

1. 1. Call To Order

Documents:

[1. 2020-09-15 FINANCE AGENDA.PDF](#)

2. 2. Faribault CARES Non-Profit Grant Program – Review Of Applications

Documents:

[2. MEMO - FARIBAULT CARES NON-PROFIT GRANT - REVIEW OF APPLICATIONS.PDF](#)

3. 3. Proposed 2021 & 2022 Special Assessment Rates

Documents:

[3. MEMO SPECIAL ASSESSMENT RATES FOR 2021-2022.PDF](#)

4. Adjourn



Minn. Stat. § 13D.021 – Meeting by Telephone or Other Electronic Means; Conditions
- Minn. Stat. § 13D.021 provides that a meeting of a public body may be conducted via telephone or other electronic means if meeting in a public location is not practical or prudent because of a health pandemic or declared emergency.

**City Council Finance Committee
Tuesday, September 15, 2020 at 7:00pm or
immediately following the Joint Committee Meeting
City Hall – Council Chambers**

AGENDA

THE FARIBAULT CITY COUNCIL – FINANCE COMMITTEE HAS RESUMED MEETING IN PERSON.
ATTENDEES WILL BE REQUIRED TO PRACTICE SOCIAL DISTANCING AND WEAR FACE
COVERINGS (MASKS) WHILE AT CITY HALL IN ACCORDANCE WITH THE REQUIREMENTS OF
EMERGENCY EXECUTIVE ORDER 20-81 ISSUED BY GOVERNOR WALZ ON JULY 22, 2020.

A ZOOM MEETING WILL ALSO BE AVAILABLE:
CALL IN NUMBER: 1 312 626 6799; MEETING ID: 893 1852 2255

1. Call to Order
2. Faribault CARES Non-Profit Grant Program – Review of Applications
3. Proposed 2021 & 2022 Special Assessment Rates
4. Adjourn

Please contact the City Administrator's Office if you need special accommodations while attending this meeting



Council Committee Memorandum

TO: Finance Committee
THROUGH: Tim Murray, City Administrator
FROM: Deanna Kuennen, Com and Econ Dev Director
MEETING DATE: September 15, 2020
SUBJECT: Faribault CARES Non-Profit Grant Program –
 Review of Applications

Discussion:

The City Council approved the Faribault CARES Non-Profit Grant Program via Resolution 2020-126 on August 25, 2020. The program was funded through the City's CARES Act allocation and was intended to provide one-time financial support to nonprofit organizations serving the Faribault community. The work that nonprofits do in the community is important and these nonprofits have lost revenue due to executive orders that required closures and cancellations of fundraising events. The Faribault CARES Non-Profit Grant Program will help offset operating expenses and losses, and provide funding for PPE, rent/lease payments, mortgage payments, utilities, payment to suppliers, and other non-payroll expenses.

The Faribault CARES Non-Profit Grant Program provides funding *up to* \$20,000 per nonprofit based on the following metrics:

Number of employees (Nonprofit does not need to have employees to be eligible for funding)

0 employees	\$ 0
1 - 8 employees	\$2,000
9 – 50 employees	\$3,000

Loss of gross revenue as compared to prior year

25% - 34%	\$4,000
35% - 49%	\$7,500
50% - 100%	\$10,000

Number of residents directly served

1 - 25	\$1,000
26 – 200	\$2,500
201 – 400+	\$5,000

Organizational COVID-19 Response (essential services and community-based efforts)

Minimal Response	\$ 500
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Moderate Response	\$1,000
Major Response	\$2,000

Applications were accepted through the City’s website between August 28 and September 11th. The application required each nonprofit to provide a narrative that explained the purpose and mission of the nonprofit, the impact of COVID-19 and executive orders had on the organization, additional needs (if any) that the nonprofit addressed for individuals and/or the community in response to COVID-19, and how the funds will be used including the long-term benefit that the funds will provide. A summary of the applications will be distributed to the Finance Committee at the meeting. The Finance Committee will be asked to review the responses and forward a funding recommendation to City Council for consideration at the September 22, 2020 City Council meeting.

