

## Special Appropriation Grant Grant Application

**The Cover Sheet must be completed by all applicants requesting financial assistance.**

**Project Name and Address:**

IRA Civic Center  
1401 NW 3<sup>rd</sup> Avenue

<b>Applicant: City of Grand Rapids</b>	
Project Contact Person: Barb Baird	Email address: bbaird@ci.grand-rapids.mn.us
Title: Finance Director	
Address: 420 North Pokegama Avenue	
City: Grand Rapids	MN, Zip Code: 55744
Phone: 218.326.7615	

**Engineer/Architect Information**

Project Contact Person: Sean Lewis	Email address: sean.lewis@ics-builds.com
Title: Sr. Project Manager	
Address: 104 Park Ave., Suite 201	
City: Park Rapids	MN, Zip Code: 56470
Phone: 218.766.5779	

**The following describes the grant information and allowable expenditures.**

**Qualified grantee** – City of Grand Rapids

**Qualified expenditures-** General Obligation Bond eligible expenses directly related to the design, construction, and equipping of capital improvements to the IRA Civic Center. This appropriation includes money for replacement of the truss/roof structure, replacement of the facility's existing ice-making system, and other improvements and betterments of a capital nature for health, safety, and Americans with Disabilities Act (ADA) compliance.

**Grant Amount-** \$5,000,000 – This appropriation is not available until the Commissioner of Minnesota Management and Budget determines that full funding has been committed to the project.

**Submittal:** Please submit as a pdf to:

Minnesota Department of Employment and Economic Development  
Attention: Patrick H. Armon/Community Finance Office  
First National Bank Building  
332 Minnesota Street, Suite E200  
St. Paul, MN 55101

If some attachments are not easily e-mailed as a pdf, please contact Patrick Armon.

# Narrative Section

Please provide your answer to each question in the space provided. Attach any supporting documents to the back of this application.

## General Narrative

1. Please give a general summary of the project. Attach any relevant photos that may assist with understanding of the project:

The IRA Civic Center was originally constructed in 1962 by the Itasca Recreation Association, hence the “IRA” in IRA Civic Center. This facility has been a regional asset for over fifty-seven years hosting trade shows, classic car events, high school graduations, weddings, amateur ice sports, and many other types of events. In addition, it serves as an election polling facility and an emergency shelter.

Recognizing the age of the facility, over fifty-seven years, it has need for critical infrastructure upgrades. The city is planning to use special appropriation grant funds to design, construct and equip capital improvements to the IRA. In particular, the west venue roof and refrigeration are in need of replacement. Because of two truss failures, most recently in November of 2017, the City had two structural engineering firms review and structurally analyze the West Venue truss system. Detail follows:

- Volunteers constructed the original wood truss system in 1962.
- It was donated to the City in 1968.
- It was designed to carry 20 pounds per square foot (psf), current building code is 46 psf.
- Two truss members have failed with the most recent in November of 2017.
- The truss/roof system has been modeled/analyzed by Jon Aamodt, a registered structural engineer in the State of Minnesota. Highlights of his opinions and recommendations follow:
  - *“In our professional opinion, the severe under-capacity of the 1962 roof trusses is a **dangerous condition** and **should be corrected.**”*
  - *“**Signage** should be considered to **warn the public and employees** of the significant under-capacity of the roof structure for snow loading.”*
  - *“In our professional opinion the **West facility should not be used** in the winter months unless/until the building official, building ownership and other parties agree on temporary measures to protect the public and adjacent structures.”*
  - *“The **venue should be closed during a significant snow event**, with the understanding that a partial failure has occurred with less than 6 inches of snow on the roof.”*
- To address these recommendations/opinions the City has instituted the following:

- Signs have been placed at entry doors warning the public of the dangerous situation.
- All snowfall events are immediately removed from the roof.
- Events are cancelled when heavy snowfall is occurring.

