

Harmony EDA Minutes

December 6, 2018
7:30 AM

Council Room
Community Center

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

Also Present: Jill Fishbaugher, Becky Hoff, Jerome Illg, and Chris Giesen

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

Minutes

The board reviewed the minutes of the November 1, 2018 meeting. Motion by Swenson, second by Kingsley to approve the minutes as presented. Motion carried unanimously.

Financial Reports & Claims

The status of the loan portfolio and new home rebate program were reviewed. All loans were current. Motion by Swenson, second by Kingsley to approve the financial report as presented. Motion carried unanimously.

Skaalen entered the meeting at 7:42 AM and assumed the gavel.

Update from Harmony Telephone Company

Jill Fishbaugher was present to give an update on Harmony Telephone's fiber optic project and answer any questions board members might have about the project's progress. She reported that the fiber cable is installed but won't be turned on until after the first of the year as new federal regulations take effect after that time that will affect the project more favorably.

Industrial Park Prospect

Giesen discussed a project that was brought forward by Dairyland Power Cooperative that would build a new maintenance facility in the industrial park. Giesen reported that Skaalen, Illg, and himself had met with representatives of the company to discuss possible site plans, land, and infrastructure needs for the project. Dairyland proposed to purchase the northern most 33' of Block 2 Lot 2, all of Block 2 Lot 3, and all of the land owned by the EDA immediately to the north of Block 2 Lot 3 and east of where 2nd Ave NE would extend straight to the north in the undeveloped Phase II portion of the industrial park. Skaalen said that they had been working with Dairyland over the past couple of years and that current plans have grown to construct a much larger building. Illg mentioned that the prior plan to sell the land to Dairyland for no cost and reimburse the board through tax increment financing (TIF) would still be the course of action.

Giesen stated that the company wished to purchase an option to buy the property needed for their project to hold the land until final construction approval could be given in late 2019. He said that construction was planned for 2020 but before final approval can be given the company had to design and bid out the project for its board of directors. In order to design and bid out the project though, Giesen said that the company needed elevations and infrastructure designs so that their building could be appropriately designed relative to the site. This, Illg said, requires the city engineer to do a feasibility study and design of the needed public infrastructure. The intention would be for the city to have the city engineer proceed with such work and have Dairyland agree to repay the

city for those costs in the event they decide to not proceed, and have the final costs of the design work spread evenly across all effected properties. Illg said that while the land sale would be at no cost to the company and the city would be repaid through TIF, the cost of any new infrastructure in Phase II would be assessed across all improved properties similar to what had be done when Phase I was improved. Depending on the amount of TIF available and any grants that the city qualifies for, the assessments could also be reduced accordingly but at this time, there are too many unknowns to give any estimates related to assessments.

Giesen mentioned that in order to move forward, the board should consider approving the option to purchase contract, which would give Dairyland the exclusive purchase rights to the site until December 31, 2019 for a price of \$4,000, which could be applied to any future assessments for the public infrastructure improvements. The board discussed. Consensus was that this would be a good project for Harmony. Motion by Kingsley, second by Swenson to approve the option to purchase as proposed. Motion carried unanimously.

Giesen also presented an agreement outlining the roles and responsibilities related to the engineering design of public infrastructure for the project. He said that because the EDA typically doesn't engage the city engineer, it would make most sense for this agreement to be between the City of Harmony and Dairyland. The board concurred. In summary, the agreement agreed that the city would provide the project design to the company by September 1, 2019, at the city's cost, unless the company decided to not move forward at which point the company would be responsible for a portion of the associated costs. The board discussed the city approving this agreement. Motion by Donney, second by Kingsley to recommend that the city council approve the engineering and design agreement as proposed. Motion carried unanimously.

Experience Harmony Projects/Goals

Giesen reviewed the current Telling Our Story goal project; website update and community promotion video. He reported that Donney, Chamber Director Hoff, Illg, and he had met with Flying Buttress Media to discuss a possible community video. It was reported that the video could be done per the cost outlines discussed at the last meeting but that it was recommended to also commit enough budget to purchase advertising. The board discussed. It was agreed that marketing the community in regards to job opportunities and lifestyle was indeed needed, in addition to tourism advertising. Motion by Donney, second by Swenson to utilize up to \$5,000 of the marketing budget for the community video production and advertising. Motion carried unanimously.

Donney left the meeting at 8:29 AM.

Giesen asked the board to continue to develop thoughts on next goals in order to keep momentum. Skaalen suggested investigating opportunities to educate the public about solar energy options. Kingsley said that there was a workshop on solar energy in town and it generated a lot of interest; he suggested that the board could host a similar event. The board agreed. February or March was suggested as a good time frame to hold such an event. Staff was directed to bring preliminary plans for an event at the next meeting.

2019 Legislative Visit

Giesen mentioned that several months ago the board agreed to gift the Harmony-opoly to our local state legislators and now that the games were in and with the start of the legislative session starting in early January, it would be good to schedule meetings to

deliver the gifts. He said that other topics or issues could also be discussed at that time, if desired. The board concurred and directed staff to schedule meetings for January.

Chamber of Commerce Report

Becky Hoff was present to give the chamber report. She said that Santa Day was very successful this year and that they had hosted a ribbon cutting for Harmony Homespun despite the bad weather. The Chamber continues to finalize next year's guidebook.

Skaalen announced that Swenson had submitted a letter of resignation from the board. Skaalen said that he wanted to extend a personal thank you for her time and work on the EDA. The other board members concurred and thanked Swenson.

Swenson left at 8:55 AM. Quorum was lost and the meeting adjourned at 8:55 AM for lack of quorum.

The next regular meeting is scheduled for January 3, 2019 at 7:30 AM, at the Community Center.