

## Harmony EDA Minutes

August 11, 2022  
7:30 AM

Community Center  
Council Room

Present: Steve Donney, Andy Batstone, Steve Sagen, and Greg Schieber

Also Present: Devin Swanberg and Chris Giesen

The special meeting was called to order at 7:30 AM and without a quorum being present, went into recess until 8:30 AM.

With a quorum being present, the meeting was recalled into session by Donney at 8:31 AM.

### **Consider Counter Offer to Loan Settlement**

The board reviewed a counteroffer to their offer settlement in regards to the Tin Rust and Harmony loan. At the previous meeting a settlement offer of \$22,500 was made to allow the first mortgage holder buy out the board's mortgage. \$22,500 would represent approximately \$900 less the outstanding principal, interest, and legal fees due. The first mortgage holder countered this offer with \$21,500.

The board noted that a Sheriff's sale for the foreclosure is scheduled for September 1, 2022 and that the likelihood of being made whole was very high in this instance. Batstone noted he was not in favor of further negotiation. Giesen relayed a comment received from absent board chair Kingsley that he was not in favor of further negotiation. Donney said he was in favor of considering of negotiating further within a limited scope. Schieber described positives and negatives from each prospective, considering possible outcomes if the board pursued foreclosure. He said that if we move forward with foreclosure there would be a 6 month redemption period for the owner. This could be shortened to 5 weeks if a judge agrees the building has been abandoned/vacant.

The board discussed at length after which a consensus was built to make a counteroffer of \$22,250 in the spirit of cooperation with first mortgage holder who is also a community business, limit additional resources spent on this matter, but still limit any potential loss of public funds. Motion by Donney, second by Batstone to approve a counter offer of \$22,250 to settle the Tin Rust and Harmony loan foreclosure matter. Motion carried 3-0-1. Schieber abstained.

There was no other business.

Hearing no objections, Donney adjourned the meeting. The meeting adjourned at 8:56 AM.