

Cambridge EDA Meeting – Monday November 18, 2024, 5:45 pm
City Council Chambers, 300 3rd Avenue NE
 Meeting Announcement and Agenda

Members of the audience are encouraged to follow along with the meeting's agenda. Agendas are available on the table just outside the Council Chambers entrance door.

Tentative Time	Agenda Item
5:45 pm	1. Call to Order
	2. Approval of Agenda
	3. Consent Agenda
	A. Approval of October 21, 2024, regular meeting minutes (p. 2)
	B. Approve EDA Draft September 2024 Financial Statements (p. 4)
	C. Approve EDA Admin Division Bills Checks # 130489 - # 130703 Totaling \$15,470.94 (p. 19)
	D. Housing Supervisor's Report (p. 28)
	4. Work Session
	5. Unfinished Business
	6. New Business
	A. Modification of lease for Suite 142 and 156 – Mondo's Pet Depot (p. 29)
5:50 pm	7. Adjourn

Notice to the hearing impaired: Upon request to City Staff, assisted hearing devices are available for public use. Accommodations for wheelchair access, Braille, large print, etc. can be made by calling City Hall at 763-689-3211 at least three days prior to the meeting.

Cambridge Economic Development Authority (EDA)

Regular Meeting Minutes – October 21, 2024

A regular meeting of the Cambridge Economic Development Authority (EDA) was held at Cambridge City Hall Council Chambers, 300 3rd Avenue NE, Cambridge, Minnesota, 55008.

Members Present: EDA members Bob Shogren (President), Mark Ziebarth, Lisa Iverson, and Jim Godfrey.

Members Absent: Aaron Berg

Staff present: Executive Director Moe, City Administrator Vogel, Deputy City Administrator Smith, City Engineer Anderson, and Assistant to the City Administrator Seiberlich.

Call to Order

Shogren called the meeting to order at 5:45 p.m.

Approval of Agenda

Ziebarth moved, seconded by Godfrey, to approve the agenda. Motion carried unanimously.

Consent Agenda

Iverson moved, seconded by Godfrey, to approve consent agenda items A – D:

- A. Approval of August 19, 2024, regular meeting minutes
- B. Approve EDA Draft July & August 2024 Financial Statements
- C. Approve EDA Admin Division Bills Checks # 129954 - # 130469 Totaling \$26,566.37
- D. Housing Supervisor's Report

Upon roll call, Godfrey, Shogren, Ziebarth, and Iverson voted aye, no nays. Motion carried unanimously.

Work Session

There were no items under the work session.

Unfinished Business

There were no items under unfinished business.

New Business

A. Pregnancy Resource Center Lease Renewal

Smith said Pregnancy Resource Center, a tenant of the City Center Mall, requested to renew their lease for one year. The current lease ends December 31, 2024, the renewal term would be January 1, 2025 to December 31, 2025 with just under a 3 percent increase from their previous lease.

Shogren asked if the lease was still for two suites, Smith replied the lease included suites 138 and 174.

Iverson motioned, seconded by Ziebarth, to approve the Pregnancy Resource Center lease renewal for 1 year at the listed rates. All voted aye, no nays, motion passed unanimously.

B. 2025 Payment Standard Adoption—Resolution EDA R24-004

Moe requested approval of the Resolution establishing the payment standards of the fair market rent (FMR) and undated utility allowance effective January 1, 2025. Currently, only one tenant pays this rate.

Godfrey motioned, seconded by Iverson, to approve the EDA Resolution No. EDA R24-004 as presented. All voted aye, no nays, motion passed unanimously.

Adjournment

Ziebarth moved, seconded by Iverson, to adjourn the meeting at 5:49 p.m. Motion carried unanimously.

Bob Shogren, President

ATTEST:

Caroline Moe, Executive Director

CITY OF CAMBRIDGE
BALANCE SHEET
SEPTEMBER 30, 2024

LOW RENT PROGRAM-BRIDGE PARK

ASSETS

901-10010	CASH AND INVESTMENTS	(4.70)	
901-10102	INVESTMENTS--PBC	122,023.51	
901-10200	EDA OPERATING ACCOUNT-LOW RENT	401,123.50	
901-16100	LAND AND LAND IMPROVEMENTS	134,042.37	
901-16200	BUILDINGS AND STRUCTURES	474,877.78	
901-16250	BUILDING IMPROVEMENTS	1,359,982.34	
901-16300	SITE IMPROVEMENTS	103,618.10	
901-16350	NON-DWELLING STRUCTURES	76,009.20	
901-16400	FURNITURE, EQUIPMENT, MACH-DWE	34,782.90	
901-16450	FURN, EQUIP, MACH-ADMIN	38,854.91	
901-16460	ACCUM DEPREC-FURN,EQUIP- ADMIN	(1,843,700.42)	
901-16500	CONSTRUCTION IN PROGRESS	800.00	
	TOTAL ASSETS		902,409.49

LIABILITIES AND EQUITY

LIABILITIES

901-20100	AP ALLOCATED TO OTHER FUNDS	791.38	
901-21650	ACCRUED VACATION & SICK PAY	2,891.56	
901-22600	TENANT SECURITY DEPOSITS	38,990.08	
	TOTAL LIABILITIES		42,673.02

FUND EQUITY

901-27200	UNRESTRICTED NET ASSETS	453,968.09	
901-27300	INVESTED IN CAPITAL ASSETS	301,555.77	
901-27400	HUD OPERATING RESERVE MEMO	227,249.46	
901-27500	HUD OPERATING RESERVE CONTRA	(227,249.46)	
	UNAPPROPRIATED FUND BALANCE: REVENUE OVER EXPENDITURES - YTD	104,212.61	
	BALANCE - CURRENT DATE	104,212.61	
	TOTAL FUND EQUITY		859,736.47
	TOTAL LIABILITIES AND EQUITY		902,409.49

CITY OF CAMBRIDGE
DETAIL REVENUES WITH COMPARISON TO BUDGET
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2024

FUND 901 - LOW RENT PROGRAM-BRIDGE PARK

	ADOPTED BUDGET	AMENDED BUDGET	YTD ACTUAL	UNUSED/ UNEARNED	% OF BUDGET	PRIOR YR YTD ACTUAL
<u>INTERGOVERNMENTAL REVENUES</u>						
901-33160 OPERATING GRANTS-HUD	90,000.00	90,000.00	84,707.00	5,293.00	94.12	111,842.00
TOTAL INTERGOVERNMENTAL REVE	90,000.00	90,000.00	84,707.00	5,293.00	94.12	111,842.00
<u>INTEREST & MISC INCOME</u>						
901-36210 INTEREST EARNINGS	300.00	300.00	638.89	(338.89)	212.96	760.98
TOTAL INTEREST & MISC INCOME	300.00	300.00	638.89	(338.89)	212.96	760.98
<u>RENTAL INCOME</u>						
901-37220 DWELLING RENTAL	180,000.00	180,000.00	178,076.18	1,923.82	98.93	205,890.74
901-37221 LAUNDRY INCOME BRIDGE PARK	3,000.00	3,000.00	3,518.87	(518.87)	117.30	3,418.67
TOTAL RENTAL INCOME	183,000.00	183,000.00	181,595.05	1,404.95	99.23	209,309.41
<u>OTHER FINANCING SOURCES</u>						
901-39203 TRANSFERS FROM OTHER FUNDS	35,000.00	35,000.00	.00	35,000.00	.00	18,700.00
TOTAL OTHER FINANCING SOURCES	35,000.00	35,000.00	.00	35,000.00	.00	18,700.00
TOTAL FUND REVENUE	<u>308,300.00</u>	<u>308,300.00</u>	<u>266,940.94</u>			<u>340,612.39</u>

