

Harmony EDA Minutes

September 6, 2012
7:30 AM

Council Room
Community Center

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

Also Present: Jerome Illg, and Chris Giesen

Meeting was called to order 7:35 AM by Chris Skaalen

Minutes

Motion by Swenson, second by Cremer to approve the minutes from August 2, 2012.
Motion carried unanimously.

Financials

Illg gave an update on revolving loans. There was one payment claim from the Harmony Chamber of Commerce in the amount of \$10,000 for 2nd half 2012 funding. Motion by Cremer, second by Swenson to accept the financial report and pay the claim as requested. Motion carried unanimously.

Giesen also mentioned a possible revolving loan application that might be presented in the near future.

Commercial Rehab Loan Request

Giesen presented a commercial rehab loan request from Solberg Welding to replace a front overhead door and track. They would also be redoing paint and flooring in the shop and would use that cost towards their match requirement. The total project cost is not to exceed \$3,600 and the rehab contribution amount requested is not to exceed \$1,800. The total commercial rehab contribution towards this property, if this approved would be \$3,200.03. The loan committee reviewed this application and recommended it be approved. Motion by Donney, second by Cremer to approve the commercial rehab loan application from Solberg Welding, as requested. Motion carried unanimously.

Harmony Foods Parking Lot Request

Giesen presented a request from Harmony Foods in regards to its store's parking lot. Harmony Foods will be remodeling its store within the next year and the first phase is repaving the parking lot and in the process clean up the horse parking area. Part of the parking lot, including the horse parking area is currently on city property but it is maintained by Harmony Foods. Harmony Foods requested that they be allowed to repave the city portion of the parking lot in conjunction with their own lot's re-pavement. Also, Harmony Foods would move the Amish buggy parking area further to the east, away from the current 1st Ave entrance of the parking lot. This new site will likely be a cement pad, sloped, possibly with some kind of gutter/curb, so that run-off from the horses no longer runs into the playground equipment at Selvig Park. Harmony Foods will also develop a maintenance plan for the area; likely a self-service model with some regular interval of washing. Motion by Donney, second by Cremer to recommend that the Harmony City Council that they allow Harmony Foods to proceed with their proposal, as requested. Motion carried unanimously.

Chamber

Emily Ellis and Jean Ingvalson were present to give the chamber report. They gave an update on the Taste of the Trail and Fall Foliage events. They also mentioned that the chamber was looking at revising advertising strategies for 2013.

It was reported that 800 more individual people were in the visitor's center in August 2012 than in August 2011 and that the new chamber website has had over 9,000 hits so far this year. The old chamber website only had 1,000 hits in all of 2011.

Ellis and Ingvalson made a request for dollars the EDA had previously set aside for a new chamber website. Payment was not yet due and it would likely be over a period of time. Motion by Skaalen, second by Swenson to pay chamber website invoices, up to \$2,000, as they are billed and received by the chamber or city. Motion carried unanimously.

Directional signage in town was also discussed. The chamber is exploring new opportunities to place directional signage to get more visibility to Harmony businesses.

Heritage Grove

Kristi Kiehne and Mark Dixon were present to discuss operations. She mentioned that the exterior paint has been looked at, but asked if Jerome could follow-up. She mentioned that as of the end of September, she would be resigning from her position at Heritage Grove. The board wished Kristi the best in the future, and thanked her for all hard work at Heritage Grove.

Mark discussed the Ledebuhr offer. He mentioned that because of health issues their offer maybe taken off the table, however they may be interested again in the near future. Mark said he has begun looking for other prospects and that others have expressed interest in purchasing the facility.

The 2013 budget was also discussed. Mark said that Oxford staff typically had a company meeting in September to review and discuss budgets for all the facilities they manage. Mark said that he would present a proposed 2013 budget at the October meeting and also have the appropriate Oxford staff at that meeting to discuss the details of the budget with the board.

2013 EDA Budget

The 2013 EDA budget was discussed. Consensus of the board was that without a 2013 Heritage Grove budget from the management company, an accurate 2013 budget can't be set. With this in mind, for the preliminary levy the city must set by September 15, consensus of the board was to have staff report to the City Council that the EDA requests a 2013 budget that includes \$75,000 for Heritage Grove and fund all other EDA operating expenses from 2012 in 2013. Consensus of the board was to review again at the October meeting so after the 2013 Heritage Grove budget is reviewed to finalize the 2013 EDA budget.

Prospects

Prospects were discussed.

Downtown Parking Lot

Skaalen again presented First Southeast Bank's request to temporarily use a portion of the downtown parking lot owned by the EDA during their expansion construction. The board had approved this request at the August meeting. Skaalen asked whether the bank could also use a portion of the adjacent gravel lot to the north, which the EDA also owns, for construction equipment and staging ground. Consensus of the board was that the bank could also temporarily use a portion of the gravel lot adjacent to the parking lot for construction equipment and staging. Skaalen asked what the use of the parking lot and gravel lot would cost the Bank. He thanked the board for its consideration.

Skaalen left the meeting at 8:40 AM.

The board discussed what it should charge First Southeast Bank for the temporary use of the downtown parking lot and gravel lot during its construction period. The board felt the lots are for the benefit of the public and Harmony businesses and that because the bank was growing, it is adding tax base, and because of the jobs and services it provides that there shouldn't be a charge to the bank for temporarily using the lots. Motion by Cremer, second by Swenson to lease the northern portion of the downtown parking lot and an adjacent portion of the gravel lot to the north to First Southeast Bank for \$1 during their construction period, if First Southeast Bank were to restore the property back to the present condition after construction. Motion carried unanimously. Staff was directed to draft a lease agreement to the effect of the motion.

Other Business

There was no other business.

Skaalen adjourned the meeting at 8:45 AM.