

Harmony EDA Minutes

November 9, 2017
7:30 AM

Council Room
Community Center

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

Also Present: Jerome Illg, and Chris Giesen

The regular meeting was called to order at 7:33 AM by Chris Skaalen.

Kingsley entered the meeting at 7:34 AM.

Minutes

Motion by Swenson, second by Donney to approve the minutes of the September 28, 2017 meeting as corrected. Motion carried unanimously.

Financial Reports & Claims

The loan schedule was reviewed and past due loans were discussed. Motion by Donney, second by Kingsley to approve the financial report. Motion carried unanimously.

2018 CEDA Contract

Giesen reviewed the proposed 2018 CEDA contract for economic development services. He reported that the contract contained the same material points including a 30-day-out clause and was priced for the same level of service as in past years: one day per week plus an extra day per month. The rate was increased by 2.5% over 2017 for 2018, totaling \$29,411 to be billed quarterly. The board discussed and thanked Giesen for his service. Motion by Skaalen, second by Swenson to approve the contract as presented. Motion carried unanimously.

SMIF Contribution

Donney discussed a suggestion to make a contribution to the Southern Minnesota Initiative Foundation (SMIF). He explained that SMIF provides the administration for the Harmony Area Community Foundation as well as other projects and programs for community development. He said that most other cities with SMIF community foundations make some kind of contribution to help the organization show commitment from the region – SMIF gets its main funding from larger foundations and even small community donations to SMIF show support. Donney also said that SMIF has made several thousands of dollars in matching grants to various Harmony projects recently such as improvements in the community center gym, new park equipment in Selvig Park, and the high school. Donney suggested the EDA consider making a \$500 contribution for 2017. The board concurred. Motion by Donney, second by Swenson to contribute to the Southern Minnesota Initiative Foundation as recommended. Motion carried unanimously.

Harmony Half-Cent Sales Tax

Donney discussed an idea about exploring a local option sales tax in Harmony to help the city address rising construction and project costs. The board discussed at length whether or not a local sales tax would be a benefit or hurt local retail. It was mentioned that it

was unknown how much sales tax is generated in Harmony and there were worries that there weren't any specific needs identified, which might cause such a tax to linger and not be properly utilized. Consensus of the board was that enough information wasn't known to discuss the topic knowledgeably. Staff would look into some basic information about sales in Harmony and report back at a future meeting but the board was hesitant to begin talking seriously about requesting a local sales tax.

City Logo: Finalize Stationary Color

Giesen requested that the board finalize color options for the new city logo on city stationary such as letterhead, business cards, and envelopes. Consensus was that the maroon with blue option Tulip Tree presented, on a very light cream paper was favored. Motion by Skaalen, second by Swenson to approve the maroon and blue logo with very light cream paper for the city stationary. Motion carried unanimously.

Housing Rebate Guidelines Update

The board reviewed several suggested changes to the housing rebate program to allow redevelopment projects and to clarify other eligibility criteria. Consensus of the board was that eligible projects should be for owner-occupied buildings and that redevelopment projects, as long as the new building was worth more than the existing structure to be demolished, would also be eligible. The board did not want apartment buildings or other homes built specifically for rental to be eligible. It was recommended that additional disclaimers be added and brought back for review.

Chamber of Commerce Report

Giesen distributed the Chamber report as submitted by director Becky Hoff as follows:

- Membership Drive as of November 3rd
 - 44 business memberships have renewed (78 total in 2017)
 - 7 Non-Profit organizations have renewed (18 total in 2017)
 - 4 Individual members (18 total in 2017)
 - Current renewal numbers nearly identical to where we were at this time 2016
 - New members in 2018- Scheevel & Sons., Hammel House & Co., Hershberger Rugs, Gertie's (custom baking)
 - Will be following up with those members I have not heard back from during the month of November.

- Guidebook
 - Too early to say, but may be down a few ads this year. Still waiting to hear back from about 20 different advertisers who haven't committed yet this year. (This is normal for early November). Not anticipating any major changes to the book these year, but will use any additional room to add a regional map and/or promote local businesses.

- Events
 - Holiday Fest- Record # of vendors, both gyms full, expanding to hallway
 - Small Business Saturday- promotional materials received, will pass out at Holiday Fest

Breakfast with Santa- on track, not anticipating any changes to event in 2018

Bike Trail Project

Batstone reported that he, Greg Schieber, Illg, and Giesen presented to the Legislative Citizen Council on Minnesota Resources (LCCMR) in early October for a \$235,000 request to fund acquisition of the bike trail. Batstone discussed the presentation. Giesen said that the LCCMR members were impressed that the city was making the request on its own and had matching funds secured. Batstone informed the board that since the presentation, the city was notified that the city's full request was recommended for funding by the LCCMR to the Minnesota Legislature next spring.

Experience Harmony II Community Survey

Giesen reported that the community survey had been published online and distributed in utility bills. Hard copies are also available in the city office and at the library. The survey would close on December 7, 2017 and that he would aggregate the information for the board to review and discuss at their January 2018 meeting.

Other Business

Giesen mentioned that Harmony Spirits notified him that they intend to close on the loans and city property March 1, 2018 and have been fully approved for their primary financing.

It was also mentioned that a new loan request may be made at the next EDA meeting.

Giesen gave a report on the Experience Harmony Day that was hosted by the EDA and Harmony Enterprises on October 20 in Harmony. He said that there were 15 regional community leaders that toured Harmony Kids, Harmony Enterprises, the Hammel House development, Haunted Harmony, and the community in general stopping for lunch at the golf course. The purpose of the event was to bring in regional leaders to see how Harmony works together, the opportunities available, and network with regional stakeholders. Board members that were present at the event reported that it was a good turnout and that the community was able to highlight itself well.

Hearing no objection, Skaalen adjourned the meeting at 8:55 AM.

The next regular meeting is scheduled for December 7, 2017 at 7:30 AM, at the Community Center.