

Cambridge Economic Development Authority (EDA)
August 19, 2013

Pursuant to due call and notice thereof, a regular meeting of the Cambridge Economic Development Authority (EDA) was held on Monday, August 19, 2013 at Cambridge City Center, 300 3rd Ave NE, Cambridge, Minnesota, 55008.

Members Present: President Lisa Iverson, Vice President Chris Caulk and EDA members Howard Lewis, Marlys Palmer, and Corey Buström

Members Absent: None

Others Present: Executive Director Woulfe, City Planner Westover, and Finance Director Moe

Call to Order

President Iverson called the meeting to order at 6:04pm.

Approval of Agenda

Caulk moved, seconded by Buström, to approve the agenda as presented. Motion carried unanimously.

Consent Agenda

Lewis moved, seconded by Palmer, to approve the consent agenda as follows:

- A. July 15, 2013 EDA meeting minutes
- B. EDA Housing Division Financial Statements for June 2013
- C. Housing Division Bills check #16585-#16675 totaling \$64,921.88
- D. EDA Bills check #93573 to #93958 totaling \$10,961.69

Upon call of the roll, Buström, Caulk, Palmer, Lewis and Iverson voted aye. No nay. Motion carried unanimously.

New Business

Award Contract for Door Replacement for Unit 178 in City Center Mall

Westover stated Unit 178 of City Center Mall is in need of new doors as the use of the space is changing with the Center for the Arts moving in. Westover stated the change of use requires panic hardware for exiting purposes according to the Building Code and the existing main entrance doors do not have panic hardware, the locks are worn out, and the threshold is missing. Westover stated the back door does not have panic hardware and this door will need to be replaced with a door that has panic hardware.

Westover stated the options for the main entrance doors are for a single door with two glass sidelights or a double door. Westover stated the existing door is a double door and in order to install a new double door, the existing glass windows on the walls on each side of the door need to be tempered glass. Westover explained this is a new code requirement. Westover reported the existing glass window on the right side of the door opening is already tempered glass, however the glass window on the left side of the door is not tempered. Westover stated the glass window on the left side would need to be replaced with tempered glass, however, if the single

door option is chosen, the glass window can remain as is. Westover stated the use of the space with a single door will satisfy the needs of the new tenant.

Westover reviewed the bids from two local glazing companies and reported Heat Mizer Glass was the low bidder.

Bustrom stated he felt if staff thought there was a need in the future for a double door it would benefit the City to stay with the double door option. Westover confirmed staff did not feel there was a need for double doors.

Lewis moved, seconded by Bustrom to approve the low bid contract with Heat Mizer Glass to replace the main entrance doors with a single door with two sidelights and panic hardware and replace the back door with panic hardware in the amount of \$4,865.00. Motion passed unanimously.

Lease Amendment for the Cambridge Center for the Arts

Woulfe stated Lisa McKinnis, owner of In His Steps Ballet, had a “non-compete” clause in her lease that limits the City’s ability to rent space in the mall to specific businesses. Woulfe reviewed the clause and it states “Landlord covenants that Tenant will have exclusivity during this period of the lease, and for all renewals. Specifically, landlord will not allow any competitor of dance, piano, drama, art, or voice to lease at the property, at 140 Buchanan Street, Cambridge, MN 55008, as long as the tenant remains current on rental payments.”

Woulfe reported when she read the non-compete clause, she did not see Cambridge Center for the Arts as a competitor to In His Steps Ballet; however, In His Steps Ballet strongly believes the Center for the Arts is in direct competition with her for students. Woulfe stated Lisa provides piano, vocal, violin, flute, and oboe lessons so this would be in competition if Cambridge Center for the Arts did the same thing.

Woulfe stated staff met with Cambridge Center for the Arts and they have agreed to not occupy the space until January 1, 2014 and have agreed to limit their activities to visual art and visual art classes until May 2014. Woulfe stated they would like to use the space at City Center Mall to get their art in a climate controlled storage environment from September through December. Woulfe stated Cambridge Center will maintain their current space on 2nd Avenue SE through May 2014. Woulfe stated the revised lease reflects a reduced rent from January 1, 2014 to May 31, 2014 and no rent for September 1, 2013 to December 31, 2013 since the lease limits their ability to do business. Woulfe stated this could save the City the cost of legal fees fighting this lease issue out.

Woulfe stated notice must be provided to In His Steps Ballet that the EDA will not allow her lease to go on a month to month basis after May 2014 unless different lease language is negotiated.

Bustrom moved, seconded by Caulk to adopt the revised lease as presented and directed staff to notify In His Steps Ballet the EDA will not allow the lease to go on a month to month basis after May 2014 unless they can negotiate different lease language. Motion passed unanimously.

Approve Energy Audit for Bridge Park Apartments

Moe stated at the March 18, 2013 the Cambridge EDA Board approved a proposal submitted by Lakes and Pines in the amount of \$800 to conduct a Green Physical Needs Assessment

mandated by HUD. Moe stated in conjunction with the GPNA, the City is also required to have an energy audit which was not included in the GPNA initial proposal.

Moe stated she contacted Richard Fuchs from Lakes & Pines to inquire if they are able to provide an audit in compliance with HUD requirements. Moe reported Mr. Fuch's stated Lakes & Pines has an auditor with energy training, experience and the ability to conduct the audit and he submitted a proposal in the amount of \$2,000. Moe stated they solicited a bid from Eden Engineering which is the firm that conducted the last energy audit in December 2007 and a proposal was received from them in the amount of \$2,500. Moe stated they contacted Energy Services out of St. Cloud and did not receive a call back. Moe reported HUD requires PHAs to conduct energy audits every five years.

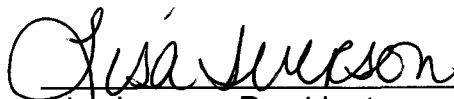
Lewis moved, seconded by Palmer to approve the proposal to perform an energy audit submitted by Lakes and Pines in the amount of \$2,000. Motion passed unanimously.

Unfinished Business

There was no unfinished business.

Adjournment

Lewis moved, seconded by Bustron, to adjourn the meeting at 6:25 p.m. The motion carried unanimously.



Lisa Iverson, President

ATTEST:



Lynda J. Woulfe, Executive Director