

City of Ironwood
213 S. Marquette St.
Ironwood, MI 49938



IRONWOOD

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SPECIAL MEETING NOTICE

A Special Meeting of the Ironwood City Commission will be held on **Monday, February 17, 2025, at 4:00 P.M.** in the City Commission Chambers, Memorial Building, 213 S. Marquette Street, Ironwood, MI 49938.

The purpose of the meeting is to discuss and consider approval of the USDA Letter of Conditions for the Community Facilities Grant to purchase a new Pumper Truck and authorize the Mayor to sign all applicable documents.

Jennifer L. Jacobson
City Clerk

Posted at 3:30 p.m. on February 14, 2025.

SPECIAL MEETING AGENDA 4:00 P.M.

- A. Special Meeting Called to Order.
Pledge of Allegiance.
- B. Recording of the Roll.
- C. Citizens wishing to address the Commission on Items on the Agenda. (Three Minute Limit)
- D. The purpose of the hearing is to discuss and consider approval of the USDA Letter of Conditions for the Community Facilities Grant to purchase a new Pumper Truck and authorize the Mayor to sign all applicable documents.
- E. Adjournment.



This Institution is an Equal Opportunity Provider, Employer and Housing Employer/Lender





To: Mayor Corcoran and City Commission

From: Paul Linn, Finance Director/Treasurer

Date: 02/14/2025

Meeting Date: 02/17/2025

Re: USDA Community Facilities Grant

The City of Ironwood submitted an application to USDA Rural Development in July 2024 requesting federal assistance in the amount of \$481,000 through their Community Facilities (CF) Grant Program. The federal funds will help offset the cost of a new pumper fire truck for the City's Public Safety Department. The City was recently informed that we are eligible to move forward with the grant process. We received a Letter of Conditions, with attachments, from USDA Rural Development which establishes conditions that must be understood and agreed to by the City before further consideration may be given to our application for assistance under the CF Program.

It is the recommendation from City staff that the City Commission approve the USDA Letter of Conditions for the CF grant and authorize the Mayor to sign all applicable documents.

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February 10, 2025

Kim Corcoran, Mayor
City of Ironwood
213 S. Marquette Street
Ironwood, MI 49938

Subject: Letter of Conditions for a Community Facilities Grant to purchase a new Pumper Truck

Dear Ms. Corcoran,

This letter, with attachments, establishes conditions that must be understood and agreed to by the applicant before further consideration may be given to the application for assistance under the Community Facilities (CF) Program. Any changes in project cost, source of funds, scope of services, or any other significant changes (this includes significant changes in the applicant's financial condition, operation, organizational structure or executive leadership) in the project or applicant must be reported to and approved by USDA Rural Development by written amendment to this letter. Any change not approved by USDA Rural Development will be cause for discontinuing processing of the application.

This letter is not to be considered as grant approval or as representation to the availability of funds. The application can be processed on the basis of a USDA Rural Development grant not to exceed \$481,000. Funds for this project are provided by the Rural Housing Service (RHS) for the amount, recipient, purpose, and location specified in the applicable Appropriations Act.

Please complete and return the attached Form RD 1942-46, "Letter of Intent to Meet Conditions," and Form RD 1940-1, "Request for Obligation of Funds," within the next ten (10) days, if you desire that we give further consideration to your application. The execution of these and all other documents required by USDA Rural Development must be authorized by appropriate resolutions of the applicant's governing body.

The grant will be considered approved on the date Form RD 1940-1, "Request for Obligation of Funds," is mailed by USDA Rural Development.

Project Budget—Based on Standard Form 424, "Application for Federal Assistance," the project cost and funding will be as follows:

a.

Rural Development • State Office
3001 Coolidge Road, Ste 200 • Lansing, MI, 48823
Voice 517.324.5156 • Fax 855.813.7741 • TTY 711

<u>Project Cost</u>	<u>USDA Loan</u>	<u>USDA Grant</u>	<u>USDA Grant</u>	<u>Other</u>
Equipment	\$0	\$481,000		\$394,000
TOTAL:	\$	\$481,000	\$	\$394,000

b.