CITY OF CAMBRIDGE
DETAIL EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2024

FUND 901 - LOW RENT PROGRAM-BRIDGE PARK

	ADOPTED BUDGET	AMENDED BUDGET	YTD ACTUAL	UNUSED/ UNEARNED	% OF BUDGET	PRIOR YR YTD ACTUAL
LOW RENT ADMINISTRATION						
<i>PERSONAL SERVICES</i>						
901-49500-103 ADMIN PART-TIME - REGULAR	44,392.00	44,392.00	30,081.87	(14,310.13)	67.76	41,617.18
901-49500-121 PERA (EMPLOYER)	3,330.00	3,330.00	2,256.15	(1,073.85)	67.75	3,023.72
901-49500-122 FICA/MEDICARE (EMPLOYER)	3,396.00	3,396.00	2,090.85	(1,305.15)	61.57	2,919.38
901-49500-131 MEDICAL/LIFE/DENTAL	10,013.00	10,013.00	8,950.75	(1,062.25)	89.39	9,527.61
901-49500-151 WORKERS' COMPENSATION PREMIU	433.00	433.00	299.10	(133.90)	69.08	334.69
901-49500-154 HRA/FLEX FEES	100.00	100.00	52.95	(47.05)	52.95	67.40
TOTAL PERSONAL SERVICES	61,664.00	61,664.00	43,731.67	(17,932.33)	70.92	57,489.98
<i>SUPPLIES</i>						
901-49500-201 OFFICE SUPPLY	658.00	658.00	335.96	(322.04)	51.06	209.23
901-49500-240 SMALL TOOLS AND MINOR EQUIP	.00	.00	2,500.00	2,500.00	.00	.00
TOTAL SUPPLIES	658.00	658.00	2,835.96	2,177.96	431.00	209.23
<i>OTHER SERVICES AND CHARGES</i>						
901-49500-304 LEGAL FEES	10,000.00	10,000.00	.00	(10,000.00)	.00	11,197.00
901-49500-306 AUDITING	3,000.00	3,000.00	3,000.00	.00	100.00	3,000.00
901-49500-313 IT MGMT & BACKUP	6,500.00	6,500.00	4,124.25	(2,375.75)	63.45	5,482.52
901-49500-321 TELEPHONE EXPENSE	7,500.00	7,500.00	4,960.77	(2,539.23)	66.14	7,373.83
901-49500-322 POSTAGE	300.00	300.00	146.00	(154.00)	48.67	269.12
901-49500-331 TRAVEL/MEALS/LODGING	100.00	100.00	.00	(100.00)	.00	.00
901-49500-340 ADVERTISING	50.00	50.00	40.60	(9.40)	81.20	61.96
TOTAL OTHER SERVICES AND CHA	27,450.00	27,450.00	12,271.62	(15,178.38)	44.71	27,384.43
<i>MISCELLANEOUS</i>						
901-49500-413 RENTALS - OFFICE EQUIPMENT	275.00	275.00	227.56	(47.44)	82.75	282.34
901-49500-433 DUES AND SUBSCRIPTIONS	3,800.00	3,800.00	3,464.00	(336.00)	91.16	3,699.00
901-49500-440 STAFF TRAINING	400.00	400.00	.00	(400.00)	.00	225.00
TOTAL MISCELLANEOUS	4,475.00	4,475.00	3,691.56	(783.44)	82.49	4,206.34
TOTAL LOW RENT ADMINISTRATION	94,247.00	94,247.00	62,530.81	(31,716.19)	66.35	89,289.98

CITY OF CAMBRIDGE
DETAIL EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2024

FUND 901 - LOW RENT PROGRAM-BRIDGE PARK

	ADOPTED BUDGET	AMENDED BUDGET	YTD ACTUAL	UNUSED/ UNEARNED	% OF BUDGET	PRIOR YR YTD ACTUAL
<u>LOW RENT TENANT SERVICES</u>						
<i>SUPPLIES</i>						
901-49600-210 REC, PUB & OTHER SERVICES	240.00	240.00	111.47	(128.53)	46.45	225.33
<i>TOTAL SUPPLIES</i>	<u>240.00</u>	<u>240.00</u>	<u>111.47</u>	<u>(128.53)</u>	<u>46.45</u>	<u>225.33</u>
TOTAL LOW RENT TENANT SERVICE	<u><u>240.00</u></u>	<u><u>240.00</u></u>	<u><u>111.47</u></u>	<u><u>(128.53)</u></u>	<u><u>46.45</u></u>	<u><u>225.33</u></u>

CITY OF CAMBRIDGE
DETAIL EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2024