Attachments:

Final – Faribault CARES Non-Profit Grant Program Policy and Guidelines



CITY OF FARIBAULT
 Faribault CARES Non-Profit Grant
 Policy, Guidelines, & Application

OVERVIEW:

The City of Faribault understands that the COVID-19 pandemic has had an immediate and detrimental impact on our community – affecting small local businesses, households, and the nonprofit organizations that provide an array of services to our residents. Recognizing the important role that nonprofit organizations play in the Faribault community, the City of Faribault has created the Faribault CARES Non-Profit Grant. Faribault CARES Non-Profit Grant is funded through CARES Act dollars, and is intended to provide one-time financial support to nonprofit organizations experiencing financial hardship as a result of the COVID-19 pandemic, and help these organizations continue to serve our community beyond the current economic crisis.

Program Guidelines

The purpose of the Faribault CARES Non-Profit Grant is to provide temporary financial support to nonprofit organizations in the community adversely impacted by the COVID-19 pandemic. Grant funds will help nonprofit organizations pay for critical expenses such as rent payments, mortgage payments, utilities, payments to suppliers, and other expenses deemed to meet the intent of the program. This support will offset losses and costs nonprofits incurred as a result of business interruption due to required closures, or voluntary closures to support social distancing during the COVID-19 pandemic.

Grant Amounts	
The City of Faribault will make \$400,000 available for direct business assistance grants for nonprofit organizations that serve the Faribault community	
Maximum Grant Award:	\$20,000

The Community and Economic Development (CED) Department will be responsible for administering the Faribault CARES Non-Profit Grant. Nonprofit organizations with questions or those that need assistance filling out the online application are encouraged to

contact CED – at 507.333.0388, or via email at smarkman@ci.faribault.mn.us

These program guidelines adhere to federal rules and regulations associated with the CARES Act funding, and have been adopted by City Council Resolution 2020-126 approved on August 25, 2020.

Please note: The City Council of the City of Faribault reserves the right to revise these guidelines as needed to best address the impact of the current pandemic and to reflect any changes/additions/interpretations of the federal CARES Act.

Terms

One-time emergency grant of up to \$20,000 – to offset economic injury from the COVID-19 pandemic and fund eligible operating expenses. Nonprofit organizations may use the grant funds to pay for non-payroll costs of business interruption caused by required closures, voluntary closures to support social distancing, and eligible expenses. Eligible non-payroll expenses include:

- Rent payments,
- Mortgage payments,
- Utilities,
- Payments to suppliers, and/or
- Other critical *non-payroll* business expenses as approved by CED and which are consistent with the intent of the program. Example: items allowing business to adjust to interruptions to allow continued operations, such as upgrades to online presence, and/or sales platforms.

Eligible Nonprofit Organizations

Nonprofit organizations must meet the following criteria as of March 1, 2020 to be eligible:

- Registered nonprofit organizations that have a physical location in Faribault and serve the residents of Faribault. Nonprofits may have a larger service area, but the resources awarded in this program are intended for services in Faribault.
- Ability to demonstrate a loss of income or increase in demand for services due to COVID-19.

- Have 50 or fewer employees
- Be licensed and in good standing with the Minnesota Secretary of State
- Have been registered and operating since at least March 1, 2019 (one year prior to pandemic)

Ineligible Nonprofit Organizations

- Religious organizations (for religious purposes)
- Lobbying groups and political organizations
- Organizations that restrict activity based on ethnicity, gender, orientation, or ability.

Application Process

- Applications will be accepted from **August 28, 2020 through September 11, 2020 end of day**
- Applicants are asked to complete an [application form via the web](#) insert hyperlink
- Please contact [CED](#) if you need assistance filling out the electronic application form

Community & Economic Development ~ Attn: Samantha Markman
507.333.0388 / smarkman@ci.faribault.mn.us

- All applications will be time and date stamped through the online application portal. If applications received by the deadline exceed the funding available, CED Staff will forward funding recommendations to the Finance Committee of the City Council based on a first-come, first-served basis.
 - Ineligible applicants will be contacted via email with information regarding why their application is ineligible.
- The Finance Committee will review all eligible applications on September 15, 2020 and forward award recommendations to City Council for consideration at their on September 22, 2020 meeting.

