

## **Harmony EDA Minutes**

May 19, 2005  
4:00 p.m.

Council Room  
Community Center

Present: Steve Cremer, Sherry Hines, Greg Turner, Mark McKay  
Also Present: Jerome Illg, Cris Gastner

Meeting was called to order 4:00 p.m.

### **Heritage Grove**

The April financials were reviewed. It was noted that the first quarter the facility generated cash reserves. Jerome recommended that Heritage Grove look at taking advantage of the city's tree program to replace some of the trees cut down. Jerome will talk to the staff at Heritage Grove about the program and placing an order.

### **Haugerud**

Jerome mentioned that he had talked to the assessor about the value of the proposed Haugerud building not meeting the \$40,000 value needed per the development agreement. He had contacted Haugerud's and told them that the value would only be \$20,000 based on the county assessor. The board agreed to leave it at that, and see what Haugerud's decide to do.

### **Mobile Home Park**

Jerome updated the board on the Tunnel Rats proposal for directional drilling a pipe through Barb Knabel's yard to alleviate her concern about digging up the yard and to fix the drainage concern in the park. Shawn Bangs (Tunnel Rats) were concerned about cracking her driveway when directional drilling underneath it. Shawn recommended that they could bend the pipe as they go across highway 52 and not have to dig up Barb's yard at all. Jerome has a call into the engineer to discuss that option, and is awaiting correspondence back. The proposal to do underneath Barb's driveway was \$5,600. Should we decide to go across Hwy 52, the cost would not be much more.

Mark McKay arrived that the meeting at 4:30.

### **Revolving Loan**

Jerome and Cris update the board on a recommendation from the loan committee regarding a revolving loan for Slim's Woodshed. The loan would be used for a machine, and tables and chairs in the amount of \$10,000 at 6.75% over 5 years. Slim has paid back all outstanding loans in the past.

Motion by Steve, seconded by Mark to approve recommend approval for the loan to the city council. Motion carried.

### **Development Project**

Discussion occurred regarding the downtown development project, and potential purchase price offers. Greg mentioned that it would be nice to do a purchase option on the property and have it drafted prior to meeting with Harmony Transit and Arlo Wahl. It was the consensus to offer Arlo Wahl \$20,000 (plus assessments) similar to the discussion in a prior meeting, and to offer Harmony Transit \$40,000 with the options to be exercised by 12/31/05. The basis for the purchase offers were the concerns of potential asbestos issues. Future investigation may be needed regarding asbestos. Consensus was to have Nethercut draft the purchase options and come to next meeting on June 9<sup>th</sup> to discuss them. Jerome will meet to discuss with Tri-County the options available for their building.

At 5:30 p.m. motion was made by Steve to adjourn, seconded by Greg, motion carried.