

Harmony EDA Minutes

October 10, 2013
7:30 AM

Community Center
Council Room

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

Also present: Emily Ellis, Jerome Illg, and Chris Giesen

The regular meeting was called to order at 7:36 AM by Chris Skaalen

Minutes

The minutes of the September 5, 2013 meeting were reviewed. Motion by Swenson, second by Cremer to approve the minutes as presented. Motion carried unanimously.

Financial Report

The financial report was reviewed and loans were discussed. There were two payment claims one in the amount of \$6,499 for 4th quarter EDA staffing services from CEDA and another in the amount of \$250 for 2014 membership dues and visitor guide advertisement for the Harmony Area Chamber of Commerce. Motion by Skaalen second by Cremer to approve the financial report and payment claims as presented. Motion carried unanimously.

Donney entered the meeting at 7:45 AM.

Chamber Report

Emily Ellis gave the Chamber report. She gave an update on past and upcoming events.

Ellis also reported that she had spent time working with representatives of Sterling Drug getting the word out about their changing hours.

The Chamber requested that the EDA consider utilizing some of its marketing budget to assist with advertising on Minnesota Public Radio. The cost is approximately \$2,000 and they requested the EDA contribute \$1,000. The board discussed but took no action.

Ellis mentioned that tourism was up about 30% over the last two years.

The Chamber was trying to finalize its 2014 budget and requested that the EDA contribute 3% more each year. The board discussed. Consensus was that the Chamber should report back with a detailed financial report so the EDA could examine its budget. The board discussed further. Motion by Donney, second by Swenson to utilize the EDA marketing budget to contribute \$1,000 for the radio ad and a 3% budget increase in 2014. Motion carried unanimously.

The board asked that the chamber work with the board earlier in the year regarding financial requests so that the EDA could budget accordingly.

Residential House Donation

Donney and Giesen gave an update on the residential house donation from Wells Fargo. They discussed that it might be easier and less costly if the EDA were to accept the

donation, have the Harmony Area Community Foundation market and sell the property, and have the EDA simply agree to donate any net proceeds of the sale to the Harmony Area Community Foundation. The board discussed and was agreeable. Motion by Donney, second by Skaalen to accept the donation of the residential house at 510 North Main in Harmony from Wells Fargo if the Harmony Area Community Foundation markets and sells the property, donate the net proceeds of the sale to HACF, and to execute any necessary documents to conduct the transaction. Motion carried unanimously.

Small Cities Block Grant

Giesen gave an update on the small cities block grant that CEDA was applying for on behalf of Harmony. He said that in order to score higher, they would need to concentrate the benefit area and provide a larger program match. Other communities usually provide a match of about 20%. He asked that the EDA consider asking the public utilities commission for \$25,000 to go towards this match which could also be used towards the utility's required energy efficiency improvement credits. The board discussed. Consensus was to move forward and request the matching funds from the utility committee.

Heritage Grove

Illg discussed that the city was not successful in requesting loan funds from the Fillmore County EDA. He reported that the request was denied by the Fillmore County Board.

Prospects/ Community Update

Giesen gave an update on prospects.

Giesen mentioned that he had an offer to purchase two lots in the industrial park. The buyer would construct a building to house his electronic circuit board manufacturing business and asked to receive a purchase agreement with the EDA's standard terms. The city attorney had drafted such a document and Giesen presented it to the EDA. He explained that the agreement, if approved by the EDA, would be given to the prospect for his approval and also be contingent upon city council approval and the execution of a formal development agreement for the site. He also mentioned that before the EDA could close on the property they would need to hold a public hearing regarding the sale. The board discussed. Consensus was that this project would be a great opportunity for the community. Motion by Donney, second by Cremer to approve the purchase agreement to sell Lots 3 & 2, Block 2 in the Harmony Industrial Park to Bluff Country Manufacturing of Preston, MN. Motion carried unanimously.

Swenson left the meeting at 9:22 AM.

EDA Strategic Planning

The board decided to hold off on this discussion until the next meeting. Skaalen asked that the board dedicate an hour and a half for this discussion at the beginning of the November meeting.

Adjournment

Motion by Cremer, second by Skaalen to adjourn the meeting. Motion carried unanimously. The meeting adjourned at 9:32 AM. The next regular meeting will be on October 31, 2013 at 7:30 AM at the Community Center.