FUND 901 - LOW RENT PROGRAM-BRIDGE PARK

	ADOPTED BUDGET	AMENDED BUDGET	YTD ACTUAL	UNUSED/ UNEARNED	% OF BUDGET	PRIOR YR YTD ACTUAL
<u>LOW RENT MAINTENANCE</u>						
<i>PERSONAL SERVICES</i>						
901-49700-103 MAINT PT EMPLOYEES - REGULAR	26,084.00	26,084.00	16,442.34	(9,641.66)	63.04	23,660.84
901-49700-121 PERA (EMPLOYER)	1,957.00	1,957.00	1,233.18	(723.82)	63.01	1,616.59
901-49700-122 FICA/MEDICARE (EMPLOYER)	1,996.00	1,996.00	1,164.62	(831.38)	58.35	1,672.15
901-49700-131 MEDICAL/DENTAL/LIFE	5,006.00	5,006.00	4,165.00	(841.00)	83.20	4,768.50
901-49700-151 WORKERS' COMPENSATION PREMIU	2,520.00	2,520.00	1,534.72	(985.28)	60.90	1,765.26
<i>TOTAL PERSONAL SERVICES</i>	<u>37,563.00</u>	<u>37,563.00</u>	<u>24,539.86</u>	<u>(13,023.14)</u>	<u>65.33</u>	<u>33,483.34</u>
<i>SUPPLIES</i>						
901-49700-210 MATERIALS-OPER SUPPLIES	5,000.00	5,000.00	5,868.42	868.42	117.37	5,033.89
901-49700-212 FUEL PURCHASE	50.00	50.00	.00	(50.00)	.00	.00
<i>TOTAL SUPPLIES</i>	<u>5,050.00</u>	<u>5,050.00</u>	<u>5,868.42</u>	<u>818.42</u>	<u>116.21</u>	<u>5,033.89</u>
<i>OTHER SERVICES AND CHARGES</i>						
901-49700-304 CONTRACT COSTS	41,000.00	41,000.00	33,405.88	(7,594.12)	81.48	44,718.19
901-49700-360 INSURANCE AND BONDS	10,000.00	10,000.00	4,228.00	(5,772.00)	42.28	6,813.00
901-49700-370 PAYMENT IN LIEU OF TAXES	15,000.00	15,000.00	.00	(15,000.00)	.00	16,498.00
901-49700-381 ELECTRIC UTILITIES	38,000.00	38,000.00	23,733.34	(14,266.66)	62.46	35,794.69
901-49700-382 WATER/WASTEWATER UTILITIES	7,000.00	7,000.00	4,467.09	(2,532.91)	63.82	6,727.28
901-49700-383 GAS UTILITIES	3,000.00	3,000.00	1,228.08	(1,771.92)	40.94	1,806.96
901-49700-384 REFUSE HAULING	4,200.00	4,200.00	2,615.38	(1,584.62)	62.27	4,498.91
<i>TOTAL OTHER SERVICES AND CHA</i>	<u>118,200.00</u>	<u>118,200.00</u>	<u>69,677.77</u>	<u>(48,522.23)</u>	<u>58.95</u>	<u>116,857.03</u>
<i>MISCELLANEOUS</i>						
901-49700-420 DEPRECIATION EXPENSE	43,000.00	43,000.00	.00	(43,000.00)	.00	45,256.07
<i>TOTAL MISCELLANEOUS</i>	<u>43,000.00</u>	<u>43,000.00</u>	<u>.00</u>	<u>(43,000.00)</u>	<u>.00</u>	<u>45,256.07</u>
<i>IMPROVEMENTS/BETTERMENTS</i>						
901-49700-501 REPLACEMENT OF EQUIPMENT	5,000.00	5,000.00	.00	(5,000.00)	.00	.00
901-49700-502 BETTERMENTS AND ADDITIONS	5,000.00	5,000.00	.00	(5,000.00)	.00	3,294.20
<i>TOTAL IMPROVEMENTS/BETTERM</i>	<u>10,000.00</u>	<u>10,000.00</u>	<u>.00</u>	<u>(10,000.00)</u>	<u>.00</u>	<u>3,294.20</u>
TOTAL LOW RENT MAINTENANCE	<u><u>213,813.00</u></u>	<u><u>213,813.00</u></u>	<u><u>100,086.05</u></u>	<u><u>(113,726.95)</u></u>	<u><u>46.81</u></u>	<u><u>203,924.53</u></u>

CITY OF CAMBRIDGE
DETAIL EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2024

FUND 901 - LOW RENT PROGRAM-BRIDGE PARK

	ADOPTED BUDGET	AMENDED BUDGET	YTD ACTUAL	UNUSED/ UNEARNED	% OF BUDGET	PRIOR YR YTD ACTUAL
TOTAL FUND EXPENDITURES	308,300.00	308,300.00	162,728.33			293,439.84
NET REVENUES OVER EXPENDITURE	.00	.00	104,212.61			47,172.55

CITY OF CAMBRIDGE
BALANCE SHEET
SEPTEMBER 30, 2024

HOUSING-OTHER BUS ACTIVITIES

<u>ASSETS</u>			
903-10200	EDA HOUSING DIV OPERATING CASH	75,733.00	
	TOTAL ASSETS		75,733.00
<u>LIABILITIES AND EQUITY</u>			
<u>FUND EQUITY</u>			
903-27200	UNRESTRICTED NET ASSETS	75,733.00	
	TOTAL FUND EQUITY		75,733.00
	TOTAL LIABILITIES AND EQUITY		75,733.00

CITY OF CAMBRIDGE
 BALANCE SHEET
 SEPTEMBER 30, 2024

CAPITAL FUND PROGRAM-HUD

<u>ASSETS</u>		
904-10200	EDA OPERATING ACCOUNT-CAPITAL	55,328.25
		<u>55,328.25</u>
	TOTAL ASSETS	<u>55,328.25</u>
 <u>LIABILITIES AND EQUITY</u>		
 <u>FUND EQUITY</u>		
	UNAPPROPRIATED FUND BALANCE: REVENUE OVER EXPENDITURES - YTD	55,328.25
		<u>55,328.25</u>
	BALANCE - CURRENT DATE	<u>55,328.25</u>
	TOTAL FUND EQUITY	<u>55,328.25</u>
	TOTAL LIABILITIES AND EQUITY	<u>55,328.25</u>

CITY OF CAMBRIDGE
DETAIL REVENUES WITH COMPARISON TO BUDGET
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2024

FUND 904 - CAPITAL FUND PROGRAM-HUD

	ADOPTED BUDGET	AMENDED BUDGET	YTD ACTUAL	UNUSED/ UNEARNED	% OF BUDGET	PRIOR YR YTD ACTUAL
<u>INTERGOVERNMENTAL REVENUES</u>						
904-33160 HUD CAPITAL GRANTS	35,000.00	35,000.00	55,328.25	(20,328.25)	158.08	18,700.00
TOTAL INTERGOVERNMENTAL REVE	35,000.00	35,000.00	55,328.25	(20,328.25)	158.08	18,700.00
 TOTAL FUND REVENUE	<u>35,000.00</u>	<u>35,000.00</u>	<u>55,328.25</u>			<u>18,700.00</u>

CITY OF CAMBRIDGE
DETAIL EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2024

FUND 904 - CAPITAL FUND PROGRAM-HUD

		ADOPTED BUDGET	AMENDED BUDGET	YTD ACTUAL	UNUSED/ UNEARNED	% OF BUDGET	PRIOR YR YTD ACTUAL
<u>OTHER FINANCING USES</u>							
904-49300-720	TRANSFERS OUT	35,000.00	35,000.00	.00	(35,000.00)	.00	18,700.00
	<i>TOTAL FUNCTION 7</i>	35,000.00	35,000.00	.00	(35,000.00)	.00	18,700.00
	TOTAL OTHER FINANCING USES	<u>35,000.00</u>	<u>35,000.00</u>	<u>.00</u>	<u>(35,000.00)</u>	<u>.00</u>	<u>18,700.00</u>

CITY OF CAMBRIDGE
DETAIL EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2024

FUND 904 - CAPITAL FUND PROGRAM-HUD

	ADOPTED BUDGET	AMENDED BUDGET	YTD ACTUAL	UNUSED/ UNEARNED	% OF BUDGET	PRIOR YR YTD ACTUAL
TOTAL FUND EXPENDITURES	35,000.00	35,000.00	.00			18,700.00
NET REVENUES OVER EXPENDITURE	.00	.00	55,328.25			.00