Source of Funds	
USDA Grant	\$481,000
USDA Loan	0
Applicant Contribution	\$394,000
Other	0
Total	\$ 875,000

The applicant understands and agrees that no project funds will be expended, or contracts issued for construction activities until all funds necessary for the successful construction and development of the project have been secured. The Agency will not disburse funds for construction or renovation activities until the applicant has secured all remaining project funds. Any changes in funding sources following obligation of Agency funds must be reported to the processing official. Project feasibility and funding will be reassessed if there is a significant change in project costs after bids are received. If actual project costs exceed the project cost estimates, an additional contribution by the borrower may be necessary.

Section I of the attached conditions (Items 1-5) must be satisfied prior to grant closing. **In the event the project has not advanced within twelve (12) months, USDA Rural Development reserves the right to discontinue the processing of the application.**

In addition to the conditions in Sections I-II, the applicant must fully comply with all requirements on Form RD 3570-3, Community Facilities Grant Agreement. The Agency reserves the right to cancel funds if the applicant does not fully comply with all requirements as presented or subsequently modified, as needed.

If you have any questions, feel free to contact Desiree McCurley via email at desiree.mccurley@usda.gov or phone at 906-253-8061.

Sincerely,

Danielle Webb
Community Facilities Program Director

cc: Desiree McCurley, CF Specialist, Sault Ste Marie Sub Area Office

ATTACHMENT TO LETTER OF CONDITIONS

SECTION I. CONDITIONS TO BE SATISFIED PRIOR TO GRANT CLOSING OR BEFORE CONSTRUCTION BEGINS, WHICHEVER OCCURS FIRST

1. **Certifications Required for Obligation (if applicable)** – Rural Development has identified the following documents which must be executed prior to obligation:
 - a. Form SF-LLL, “Disclosure Form to Report Lobbying,” if applicable, link available here: <https://www.grants.gov/forms/sf-424-family.html>.
 - b. Form RD 400-1, “Equal Opportunity Agreement,” link available here: <https://forms.sc.egov.usda.gov>.
 - c. Form RD 400-4, “Assurance Agreement,” link available here: <https://forms.sc.egov.usda.gov>.

2. **Disbursement of Funds**
 - a. The applicant will provide evidence that funds from other sources will be made available for the project cost in the amount of \$394,000. This evidence should include a copy of the loan/grant award that addresses how funds will be disbursed. The Agency will not disburse funds until all project funding sources have been secured. The applicant may request an exception if this requirement impedes the applicant’s ability to carryout the project specified in the applicable appropriations bill.
 - b. The applicant’s contribution of funds toward the project cost shall be considered the first funds expended and must be deposited in its project account before construction is started.
 - c. Agency funds will not be used to pre-finance funds committed to the project from other sources.

3. **Security Requirements**
 - a. The applicant will be required to complete and execute Form RD 3570-03, “Community Facilities Grant Agreement” before grant funds are disbursed.
 - b. The grantee understands that any property improved with Federal grant funds may have use and disposition conditions which apply to the property as provided by 2

- CFR part 200 as adopted by USDA through 2 CFR part 400 in effect at this time and as may be subsequently modified.
- d. The grantee understands that any sale or transfer of property is subject to the interest of the United States Government in the market value in proportion to its participation in the project as provided by 2 CFR part 200 as adopted by USDA through 2 CFR part 400 in effect at this time and as may be subsequently modified.
 - e. In accordance with 2 CFR 200.330, the grantee understands that it must submit regular reports on the status of real property in which the Federal Government retains an interest. Reports shall be submitted annually for the first three years of the award and every five years thereafter on SF-429 Real Property Status Report, or similar format.
4. **Civil Rights & Equal Opportunity**— The grantee has received an award of Federal funding and is required to comply with U.S. statutory and public policy requirements, including but not limited to:
- a. **Age Discrimination Act of 1975** – This Act (42 U.S.C. 6101 et seq.) provides that no person in the United States shall on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.
 - b. Agency financial programs must be extended without regard to race, color, religion, sex, national origin, marital status, age, or physical or mental handicap. The recipient must display posters (provided by the Agency) informing users of these requirements, and the Agency will monitor the recipient’s compliance with these requirements during regular compliance reviews.
 - c. The applicant is subject to a post-grant closing civil rights compliance review by USDA Rural Development utilizing Form RD 400-8, “Compliance Review.”
 - d. As a recipient of Rural Development funding, you are required to post a copy of the Non-Discrimination Statement listed below in your office and include in full, on all materials produced for public information, public education, and public distribution both print and non-print.

Non-Discrimination Statement

“This institution is an equal opportunity provider and employer.”

