

Harmony EDA Minutes

April 5, 2012
7:30 a.m.

Council Room
Community Center

Present: Chris Skaalen, Steve Cremer, Steve Donney, Deb Swenson, and Andy Batstone

Also Present: Jerome Illg, and Chris Giesen

Meeting was called to order 7:32 a.m. by Chris Skaalen

Minutes

Motion by Swenson, second by Donney to approve the minutes from March 8, 2012.

Motion carried.

Financials

Illg gave an update on revolving loans. Past due loans were discussed. Giesen discussed conversations he had with Stephen Larson, owner of Quarter/quarter restaurant, about the restaurant's EDA loan. Giesen and Illg had developed a plan to help get the business back on track with the loan and assist the business with marketing. The board discussed that perhaps there was a better seasonal approach to payments. Batstone mentioned that he would like to see a marketing plan in place before the EDA assists with marketing. Giesen said he would work with the owner to develop one. Motion by Skaalen, second by Cremer to reduce Quarter/quarter Restaurant's monthly payment to \$200, with an interest rate of 1% APR, for a period of 6 months, provided the owner meet with EDA staff on a monthly basis, and he sign up for monthly ACH payments for the full \$200. Additionally during this 6 month period, provided a written marketing plan is created, and a timely monthly payment is made, the EDA will reimburse the restaurant up to \$100 for marketing activities within the written plan, upon presentment of receipts from such activities. During this six month period, EDA staff will develop a longer-term plan for the business. Motion carried.

Two commercial rehabilitation loan requests were made. Ironside Trailer Sales, Inc. requested an amount not to exceed \$2,250 to install a new sign and post, and awnings. The total project cost is not to exceed \$4,500.

A second request was made from Solberg Welding to replace damaged siding, and replace an exterior window. The request was for \$1,400.03. The total project cost was \$2,800.06.

The loan committee had reviewed both applications prior to the meeting and made the recommendation that the EDA approve both, as requested. The EDA reviewed both applications. Motion by Cremer, second by Donney to approve the commercial rehabilitation loan applications, as requested. Motion carried.

There was one payment claim for CEDA 2nd quarter services in the amount of \$6,371.50. Motion by Skaalen, second by Swenson to approve the payment claim from CEDA as presented. Motion carried.

Heritage Grove

Mark Dixon was present to discuss Heritage Grove. He reported that the independent section was full, assisted living had two vacancies, memory care had one vacancy, and the garages were full.

The board discussed the percentage of medical assistance residents versus private pay residents. Mark explained that it is a delicate balance but he will look into the blend at Heritage Grove more closely.

The purchase offer from Caring Bridge was discussed. Mark mentioned that the EDA should receive a response soon. He mentioned a couple of areas where Caring Bridge was concerned and said a small meeting between the Heritage Grove committee and Caring Bridge may be in order. Caring Bridge's main concern was about the first right of refusal clause. The committee will set up a meeting with Caring Bridge before the next meeting.

Mark also mentioned he will bring the accountant to the next meeting to discuss the financials in more detail.

Chamber

Emily Ellis gave the chamber update. She discussed upcoming events including Bike Month, Girls Night Out, and Family Fun Night. She also mentioned the activities planned for this year's 4th of July festival.

The chamber also recently hired two part-time assistants to help at the visitor center on Fridays and weekends. The chamber also adjusted their operating hours slightly. They will now be open, generally, from 10-4; this will help with staff and volunteer time.

Small Cities Block Grant Program

Cremer left the meeting at 8:33 AM

Giesen discussed the board's questions from the last meeting on the small cities grant program. He reported that the grant could be applied for separate target areas in town. The board discussed if CEDA should be hired to conduct the application, noting that the initial fee was \$900 and if successful, no additional administrative costs would be billed to the city. The board discussed that the program would be most beneficial for owner-occupied single family residential and rental housing. CEDA reported that the application can begin this summer. Motion by Skaalen, second by Swenson to contract with CEDA at a cost of \$900 to apply for the Small Cities Block Grant Program. Motion carried.

Prospects

Giesen discussed some prospects.

Skaalen adjourned the meeting at 9:05 AM.