

**Cambridge Economic Development Authority (EDA)
September 3, 2013**

Pursuant to due call and notice thereof, a regular meeting of the Cambridge Economic Development Authority (EDA) was held on Tuesday, September 3, 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, Housing Supervisor Fromm, and Economic Development Director Gustafson

Call to Order

President Iverson called the meeting to order at 4:30 pm.

Approval of Agenda

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

Consent Agenda

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

- A. Approve August 19, 2013 EDA meeting minutes
- B. EDA Financial Statements for July 2013
- C. Housing Division Bills check #16676-#16679 and ACH transactions totaling \$65,971.88

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

New Business

Housing Supervisor Report

The Housing Supervisor report was accepted as presented.

Resident Meeting Minutes

The Resident Meeting minutes were accepted as presented.

Approve EDA Resolution R13-007 – 2013 Adopting Annual Statement and Five Year Capital Plan for HUD

Fromm reported on an annual basis, qualified PHAs are required to develop an annual statement and a five-year CFP action plan. PHAs must also complete certifications to be sent to the local field office which are: ACC Amendment, HUD – 50071: Certification of Payments to Influence Federal Transactions, HUD – 50077 – CR: Civil Rights Certification, SF – LLL – Disclosure of Lobbying Activities, and Certification of Exemption for HUD Funded Projects.

Fromm reviewed the list of their current projected projects and stated once the GPNA and energy audits are completed, they may be revamping the proposed list of projects.

Discussion ensued regarding the possibility of moving up the entry security system upgrade and installing an electric door opener on the back interior door. The EDA had concerns regarding individuals in wheelchairs not being able to open that door with ease, especially in an emergency situation. Palmer asked staff to look at the plan and possibly revise the plan. Woulfe asked if staff needs to post notice to amend the PHA plan.

Lewis moved, seconded by Palmer to amend the PHA to upgrade the entry security system and install an electric door opener on the back interior door in 2013 instead of 2015 and direct staff to make the property change. Motion passed unanimously.

Bustrom moved, seconded by Lewis to approve EDA Resolution R13-007 the 2013 annual statement/five-year CFP plan as amended. Motion passed unanimously.

Discussion on Potential Changes to the Downtown Revolving Loan Fund Criteria

Gustafson stated Councilmember Lewis requested staff to bring forward a discussion on potential changes to the City's Downtown Revolving Loan Fund Guidelines that would allow for a \$5,000 grant to any downtown business that invested a minimum of \$10,000 to improve their buildings.

Gustafson stated staff is seeking EDA/Council direction on whether or not they wish staff to research the possibilities. Gustafson reported the current guidelines were approved by Council to assist businesses with renovation projects in downtown Cambridge.

Gustafson stated on May 6, 2013 the current guidelines and revolving loan fund were approved by Council to assist businesses with renovation projects in downtown Cambridge. Gustafson stated staff provided a draft Cambridge Downtown Revolving Loan Fund Guidelines, application, loan agreements, promissory note and a map of the area. Gustafson reported there is a \$96,251.00 fund balance available to loan to eligible participants.

Gustafson stated if the EDA would like to make a change in this policy by offering low interest loans and a grant option together, there would need to be discussion on what appropriate program guidelines would be.

Caulk confirmed it would be a grant which the business would not pay back. Caulk stated he would have a hard time giving out money without it being paid back. Caulk asked Lewis what the theory was behind this.

Lewis stated this request originated with the Downtown Task Force having concerns with empty buildings. Lewis stated the Task Force thought one reason why they were empty is because it could be cost prohibitive to upgrade the building to meet current codes. Lewis stated the Task Force thought it would be enticing to business owners to offer a \$5,000 grant and make them match the grant with their own \$5,000 so they have \$10,000 to make improvements. Lewis confirmed to date, the revolving loan fund has never been used.

Palmer stated she thinks this item should be moved to a work session agenda for further discussion which would give the Board the opportunity to discuss with businesses.

Iverson asked if Stan thought businesses were aware this loan is available. Gustafson stated he was unsure who knew about the loan option but in talking with business owners, it appears that banks offer better loan options. Iverson stated she would like staff to send out a mailing to businesses educating them about this loan and she would not be in favor of a grant.

Bustrom stated he would not be in favor of a grant and since no one has used this loan, he would be in favor of using the funds to make improvements to downtown in its entirety. Discussion ensued regarding the possibility of using the loan funds for the betterment of the downtown area. The Board directed staff to move this to a work session agenda item after the first of the year and, in the meantime, they will discuss with downtown business owners their ideas for use of that money.

Unfinished Business

There was no unfinished business.

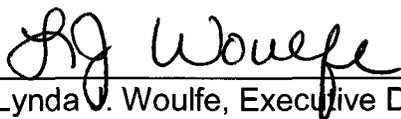
Adjournment

Lewis moved, seconded by Bustrom, to adjourn the meeting at 5:11 p.m. The motion passed unanimously.



Lisa Iverson, President

ATTEST:



Lynda V. Woulfe, Executive Director