Other needs at the Civic Center include:

- The refrigeration system is starting to fail and utilizes R-22 coolant which can no longer be produced or imported to the United States.
- The HVAC systems are over 40 years in age, have exceeded their life, and require replacement.
- The locker rooms have shared bathrooms creating conflict when scheduling girls and boys events.
- Accessibility does not meet current ADA laws requiring the installation of an elevator.

See Attachment “A” for pictures.

2. Attach a map of the city of Grand Rapids with the location of the project indicated on the map. Also attach a zoning map with the project located on the zoning map:

Project meets local zoning. See Attachment “B” and “C” for maps.

3. Attach engineering and/or architectural total project cost estimate documents:

See Attachment “D” for estimate.

4. Provide evidence (attach, if possible at this point) of who currently owns the property, who will own the property during construction, and who will own the property at time of completion:

See Attachment “E” for Abstract. The city will own and maintain the property during and after construction.

5. Attach the current operating, maintenance and reserve (OM&R) budget that corresponds with the project and projected operational project budgets for the two years after project completion. If any of the projected budgets are not yet available, please indicate when they will be:

See Attachment “F” for Budgets. Future OM&R budgets will be provided as they are proposed and adopted.

6. Will any functions of project operations be contracted out to entity(s) that are not employees of the city? If so, please describe those functions and outline their role(s):

The City will not be contracting any of the operations of the IRA Civic Center. All employees involved with operation and maintenance of the Center are city employees.

7. Outline what permits will be needed for project construction:

The City will need to issue a building permit.

8. Will any employees or entities operating, maintaining or managing the project need any professional licenses or certification to carry out their duties:

The only employee required to have a license is Chad Moen, Maintenance and Plant Operator. Please see Appendix "G" for his license.

9. Will liquor and/or beer be sold at any place in the facility? If so, please be prepared to provide licensing that allows such sales during project implementation:

The City does not sell liquor and/or beer in the facility. When users of the facility serve liquor and/or beer, the licensed provider transfers their liquor license or a non-profit can apply for a temporary 3.2 or temporary liquor license.

10. Does the city have any future plans to use this facility for any purpose other than stated in the enabling legislation (civic center)?

The City does not have any future plans to use the IRA Civic Center for any purpose other than stated in the enabling legislation and this application.

11. Will the city be renting any facilities within the project to any entities? If so explain. If so, would any of them be frequent users?

The City primarily rents the facility to ISD 318 and the Grand Rapids Amateur Hockey Association. They primarily utilize the facility from October through March every winter.

12. Among the activities eligible for grant funds listed in the legislation are: *Other improvements and betterments of a capital nature for health, safety, and Americans with Disabilities Act (ADA) compliance.* Please outline what specific improvements and betterments are planned. Make sure they are also listed in the sources and uses budget on the next page:

The ADA improvements consist of the installation of an elevator, accessible seating areas within the west venue bleachers.

The health and safety improvements include the replacement of HVAC systems, locker room upgrades, electrical upgrades, and any other building code requirements.

13. Please review the STATE OF MINNESOTA CAPITAL GRANTS MANUAL ([https://mn.gov/mmb/assets/Capital%20Grants%20Manual%20May%202014%20REVISED\\_updated%20links\\_tcm1059-291111.pdf](https://mn.gov/mmb/assets/Capital%20Grants%20Manual%20May%202014%20REVISED_updated%20links_tcm1059-291111.pdf)) and attach a completed copy of the CAPITAL PROJECT CHECKLIST (pages 7-10 of manual):

## Sources and Uses Budget (\$5,000,000 Grant)

Project Activities	DEED	City	Bank	Other*	Total
Roof/Truss Replacement	\$2,426,450	\$2,426,450			\$4,852,900
Refrigeration/Ice Plant Replacement	\$1,135,285	\$1,135,286			\$2,270,571
Health & Safety Improvements	\$1,147,159	\$1,147,159			\$2,294,318
ADA Improvements	\$117,500	\$117,500			\$235,000
2 <sup>nd</sup> Level Lobby Renovation	\$0	\$1,860,394		\$173,606	\$2,034,000
Contingency	\$0	\$1,060,000			\$1,060,000
Equipment/Furnishings	\$0	\$525,000			\$525,000
Design Costs	\$173,606	\$2,145,078			\$2,318,684
<b>Total Costs</b>	<b>\$5,000,000</b>	<b>\$5,976,517</b>			<b>\$15,590,473</b>

