

## Harmony EDA Minutes

December 4, 2014  
7:30 AM

Community Center  
Council Room

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

Also present: Vicky Tribon, Greg Schieber, MN DNR Representative, Beck Hoff, Jerome Illg, and Chris Giesen

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

### Minutes

The minutes of the November 6 & 20, 2014 meetings were reviewed. Motion by Swenson, second by Kingsley to approve the minutes as presented. Motion carried unanimously.

### Financial Report

The status of loans were discussed. There were no payment claims.

### Chamber of Commerce Report

Becky Hoff gave the chamber report. She reported a very successful 2014. The chamber continues to work closely with the other Trail Town communities to promote the region as a whole. She also gave an update on community events sponsored by the chamber.

### Experience Harmony Survey

Giesen gave an update on the last Experience Harmony meeting held on November 12. He said that the turnout was much lighter than in the past. At that meeting he said that they discussed the results of the survey and next steps. It was decided that the next steps should be to present the survey to a joint meeting of the City Council, School Board, and EDA so that they can discuss projects and strategic goals to accomplish the needs identified in the community survey. It was discussed that the survey didn't seem to reveal any major surprises, but that it did highlight some specific needs such as additional child care facilities/businesses and the need for dental services. Consensus of the board was to include these two items as well as other items identified in a list for the next meeting so that the EDA could help craft an agenda for a joint meeting in late January or early February 2015.

### 2015 Work Plan

Giesen reviewed the 2014 annual report with the board. It was noted that during 2014, the EDA was able to leverage \$681,895.82 through various programs and grants to support the community, among other project highlights.

Giesen asked that the board think about 2015 goals and objectives for the next meeting. Skaalen asked that the member open forum/roundtable strategic planning agenda item again appear at the beginning of each future meeting to give board members the chance to discuss new ideas.

### **Harmony Trail Extension Project: Request to Secure Options on Real Estate**

Harmony Trail Committee representatives, Vicky Tribon, Greg Schieber, and a representative of the Minnesota Department of Natural Resources were present to give a progress update on their work to extend the Harmony-Preston State Trail to Niagara Cave and then to the Iowa border where it would meet up with a future Iowa trail. Tribon said that they had identified a route and had just recently secured handshake agreements from all of the property owners along the route to form a contiguous trail from Harmony to the state line. She mentioned that the DNR had worked with them to identify possible obstacles such as wetlands and other issues to develop the best route possible, while also considering items such as the levels of landowner cooperation, scenery/experience of the user along the route, accessibility, safety, etc...

With the handshake agreement in place, Tribon said that the next step was to obtain options on the required property so that state funding for acquisition and construction could be requested. She said this was the same approach used on the original Harmony-Preston trail and it worked well. The board discussed at length. Consensus was that this project would have a major positive impact on Harmony and that the EDA would support wherever they could. Tribon asked that the EDA request from the city council, the authority to secure the options to purchase real estate for the trail. She said that the options would pay a small percentage of the assessed value of the land to hold the right to buy at a future date. It was estimated that about \$30,000 would secure all of the options to purchase the properties needed for the contiguous trail, including legal fees.

Tribon also mentioned that state law would have to be changed to allow for this extension of the state trail. Presently, state law does not include language for a state line trail extension. The board again discussed at length. The board expressed their support.

The board discussed the mechanics of the project and asked City Attorney Schieber for comments on the EDA's potential liability on the matter, he found none outside of the possibility that the options contract expired before the state could fully acquire the property. Tribon mentioned that the options & legal costs could likely be reimbursed to the EDA once the state authorizes the trail and acquires the property. Schieber said that it would likely be a simultaneous transaction; once the funding was appropriated by the state, the EDA would exercise their options to purchase and then immediately sell the land to the State of Minnesota. Motion by Donney, second by Swenson to request that the city council authorize the EDA to secure options to purchase the real estate necessary to extend the Harmony state trail to Niagara Cave and then on to the Iowa border as planned by the Trail Committee in an amount not to exceed \$35,000, to be funded from reserves of the residential rebate program. The board discussed. Consensus was that this motion will give the Trail Committee the most flexibility to complete the project. Tribon noted the contracts will state that the options won't be in effect, and the EDA won't pay anything, unless all of the landowners sign the options to purchase. It was also noted that the options should be for a period of five years to allow for the multiple steps involving the state legislature to occur. Motion carried, 4-0. Skaalen abstained.

The board discussed its approach to secure the necessary changes in state law to authorize the trail extension. It was suggested that a joint letter from the EDA and Council be sent to Harmony's state legislators explaining the project and the request. Motion by Skaalen, second by Swenson to direct staff to write such a letter and request that the City Council also participate. Motion carried unanimously. Batstone offered to hand deliver the letters at the Capitol. Once the letters have been delivered, staff will set up a meeting

with Representative Greg Davids and Senator Jeremy Miller to discuss the project and next steps.

Swenson left at 9:24 AM.

### **Prospects**

Giesen discussed prospects. He mentioned that he had preliminary discussions with Illg to explore updates to the city's alcohol ordinances to allow for brew pubs and other destination-type establishments that serve alcohol. There was a recent change in state law that allows such businesses and Giesen mentioned he has seen an increase in interest in this type of business in the area. Illg said that the city is re-codifying the city code this spring and they would include this discussion when they make updates.

### **Adjournment**

Motion by Batstone, second by Kingsley to adjourn. Motion carried unanimously. The meeting adjourned at 9:35 AM. The next regular meeting is scheduled for January 8, 2015 at 7:30 AM in the Council Room at the Community Center.