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at <https://www.ocio.usda.gov/document/ad-3027>, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S.

Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

If the material is too small to permit the full statement to be included, the material at a minimum includes the statement in print size no smaller than the text that “This institution is an equal opportunity provider and employer.”

5. **Electronic Funds Transfer**—All grant funds will be transferred to grantees via Electronic Funds Transfer/Automated Clearinghouse Systems (EFT/ACH). Normal transfers will be ACH, with money being placed in the grantees account two business days after the USDA processing office approves the pay request. The applicant must submit the Electronic Funds Transfer Form containing the banking (ACH) information to the USDA Servicing Office at least 45 days prior to the date of grant closing. Failure to do so could delay grant closing.

SECTION II. GRANT CONDITIONS TO BE SATISFIED AFTER PROJECT COMPLETION

1. **Financial Statements**—To be submitted on an annual basis in accordance with the following:
 - a. 2 CFR Part 200, Subpart F establishes audit requirements that borrowers and grantees must follow. Borrowers and grantees who expend \$750,000 or more in Federal awards in their fiscal year, have CF loan balances totaling \$750,000 or more, or a combination of the two must submit an audit in accordance with 2 CFR 200, Subpart F.

Federal funds expended during a borrowers fiscal year: 2 CFR Part 200, Subpart F requires a borrower that expends \$750,000 or more in Federal awards in their fiscal year to submit a single or program-specific audit. A CF direct loan, guaranteed loan, and/or grant, or any combination thereof, are considered Federal awards.

Grantees: Grantees that expend \$750,000 or more in a year in Federal awards must have an audit conducted in accordance with 2 CFR Part 200, Subpart F except when the grantee elects to have a program specific audit conducted.

Prior loan and loan guarantees: 2 CFR Part 200, §200.502(b) establishes the basis for including loan and loan guarantees (loans) on the Schedule of Expenditures of Federal Awards (SEFA). The value of new loans made or received during the audit period plus the beginning of the audit period balance of loans from previous years for which the Federal Government imposes continuing compliance requirements must be reported on the SEFA. CF Program loans require its borrowers to meet continuing compliance requirements. Continuing compliance requirements that CF borrowers must meet include, but are not limited to, funding reserves, maintaining insurance,

deposit funds in Federally insured banks, meet financial covenants, maintain sufficient debt service ratios, comply with civil rights requirements, and comply with additional requirements established as part of the loan approval process.

Borrowers and grantees must submit audits within nine months from the end of the borrower's fiscal year or 30 days after receipt from the auditor, whichever is earlier. The audited financial statements must be submitted to the Federal Audit Clearinghouse.

- b. All borrowers exempt from the audit requirements cited in 1(a) above, and who do not otherwise have annual audits, will within 60 days following the end of the borrower's fiscal year furnish Rural Development with annual financial statements, consisting of a verification of the organizations, balance sheet and statement of income and expenses.

Grantees exempt from the audit requirements cited in 1(a) above, and who do not otherwise have annual audits, will within 60 days following the end of the fiscal year in which any grant funds were expended furnish Rural Development with annual financial statements consisting of a verification of the organizations, balance sheet and statement of income and expenses.

The borrower/grantee may use Forms RD 442-2 "Statement of Budget, Income and Equity" and 442-3 "Balance Sheet", or similar format to provide the financial information. For borrowers using Form RD 442-2, the dual purpose of fourth quarter management reports, when required, and annual statements of income will be met with this one submission.

2. **Audit agreement**—If you are required to obtain the services of a licensed Certified Public Accountant (CPA), you must enter into a written audit agreement with the auditor. The audit agreement may include terms and conditions that you and auditor deem appropriate.

