

Harmony EDA Minutes

February 4, 2021
7:30 AM

Community Center
Council Room

Present: Kerry Kingsley, Andy Batstone, Steve Sagen, and Greg Schieber

Also Present: Julie Lange, Amy Rain, Kent Whitcomb, Roxanne Johnson, Kelsey Bergey, Devin Swanberg, and Chris Giesen

The regular meeting was called to order at 7:31 AM by Kerry Kingsley.

Minutes

The board reviewed the minutes of the January 7 2021 meeting. Motion by Batstone, second by Schieber to approve the minutes as presented. Motion carried unanimously.

Financial Reports & Claims

The board reviewed the loan portfolio. Giesen noted that the Quarter/quarter loan was recently paid in full. There were no claims for payment.

Loan Request: Harmony Lodge

Giesen introduced Julie Lange, she is proposing to purchase the Harmony Hotel which she will rename the Harmony Lodge. She is requesting a \$35,000 loan with a 3.25% fixed APR rate and a term of 10 years. Lange discussed her excitement to rebrand the hotel and hopefully be open for the tourist season this year. Giesen mentioned that the bank is still assembling its financing package for this project because of the complexity of the deal, but indications are that it will be approved assuming things progress as anticipated. The loan committee recommended approval as requested, pending bank approval. Motion by Sagen, second by Batstone to approve the loan as recommended. Motion carried unanimously.

Loan Request: The Shop A Cut Above the Rest

Giesen introduced Amy Rain who owns The Shop A Cut Above the Rest hair salon. She owns her building on a contract for deed and the contract is at the end of its term so she needs to refinance to buy out the contract. She is requesting a \$25,000 loan with a 3.25% fixed APR rate and a term of 10 years. Rain discussed her project. Giesen mentioned that like the last loan, the bank financing is not complete yet so any approval should be done on the condition that bank financing is also approved. The loan committee also recommended that a cosigner be listed as a borrower as the primary bank financing was also requiring a cosigner. The board discussed and concurred. Motion by Batstone, second by Sagen to approve the loan as recommended. Motion carried unanimously.

Electric Vehicle Charging Stations – MiEnergy

Kent Whitcomb of MiEnergy was present to discuss opportunities for the city to install electric vehicle (EV) charging stations. The board has discussed a desire to install at least one station somewhere in the community, most likely at the visitor's center, although the final location and scope has not been determined.

Whitcomb reported that MiEnergy would provide a standard pedestal charging station with one port for charging. Additional ports could be added but it may reduce the charging capacity should more than one car be connected, depending on multiple

technical factors. The city would be responsible for any upgrades to the station (like adding additional charging ports or higher charging capacity) and installation. The city would own and maintain the station, as well as set any prices. There are multiple pricing options for the end user of the charger, including time in the parking stall or electricity used. The basic charger costs about \$4,000 and installation costs will depend on the location and electrical needs. The board discussed at length.

Batstone wondered if two smaller stations might be a better option, especially if they could charge cars faster. Whitcomb reminded everyone that these particular chargers are only capable of charging cars at a certain level and that a full charge would only be possible over 5+ hours. He said that most likely people would use these stations as a “top off” while they are eating lunch, shopping, or using the trail. “Super chargers” or chargers that are capable of a full charge in 30-60 minutes can cost upwards of \$100,000 to install.

Sagen wondered if there could be an opportunity to include 110v outlets for electric bike charging. The board agreed that it might be worthwhile to incorporate electric bike charging into an EV charging project. Sagen volunteered to assist staff with determining possible locations and setup. The board thanked Whitcomb for his information.

Harmony Real Estate Market Update

Roxanne Johnson and Kelsey Bergey were present to give a report on last year’s real estate activity in Harmony. Overall, Johnson and Bergey reported that last year’s market was good despite the pandemic. 16 properties sold, and if outliers are removed the average days on market for a property listing was 30 days, the average sale price was about \$139,000, and sales occurred at about 97% of the listing price. All of these statistics were positive Johnson mentioned.

The board discussed several real estate related issues and potential projects, including programs and possible assistance in various scenarios. The board thanked Johnson and Bergey for their assistance, work for the community, and ideas.

2021 Goals and Objectives

Kingsley asked board members to review the current goals and projects and to come back with some potential ideas to discuss at the next meeting. One possible goal mentioned was key properties that are potentially coming up for sale. Kingsley asked Giesen to include goals and objectives again on the March agenda.

2021 Joint Board Meeting

The board agreed that hosting a joint meeting between the EDA, city council, and school board would again be a great idea. Giesen mentioned that a school board member had mentioned looking forward to meeting with the city again, too. Schieber suggested that in order to accommodate the size of the group and social distancing, the meeting could be held outside if we waited for summer. The board agreed. Giesen will reach out to the school board to discuss possibilities for the June or July timeframe.

Chamber of Commerce Report

There was no chamber report.

Prospects/Community Update

Giesen have a brief update on the progress with the trail project. He will keep the trail committee posted of any new updates. There was nothing new to report since the last meeting; nothing had changed from the state's perspective.

Giesen gave an overview of the Dairyland project. He reported that the city was awarded a \$285,000 grant to assist with infrastructure and that the company is indicating that the project has a positive outlook for moving forward. Giesen said that the final approvals are scheduled for March 9, 2021 at the city council but that the board would be asked to review and make a recommendation on the final assistance package and development agreement.

Other Business

There was no other business.

Hearing no objections, Kingsley adjourned the meeting. The meeting adjourned at 9:37 AM.

The next regular meeting is scheduled for March 4, 2021 at 7:30 AM at the Community Center.