CITY OF CAMBRIDGE
DETAIL REVENUES WITH COMPARISON TO BUDGET
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2024

FUND 205 - EDA ADMIN FUND

	ADOPTED BUDGET	AMENDED BUDGET	YTD ACTUAL	UNUSED/ UNEARNED	% OF BUDGET	PRIOR YR YTD ACTUAL
<u>INTEREST</u>						
205-36210 INTEREST EARNINGS	.00	.00	.00	.00	.00	17,368.71
TOTAL INTEREST	.00	.00	.00	.00	.00	17,368.71
<u>MALL OPERATING REVENUES</u>						
205-37220 RENTAL FEES	180,000.00	180,000.00	178,054.21	1,945.79	98.92	195,844.79
TOTAL MALL OPERATING REVENUES	180,000.00	180,000.00	178,054.21	1,945.79	98.92	195,844.79
<u>TRANSFERS FROM OTHER FUNDS</u>						
205-39203 TRANSFERS FROM OTHER FUNDS	150,000.00	150,000.00	150,000.00	.00	100.00	50,000.00
TOTAL TRANSFERS FROM OTHER FU	150,000.00	150,000.00	150,000.00	.00	100.00	50,000.00
TOTAL FUND REVENUE	<u>330,000.00</u>	<u>330,000.00</u>	<u>328,054.21</u>			<u>263,213.50</u>

CITY OF CAMBRIDGE
DETAIL EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2024

FUND 205 - EDA ADMIN FUND

	ADOPTED BUDGET	AMENDED BUDGET	YTD ACTUAL	UNUSED/ UNEARNED	% OF BUDGET	PRIOR YR YTD ACTUAL
EDA ADMINISTRATION						
<i>PERSONAL SERVICES</i>						
205-41930-101 FULL-TIME EMPLOYEES - REGULAR	82,933.00	82,933.00	60,871.07	(22,061.93)	73.40	69,411.24
205-41930-112 EDA MEETING PAYMENTS	2,500.00	2,500.00	1,470.00	(1,030.00)	58.80	1,845.00
205-41930-121 PERA (EMPLOYER)	6,248.00	6,248.00	4,565.32	(1,682.68)	73.07	5,185.36
205-41930-122 FICA/MEDICARE (EMPLOYER)	6,373.00	6,373.00	4,682.16	(1,690.84)	73.47	5,311.26
205-41930-131 MEDICAL/DENTAL/LIFE	14,500.00	14,500.00	12,254.05	(2,245.95)	84.51	13,810.56
205-41930-132 LONGEVITY PAY	380.00	380.00	.00	(380.00)	.00	.00
205-41930-133 DEDUCTIBLE CONTRIBUTION	1,200.00	1,200.00	1,200.00	.00	100.00	1,200.00
205-41930-151 WORKERS' COMPENSATION PREMIU	810.00	810.00	697.96	(112.04)	86.17	571.12
205-41930-154 HRA/FLEX FEES	80.00	80.00	42.39	(37.61)	52.99	53.92
TOTAL PERSONAL SERVICES	115,024.00	115,024.00	85,782.95	(29,241.05)	74.58	97,388.46
<i>SUPPLIES</i>						
205-41930-201 OFFICE SUPPLIES	300.00	300.00	6.99	(293.01)	2.33	122.29
205-41930-209 SOFTWARE UPDATES	.00	.00	.00	.00	.00	102.94
205-41930-240 SMALL TOOLS & MINOR EQUIPMENT	300.00	300.00	.00	(300.00)	.00	.00
TOTAL SUPPLIES	600.00	600.00	6.99	(593.01)	1.17	225.23
<i>OTHER SERVICES & CHARGES</i>						
205-41930-304 MISC PROFESSIONAL SERVICES	5,000.00	5,000.00	.00	(5,000.00)	.00	844.00
205-41930-307 MARKET OR BRE STUDY	.00	19,000.00	18,707.78	(292.22)	98.46	.00
205-41930-313 IT MGMT & BACKUP	5,600.00	5,600.00	4,124.25	(1,475.75)	73.65	5,482.52
205-41930-321 TELEPHONE/CELLULAR	540.00	540.00	405.00	(135.00)	75.00	405.00
205-41930-331 TRAVEL/MEALS/LODGING	1,200.00	1,200.00	349.94	(850.06)	29.16	466.30
205-41930-334 MILEAGE REIMBURSEMENT	800.00	800.00	263.98	(536.02)	33.00	275.95
205-41930-351 LEGAL NOTICES/ORD PUB	300.00	300.00	.00	(300.00)	.00	125.37
205-41930-360 INSURANCE AND BONDS	.00	.00	2,692.52	2,692.52	.00	1,735.62
TOTAL OTHER SERVICES & CHARG	13,440.00	32,440.00	26,543.47	(5,896.53)	81.82	9,334.76
<i>MISCELLANEOUS</i>						
205-41930-404 REP & MAINT LABOR VEH/EQUIP	100.00	100.00	.00	(100.00)	.00	.00
205-41930-407 HWY 95 PROPERTY ACQ MAINT EXP	.00	.00	6,950.00	6,950.00	.00	8,800.00
205-41930-408 PROPERTY ACQ MAINT EXP	.00	.00	.00	.00	.00	2,190.65
205-41930-430 MISCELLANEOUS	100.00	100.00	.00	(100.00)	.00	.00
205-41930-433 DUES AND SUBSCRIPTIONS	4,000.00	4,000.00	3,005.00	(995.00)	75.13	2,965.00
205-41930-440 SCHOOLS & MEETINGS	2,000.00	2,000.00	1,005.00	(995.00)	50.25	795.00
205-41930-484 NLX ACTIVITIES	7,800.00	7,800.00	9,324.00	1,524.00	119.54	.00
205-41930-485 PROPERTY TAXES	.00	.00	.00	.00	.00	3,042.00
205-41930-489 IND PARK MARKETING	5,000.00	5,000.00	.00	(5,000.00)	.00	.00
TOTAL MISCELLANEOUS	19,000.00	19,000.00	20,284.00	1,284.00	106.76	17,792.65
TOTAL EDA ADMINISTRATION	148,064.00	167,064.00	132,617.41	(34,446.59)	79.38	124,741.10

CITY OF CAMBRIDGE
DETAIL EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2024