Funding/Award Amounts

- Award Amounts will be based on the following parameters – with a total maximum award of \$20,000:

Number of employees

0 employees	\$ 0
(Nonprofit does not need to have employees to be eligible for funding)	
1 - 8 employees	\$2,000
9 – 50 employees	\$3,000

Loss of gross revenue as compared to prior year

25% - 34%	\$4,000
35% - 49%	\$7,500
50% - 100%	\$10,000

Number of residents directly served

1 - 25	\$1,000
26 – 200	\$2,500
201 – 400+	\$5,000

Organizational COVID-19 Response (essential services and community-based efforts)

Minimal Response	\$ 500
Moderate Response	\$1,000
Major Response	\$2,000

- CED will notify approved applicants by email on or before September 25, 2020 regarding their grant award.
- Upon notice of an approved application, applicants will be required to submit the following within 5 business days and prior to closing:
 - A copy of the IRS nonprofit determination letter
 - The most recent federal 990 tax return filed by the business
 - Income/expense statements for the first six months of 2019 and the first six months of 2020.
 - Evidence of revenue loss related to the COVID 19 emergency. Applicant should submit documentation that best demonstrates the impact and is deemed acceptable to CED.
 - Any additional documentation or information deemed necessary by CED to determine eligibility, generate grant documents, disburse grant proceeds, or meet program reporting requirements.
- Failure to submit required documentation will result in forfeiture of award.



CITY OF FARIBAULT

Faribault CARES Non-Profit Grant Application Information/Questions

Applications will only be accepted online via the [City's website](#)

- Legal Name of Nonprofit Organization
- Assumed Name of Nonprofit Organization (if any)
- Legal type of Nonprofit (IRS code)
- Length of Time in Operation
- Mailing Address
- Location Address
- Business Phone / Email
- Website Address
- Contact Name / Title / Phone / Email
- Total Number of Employees
- Number of Employees in Faribault
- Number of Volunteers and/or Members
- Annual Average # of People Served
- # of Faribault Residents Served Annually
- Amount of Funding Requested
- What is the purpose/mission of this nonprofit organization
- What is the impact that the COVID-19 pandemic and executive orders have had on the nonprofit organization (ie: loss of revenue, inability to serve clients, increase in demand for services, reduced donations, etc.)
- What additional needs, if any, has the nonprofit addressed for individuals and/or the community as a result, or in response to COVID-19
- How will the funds be used and what are the assumed long-term impact/benefit of these funds



Council Committee Memorandum

TO: Finance Committee
THROUGH: Tim Murray, City Administrator
FROM: Mark DuChene, City Engineer
MEETING DATE: September 15, 2020
SUBJECT: Proposed 2021 & 2022 Special Assessment Rates

Discussion:

The most recent special assessment rates were adopted per Resolution 2018-227, adopted on November 13, 2018, which established the rates for 2019 & 2020 street reconstruction, street overlay, and sidewalk construction improvements. These rates need to be reviewed and updated.

Staff have assembled summaries of special assessment rates (shown in an attachment), as well as average bid prices over the past 29 years, which are as follows:

	<u>Aggr. Base</u>	<u>Bitum. Mixture</u>	<u>Curb & Gutter</u>	<u>Sidewalk</u>
1991	\$11.50/c.y.	\$22.50/ton	\$ 5.50/l.f.	\$1.90/s.f.
1994	\$12.00/c.y.	\$23.50/ton	\$ 5.75/l.f.	\$2.00/s.f.
1997	\$11.00/c.y.	\$26.50/ton	\$ 6.50/l.f.	\$2.25/s.f.
2000	\$12.00/c.y.	\$29.00/ton	\$ 7.25/l.f.	\$2.40/s.f.
2004	\$18.00/c.y.	\$42.00/ton	\$ 9.00/l.f.	\$3.50/s.f.
2008	\$22.00/c.y.	\$50.00/ton	\$10.00/l.f.	\$4.00/s.f.
2012	\$21.00/c.y.	\$68.00/ton	\$15.00/l.f.	\$4.50/s.f.
2014	\$25.00/c.y.	\$69.00/ton	\$11.50/l.f.	\$4.25/s.f.
2016	\$24.00/c.y.	\$53.50/ton	\$15.00/l.f.	\$4.50/s.f.
2018	\$28.50/c.y.	\$65.00/ton	\$18.00/l.f.	\$6.50/s.f.
2020	\$28.50/c.y.	\$68.00/ton	\$18.50/l.f.	\$6.65/s.f.