## Project Timeline

Activity	Finish mm/yy
All permits in place	02/23
Project out for public bid	8/22
Bid accepted	9/22
Project started	04/23
Project complete	11/23
Project inspected and operational	11/23



ATTACHMENT "A"

Picture of Failed Truss Member



Snow Removal after EVERY snowfall

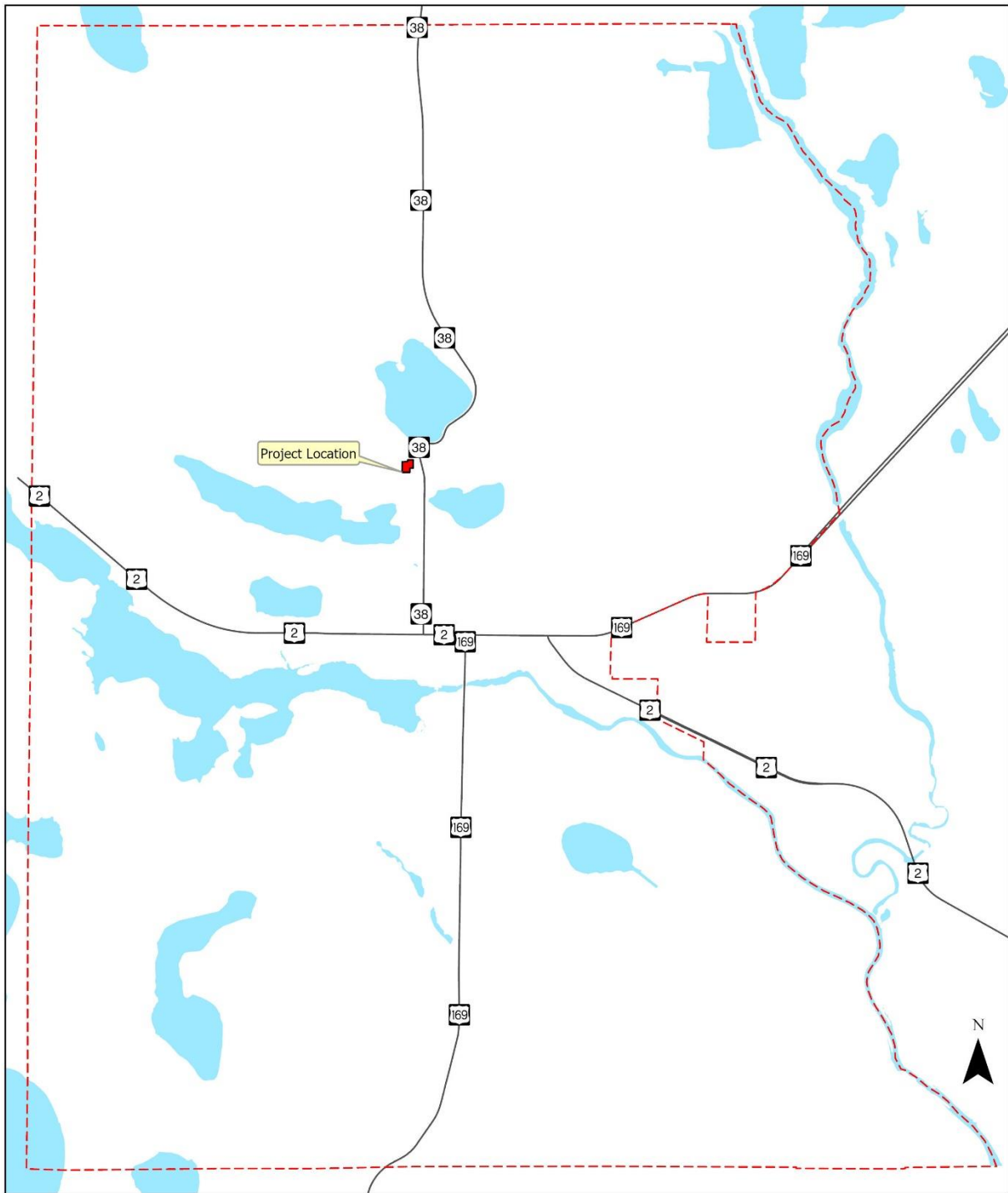




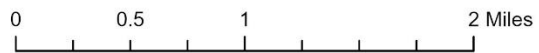
**Notice safety precautions with harnesses and ropes**



ATTACHMENT "B"



- IRA Civic Center / Project Location
- Grand Rapids Streets
- City Limits
- River
- Lake

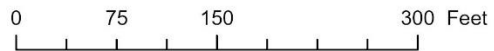


ATTACHMENT "C"



Zone

- Shoreland One and Two-Family Residence
- Shoreland Multi-Family Residence
- Shoreland General Business
- Shoreland Public Use



ATTACHMENT "D"

IRA Civic Center	
Opinion of Cost	
Based on Low Bid Actual Cost	
15-Aug-22	
<b>Item</b>	<b>Actual Cost</b>
Demolition	274,900
New Roof Truss Structure	4,578,000
2nd Level Lobby Renovation	2,144,000
Equipment & Furnishings	525,000
Ice Plant Improvements	2,270,571
New Elevator, select ADA Improvements	125,000
Mechanical	979,100
Electrical	910,000
Professional Services	2,318,684
Contingency	1,060,000
Parking Lot Improvements	0
Bid Alternate 1 - Suite	194,665
Bid Alternate 2 HVAC Upgrades	180,963
Bid Alternate 3 Mech. Rm. Renovation	29,590
<b>Total Project Cost</b>	<b>15,590,473</b>

ATTACHMENT "E"

WARRANTY DEED

250191

