

JAN. 19, 2006

JOINT MEETING

HARMONY CITY COUNCIL & HARMONY
ECONOMIC DEVELOPMENT AUTHORITY

A Joint Meeting between the Harmony City Council and the Harmony EDA was called to order by EDA President and council member Sherry Hines. Present were Hines, EDA Board members Greg Turner, Roxanne Johnson, and Steve Cremer; EDA Coordinator Cris Gastner, City Council members Mark McKay, Linda Grover and Mayor David Kingsley; Attorney Richard Nethercut, Administrator Jerome Illg, Melissa VanderPlas and Eileen Schansberg. Absent was City Council member Gerald Shuck.

Hines welcomed all to the meeting to discuss the EDA projects done within the City of Harmony for the past several years, the status of present projects, and to discuss future possibilities.

Highlighted Projects:

- **Old Industrial Park**
 - o Minnowa Project Land Sale
 - o Vet Clinic: TIF Assistance
- **New Industrial Park**
 - o Land Acquisition
 - o Lot and Infrastructure Development: TIF/Grant Dollars
 - o Haugeruds: TIF Assistance Land Acquisition
 - o Torgerson's: Industrial Incentives
 - o CO2 Transport: Recruited by the EDA
- **Heritage Grove**
 - o Acquired old motel: TIF Dollars
 - o Site Preparation: TIF/DEED Dollars
 - o Built 3 Million Dollar Facility: General Obligation Bonds paid by revenues
 - o 3 Years successful operation: full with waiting list
- **Old Fire Hall**
 - o TIF Assistance: Site Acquisition/ Site Prep
 - o Two new businesses
 - Job Creation
 - Tax Base Increase
- **Former Incubator Building**
 - o TIF Assistance
 - o Sold to established business
- **Lutes-Scrabeck Addition**
 - o Housing Tax Abatement
 - o 1st Cooperative Abatement with Fillmore County
 - o 14 New Residential Lots

Downtown Redevelopment Project

Hines commented on TIF dollars being used in the downtown area clearing a way for redevelopment possibilities.

Former Mobile Home Park

Mayor Kingsley expressed concern over the amount of money being spent on the area. Questioned whether it would be best to let adjoining land owners purchase the land. Hines stated the monies spent on the area were TIF dollars put to good use. Cremer explained the EDA felt there was a real need in Harmony for affordable housing. A developer could present a plan to place four affordable homes and the city could reap the tax benefits of those homes. It was the EDA's intent to not put any additional dollars into the development.

Loan Programs

- **Revolving Loan Program**
 - o 38 Loans to Harmony businesses amounting to about \$500,000
- **Commercial Rehab Loan Program**
 - o 14 Commercial loans amounting to about \$200,000
 - o Obtained grant dollars from the State for this program
 - o Portion of loan is deferred
- **Residential Rehab Loan Program**
 - o 34 Loans to Harmony Residents amounting to about \$350,000
 - o Entire loan is deferred if resident stays in the house for 10 years

Incentive Programs

- **Business Subsidies**
 - o TIF
 - 13 Projects amounting \$1.35 mil.
 - o Tax Abatement
 - o Loan Programs
 - o Developed Policies
- **JOBZ**
 - o Established tax-free development zone for industrial park lots
- **Industrial Park Incentive Policy**
 - o Incentives available based on Job Creation and increased tax base
- **Housing Incentive Policy**
 - o Currently in development

The meeting ended with a feeling of consensus that it should be held once a year. Grover, along with Kingsley, thanked the EDA members for their contribution to the community.

Hines adjourned the meeting at 8:45 PM.

Mayor David Kingsley
Sherry Hines, EDA President

Eileen Schansberg, Deputy Clerk