

Harmony EDA Minutes

June 6, 2019
7:30 AM

Council Room
Community Center

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

Also Present: Barry Churchill, Becky Hoff, Jerome Illg, and Chris Giesen

The regular meeting was called to order at 7:32 AM by Chris Skaalen

Minutes

The board reviewed the minutes of the May 2, 2019 meeting. Motion by Batstone, second by Sagen to approve the minutes as presented. Motion carried unanimously.

Kingsley entered the meeting at 7:33 AM.

Financial Reports & Claims

The status of the loan portfolio and new home rebate program were reviewed. All loans were current. There was a payment claim of \$1,000 from the Harmony Area Chamber of Commerce for the first half of the community marketing video. Motion by Donney, second by Kingsley to approve the financial report and claim as presented. Motion carried unanimously.

Harmony Telephone Update

Barry Churchill was present to give the board an update on infrastructure upgrades that Harmony Telephone Company is working on. He said that the phone company is applying for the USDA Reconnect Program that if successful will provide a loan and grant to extend fiber service to rural areas of their service territory. He also said that the Federal Communications Commission released new funding sources through its Alternative Connect America II program that the phone company engaged in. This new program will provide long term funding streams to the phone company which will allow them to make additional investments in infrastructure like fiber to the home and other company operations. He reported that their relationship with MiEnergy has been wonderful and that the industrial park fiber project is nearly operational. He hopes another fiber project on the southeast side of town will begin later this summer or early fall with subsequent fiber to the home projects to follow. They continue to look for grants, loans, and other programs to upgrade the current system to fiber.

Chamber of Commerce Report

Becky Hoff was present to give the chamber report. She said that the community marketing video had wrapped up filming last week without any major issues and the tourism video will be filmed next week. She anticipates the tourism video being an easier project because of the more simple storyline. She said that 4th of July buttons are now for sale, their new website is nearly ready, and the 125th anniversary celebration committee is meeting monthly to plan the event. The chamber is also working on the 60-mile garage sale event.

July EDA Mtg Date

Consensus of the board was to move the July 2019 board meeting to June 27, 2019 because of the 4th of July holiday and a possible loan application that might need review.

Harmony Veterinary Clinic Land Option Renewal

The board reviewed the option contract with Harmony Veterinary Clinic for three lots in the industrial park. It had expired on May 15, 2019. Giesen said that the owners asked for an extension for two years. The board discussed how the contract should be written. Consensus was that the contract should be renewed. It was agreed that staff should consult the city attorney to draft a contract that mirrors the previous one but makes closing on the ultimate sale of the property contingent upon the successful negotiation of a development agreement between the business and the city. The board was willing to credit both the previous contract price and the new contract price to the ultimate sale price but wanted to be careful about how such a credit would impact any potential financial assistance such as TIF. The board agreed that they did not want to be in a position to issue a cash credit for the option contract above and beyond the value of the real estate, less any assistance given. Staff will bring a draft contract back to the EDA.

Dairyland Project Update

Giesen and Illg updated the board on the Dairyland project. They had met with the business since the last meeting and the business had made several inquiries about alternative sites in Harmony. The city engineer was preparing an estimate to be considered to create a feasibility report that would study the best way to serve the alternate site with city services. The board reaffirmed that they would be willing to share that cost if the project moves forward and also benefits additional future development in addition to the project. It was suggested that the expense of the study could be credited to the final actual project costs should it move forward, but it was also agreed that the board did not want to pay anything for this study should the project not move forward or provide additional benefit to the community.

Experience Harmony Projects/Goals

Illg and Giesen reported that per previous discussions about the Housing goal, they had met with the city attorney to review several properties that may have ordinance violation issues and to review possible solutions. They reported that the current ordinance has several metrics that can be used currently and it would ultimately be an issue for the city council to decide to enforce. Should the council decide to enforce, violations should be addressed equally and consistently throughout the community. However, because of varying ability, financial situations, and compliance, after initial notification individual violations should be handled on a case by case basis but the city may need to be prepared to go to court in some instances. The board agreed that this seemed reasonable and since it was not an issue for the board to enforce itself it was agreed that the council should consider further action. The condition of several properties in the community continues to be the topic of discussion in regards to community development, resident complaints, and was a goal set by Experience Harmony II.

The board also discussed the transportation goal. It was decided to have additional discussion as a board on how to engage potential transportation users and explore additional potential services.

It was reported that the community marketing video had been filmed and a draft would be coming forward in a few weeks. Hoff thanked everyone for their help. The board thanked Hoff for her work organizing the project.

Skaalen mentioned that he had the environmental sustainability goal taken off the agenda because the council has now received the board's recommendations.

Prospects/Community Update

Giesen reported that he had just been notified that a USDA grant that had been applied for to assist with purchasing a backup generator at the water treatment plant and public works equipment was approved in the amount of \$46,000. He also reported that he has been working with two prospective businesses interested in purchasing downtown buildings, that he did an interview by the Post Bulletin on Harmony Spirits opening, and that CEDA is bringing its Regional Development Tour to Harmony in August. Motion by Kingsley second by Donney to appoint Skaalen as the EDA representative to welcome the development tour. Motion carried unanimously.

Giesen also thanked the board for their ability and willingness to work together as a board, and with other organizations and entities; he said that the ability to work together has afforded many good opportunities to the community and not all communities are able to do.

Other Business

There was no other business.

Hearing no objections, Skaalen adjourned the meeting at 9:12 AM.

The next regular meeting is scheduled for June 27, 2019 at 7:30 AM, at the Community Center.