Council

Kevin F. Voracek, Mayor

ATTEST:

Timothy C. Murray, City Administrator