

## **Harmony EDA Minutes**

April 18, 2013  
7:30 AM

Council Room  
Community Center

Present: Steve Cremer, Steve Donney, Deb Swenson, Andy Batstone

Also Present: Roxanne Johnson, Jerome Illg, and Chris Giesen

Meeting was called to order 7:38 AM by Steve Cremer

### **Heritage Grove**

Giesen and Roxanne Johnson explained the letter of intent to purchase Heritage Grove from Nesnah Ventures. The letter of intent offered \$1.9 million for the purchase.

Johnson explained that the Heritage Grove sub-committee had met with her to review and make recommendations for changes to the proposal from Nesnah. She presented those changes to the board.

The committee recommended a counter offer with a purchase price of \$2.25 million, a \$25,000 deposit, simply having the seller update the abstract to forward to buyers instead of providing an owner's policy, removing the entire section "C" regarding "back-up contracts," changing verbiage throughout to reflect that the document is only a letter of intent, giving the buyer a 20 day window for inspections, requiring the buyer provide a letter of financial ability, and the individual requirements attached as Addendum 1 which were also mentioned in the property listing.

The board discussed the committee's recommendation. Consensus of the board was to also require that the buyers have until 5 PM on April 26, 2013 to respond to the EDA regarding this counter offer. Motion by Donney, second by Swenson to approve a counter offer to Nesnah Ventures' letter of intent with the Heritage Grove sub-committee's recommendations and give Nesnah Ventures until 5 PM on April 26, 2013 to respond to the counter offer. Motion carried unanimously.

### **EDA Strategic Planning**

Consensus of the board was to again wait on strategic planning until a full board could be present and no other pressing issues need to be discussed.

### **Other Business**

Donney mentioned that First Southeast Bank requested that the EDA re-subordinate its mortgage on Jeremy Kruegel's KNR EDA loan to First Southeast Bank because of refinancing. The board discussed that this has been done for other loans and that the EDA's security position would remain the same. Illg mentioned that he thought that loan was already paid off. The board discussed that if it were paid off, a mortgage satisfaction could be filed but if it wasn't, the board would need to re-subordinate. Motion by Donney, second by Batstone to re-subordinate the KNR EDA loan to First Southeast Bank, if necessary. Motion carried unanimously.

Cremer adjourned the meeting at 8:07 AM.