REQUEST FOR OBLIGATION OF FUNDS

INSTRUCTIONS-TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED () Complete Items 1 through 29 and applicable Items 30 through 34. See FMI.			
1. CASE NUMBER ST CO BORROWER ID		LOAN NUMBER	FISCAL YEAR
2. BORROWER NAME		3. NUMBER NAME FIELDS (1, 2, or 3 from Item 2)	
		4. STATE NAME	
		5. COUNTY NAME	
GENERAL BORROWER/LOAN INFORMATION			
6. RACE/ETHNIC CLASSIFICATION 1 - WHITE 2 - BLACK 3 - AI/AN 4 - HISPANIC 5 - A/PI	7. TYPE OF APPLICANT 1 - INDIVIDUAL 2 - PARTNERSHIP 3 - CORPORATION 4 - PUBLIC BODY 5 - ASSOC. OF FARMERS 6 - ORG. OF FARMERS 7 - NONPROFIT-SECULAR 8 - NONPROFIT-FAITH BASED 9 - INDIAN TRIBE 10-PUBLIC COLLEGE/UNIVERSITY 11-OTHER	8. COLLATERAL CODE 1-REAL ESTATE SECURED 2-REAL ESTATE AND CHATTEL 3 - NOTE ONLY OR CHATTEL ONLY 4 - MACHINERY ONLY 5 - LIVESTOCK ONLY 6 - CROPS ONLY 7 - SECURED BY BONDS 8 - RLF ACCT	9. EMPLOYEE RELATIONSHIP CODE 1 - EMPLOYEE 2 - MEMBER OF FAMILY 3 - CLOSE RELATIVE 4 - ASSOC.
10. SEX CODE 1 - MALE 2 - FEMALE 3 - FAMILY UNIT 4 - ORGAN. MALE OWNED 5 - ORGAN FEMALE OWNED 6 - PUBLIC BODY	11. MARITAL STATUS 1 - MARRIED 2 - SEPARATED 3 - UNMARRIED (INCLUDES WIDOWED/DIVORCED)	12. VETERAN CODE 1 - YES 2 - NO	13. CREDIT REPORT 1 - YES 2 - NO
14. DIRECT PAYMENT (See FMI)	15. TYPE OF PAYMENT 1 - MONTHLY 2 - ANNUALLY 3 - SEMI-ANNUALLY 4 - QUARTERLY	16. FEE INSPECTION 1 - YES 2 - NO	
17. COMMUNITY SIZE 1 - 10,000 OR LESS (FOR SFH AND HPG ONLY) 2 - OVER 10,000	18. USE OF FUNDS CODE (See FMI)		
COMPLETE FOR OBLIGATION OF FUNDS			
19. TYPE OF ASSISTANCE (See FMI)	20. PURPOSE CODE	21. SOURCE OF FUNDS	22. TYPE OF ACTION 1 - OBLIGATION ONLY 2 - OBLIGATION/CHECK REQUEST 3 - CORRECTION OF OBLIGATION
23. TYPE OF SUBMISSION 1 - INITIAL 2 - SUBSEQUENT	24. AMOUNT OF LOAN	25. AMOUNT OF GRANT	
26. AMOUNT OF IMMEDIATE ADVANCE	27. DATE OF APPROVAL MO DAY YR	28. INTEREST RATE %	29. REPAYMENT TERMS
COMPLETE FOR COMMUNITY PROGRAM AND CERTAIN MULTIPLE-FAMILY HOUSING LOANS			
30. PROFIT TYPE 1 - FULL PROFIT 2 - LIMITED PROFIT 3 - NONPROFIT			
COMPLETE FOR EM LOANS ONLY		COMPLETE FOR CREDIT SALE-ASSUMPTION	
31. DISASTER DESIGNATION NUMBER (See FMI)	32. TYPE OF SALE 1 - CREDIT SALE ONLY 2 - ASSUMPTION ONLY 3 - CREDIT SALE WITH SUBSEQUENT LOAN 4 - ASSUMPTION WITH SUBSEQUENT LOAN		
FINANCE OFFICE USE ONLY		COMPLETE FOR FP LOANS ONLY	
33. OBLIGATION DATE MO DA YR	34. BEGINNING FARMER/RANCHER (See FMI)		

If the decision contained above in this form results in denial, reduction or cancellation of USDA assistance, you may appeal this decision and have a hearing or you may request a review in lieu of a hearing. Please use the form we have included for this purpose.

Position 2

ORIGINAL - Borrower's Case Folder

COPY 1 - Finance Office

COPY 2 - Applicant/Lender

COPY 3 - State Office

CERTIFICATION APPROVAL

For All Farmers Programs

EM, OL, FO, and SW Loans

This loan is approved subject to the availability of funds. If this loan does not close for any reason within 90 days from the date of approval on this document, the approval official will request updated eligibility information. The undersigned loan applicant agrees that the approval official will have 14 working days to review any updated information prior to submitting this document for obligation of funds. If there have been significant changes that may affect eligibility, a decision as to eligibility and feasibility will be made within 30 days from the time the applicant provides the necessary information.

