

Harmony EDA Minutes

January 9, 2020
7:30 AM

Council Room
Community Center

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

Also Present: Jill Fishbauger, Jerome Illg, and Chris Giesen

The annual and regular meeting was called to order at 7:34 AM by Chris Skaalen

Election of Officers

The board discussed election of officers. Motion by Kingsley, second by Sagen to nominate and cast a unanimous ballot to reapprove the current officers. Skaalen asked for additional nominations three times. Motion carried unanimously. Officers for 2020 are Chris Skaalen, President; Steve Donney, Vice President; and Andy Batstone, Treasurer.

Committee Appointments

Hearing no objections, Skaalen appointed the following members to serve on standing committees for 2020: Batstone and Kingsley to the loan committee and Donney and Batstone to the bike trail committee.

Annual Program Review

The board reviewed the business subsidy policy and the program guidelines for the revolving loan fund, commercial rehab loan fund, and new home construction rebate program. Giesen recommended that no changes be made to the guidelines at this time. The board concurred.

Giesen stated that the board should make a recommendation to the city council on whether or not to continue the new home rebate program. Kingsley asked if the program has possibly run its course and could be ended, Batstone agreed that the program should not live forever. The board discussed at length. Skaalen suggested that the original intent of the program was to increase housing inventory in town and noted that the current payback on the rebates awarded was about 4 to 5 years. It was suggested that there is no cost if houses aren't built and that it still provides good marketing for the city, or could incent someone to build additional lots. Eventually, the consensus was the program should continue but that it should be looked at closely each year moving forward. Motion by Skaalen, second by Sagen to recommend to the city council that the new home rebate program be extended through the end of 2020. Motion carried unanimously.

2019 Annual Report

Giesen presented the 2019 annual EDA activity report. The board reviewed, discussed, and thanked Giesen for the report. Motion by Donney, second by Batstone to approve the report as presented. Motion carried unanimously.

Minutes

The board reviewed the minutes of the December 5, 2019 meeting. Motion by Kingsley, second by Sagen to approve the minutes as presented. Motion carried unanimously.

Financial Reports & Claims

The board reviewed the loan portfolio and the new home rebate ledger. All loans were current. There was one claim for payment of \$7,800.50 for first quarter 2020 economic development services from Community and Economic Development Associates. Motion by Donney, second by Kingsley to approve the financial report and the payment of claim as presented. Motion carried unanimously.

Harmony Telephone Company Update

Jill Fishbaugher was present to give an update on Harmony Telephone Company's fiber optic internet installation project. She invited the board and community members to an award announcement on January 17, 2020 at 9 AM at the fire hall where the US Deputy Secretary of Agriculture and other officials will announce a major award the phone company is about to receive. She also mentioned that they will likely have 2-3 construction crews in town starting in the summer to start installing fiber optic cables to ever home and business. This new investment will cause the phone company to hire several new people to fill new positions. The board was excited to hear this great news and thanked Jill for her work and update.

Hammel House & Co. Development Agreement

The board reviewed a memo provided by staff in regards to the Hammel House & Co. development agreement. The memo noted that under the terms of the agreement, a house with a taxable value of at least \$250,000 needed to be constructed by the end of the year 2019 or a \$12,000 penalty would be incurred by the developer. At the last meeting the board discussed possibly rebating the \$12,000 penalty if the developer pays the penalty up front, per the current agreement, but builds two houses in 2020 instead of just one as required. Giesen reported that he had talked with the developer about the board's suggested recommendation and that the developer was agreeable to this recommendation. The board discussed. Motion by Donney, second by Kingsley to enforce the development agreement as it stands but reimburse the developer \$12,000 upon the construction of two homes by December 31, 2020, provided the other terms of the development agreement are also met. Motion carried unanimously.

Dairyland Project Update

Giesen gave an update on the status of the Dairyland project. He reported that draft business subsidy and development agreements had been sent to Dairyland for review. He was anticipating some possible revisions but noted that the agreements might not get back until just before the February council approval date. Giesen asked the board for their thoughts on the draft as currently written and if they would want to have another chance to review the agreements prior to going to city council for final approval. The board discussed. Consensus was that staff should review any revisions and discuss with the EDA president. If the president believes the changes were material to changing the scope of the project or assistance provided, a special meeting would be called for 6:30 PM on February 11, 2020 to review and make a recommendation.