This Indenture, Made this 12th day of March, 1966, between McVeigh Dunn Post No. 60 American Legion, Department of Minnesota, a corporation under the laws of the State of Minnesota, party of the first part, and Villaze of Grand Rapids, a municipal Corporation of Grand Rapids, Minnesota, party of the second part,

WITNESSETH, That the said party of the first part, in consideration of the sum of One Dollar and other valuable considerations, to it in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, does hereby Grant, Bargain, Sell and Convey unto the said party of the second part, its successors and assigns, Forever, all the tracts or parcels of land lying and being in the County of Itasca, and State of Minnesota, described as follows, to-wit:

Lots Six (6) to Eleven (11), Inclusive, Block Two (2), Lots One (1) to Twelve (12), Inclusive, Block Three (3), and Lots One (1) to Six (6), Inclusive, Block Four (4), Chalberg Addition to Grand Rapids.

That part of the South Half of Northwest Quarter of the Southwest Quarter of the Northwest Quarter (S $\frac{1}{2}$  NW $\frac{1}{4}$  SW $\frac{1}{4}$  NW $\frac{1}{4}$ ), Section Sixteen (16), Township Fifty-five (55) North, Range Twenty-five (25) lying West of the Highway.

The South Half of the North Half of the Southeast Quarter of the Northeast Quarter (S $\frac{1}{2}$  of N $\frac{1}{2}$  of SE $\frac{1}{4}$  NE $\frac{1}{4}$ ), Section Seventeen (17), Township Fifty-five (55) North, Range Twenty-five (25), West of the Fourth Principal Meridian.