FUND 205 - EDA ADMIN FUND

	ADOPTED BUDGET	AMENDED BUDGET	YTD ACTUAL	UNUSED/ UNEARNED	% OF BUDGET	PRIOR YR YTD ACTUAL
MALL OPERATING EXPENSES						
<i>PERSONAL SERVICES</i>						
205-47000-101 FULL-TIME EMPLOYEES - REGULAR	30,981.00	30,981.00	23,241.19	(7,739.81)	75.02	30,064.05
205-47000-102 FULL-TIME EMPLOYEES - OVERTIME	1,000.00	1,000.00	.00	(1,000.00)	.00	.00
205-47000-103 TEMPORARY EMPLOYEE	7,000.00	7,000.00	1,387.64	(5,612.36)	19.82	5,769.37
205-47000-121 PERA (EMPLOYER)	2,500.00	2,500.00	1,743.09	(756.91)	69.72	2,247.87
205-47000-122 FICA/MEDICARE (EMPLOYER)	3,045.00	3,045.00	1,829.71	(1,215.29)	60.09	2,663.13
205-47000-131 MEDICAL/DENTAL/LIFE	9,064.00	9,064.00	7,639.33	(1,424.67)	84.28	8,605.68
205-47000-132 LONGEVITY PAY	833.00	833.00	.00	(833.00)	.00	.00
205-47000-133 DEDUCTIBLE CONTRIBUTION	750.00	750.00	.00	(750.00)	.00	.00
205-47000-151 WORKERS' COMPENSATION PREMIU	3,845.00	3,845.00	2,314.08	(1,530.92)	60.18	2,403.99
205-47000-154 HRA/FLEX FEES	100.00	100.00	26.50	(73.50)	26.50	33.70
TOTAL PERSONAL SERVICES	59,118.00	59,118.00	38,181.54	(20,936.46)	64.59	51,787.79
<i>SUPPLIES</i>						
205-47000-211 MISC OPERATING SERVICES	200.00	200.00	198.19	(1.81)	99.10	240.77
205-47000-212 GASOLINE/FUEL	125.00	125.00	83.85	(41.15)	67.08	102.41
205-47000-221 REPAIRS & MAINTENANCE SUPPLIES	15,000.00	15,000.00	3,398.68	(11,601.32)	22.66	5,089.56
205-47000-240 SMALL TOOLS	1,000.00	1,000.00	23.04	(976.96)	2.30	97.79
TOTAL SUPPLIES	16,325.00	16,325.00	3,703.76	(12,621.24)	22.69	5,530.53
<i>OTHER SERVICES & CHARGES</i>						
205-47000-321 TELEPHONE/CELLULAR PHONES	350.00	350.00	185.62	(164.38)	53.03	246.93
205-47000-360 INSURANCE AND BONDS	6,000.00	6,000.00	4,349.00	(1,651.00)	72.48	4,966.00
205-47000-381 ELECTRIC UTILITIES	20,500.00	20,500.00	11,507.86	(8,992.14)	56.14	20,264.18
205-47000-382 WATER/WASTEWATER UTILITIES	5,500.00	5,500.00	4,962.02	(537.98)	90.22	5,667.75
205-47000-383 GAS UTILITIES	4,200.00	4,200.00	4,636.32	436.32	110.39	6,257.20
205-47000-384 REFUSE HAULING	6,000.00	6,000.00	2,101.66	(3,898.34)	35.03	4,527.26
TOTAL OTHER SERVICES & CHARG	42,550.00	42,550.00	27,742.48	(14,807.52)	65.20	41,929.32
<i>MISCELLANEOUS</i>						
205-47000-401 REP & MAINT-BLDG/STRUCTURES	25,000.00	25,000.00	6,303.69	(18,696.31)	25.21	19,621.90
205-47000-413 BNSF PARKING LOT LEASE	2,500.00	2,500.00	2,646.04	146.04	105.84	2,568.97
205-47000-489 OTHER CONTRACTED SERVICES	1,000.00	1,000.00	.00	(1,000.00)	.00	.00
205-47000-494 PARKING LOT/EXTERIOR PROJECT	.00	.00	.00	.00	.00	458,597.21
205-47000-496 MALL CAPITAL EQUIPMENT	.00	.00	5,748.76	5,748.76	.00	.00
205-47000-498 TENANT BUILD OUT	.00	.00	20,147.25	20,147.25	.00	15,940.00
TOTAL MISCELLANEOUS	28,500.00	28,500.00	34,845.74	6,345.74	122.27	496,728.08
TOTAL MALL OPERATING EXPENSES	146,493.00	146,493.00	104,473.52	(42,019.48)	71.32	595,975.72

CITY OF CAMBRIDGE
DETAIL EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2024

FUND 205 - EDA ADMIN FUND

	ADOPTED BUDGET	AMENDED BUDGET	YTD ACTUAL	UNUSED/ UNEARNED	% OF BUDGET	PRIOR YR YTD ACTUAL
TOTAL FUND EXPENDITURES	294,557.00	313,557.00	237,090.93			720,716.82
NET REVENUES OVER EXPENDITURE	35,443.00	16,443.00	90,963.28			(457,503.32)

<p>CAMBRIDGE EDA MEETING</p> <p>November 18, 2024</p> <p>BILLS LIST</p>

Disbursement Type:	Date:	Check Numbers:	Submitted For Approval
Prepaid Checks	10/16/2024	130489 - 130532	8,810.73
Prepaid Checks	10/23/2024	130561 - 130589	500.36
Prepaid Checks	10/30/2024	130599 - 130640	4,077.86
Prepaid Checks	11/7/2024	130647 - 130703	2,081.99

Prepaid Totals

15,470.94

TOTAL SUBMITTED FOR APPROVAL

\$15,470.94

I certify that the amounts listed above and detailed as attached, represent a complete and accurate representation of EDA disbursements from 10/11/24-11/7/24.

Caroline Moe 11/8/24

Caroline Moe, Director of Finance signature & date

Rebecca Gestson 11/12/24

Rebecca Gestson, Accountant signature & date

Vendor	Vendor Name	Description	Net Invoice Amount
775	Bustrom Electric LLC	Rep & Maint-Bldg/Structures - Mall	1,722.77
	Total Bustrom Electric LLC:		1,722.77
958	Capital One	Materials/Operating Supplies - Bridge Park	18.44
	Total Capital One:		18.44
1140	Cintas Corporation	Misc Operating Services - Mall	4.75
1140	Cintas Corporation	Uniform Rental - Maintenance	4.75
	Total Cintas Corporation:		9.50
1170	City Laundering Co.	Rugs - DMV and Mall	60.02
	Total City Laundering Co.:		60.02
2455	HDS, LLC	HDSWin Annual License and Support	3,000.00
	Total HDS, LLC DBA Kanso Software:		3,000.00
4567	Precision Property Maintenance	Lawn Care - City Lots	1,500.00
	Total Precision Property Maintenance:		1,500.00
6126	Roof Spec, Inc	Project Mgmt Work-Bridge Park Roof Replacement	2,500.00
	Total Roof Spec, Inc:		2,500.00
	Grand Totals:		8,810.73

Dated: 10/16/24

City Treasurer: Caroline Hall

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount
10/24	10/16/2024	130489	775	Bustrom Electric LLC	205-20100	1,722.77
10/24	10/16/2024	130491	958	Capital One	901-20100	18.44
10/24	10/16/2024	130495	1140	Cintas Corporation	205-20100	9.50
10/24	10/16/2024	130496	1170	City Laundering Co.	205-20100	60.02
10/24	10/16/2024	130511	2455	HDS, LLC DBA Kansa Software	901-20100	3,000.00
10/24	10/16/2024	130530	4567	Precision Property Maintenance	205-20100	1,500.00
10/24	10/16/2024	130532	6126	Roof Spec, Inc	901-20100	2,500.00
Grand Totals:						8,810.73

Vendor	Vendor Name	Description	Net Invoice Amount
1140	Cintas Corporation	Uniform Rental - Maintenance	4.75
Total Cintas Corporation:			4.75
969	Cardmember Service	Materials-Oper Supplies - Bridge Park	11.28
969	Cardmember Service	2024 Fall Forums - LMC	30.00
Total Elan Financial Services:			41.28
2411	Hillyard Inc.	Repairs & Maintenance Supplies - Mall	289.23
Total Hillyard / Minneapolis:			289.23
3543	Metro Sales, Inc.	Ricoh MP C2004 Color Copier Rental - Bridge Park	20.10
Total Metro Sales, Inc.:			20.10
4559	Precision Pest Control	Pest Control Bridge Park - October Service	145.00
Total Precision Pest Control:			145.00
Grand Totals:			500.36