The table below also shows averages of the proportion of City street overlay and reconstruction project costs are funded through special assessments for select years going back to 2000.

Percentage of project costs funded by special assessments:

	<u>Reconstruction</u>	<u>Overlays</u>
2000	40.0%	58.7%
2002	32.1%	59.4%
2004	N/A	63.6%
2006	N/A	35.4%
2008	26.0%	N/A

2010	26.0%	17.5%
2012	N/A	N/A
2014	18.4%	34.3%
2016	19.6%	30.2%
2018	16.8%	45.4%
2020	18.6%	52.2%

It should also be noted that the consumer price index (CPI) for the last 12 months from July 2020 rose 1.0%.

Regarding the special assessment rates, Staff would recommend no changes to the current special assessment rates for the next two years, which are based on looking at the CPI, project costs, statutory requirements for bonding projects that use special assessments and the current pandemic and related economic uncertainty. The attached draft resolution shows the proposed special assessment rates at the same rates as the current 2020 rates.

Attachments:

- Draft 2021-2022 Special Assessment Rate Adoption Resolution
- Special Assessment Rates – History

Special Assessment Rates

City of Faribault

Year	Street Reconstruction (l.f.)	Street Reconstruction w/ Salvaged Curb (l.f.)	Street Overlay (l.f.)	Street Overlay w/ New Curb (l.f.)	Sidewalk (L.D. Residential) (l.f.)	Sidewalk (Other) (l.f.)	Lead Water Service Repl. (ea)
1988	\$40.224	\$34.224	\$7.50	\$15.50	n/a	n/a	\$471.00
1989	\$40.224	\$34.224	\$7.50	\$15.50	n/a	n/a	\$479.00
1990	\$40.224	\$34.224	\$7.50	\$15.50	n/a	n/a	\$419.00
1991	\$40.224	\$34.224	\$7.50	\$15.50	n/a	n/a	\$419.00
1992	\$40.224	\$34.224	\$7.50	\$15.50	n/a	n/a	\$419.00
1993	\$41.75	\$35.75	\$7.50	\$15.50	n/a	n/a	\$419.00
1994	\$41.75	\$33.75	\$7.50	\$15.50	n/a	n/a	\$419.00
1995	\$43.75	\$35.75	\$7.50	\$15.50	\$2.00	\$10.00	\$419.00
1996	\$43.75	\$35.75	\$7.50	\$15.50	\$2.00	\$10.00	\$419.00
1997	\$43.75	\$35.75	\$7.50	\$15.50	\$2.00	\$10.00	\$419.00
1998	\$43.75	\$35.75	\$7.50	\$15.50	\$2.00	\$10.00	\$419.00
1999	\$43.75	\$35.75	\$7.50	\$15.50	\$2.00	\$10.00	\$419.00
2000	\$43.75	\$35.75	\$7.50	\$15.50	\$2.00	\$10.00	\$419.00
2001	\$46.00	\$36.00	\$8.00	\$16.00	\$2.10	\$10.50	\$420.00
2002	\$48.00	\$38.00	\$9.00	\$18.00	\$2.30	\$11.50	\$435.00
2003	\$50.00	\$40.00	\$10.00	\$20.00	\$2.50	\$12.50	\$450.00
2004	\$50.00	\$40.00	\$10.00	\$20.00	\$2.50	\$12.50	\$450.00
2005	\$50.00	\$40.00	\$10.00	\$20.00	\$2.50	\$12.50	\$450.00
2006	\$50.00	\$40.00	\$10.00	\$20.00	\$2.50	\$12.50	\$450.00
2007	\$50.00	\$40.00	\$10.00	\$20.00	\$2.50	\$12.50	\$450.00
2008	\$60.00	\$48.00	\$12.00	\$20.00	\$3.00	\$15.00	\$700.00
2009	\$62.50	\$50.00	\$13.00	\$24.00	\$3.25	\$16.25	\$725.00
2010	\$65.00	\$52.00	\$14.00	\$28.00	\$3.50	\$17.50	\$750.00
2011	\$65.00	\$52.00	\$14.00	\$28.00	\$3.50	\$17.50	\$750.00
2012	\$65.00	\$52.00	\$14.00	\$28.00	\$3.50	\$17.50	\$750.00
2013	\$65.00	\$52.00	\$14.00	\$28.00	\$3.50	\$17.50	\$750.00
2014	\$65.00	\$52.00	\$15.00	\$28.00	\$3.50	\$17.50	\$750.00
2015	\$65.00	\$52.00	\$15.00	\$28.00	\$3.50	\$17.50	\$750.00
2016	\$67.50	\$53.50	\$17.00	\$31.00	\$4.25	\$18.75	\$775.00
2017	\$70.00	\$55.00	\$18.50	\$33.00	\$5.00	\$20.00	\$800.00
2018	\$72.50	\$57.50	\$20.00	\$35.00	\$5.50	\$22.00	\$800.00
2019	\$74.00	\$59.00	\$20.50	\$35.50	\$6.00	\$22.50	\$825.00
2020	\$75.50	\$60.50	\$21.00	\$36.00	\$6.50	\$23.00	\$825.00
2021	\$75.50	\$60.50	\$21.00	\$36.00	\$6.50	\$23.00	\$825.00
2022	\$75.50	\$60.50	\$21.00	\$36.00	\$6.50	\$23.00	\$825.00