Industrial Park

At the last meeting the board briefly discussed considering additional infrastructure construction in the industrial park because the Dairyland project would generate excess tax increment, above what is needed for their own project. Giesen said that the city engineer would have a feasibility report and cost estimates available at a special meeting on January 16, 2020 for review. Giesen said that there will likely be enough excess increment to finance about \$300,000 worth of infrastructure projects, including the state grant that was applied for and the MiEnergy loan that was recently approved. The board

discussed improvement of 8th Street NW, extending utilities to the recently purchased property along 8th Street NW, and extending 1st Ave NW as possible projects, but that they might have to prioritize them given the budget available. Giesen asked the board members to think about how they would prioritize those improvements if the budget didn't allow for all of them to be completed.

Experience Harmony Projects/Goals

The board briefly reviewed the Experience Harmony II project goals. No action was taken.

2020 Joint Board Workshop

Consensus of the board was to again host a joint meeting/workshop with the Harmony city council and the Fillmore Central school board to discuss past projects, future projects, and opportunities to work together and leverage resources. Giesen said he would reach out to the school superintendent to find possible meeting dates, most likely in February or March. Skaalen suggested that the meeting be scheduled like in years past, an hour prior to a city council meeting, if possible. The board agreed.

Chamber of Commerce Report

Chamber director Mellissa Vander Plaas was not present, but submitted the following chamber report:

December events

- ~ Breakfast with Santa – We hosted Breakfast with Santa on Saturday, Dec. 7, and it was one of our largest Santa Day events ever. We estimate about 350 people attended. Nearly 300 breakfasts were served by the Harmony Lions, 210 books were given to children after they visited Santa; over 320 photos were printed; 46 letters were written to Santa; 125 cookies were decorated and 190 individuals signed up for door prizes. It was a fun and successful event.
- ~ Community Tree Lighting – 25 businesses sponsored trees to “light up” Selvig Park for Christmas. A contest was held with the JEM Theatre taking first place, BReaKeRs taking second and the Remembrance Tree taking third place.
- ~ Small Business promotion – Harmony businesses rewarded local shoppers by entering them into a drawing for every \$25 spent in their business through the month of December. Grand prize drawing – five winners of \$50 Harmony Dollars – will be taking place this week or early next week.

December activities

- ~ The visitor center is officially closed until April weekends, but I do keep the door open when I am in the office and a few people have stopped in.
- ~ Worked on membership and guidebook advertising. Currently working on updating member ads and editorial content as well as finding new photos to feature inside. Also did a lot of filing and sorting through old documents to learn and organize the office.
- ~ Worked with HACC Treasurer Deb Skaalen on budget and end-of-year finances.
- ~ Created weekly newsletters to promote local news and events.

January tasks

- ~ End of 2019 financial reports and reports for board meeting.
- ~ Finalizing guide book design and working with printer for a late March/early April delivery.

- ~ Preparing for February annual meeting – Harmony Golf Course, Wednesday, Feb. 12, 6:30 p.m.
- ~ Begin 2019 sponsorships and promotions for mailing out in February.
- ~ Continue booking Fourth of July events and entertainment – complete “Save the Date” event poster to distribute in February/March.

2019 Numbers

~ The Visitor Center had 6,318 visitors from April through November, with the highest numbers in June, July and August. July was our best month with over 1,300 visitors recorded. Many more utilized our brochure rack in the hallway and visited our website. These numbers were down from last year, as 2018 had 6,762 visitors.

~ The Chamber also hosted seven ribbon cuttings for new businesses and expansions. These included Harmony Spirits, BReaKeRs, Falcon’s Nest, Harmony Gardens & Floral Greenhouse, new library patio, Harmony FreeNotes Park installation and Bee Balm.

~ Over 12,000 Visitor Guides were distributed to states near and far. An increased interest from residents in the state of Illinois has been noted on the website and through requests from information.

Contact me

~ I was unable to attend today’s meeting, but if you have any questions or wish to have additional information, please feel free to call me or stop in the office.

~ I plan to be in the Chamber office on Mondays, Tuesdays, and Thursdays, as well as additional hours on some Wednesdays and Fridays.

Prospects/Community Update

Giesen gave an update on prospects. He mentioned that he was working with the owners of the distillery on a potential marketing event that might receive some grant dollars, that there was one business interested in the loan program last month, and that he had invited Roxanne Johnson to discuss the housing market at the next regular EDA meeting.

Other Business

Donney suggested that it would be a good idea to give restaurant owners a heads up that there will be several construction crews in town this summer. Giesen said he would talk with the restaurant owners and also ask if the chamber could put something in their newsletter.

Hearing no objections, Skaalen adjourned the meeting at 9:30 AM.

The next regular meeting is scheduled for February 6, 2020 at 7:30 AM, at the Community Center.