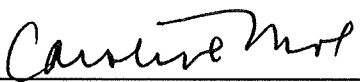
Dated: 10/23/24

City Treasurer: Caroline [Signature]

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount
10/24	10/23/2024	130561	1140	Cintas Corporation	205-20100	4.75
10/24	10/23/2024	130564	969	Elan Financial Services	205-20100	41.28
10/24	10/23/2024	130571	2411	Hillyard / Minneapolis	205-20100	289.23
10/24	10/23/2024	130584	3543	Metro Sales, Inc.	901-20100	20.10
10/24	10/23/2024	130589	4559	Precision Pest Control	901-20100	145.00
Grand Totals:						500.36

Vendor	Vendor Name	Description	Net Invoice Amount
175	Amazon Capital Services, Inc.	Office Supplies - Maintenance	7.15
Total Amazon Capital Services, Inc.:			7.15
1170	City Laundering Co.	Rugs - DMV and Mall	60.02
Total City Laundering Co.:			60.02
3258	I.U.O.E. Local 49 Fringe Bene	Health Insurance December	1,345.60
3258	I.U.O.E. Local 49 Fringe Bene	Health Insurance December	841.00
3258	I.U.O.E. Local 49 Fringe Bene	Health Insurance December	1,261.50
3258	I.U.O.E. Local 49 Fringe Bene	Health Insurance December	420.50
Total I.U.O.E. Local 49 Fringe Benefit Fund:			3,868.60
3521	Menards	Repair & Maint Supplies - Mall	80.00
Total Menards:			80.00
5801	Verizon Wireless	wireless phone service - Maintenance	20.70
5801	Verizon Wireless	wireless phone service - Bridge Park	41.39
Total Verizon Wireless:			62.09
Grand Totals:			4,077.86

Dated: 10/30/24

City Treasurer: 

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount
10/24	10/30/2024	130599	175	Amazon Capital Services, Inc.	205-20100	7.15
10/24	10/30/2024	130609	1170	City Laundering Co.	205-20100	60.02
10/24	10/30/2024	130619	3258	I.U.O.E. Local 49 Fringe Benefit Fund	901-20100	3,868.60
10/24	10/30/2024	130626	3521	Menards	205-20100	80.00
10/24	10/30/2024	130640	5801	Verizon Wireless	901-20100	62.09
Grand Totals:						<u>4,077.86</u>

Vendor	Vendor Name	Description	Net Invoice Amount
175	Amazon Capital Services, Inc.	Repair & Maint Supplies -Mall	222.45
Total Amazon Capital Services, Inc.:			222.45
1140	Cintas Corporation	Uniform Rental - Maintenance	4.75
1140	Cintas Corporation	Uniform Rental - Maintenance	4.87
Total Cintas Corporation:			9.62
3006	Kramer Mechanical Plumbing	Repairs - Bridge Park Apt Unit 201	345.84
Total Kramer Mechanical Plumbing & Heating Inc:			345.84
3501	MEI Total Elevator Solutions	November Monthly Service - Bridge Park	313.73
MEI Total Elevator Solutions:			313.73
4211	Northland Fire Protection	Service & Re-certification Fire Extinguisher(s) - Bridge	273.85
Total Northland Fire Protection:			273.85
5965	White Bear IT Solutions LLC	Service Agreement, Backup Service, Endpoint Protecti	458.25
5965	White Bear IT Solutions LLC	Service Agreement, Backup Service, Endpoint Protecti	458.25
Total White Bear IT Solutions LLC:			916.50
Grand Totals:			2,081.99

Dated: 11/7/24

City Treasurer: Caroline Muel

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount
11/24	11/07/2024	130647	175	Amazon Capital Services, Inc.	205-20100	222.45
11/24	11/07/2024	130659	1140	Cintas Corporation	205-20100	9.62
11/24	11/07/2024	130674	3006	Kramer Mechanical Plumbing & Heating Inc	901-20100	345.84
11/24	11/07/2024	130680	3501	MEI Total Elevator Solutions	901-20100	313.73
11/24	11/07/2024	130686	4211	Northland Fire Protection	901-20100	273.85
11/24	11/07/2024	130703	5965	White Bear IT Solutions LLC	901-20100	916.50
Grand Totals:						<u>2,081.99</u>

3D

Date: November 18, 2024
To: EDA Board of Commissioners
From: Deb Barrett, Housing Supervisor
Re: Report on EDA Housing Operations

Public Housing:

- Processed rent checks and submitted MTCS Report (Vacancy Report). Resident in unit #105 passed away. Working on trying to re-rent the unit.
- Northland Fire Protection was out for the yearly inspection and maintenance on all fire extinguishers.
- Completed all unit inspections in October.

Prepared by: Evan C Vogel, City Administrator and Alex Smith, (now former) Deputy City Administrator

Background:

Staff have been in discussion with Mondo’s Pet Depot, the current tenant of Suites 142 and 156, and have learned that there have been some challenges in getting the business operating at full capacity. Additionally, the tenant has missed two months of rent payments because of these challenges. As Council has directed the intent for the mall suites to prioritize operations as incubator space for new, small business, a possible option for assistance has been designed to assist this business as it looks to get its footing.

Staff is recommending that the EDA dissolve the existing lease with Mondo’s Pet Depot to enter a new, 4-year lease with modified terms to assist the small business. These terms include: a waiver of lease payments for October and November, 2024 and updating the monthly lease payments, reflected in the chart below.

Term	Previous Monthly Rent	New Monthly Rent	New Annual Rent
Dec 1, 2024 – Nov 30, 2025	\$3,498.76	\$1,500	\$18,000
Dec 1, 2025 – Nov 30, 2026	\$3,523.89	\$2,000	\$24,000
Dec 1, 2026 – Nov 30, 2028	\$3,579.01	\$2,500	\$30,000

Additionally, staff is recommending that the EDA simply waive the outstanding balance of the past due lease payments to provide direct financial relief to the business as it seeks to incubate its future success.

The tenant has indicated that a waiver of past due rent, plus the new lease structure would dramatically improve their financial outlook and enable them to invest more into advertising and marketing.

Recommendation

A motion to waive two months of past due rent and to dissolve of the existing lease and accept the new lease with Mondo’s Pet Depot.

Attachments:

1. New draft lease for Suite 142 and 156 with Mondo’s Pet Depot

CAMBRIDGE CITY CENTER LEASE

THIS LEASE is made this 1st day of December 2024, between the Cambridge EDA, a municipal corporation (the “Landlord”) and Mondo’s Pets LLC dba Mondo’s Pet Depot (the “Tenant”).

In consideration of the payment of the rent and the performance of the covenants and agreements by the Landlord set forth below, the Landlord does hereby lease to the Tenant the following described property situated in the County of Isanti, in the State of Minnesota, the street address of which is 140 North Buchanan Street, Cambridge, Minnesota 55008. Suite 142 (1,500 square feet) and Suite 156 (950 square feet) of the Cambridge City Center (the “Center”) is outlined in yellow on the attached Exhibit "A", which is by reference made a part hereof. The total leased space has 2,450 square feet. (The premises outlined in yellow are hereinafter called the "Leased Premises"). Legal description of the Cambridge City Center is attached as Exhibit “B”.