If this is a loan approval for which a lien and/or title search is necessary, the undersigned applicant agrees that the 15-working-day loan closing requirement may be exceeded for the purposes of the applicant's legal representative completing title work and completing loan closing.

35. COMMENTS AND REQUIREMENTS OF CERTIFYING OFFICIAL

36. I HEREBY CERTIFY that I am unable to obtain sufficient credit elsewhere to finance my actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near my community for loans for similar purposes and periods of time. I agree to use the sum specified herein, subject to and in accordance with regulations applicable to the type of assistance indicated above, and request payment of such sum. I agree to report to USDA any material adverse changes, financial or otherwise, that occur prior to loan closing. I certify that no part of the sum specified herein has been received. I have reviewed the loan approval requirements and comments associated with this loan request and agree to comply with these provisions.

(For FP loans at eligible terms only) If this loan is approved, I elect the interest rate to be charged on my loan to be the lower of the interest rate in effect at the time of loan approval or loan closing. If I check "NO", the interest rate charged on my loan will be the rate specified in Item 28 of this form. _____ YES _____ NO

WARNING: Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both."

Date _____, 20 _____
(Signature of Applicant)

Date _____, 20 _____
(Signature of Co-Applicant)

37. I HEREBY CERTIFY that all of the committee and administrative determinations and certifications required by regulations prerequisite to providing assistance of the type indicated above have been made and that evidence thereof is in the docket, and that all requirements of pertinent regulations have been complied with. I hereby approve the above-described assistance in the amount set forth above, and by this document, subject to the availability of funds, the Government agrees to advance such amount to the applicant for the purpose of and subject to the availability prescribed by regulations applicable to this type of assistance.

(Signature of Approving Official)

Typed or Printed Name: _____

Date Approved: _____ Title: _____

38. TO THE APPLICANT: As of this date _____, this is notice that your application for financial assistance from the USDA has been approved, as indicated above, subject to the availability of funds and other conditions required by the USDA. If you have any questions contact the appropriate USDA Servicing Office.

LETTER OF INTENT TO MEET CONDITIONS

Date _____

TO: United States Department of Agriculture

(Name of USDA Agency)

(USDA Agency Office Address)

We have reviewed and understand the conditions set forth in your letter dated _____. It is our intent to meet all of them not later than _____.

(Name of Association)
BY _____

(Title)

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a persons is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0015 and 0570-0062. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data. needed, and completing and reviewing the collection of information.

RESOLUTION # 025-004

**USDA Rural Development Community Facilities Grant Application for the City of Ironwood
Public Safety Department**

At a Special Meeting of the City Commission of the City of Ironwood held on the 17th day of February 2025, at 4:00 p.m. in the Commission Chambers of the Memorial Building in the City of Ironwood, Michigan, the following Resolution was offered by Commissioner _____ and supported by Commissioner _____.

WHEREAS, the City of Ironwood submitted an application to USDA Rural Development in July 2024 requesting federal assistance in the amount of \$481,000 through their Community Facilities (CF) Grant Program.;

WHEREAS, This grant opportunity is to offset the cost of a new pumper fire truck for the Ironwood Public Safety Department; and,

WHEREAS, the City of Ironwood has made a financial commitment to the project in the amount of \$394,000; and,

WHEREAS, the City of Ironwood understands that the total project cost may increase and is committed to funding all project costs not covered by the grant; and,

WHEREAS, the City of Ironwood received a Letter of Conditions that must be understood and agreed to before further consideration may be given to the application for assistance under the CF Program; and,

NOW, THEREFORE, BE IT RESOLVED that the City of Ironwood hereby agrees to the Letter of Conditions and authorizes the Mayor to sign 1) Form RD 1942-46, "Letter of Intent to Meet Conditions," and 2) Form RD 1940-1, "Request for Obligation of Funds."

NOW, THEREFORE, BE IT FURTHER RESOLVED that the City of Ironwood authorizes the Mayor to sign all applicable documents associated with this grant.

The following yes votes were recorded: Commissioners _____

The following no votes were recorded:

Absent:

RESOLUTION DECLARED ADOPTED

Kim Corcoran, Mayor

I, Jennifer Jacobson, the duly appointed City Clerk of the City of Ironwood, Michigan, do hereby certify that the foregoing is a true copy of a Resolution adopted by the City Commission of the City of Ironwood at its Regular Meeting on February 17, 2025.

Jennifer Jacobson, City Clerk