

**Cambridge Economic Development Authority (EDA)
Special Meeting Minutes – September 21, 2015**

Pursuant to due call and notice thereof, a regular meeting of the Cambridge Economic Development Authority (EDA) was held on Monday, September 21, 2015 at Cambridge City Center, 300 3rd Ave NE, Cambridge, Minnesota, 55008.

Members Present: President Joe Morin, Vice President Howard Lewis, and EDA members Lisa Iverson, and Marlys Palmer

Members Absent: Tiffany Kafer

Others Present: Executive Director Lynda Woulfe, Economic Development Director Stan Gustafson

Call to Order

Morin called the meeting to order at 5:45 pm.

Approval of Agenda

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

Consent Agenda

Iverson moved, seconded by Lewis, to approve the consent agenda item A as presented:

A. Approve EDA meeting minutes

Upon call of the roll, Morin, Iverson, Palmer, Kafer, and Lewis voted aye, no nays. Motion carried unanimously.

New Business

Recommending the City Council Adopt a Property Tax Abatement and the Approval of the Property Tax Abatement Agreement, Loan, Mortgage, and Promissory Note for Motek-Team Industries 625 2nd Ave SE, Cambridge

Gustafson introduced Steve Kast from Motek-Team Industries (Motek). Gustafson explained that staff received an application for both tax abatement and a request for a revolving loan from Motek to assist with the loading dock area and parking lot. Gustafson reported that Motek has been in Cambridge since 1967. Their building is approximately 127,872 sq. ft. in the Southeast Industrial Park and covers an entire block. Gustafson stated Motek employs approximately 200 people with an average salary of approximately \$20.00 per hour excluding benefits. Motek also provides a good benefit package.

Gustafson explained Motek has loading docks that face westerly and use Cleveland Street South to back their trucks up to load and unload. Gustafson stated these docks have been there for 25 years and was originally constructed by Cambridge Metals and Plastics when they owned the building. Gustafson stated in the past this has worked but as time moves forward and trucks got bigger this started to create an issue with loading and unloading which creates a public safety issue from blocking the street at great length. Gustafson stated the trucks would need to drive over the curb in order to back their trucks in and back over the storm water catch basins which causes damage to and creates issues with the sewer and water lines underground.

Gustafson stated the 2016 street project provides an opportunity for Motek to relocate their dock doors to utilize their own property rather than the street for semi movements. Gustafson reported Motek receives around 25 trucks per day. Gustafson stated their plans are to start construction on this project on September 25, 2015 and complete the project by spring of 2016.

Gustafson reviewed the project costs which estimated at \$237,336 and indicated they are requesting a \$50,000 loan utilizing the Minnesota Investment Fund loan designed to assist manufacturers in projects like this. Gustafson stated the loan is amortized over 10 years at a 3% interest rate with a monthly principle and interest payment. Gustafson reported Motek is seeking 100% Tax Abatement for up to \$187,000.00 or 6 years whichever comes first.

Lewis asked about the public purpose on page 12. Gustafson stated the public purpose is job retention (150 jobs).

Lewis moved, seconded by Palmer, to recommend to the City Council to hold a Public Hearing and adopt the Property Tax Abatement, approve the Tax Abatement Agreement, Loan, Mortgage and Promissory Note for Motek-Team Industries, Inc. on the property located at 625 2nd Avenue SE, Cambridge. Motion passed 4/0 on roll call.

Unfinished Business

There was no unfinished business.


Adjournment

Lewis moved, seconded by Iverson, to adjourn the meeting at 5:55 p.m. Motion carried unanimously.



Joe Morin, President

ATTEST:



Lynda J. Woulfe, Executive Director