LEASE TERM

The Lease Term and rent will commence on December 1, 2024. The fixed annual minimum rent during the term of this lease shall be payable by Tenant in monthly installments, on or before the first day of each month, in advance, at the office of Landlord or at such other place as is designated by Landlord, without prior demand therefore, and without any deduction or setoff whatsoever. The Lease Term shall run from December 1, 2024 to November 31, 2028.

MINIMUM RENT

The minimum rent during the term of this lease shall be at the following rates:

Lease Period	Monthly Rent	Total Annual Rent
Dec 1, 2024 to Nov 30, 2025	\$1,500.00	\$18,000.00
Dec 1, 2025 to Nov 30, 2026	\$2,000.00	\$24,000.00
Dec 1, 2026 to Nov 30, 2028	\$2,500.00	\$30,000.00

TENANT AGREEMENT

The Tenant, in consideration of the leasing of the premises agrees as follows:

1. To pay the rent for the premises above-described. For EDA internal purposes only, improvement costs will be paid with rent received.
2. To keep the improvement upon the premises, including sewer connections, plumbing, wiring and glass in good repair, all at Tenant’s expense, and at the expiration of the Lease to surrender the premises in as good a condition as when

the Tenant entered the premises, loss by fire, inevitable accident, and ordinary wear excepted.

3. To be responsible for a pro rata share, based on the square footage of leased space, of all taxes, assessments, and other governmental charges that are levied or assessed against tenant during the term of this Lease.

Without limiting the foregoing, to the extent that personal property taxes or taxes in lieu of or as a substitute for real estate taxes are imposed with respect to the Leased Premises or directly on Tenant during the term of this Lease, Tenant shall pay such taxes (and any installments of special assessments allocable to the Leased Premises) before delinquency and shall indemnify and hold harmless Landlord from such taxes (and special assessments). Without limiting the foregoing, in the event that the Leased Premises is deemed or classified as a separate tax parcel or separate sub-tax parcel by Isanti County, Tenant shall pay before delinquency all taxes and installments of special assessments for such tax parcel or sub-tax parcel during the term of this Lease.

4. That the Tenant shall not paint, wallpaper, nor make alterations to the property without the Landlord's prior written consent. Such consent shall not be unreasonably delayed. All such work shall comply with all applicable governmental laws, ordinances, rules and regulations. The Landlord, as a condition to said consent, may require a surety performance and/or payment bond from the Tenant for said actions. Tenant agrees to indemnify and hold Landlord and its agents free and harmless from any liability, loss, cost, damage or expense (including attorneys' fees) by reason of any said alteration, repairs, additions or improvements.
5. Tenant shall not erect or install any interior window or door signs, advertising media or window or door lettering or placards or other signs without Landlord's prior written consent. Tenant shall not erect or install any exterior signs at any time without Landlord's prior written consent. It is agreed by Tenant that all of Tenant's signs shall conform when installed to the Center's Sign Criteria set forth as Exhibit "C" hereto and incorporated herein by reference or to the Sign Criteria then in effect with respect to the Center at the time of installation of any sign by Tenant, which Sign Criteria Landlord reserves the right to modify. In addition, the Landlord will allow Tenant a marquee sign, purchased by Tenant to contain a removable nameplate that identifies the Tenant (to be co-located along with other City Center Tenants) on the Main Street/3rd Avenue NE location.
6. To sublet no part of the premises, and not to assign the lease or any interest therein without the written consent of the Landlord.
7. To use the premises only as a Pet Shop retail business and to use the premises for no purposes prohibited by the laws of the United States or the State of Minnesota, or of the ordinances of the City of Cambridge, and for no improper

- or questionable purposes whatsoever, and to neither permit nor suffer any disorderly conduct, noise or nuisance having a tendency to annoy or disturb any persons occupying adjacent premises. Specifically, the tenant shall comply with all Federal, State and Local regulations.
8. To comply with all reasonable rules or regulations posted on the premises or determined mutually between tenants and Landlord.
 9. To neither hold nor attempt to hold the Landlord liable for any injury or damage, either proximate or remote, occurring through or caused by the repairs, alterations, injury or accident to the premises, or adjacent premises, or other parts of the above premises not herein demised, or by reason of the negligence or default of the owners or occupants thereof or any other person, nor to hold the Landlord liable for any injury or damage occasioned by defective electric wiring, or the breakage or stoppage of plumbing or sewerage upon said premises or upon adjacent premises, whether breakage or stoppage results from freezing or otherwise; to neither permit nor suffer said premises, or the walls or floors thereof, to be endangered by overloading, nor said premises to be used for any purpose which would render the insurance thereon void or the insurance risk more hazardous, nor make any alterations in or changes in, upon, or about said premises without first obtaining the written consent of the Landlord therefore, but to permit the Landlord to place a "For Lease" card or sign upon the Leased Premises at any time after sixty (60) days before the end of this lease. Tenant agrees to indemnify, hold harmless and defend Landlord, its agents, employees, and officers from any liability or damages arising out of Tenant's operations or any act or omission of Tenant, its agents, employees, invitees, or guests in either the Leased Premises or the Center.
 10. Tenant agrees to carry during the term hereof public liability insurance for the Premises, providing coverage in the minimum amount of Five Hundred Thousand Dollars (\$500,000) against liability for injury to or death of any one person and One Million (\$1,500,000) Five Hundred Thousand Dollars against liability arising out of any one accident or occurrence, and also One Hundred Thousand Dollars (\$100,000) against liability arising out of any property damage; said insurance shall include Landlord, its agents, beneficiaries, and employees as assured parties and shall provide that Landlord shall be given a minimum of thirty (30) days' notice by the insurance company prior to cancellation, termination, or change of such insurance. Tenant shall provide Landlord with copies of the policies or certificates evidencing that such insurance is in full force and effect and stating the terms thereof.
 11. Tenant agrees to permit Landlord or its agents and/or representatives to enter into and upon any part of the Leased Premises during all suitable hours to inspect the same, clean, make repairs, alterations or additions thereto or show the Leased Premises to prospective Tenants, purchasers or others, or for any other reasonable purposes as Landlord may deem necessary or desirable. Landlord shall, except in an emergency, give Tenant reasonable notice prior to

such entry. No such entry shall constitute an eviction or entitle Tenant to any abatement of rent, operating costs, or any sums due under said Lease.

12. The Leased Premises are constructed to utilize individual heating and air conditioning systems. Landlord agrees to keep the air-conditioning and heating systems operating at levels sufficient to satisfy the requirements of the Leased Premises. Tenant shall pay for all heating, air conditioning, electricity, gas, water/sewer, telephones and internet used in the Leased Premises.

