

Harmony EDA Minutes

October 8, 2009
7:30 a.m.

Council Room
Community Center

Present: Roxanne Johnson, Steve Donney, Chris Skaalen
Present: Jerome Illg, Chris Giesen, Jill Fishbaugher, Tim Samuelson, Kristi Kiehne, Andrew Kingsley, Cris Gastner, Lynn Aggen, Barb Aggen, Vanessa Magnus, Judy Johnson

Meeting was called to order 7:30 a.m. by Roxanne Johnson.

Revolving Loan

Andrew Kingsley discussed with the EDA his revolving loan. He currently has his building listed to sell. Based on the market and the EDA's position, the sales proceeds will most likely not be sufficient to repay the loan. The EDA would need to sign off on their position in order for him to sell the property. Consensus of the EDA is to work with Andrew, and to discuss the EDA when he has a buyer.

Prospect

Lynn Aggen presented the project that his son will be doing. His son is proposing to build a meat processing facility on an industrial park lot. He shared the business plan and building plans with the EDA. The process was explained regarding the development of the business plan, lot choice, financing, etc. It was shared discussions occurred regarding the lot choice, in relation to the positives and negatives, DEED with infrastructure grant regarding retail, and TIF assistance. The building plans were discussed with the county assessor to determine an estimated tax value. Using the tax value, it was determined that the TIF that would be generated from the parcel, based on the created TIF district for the antique mall project, would pay for the assessments and land costs on the project. Lynn requested assistance with land and assessments to make the project financially workable. Jerome explained the approvals that will be necessary for the project at the November meetings. The lease with Hammell Equipment was reviewed, since they had a 30-day option to purchase the lot for development. Jerome and Chris Giesen will meet with Linus Hammell regarding the lease agreement. Consensus was to proceed.

Heritage Grove

Tim Samuelson and Kristi Kiehne presented the operations report for Heritage Grove. Discussion occurred regarding the flooring in the dining room. Options were reviewed regarding vinyl and ceramic flooring either in the whole dining room or just around serving counter. Consensus was to do flooring around the serving counter for now. The 2010 Budget was presented for reviewed. Discussion occurred regarding rent increase, a bonus plan, and COLA salary increases.

Motion by Donney, seconded by Skaalen to approve budget as presented by management company, including 2% rent increase, 1.5% salary increase, and a bonus plan of 3% of salaries. Voting for Donney. Voting against Skaalen and Johnson. Motion failed.

Motion by Donney, seconded by Skaalen to approve budget, rent increase of 2%, and 1.5% salary increase. Voting for Donney. Voting against Skaalen and Johnson. Motion failed.

Motion by Skaalen, seconded by Donney to approve rent increase of 2% effective 1/1/10, with salary increase, budget, and bonus reviewed at November EDA meeting when a full board should be present. Motion carried.

Chamber

Chamber events and activities were discussed.

Minutes

Motion by Skaalen, seconded by Donney to approve the minutes from September 3rd. Motion carried.

Financials

Motion by Donney, seconded by Skaalen to approve financials and claim of \$5,188.69 for SEMDC services. Motion carried.

Prospects

Chris discussed potential prospects.

At 10:00 a.m. motion was made by Skaalen to adjourn, seconded by Donney, motion carried.