

Harmony EDA Minutes

February 1, 2024
7:30 AM

Community Center
Council Room

Present: Steve Donney, Greg Schieber, Michael Himlie, and Stuart Morem

Also Present: Dwight Luhmann, Jacqui VanMinsel, Becky Jones, Amy Bishop, Aaron Bishop, Erica Thilges, Allan Dahl, Will Giesen, Sam Grabau, and Chris Giesen

The regular meeting was called to order at 7:30 AM by Steve Donney.

Minutes

The board reviewed the minutes of the January 4, 2024 meeting. Motion by Himlie, second by Schieber to approve the minutes as presented. Motion carried unanimously.

Financial Reports & Claims

There was no loan schedule to review due to the meeting falling on the first of the month and payment receipts were not yet available. Staff will forward the schedule to the board when available. There were no payment claims.

New Home Construction Digital Marketing Strategy for 2024

Giesen presented a proposal to renew the new home construction rebate digital marketing strategy for 2024. This effort started in mid 2023 as a pilot project; Becky Jones of Farm Charm provided social media management services. Last year's project budget was not to exceed \$2,450 for services and ad purchases, which was not fully utilized. In Addition, the city preliminarily received a \$500 grant for 2023 project costs through Dairyland Power and MiEnergy. The purpose of the effort is to promote home construction and new subdivision development to increase the number of available lots in the community.

For 2024, the proposed cost is not to exceed \$2,900 which includes up to \$500 for ad purchases on social media and 48 weeks of social media services. This year's focus would be expanding upon the pilot program and incorporate the new city's website to collect and farm information to target interested developers, real estate investors, and other such investors to not only continue building homes in Harmony but market the opportunity to develop new subdivisions which usually takes longer and is riskier in small markets like Harmony. The information gathered would be utilized to reach out and develop awareness, interest, and relationships. Possibly a community tour/familiarization event could be held too, depending on success. Giesen said he would look into another grant like last year. Himlie suggested committing to 6 months to see how the effort goes. The board discussed. Motion by Donney, second by Schieber to approve 6 months of digital marketing services at the quoted rate of \$50 per week and up to \$500 in digital ad purchases for the new home rebate program and subdivision development marketing. Motion carried unanimously.

Telecommuter Forward! Certification: Harmony Telephone Request

Jacqui VanMinsel of MiBroadband was present to request the board's consideration of being certified under the State of Minnesota's Telecommuter Forward! program. This program highlights cities as supportive and ready for telecommuter opportunities and

involves listing a point of contact for the community, adopting a resolution of support, and being listed on the state program's website for the public. There is no cost. The board discussed. Motion by Schieber, second by Morem to recommend that the city council adopt the proposed resolution and join the certification program. Motion carried unanimously.

VanMinsel updated the board on other activities, noting that Harmony Telephone Company was recently rebranded as MiBroadband.

Bike Trail Extension: Land Acquisition Update

Giesen and Schieber gave an update on the two small additional parcels needed for acquisition to accommodate the state bike trail design. They reported that they have made a verbal agreement with the two landowners and that they were very supportive of helping the project. Final details are being worked out with one of the landowners but it was recommended to have the board request that city council approve the two purchases once agreements are finalized in the coming weeks. Giesen noted that the Harmony Area Community Foundation has funding available for the bike trail project and that the city would sell this additional property back to the State of Minnesota once the project is completed, reimbursing the city and community foundation with the proceeds of the sale to the state. Motion by Himlie, second by Schieber to recommend that city council approve purchase agreements to acquire additional parcels related to the bike trail, once they are finalized. Motion carried unanimously.

Eden Renewables Solar Project: Update

Giesen reported that the solar field developer intends to present their project to the board at the March meeting. At such time, they will also likely present a preliminary development agreement for review that would allow the developer to proceed with a feasibility study and limit the board's ability to negotiate for a similar project for a period of time while the study is being completed. The agreement is currently being reviewed by staff and city attorney. Giesen noted that there are additional considerations for this project and that he has invited representatives from MiEnergy and the city's utility committee to attend the March meeting to discuss additional details and questions.

Chamber of Commerce Report

Erica Thilges and Amy Bishop were present to give the chamber report. They gave an update on current projects and events, reporting that the annual meeting was a success and that they were able to fill a vacant board seat recently. Bishop discussed the year to date financials. Giesen noted that the planned joint chamber/city/EDA meeting needs to be rescheduled due to scheduling conflicts for participants. He will be reaching out to participants later today to find an alternate date.

Development Agreement Compliance

Dwight Luhmann, special attorney representing the board in enforcing the development agreement with Jeff O'Connor on the Twin City Trimmers project, was present to discuss the current status and next steps in the situation. He noted that the board could choose to close the meeting to the public to discuss pending litigation. The board declined to close the meeting.

Luhmann gave an update on communications to date, noting that issues regarding parking in the industrial park were a particular sticking point in the matter for Mr. O'Connor. Given the uncertainties, cost, and time involved with taking any case to trial Luhmann

recommended making one last attempt to discuss a possible resolution. The board discussed at length. Consensus of the board was to enforce the development agreement but agreed that a settlement conference within the next two weeks was advisable in case there was an acceptable resolution that could be obtained. Motion by Donney, second by Morem to have Luhmann arrange a settlement conference as soon as possible within the next two weeks, having Schieber, board chair Kerry Kingsley, and Giesen attend with Luhmann. Motion carried unanimously.

Consensus of the board was to have Luhmann immediately proceed with next steps of the case if the appointed board representatives don't see a speedy resolution to guarantee the construction of the proposed building.

2024 Goals & Objectives

Donney tabled the discussion of 2024 goals and objectives to the March meeting.

Prospects/Community Update

Giesen gave a brief update on prospects.

Schieber left the meeting at 9:34 AM.

There was no other business.

Hearing no objections, Donney adjourned the meeting. The meeting adjourned at 9:35 AM.

The next regular meeting is scheduled for March 7, 2024 at 7:30 AM at the Community Center.