IT IS EXPRESSLY UNDERSTOOD AND AGREED BETWEEN LANDLORD AND TENANT AS FOLLOWS:

13. No assent, express or implied, to any breach of any one or more of the agreements hereof shall be deemed or taken to be a waiver of any succeeding or other breach. Any payment by Tenant, or acceptance by Landlord, of a lesser amount than due shall be treated only as a payment on account. Further, failure of the Landlord to timely bill for taxes, insurance or repairs, as required herein, shall not be deemed a waiver of the Tenant's liability to pay same.
14. If, after the expiration of this Lease, the Tenant shall remain in possession of the premises and continue to pay rent without a written agreement as to such possession, then such tenancy shall be regarded as a month-to-month tenancy, at a monthly rental, payable in advance, equivalent to the last month's rent paid under this lease, and subject to all the terms and conditions of this lease.
15. If the premises are left vacant and any part of the rent reserved hereunder is not paid, then the Landlord may, without being obligated to do so, and without terminating this Lease, retake possession of the said premises and rent the same for such rent, and upon such conditions as the Landlord may think best, making such change and repairs/as may be required, giving credit for the amount of rent so received less all expenses of such changes and repairs, and the Tenants shall be liable for the balance of the rent herein reserved until the expiration of the term of this Lease.
16. Tenant hereby deposits with Landlord and shall maintain at all times on deposit with Landlord and keep whole and unencumbered the sum of \$2,654.17, the receipt of which is hereby acknowledged as security for the faithful performance by Tenant of every term and condition of this Lease. If there shall be a breach or default by Tenant in respect of any term or condition of this lease, Landlord may use all or any part of the security deposit to perform same for the account of Tenant. If Tenant shall fully and faithfully comply with all of the provisions of this lease then said security deposit or any balance thereof remaining shall be repaid to Tenant within a reasonable time after such removal, quitting, and surrender. It is understood that no interest on said security will be paid by Landlord to Tenant. In the event of any sale, transfer, or assignment of Landlord's interest under this lease, Landlord may transfer or assign said security deposit to the vendee, transferee or assignee, as the case may be, and

Landlord thereupon shall be released from all liability for the repayment of said security deposit, and Tenant, in each instance, shall look solely to such vendee, transferee or assignee, as the case may be, for repayment of said security deposit. The provisions hereof shall apply to each such sale, transfer, or assignment and to each such transfer or assignment of such security deposit.

17. Tenant agrees to pay last month's rent in the amount of \$2,500.00 in advance. This amount shall be paid on or before the commencement of the lease term. The last month's rent will be held by the Landlord as security for the last month of the lease term and will not be considered a deposit.
18. Tenant agrees to be responsible for the full cost of renovations to the leased premises, not to exceed \$46,129. Tenant shall provide an initial payment of \$10,000 towards the cost of renovations on or before the commencement of the lease term. This payment is non-refundable and shall be applied towards the total cost of renovations. The remaining estimated amount of \$33,729 shall be amortized over the term of the 4-year lease. This amount will be paid in equal monthly installments, in addition to the base rent, over the lease term. The amortized amount shall include an interest rate of 4%, calculated on the remaining balance. The interest will be included in each monthly installment. Any additional costs beyond \$33,729 will be paid in full to the Landlord within 30 days.
19. If any part of the rent provided to be paid herein is not paid when due, or if any default is made in any of the agreements by the Tenant contained herein, it shall be lawful for the Landlord to declare the term ended, and to enter into the premises, either with or without legal process, and to remove the Tenant or any other person occupying the premises, using such force as may be necessary, without being liable to prosecution, or in damages therefore, and to repossess the premises free and clear of any rights of the Tenant. If, at any time, this lease is terminated under this paragraph, the Tenant agrees to peacefully surrender the premises to the Landlord immediately upon termination, and if the Tenant remains in possession of the premises, the Tenant shall be deemed guilty of forcible entry and detainer of the premises, and, waiving notice, shall be subject to forcible eviction with or without process of law.
20. In the event of any dispute arising under the terms of this Lease, or in the event of non-payment of any sums arising under this lease and in the event the matter is turned over to an attorney, the party prevailing in such dispute shall be entitled, in addition to other damages or costs, to receive reasonable attorney's fees from the other party.
21. In the event any payment required hereunder is not made within five (5) days after the payment is due, a late charge in the amount of five percent (5%) of the payment will be paid by the Tenant.

- 22. In the event of a condemnation or other taking by any governmental agency, all proceeds shall be paid to the Landlord hereunder, the Tenant waiving all right to any such payments.
- 23. This Lease is made with the express understanding and agreement that, in the event the Tenant becomes insolvent, or is declared bankrupt, then, in either event, the Landlord may declare this Lease ended, and all rights of the Tenant hereunder shall terminate and cease.
- 24. NOTICES. Any notices required or permitted to be given hereunder shall be in writing and shall be personally delivered, delivered via overnight delivery or deposited in the United States mail, postage prepaid, certified or registered mail, return receipt requested, addressed to Landlord or Tenant, as the case may be, as follows:

If to Landlord:

Cambridge EDA
 Attn: Evan Vogel
 300 3rd Avenue NE
 Cambridge, MN 55008
 (763) 689-3211

If to Tenant:

Armando Suniga
 3040 Juniper Street SW
 Cambridge MN 55008

THIS LEASE shall be binding on the parties, their personal representatives, successors and assigns.

ADDITIONAL PROVISIONS:

- 1. Tenant hereby accepts the Leased Premises in an “as is” condition. All interior finishing work will be at the sole expense of the Tenant.
- 2. Tenant is responsible for cleaning and general maintenance of the premises. Tenant is responsible for, including but not limited to: interior cleaning of the unit and glass and doors/windows; light bulb replacement and disposal; general maintenance and repair of any tenant build out items in the suite; moving/set-up of tenant items; garbage removal (all tenant garbage shall be brought out to the dumpsters in the rear of the mall).
- 3. Landlord is not responsible for any items displayed by tenant in the common area of the mall outside of tenant’s individual suite(s). All such items must be removed upon request of the Landlord in order for the common area mall floors to be cleaned or when a special event is being held in the common area of the mall. This lease only grants use by tenant for the suite as outlined on Exhibit A.
- 4. Tenant expressly understands that the location of the property may be situated in a future redevelopment area. At the present time there is not a plan for

redevelopment that would affect the term of this lease but a concept of a Cambridge Depot for Passenger rail service has been presented. However, should a redevelopment plan come to fruition during the term of the lease, Landlord will give the Tenant a minimum of 180 days notice to vacate the subject property. If notice is given, Tenant shall vacate the subject property 180 days thereafter, or at a later time as agreed upon by the Landlord. Tenant hereby expressly waives any right to damages that may arise from any redevelopment action or eminent domain action of the City of Cambridge or any claim for relocation assistance. Tenant understands that the possibility of redevelopment is reflected in the lease rate.

The City of Cambridge acknowledges that if the proposed Cambridge Depot for Passenger rail service is located at the City Center Mall, the City of Cambridge will make every attempt to retain space for Mondo's Pet Depot of Cambridge.

IN WITNESS WHEREOF, Landlord and Tenant have signed this lease as of the day and year first above written.

City of Cambridge, Minnesota
Landlord

By: Bob Shogren
Its: President

By: Caroline Moe
Its: Executive Director

By: _____
Its: _____
Date: _____