* Surcharges of approximately 10% and 20% are added for High Density Properties and Commercial/Industrial/Institutional Properties, respectively.

For period from 1991 to 2020, the assessment rates have increased the following average percent per year:	2.3%	3.7%	5.0%	3.5%	2.7%
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Under the proposed 2021 and 2022 rate increases, the assessment rates will have increased the following average percent per year:	2.1%	3.5%	4.7%	3.2%	2.6%
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Assessment Period (through 2013)

- 10 years - Reconstructions
- 5 years - Overlays
- 5 years - Sidewalks

Assessment Period (2014 & beyond)

- 15 years - All

Interest Rate

2% over City Bonding Rate

M.S.A. Streets

Reconstructions assessed same as non-MSA streets.
 Overlays on MSA streets not assessed prior to 2003.
 Low density residential properties on MSA streets received a 50% reduction in rate for overlays through 2015.

CITY OF FARIBAULT

RESOLUTION #2020- XXX
ADOPT SPECIAL ASSESSMENT RATES FOR 2021 & 2022

WHEREAS, the City levies special assessments against benefiting properties pursuant to Minnesota Statutes, Chapter 429, for street reconstruction, street overlays, and sidewalk construction, on a fixed per-unit basis.

NOW, THEREFORE BE IT RESOLVED, that the City Council hereby adopts the following schedule of Special Assessment Rates for 2021 and 2022:

	<u>2021</u>	<u>2022</u>
<u>Street Reconstruction</u>		
Low Density Residential Property	\$75.50/l.f.	\$75.50/l.f.
High Density Residential Property	\$83.00/l.f.	\$83.00/l.f.
Commercial/Industrial/Institutional Property	\$90.00/l.f.	\$90.00/l.f.
Credit for Salvaged Curb	(-) \$15.00/l.f.	(-) \$15.00/l.f.
Lead Water Service Replacement	\$825.00/ea	\$825.00/ea
<u>Bituminous Street Overlays</u>		
Low Density Residential Property	\$21.00/l.f.	\$21.00/l.f.
High Density Residential Property	\$23.00/l.f.	\$23.00/l.f.
Commercial/Industrial/Institutional Property	\$25.00/l.f.	\$25.00/l.f.
New Curb & Gutter Added	(+) \$15.00/l.f.	(+) \$15.00/l.f.
<u>Sidewalk Construction</u>		
Low Density Residential Property	\$ 6.50/l.f.	\$ 6.50/l.f.
Other Property	\$23.00/l.f.	\$23.00/l.f.

Date Adopted: September 8, 2020

Faribault City Council

Kevin F. Voracek, Mayor

ATTEST:

Timothy C. Murray, City Administrator