

Harmony EDA Minutes

October 6, 2016
7:30 AM

Council Room
Community Center

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

Also Present: Jay Masters, Jerome Illg, and Chris Giesen

The regular meeting was called to order at 7:37 AM by Chris Skaalen.

Minutes

Motion by Donney second by Swenson, to approve the minutes of the September 8, 2016 meeting as presented. Motion carried unanimously.

Financial Reports & Claims

Illg and Giesen gave an update on past due loans. There was a claim for payment from Community and Economic Development Associates (CEDA) in the amount of \$6,998.55 for 4th quarter economic development services. Payment for 2017 Harmony Area Chamber of Commerce dues of \$50 and 2017 visitor's guide ad rate of \$365. Motion by Skaalen, second by Swenson to approve the payment claims as presented. Motion carried unanimously.

Monster Bash Project Request

Jay Masters of the Monster Bash was present to make a request of the board. He discussed the project and the opportunity it had to grow by purchasing the property known as "Slim's Woodshed" which was up for auction at the end of October, 2016. Masters had already secured about \$15,000 from donations but wanted to make sure he had enough cash to purchase the building. He then explained that his intention was to immediately turn the property ownership over to the Fillmore Central School District which would utilize a portion of the building for storage. He requested a \$35,000 loan at 0% with annual payments and collateral would be a personal guarantee. Giesen reported that the loan committee reviewed and had two questions; whether or not the EDA financing a project that ultimately would go to the school would make sense and if the fact that the property would come off the tax rolls made a difference. The board discussed at length. The board discussed the collateral and consensus was that it was OK to only secure the project with a personal guarantee because the school would be the ultimate owner. It was also the consensus that the interest rate should be 3%. Motion by Swenson, second by Kingsley to approve the loan as requested, with agreed upon changes. Motion carried 3-0, Skaalen abstained.

Chamber of Commerce

Giesen presented a report from the Chamber of Commerce's roundtable meeting on September 21, 2016. The board reviewed the report. The roundtable had 16 participants and discussed several issues related to doing business in Harmony. Consensus of the board was to utilize the information in the report for future projects, goals, and objectives.

The board also discussed the 2017 visitor's guide ad. It was mentioned that the designer the chamber is using this year is willing to review/redesign ads at no charge for participants. Consensus was to have the designer review the EDA's ad.

Giesen mentioned that the Harmony Area Community Foundation and Chamber of Commerce had asked if the EDA would be willing to participate in providing funds for an internship program grant the two organizations had received. They requested \$500 to help assist with the administration of the program so that all of the grant proceeds could go towards the interns. The board discussed. Consensus was that the board would not participate as requested. It was also the consensus that the board was now annually allotting additional funds to the Chamber and that the intention of doing so was to give the Chamber the flexibility to take on additional projects as they came up without having to ask the EDA for additional funds.

Dentist Attraction Project

Giesen reviewed several pieces of information related to the dentist attraction project. At the last meeting the board asked staff to modify the pro forma projections it discussed to exclude the Amish population. Giesen explained additional information from the American Dental Association that showed the immediate Harmony area as well as the surrounding region is, by national averages, underserved by dentists. It was discussed that utilizing this information, the board could target specific dentists or advertise in specific areas to highlight the need. The board requested that staff bring information possible trade associations and organizations that could be avenues to market the project.

Prospects/Community Update

Giesen mentioned that after the meeting the Mayor and board chair would be delivering certificates of appreciation from Governor Mark Dayton to Harmony Enterprises and Solberg Welding as a part of Minnesota Manufacturer's Week.

Adjournment

Hearing no objections, Skaalen adjourned the meeting at 9:10 AM. The next regular meeting will be held on November 3, 2016 at 7:30 AM, at the Community Center.