

Harmony EDA Minutes

September 3, 2015
7:30 AM

Council Room
Community Center

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

Also Present: Deb Skaalen, Greg Schieber, Becky Hoff, Jerome Illg, and Chris Giesen

Meeting was called to order 7:31 AM by Chris Skaalen

Minutes

Motion by Kingsley second by Swenson, to approve the minutes of the August 6, 2015 meeting. Motion carried unanimously.

Financial Reports and Claims

Illg and Giesen discussed the loan schedule and the status of loans. It was noted that the Harmony Plumbing and Heating's loan was due in full October 1, 2015 per an agreement made a year ago with the business and that a letter had been sent to the owner as a reminder in mid-August.

Trail Extension Update

Greg Schieber was present to give an update on the trail extension project. He said that in July a group of volunteers (Mark Bishop, Vicky Tribon, Andy Batstone, and himself) presented to a statewide group in St. Paul to get Harmony's project included in the 2016 trails capital grant/bonding request at the Legislature. He said the feedback was very positive and that while they won't know the outcome of that meeting until fall 2015, he felt that Harmony's project had a good chance of being included. He also mentioned that the exact amount of the request could change as the bonding bill gets formed by the Legislature. He also said that if the statewide trail group does not include Harmony in its request, Harmony can always directly request funding from our local legislators.

He also reported that the trail committee continued to work with landowners to sign option contracts. Progress is being made but the committee is discussing how to best secure options on two parcels. The board thanked Greg for the committee's hard work.

Chamber of Commerce Report

Becky Hoff and Deb Skaalen presented the 2nd half 2015 Chamber of Commerce funding request in the amount of \$11,250. They also presented a letter and information on the happenings of 2015 with a report of activity; so far in 2015 there were 5,808 visitors which is an increase of about 650 people from last year at the same time.

Hoff and D. Skaalen also gave a report on this year's marketing and a proposed marketing plan for 2016. The EDA discussed and commented that the Chamber was doing a great job with marketing the community.

D. Skaalen presented the Chamber's proposed 2016 budget. The Chamber requested an increase of \$2,000 over the normal EDA contribution to increase staff hours to 25 per week. While this only funds part of the increase staff costs, additional work is needed to carry out the Chamber mission and the Chamber board has been very pleased with the

work currently being done. Specifically the increase will allow Hoff to promote regional opportunities such as the Taste of the Trail, Trail Towns, and other events that benefit Harmony. The board discussed the request. It was noted that the requested increase could be taken from the current EDA marketing budget which hasn't been regularly used which would avoid any increases to the overall EDA budget. Consensus was that the Chamber has been an excellent partner in promoting Harmony. Motion by Swenson second by Donney to approve the Chamber's request to increase the EDA's annual contribution by \$2,000. Motion passed unanimously.

2016 EDA Budget

The 2016 EDA budget was reviewed and discussed at length. It was discussed that the EDA should look at opportunities to market the community in ways that are different than what the Chamber did; possibly on business recruitment or residential development. Motion by C. Skaalen second by Swenson to approve the 2016 as proposed except that the marketing line item should be reduced to \$5,500 and the donations to organizations line item should be increased by \$2,000 to accommodate the board's previous action to increase funding to the Chamber of Commerce. Motion passed unanimously.

EDA Capital Projects

Dovetailing from the 2016 budget discussion, the board reviewed several capital projects that could be in the future and discussed creating a capital improvement plan utilizing funds that had been assigned to Heritage Grove for future capital projects like extending industrial/commercial infrastructure or engineering and planning for future development or Phase II of the Industrial Park. Consensus of the board was to continue to discuss and develop a plan at future meetings.

Klip Joint Building Update

Giesen presented a proposal from Shannon and Sara Twait of Harmony to purchase the Klip Joint building on a contract for deed in the amount of \$20,000 at a rate of 3% annually for 15 years on the condition that the EDA bring the building up to code for an early childhood education center. The loan committee had reviewed the offer prior to the meeting and recommended that the full board discuss. The board discussed at length. It was determined that while the service was valuable to the community, the EDA wasn't in a position to be involved with renovations to the building at a contract for deed price of \$20,000. Staff was directed to decline the offer.

The board discussed next steps for the building. It was suggested that the building be listed with a realtor. Motion by Swenson second by Kingsley to contact Roxanne Johnson and list the property for sale with her utilizing her professional knowledge to determine the best price and to authorize the EDA President as the contact person to work with Roxanne on any questions she might have or other suggestions that might come forward to improve the salability of the property. Motion carried unanimously.

New Business Ideas

Giesen mentioned that he would continue to include the new business idea list on future agendas to be discussed as time allows so that the EDA can continue to be proactive on the matter.

Member Open Forum

Kingsley asked about the former Harmony Cold Storage building and if anyone had bought it. Illg said he had received the name of the new owner but no contact had been

made yet. The board requested that Giesen make contact with him and welcome him to Harmony.

Prospects/ Community Update

Giesen discussed several prospects and project updates. He mentioned that he and Illg were reviewing the city's liquor license ordinance as it pertains to micro-breweries, brew pubs, and micro-distilleries. Currently there is not a provision to allow them in Harmony. Because of the appeal of such businesses to the public and tourists the board discussed updating the ordinance. Consensus was that these business types would complement existing businesses well and add variety to the local economy. Motion by Swenson second by Kingsley to recommend that the City Council amend the city's liquor ordinance to allow for micro-breweries, brew pubs, and micro-distilleries. Motion carried unanimously.

Giesen reported that the CPS expansion project that was discussed at the last meeting was moving forward and that staff had set up the TIF process in anticipation that a sanitary sewer extension project could be done in conjunction with the expansion. However, that when the city engineer investigated costs in more detail the total estimated project cost to extend sewer was too high in comparison to the revenue that could be generated by TIF and CPS' expansion project. Giesen and Illg said they had extensive discussions with CPS but that CPS ultimately decided to forego public assistance and move forward with their expansion project on their own; primarily because time was of the essence for their project. CPS expects to begin work in mid-September and complete the project by spring 2016.

It was reported that a day care center prospect had contacted EDA staff and was exploring possibilities with an existing building in Harmony.

The career fair with Fillmore Central Schools was set for November 13th, 2015. Giesen continues to work with the high school staff to coordinate the event. He will keep the board posted on progress.

Illg and Giesen reported that Tri-County Electric may be interested in signing a purchase option for land in the industrial park. Project details were still being developed by the business but they were feeling comfortable that a building project in Harmony would happen after some internal discussions that should wrap up in early to mid-2016. Illg and Giesen will keep the board posted.

Giesen mentioned he was working with the Arts Board to coordinate a mural project. He said that the Arts Board would likely determine the details and content of the project but that he could assist with grants and project coordination. The board agreed that it made most sense to have the Arts Board determine the details of the project but that the EDA would support them.

Giesen and Illg mentioned that the funds from the USDA grant had been received. The grant paid for a new civil defense siren and an electric generator at the fire hall.

Kingsley left the meeting at 9:51 AM.

Adjournment

The next regular meeting is scheduled for October 1, 2015 at 7:30 AM, at the Community Center.

Motion by C. Skaalen, second by Donney to adjourn the meeting. Motion carried unanimously. The meeting adjourned at 9:53 AM.