All that part of the South Half of the Southeast Quarter of the Northeast Quarter (S $\frac{1}{2}$  of SE $\frac{1}{4}$  NE $\frac{1}{4}$ ), Section Seventeen (17), Township Fifty-five (55), North, Range Twenty-five (25), West of the Fourth Principal Meridian described and bounded as follows:

Beginning at the Northeast corner of said S $\frac{1}{2}$  of SE $\frac{1}{4}$  NE $\frac{1}{4}$  Section 17-55-25, thence South on the line between Sections 16 and 17, a distance of 192.5 feet, thence West at an angle from South to West, of ninety degrees (90°), twenty-one minutes (21'), a distance of 1185.17 feet, thence North at an angle from West to North, of Eighty-nine degrees (89°), Forty-nine minutes (49'), a distance of 200.83 feet, to the North line of the S $\frac{1}{2}$  of the SE $\frac{1}{4}$  NE $\frac{1}{4}$ , thence East on the said North line, a distance of 1183.20 feet, to the point of beginning.

Lots Two (2), Three (3), and Four (4), Section Seventeen (17), Township Fifty-five (55) North, Range Twenty-five (25), West of the Fourth Principal Meridian.

Subject to mineral reservations of record, and subject to existing leases to the following: Independent School District No. 318, Itasca Recreational Association, and Itasca Gun Club.

This conveyance is also made subject to the following conditions and restrictions, to-wit:

- 1. The name of the area shall remain "American Legion Memorial

*Handwritten signature and notes:*  
9th day of May A.D. 1966  
R. J. WILSON  
County Clerk



ATTACHMENT "F"

CITY OF GRAND RAPIDS					
CIVIC CENTER DEPARTMENT					
2022 BUDGET, YEAR TO DATE, PROPOSED 2023 BUDGET, and FUTURE 2024, 2025					
	2022	ACTUAL	PROPOSED	FUTURE	FUTURE
	BUDGET	YTD	2023	2024	2025
		8/31/2022	BUDGET	BUDGET	BUDGET
<b>REVENUES:</b>					
CHARGES FOR SERVICES					
Open Skating	2,500	1,039	1,000	1,000	1,000
<b>TOTAL CHARGES FOR SERVICES</b>	<b>2,500</b>	<b>1,039</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>
MISCELLANEOUS REVENUE					
Rent-Ice-Other	103,813	65,286	60,000	60,000	60,000
GRAHA	215,000	88,644	223,800	231,600	238,800
ISD 318	177,187	115,544	179,845	185,240	190,797
Rent-Summer Ice	62,000	-	-	45,000	50,000
Rent - Dry Floor	5,000	18,248	-	9,000	9,000
Rent - Table/Chair	1,000	3,388	2,000	2,000	2,000
Advertising Signs	67,000	60,346	70,000	70,000	70,000
Zamboni Advertising	4,000	3,000	3,000	3,000	3,000
Skate Sharpening	1,000	310	1,000	1,000	1,000
Miscellaneous	-	1,082	-	-	-
Video Game Vending	500	765	600	600	600
<b>TOTAL MISCELLANEOUS REVENUE</b>	<b>636,500</b>	<b>356,611</b>	<b>540,245</b>	<b>607,440</b>	<b>625,197</b>
<b>TOTAL REVENUES</b>	<b>\$ 639,000</b>	<b>\$ 357,649</b>	<b>\$ 541,245</b>	<b>\$ 608,440</b>	<b>\$ 626,197</b>
<b>EXPENDITURES:</b>					
Salary-Fulltime	105,566	56,553	79,412	81,596	84,044
Salary-Fulltime/Overtime	-	-	-	-	-
Salary-Parttime	91,616	41,277	66,385	68,211	70,257
Salary-Parttime/Overtime	2,010	142	2,010	2,065	2,127
Contracted Svs - Police/Alleman	2,010	591	20,904	21,479	22,123
PERA	9,958	6,558	9,249	9,503	9,788
FICA	12,350	5,782	9,164	9,416	9,698
Medicare	2,917	1,361	2,172	2,232	2,299
Health Insurance	29,135	16,828	28,611	30,042	31,544
Life Insurance	39	97	39	39	39
Healthcare Savings	-	1,496	-	-	-
Reemployment Insurance	1,010	-	1,010	1,010	1,010
Workers Compensation	7,277	3,718	5,755	5,755	5,755
Total Personnel	263,888	134,402	224,711	231,347	238,684

