

Harmony EDA Minutes

April 3, 2014
7:30 AM

Community Center
Council Room

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

Also present: Melissa Vander Plaas, Jill Fishbaugher, Jerome Illg, and Chris Giesen

The regular meeting was called to order at 7:35 AM by Steve Donney

Minutes

The minutes of the March 6, 2014 and March 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 was one payment claim from Community and Economic Development Associates in the amount of \$6,628.98 for 2nd Quarter 2014 economic development services. Motion by Swenson to accept the report and approve the payment claim as requested. Second by Batstone. Motion carried unanimously.

The board discussed the Michelle Miller "Book Store" loan and considered writing of the loan. Motion by Donney to write off the principal and all accrued interest on the Michelle Miller "Book Store" EDA loan and to direct staff to file the appropriate paperwork with the Internal Revenue Service. Second by Swenson. Motion carried unanimously.

Giesen presented a potential project that Community and Economic Development Associates (CEDA) was taking on. CEDA had applied for a USDA grant program that would provide a pool of additional loan dollars for various projects. Giesen explained that if CEDA can gather matching funds of \$250,000 they will likely get an additional \$750,000 grant from USDA for the new loan fund which would be open to any qualifying businesses in CEDA's territory. The board discussed. Consensus was that more information would be needed before they would contribute EDA funds, but the board was felt that the program was not the right fit for the community.

Industrial Park Purchase Offer

Giesen presented a revised purchase offer from the Overland Group. The purchase offer was for land in the NW corner of the Industrial Park's Phase II. The board discussed. Giesen explained that MnDOT was now allowing an access as requested by the buyer. However, he explained that the board would not know how much to charge for the land until they knew what it would cost to install the proper public improvements and infrastructure. The board discussed hiring the City Engineer to look at costs. Consensus was that even if this project fell through it would likely be a question that would come up again in the future and would be beneficial to have preliminary designs/cost estimates handy for future Phase II projects. There was discussion as to how expanding retail in the industrial park might affect retail downtown and how there was retail in the industrial park already. Illg mentioned that the estimated cost for getting these estimates would be about \$2,000-\$3,000. Motion by Donney, second by Kingsley to have the City Engineer

to work with staff to design preliminary cost estimates and options for constructing public infrastructure to accommodate the Overland Group's proposed site layout. Motion carried unanimously.

Residential Housing Incentive

The board reviewed the program guidelines and application form for the housing rebate program. Consensus was that the guidelines and application reflected the board's intent.

Giesen also mentioned that a press release would be sent out to get additional exposure. He also requested that the board buy small signs advertising the program that could be given out to realtors and lot owners; he estimated the total cost would be about \$200-\$250. He said he would bring more information to the next meeting on signs.

DMC Roundtable Discussion

Giesen updated the board on the DMC roundtable discussion that was held in conjunction with the Harmony Chamber. He said that there were about 20 people that attended, including some new faces. As a result, he suggested dividing the ideas generated into two categories, community development and tourism/marketing. He mentioned that a few participants volunteered to help him as a sounding board for ideas and that another roundtable meeting would be set for May or June to discuss next steps.

Chamber of Commerce Report

Giesen gave a brief chamber report as provided by the Chamber director.

Prospects

Giesen discussed prospects. He mentioned that a letter would be sent regarding utilization of the hay in the industrial park to the person who had been cutting it in years past. Consensus of the board was that since a new individual was interesting in cutting it and offered to make a donation to the 4th of July festival, the former individual should be notified that the board had a new caretaker for the property.

Swenson left at 9:23

Giesen mentioned that he and three other representatives of his company had met privately with the DEED commissioner and discussed many aspects of economic development in rural Minnesota. He also said that he extended an invitation to her and the Governor to Harmony for an event at Harmony Enterprises, because of the State's investment in the project, when the company finishes their expansion this summer.

Giesen also mentioned that the Job Creation Fund application that was submitted for Harmony Enterprises was successful and they were awarded \$215,000 in tax credits for their investment and job creation over the next 2 years in Harmony.

Other Business

There was no other business.

Adjournment

Donney adjourned the meeting at 9:25 AM. The next regular meeting is scheduled for May 1, 2014 at 7:30 AM in the Council Room at the Community Center.