<b>CITY OF GRAND RAPIDS</b>					
<b>CIVIC CENTER DEPARTMENT</b>					
<b>2022 BUDGET, YEAR TO DATE, PROPOSED 2023 BUDGET, and FUTURE 2024, 2025</b>					
	2022	ACTUAL	PROPOSED	FUTURE	FUTURE
	BUDGET	YTD	2023	2024	2025
	BUDGET	8/31/2022	BUDGET	BUDGET	BUDGET
Office Supplies	500	162	500	500	500
Copy Supplies	-	-	-	-	-
Assets Between \$700 - \$4,999	-	5,027	-	-	-
Inventorial Supplies	-	959	-	-	-
Operating Supplies	8,000	5,876	5,000	5,000	5,000
MUP Supplies	-	-	-	-	-
Dry Floor Event Supplies	1,500	6,062	-	-	-
Motor Fuels	400	177	300	300	300
Maintenance Tools/Sup	1,200	2,559	1,200	1,200	1,200
Uniforms/Clothing/Safety	1,500	500	-	-	-
Concessions Supplies	-	-	-	-	-
Vending Supplies	-	-	-	-	-
Pro Shop Supplies	-	-	-	-	-
<b>Total Supplies &amp; Materials:</b>	<b>13,100</b>	<b>21,322</b>	<b>7,000</b>	<b>7,000</b>	<b>7,000</b>
Professional Service	-	138	-	-	-
Accounting/Auditing Services	11,700	1,011	7,000	7,000	7,000
Legal	-	-	-	-	-
Other Contract Services	5,600	4,611	5,600	5,600	5,600
Facilities Maintenance Charge	-	-	-	-	-
Telephone	5,000	2,777	4,400	4,400	4,400
Postage/Freight	-	-	100	100	100
Seminar/Meetings/Schools	1,000	400	1,000	1,000	1,000
Auto Licenses	-	19	-	-	-
Publishing & Advertising	350	-	-	-	-
General Insurance	9,700	13,800	10,000	10,000	10,000
Electricity	105,000	86,421	130,000	100,000	100,000
Water	4,500	3,225	3,000	6,000	6,000
Sewer	3,500	3,128	2,500	6,000	6,000
Garbage Removal	7,000	5,380	3,500	6,000	6,000
Heat-Natural Gas	35,000	7,768	20,000	35,000	35,000
Maintenance Contracts	-	-	-	-	-
Building Maint/Repairs	25,000	32,558	20,000	20,000	20,000
Computer Maintenance/Repair	1,000	-	1,000	1,000	1,000
Gen Equip Maint/Repair	30,000	19,473	30,000	30,000	30,000
MC/VISA Bank Charges	-	559	-	-	-
Dues & Subscriptions	1,000	526	-	-	-
Advertising Production	1,000	661	1,000	1,000	1,000
Summer Ice Programming	3,000	19	-	3,500	3,500
Marketing	1,000	-	-	-	-
Copy Machine Lease	400	267	400	400	400
Loan Repayment	14,583	-	-	-	-
Operating Transfer-Out	-	24,437	-	-	-
<b>Total Other Charges &amp; Services:</b>	<b>265,333</b>	<b>207,180</b>	<b>239,500</b>	<b>237,000</b>	<b>237,000</b>
<b>TOTAL EXPENDITURES</b>	<b>542,321</b>	<b>362,904</b>	<b>471,211</b>	<b>475,347</b>	<b>482,684</b>
<b>Excess Revenue &gt; Expenditures:</b>	<b>\$ 96,679</b>	<b>\$ (5,254)</b>	<b>\$ 70,034</b>	<b>\$ 133,093</b>	<b>\$ 143,513</b>



APPENDIX "G"

