

# Harmony EDA Minutes

April 4, 2024  
7:30 AM

Community Center  
Council Room

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

Also Present: Aaron Bishop, Amy Bishop, Erica Thilges, Sam Grabau, and Chris Giesen

The regular meeting was called to order at 7:30 AM by Kerry Kingsley.

## Minutes

The board reviewed the minutes of the March 7, 2024 meeting. Motion by Schieber, second by Himlie to approve the minutes as presented. Motion carried unanimously.

## Financial Reports & Claims

The loan portfolio was reviewed. Giesen will follow up on two loans that missed the most recent payment. The board reviewed the status of the new home rebate program.

## Eden Renewables Solar Project: Preliminary Development Agreement

Giesen updated the board on a recent discussion with the solar developer. He reported that in a recent call the developer requested that action on the preliminary development agreement on the agenda be tabled until a future date so that they can do additional research and attend the meeting to discuss. They were also open to considering a smaller acreage for the site, perhaps 5-7 acres or so, and reiterated that the city does not need to be the ultimate buyer of electricity produced by the project if they don't desire to. Giesen also reported that since the last meeting at least two prospects had come forward to inquire about purchase of property in the undeveloped portions of the industrial park. That the current shovel ready lots available would not accommodate the prospect's needs and they would need portions of the undeveloped areas. He also reported that the committee designated at the last meeting felt that the development potential for the industrial park was too valuable to utilize it for passive developments such as a solar field. The board discussed at length. Consensus was that the industrial park property whether the shovel ready lots or the undeveloped portions, were too valuable to sell for passive investment type projects such as solar. The board wishes to reserve the industrial park property for job creation/retention, tax base creation, utility users, and improving the economy of the city with business activity.

Motion by Himlie second by Donney to table action on the preliminary development agreement per the developer's request. The board discussed further. Consensus was that if there wasn't a desire to use the property for passive development, there isn't a need to delay a decision on the agreement. That it would be best to inform the developer now of the board's intentions. Motion failed 1-4. Kingsley, Donney, Schieber, and Morem voting no.

Motion by Kingsley, second by Donney to reject the preliminary development agreement. Motion carried unanimously.

### **Development Agreement Compliance**

Giesen reported that the proposed settlement approved at the last meeting to resolve the matter with Jeff O'Connor had been reached and finalized. A quit claim deed had been signed and recorded to transfer ownership of the property back to the board and all equipment had been removed. Relaying a message from the board's special attorney, Giesen noted that no further action was needed by the board and that the attorney now considered the matter closed. In summary, the board received ownership of the property back and retained funds paid to date by the developer.

Giesen presented an invoice for the board's special attorney legal fees totaling \$3,337.65. Motion by Morem, second by Schieber to pay the invoice as presented. Motion carried unanimously.

The board discussed the reuse of the property. Consensus of the board was to relist the property for sale for development at the prior price of \$65,000 or \$100,000 total if the lot to the immediate east is included.

Giesen noted that since the property was under private ownership and on the tax rolls, property tax for 2024 would be due. This totals \$800 for the year. An application for tax exemption for 2025 and beyond will be submitted to Fillmore County. Motion by Schieber, second by Himlie to approve payment of \$800 for 2024 property taxes as requested. Motion carried unanimously.

### **Industrial Park Layout/Pricing Update**

The board discussed the current pricing and layout of the industrial park. At least two serious prospects are considering developments in the unserved/undeveloped sections of the park and they will not fit in the developed portions. In order to price such areas for sale to the prospects, the board needs to determine the cost to extend public infrastructure to those areas.

Several options, thoughts, and ideas were discussed at length. It was agreed that sale prices should reflect development costs of infrastructure, especially if those costs result in sale prices within market rates for land sales. Consensus was to request that the city engineer update infrastructure costs last estimated in 2020 in order to ensure lot prices are adequate and market based.

### **Chamber of Commerce Report**

Erica Thilges and Amy Bishop gave the chamber report. Thilges reported that KTTC TV covered their volunteer day and it was positively received. Bishop discussed the current financials. Thilges discussed the chamber's need to update some photo content for publications such as the visitor guide. In researching sources of grants to cover the cost, it was discussed if the city or EDA would be in need of additional photo or video content for its new website and other publications. Several options including holding a contest and hiring a photographer were discussed but no actual costs had been received yet and no action was taken. Thilges will research options and costs and bring information back for review. Consensus of the board was to consider participating in the project.

### **Prospects/Community Update**

Giesen discussed several prospects. He reported that the bike trail project had begun with tree removal starting a few weeks ago. He continues to work with the DNR to finalize the last remaining moving parts for both phase 1 and phase 2 of the project. He also

suggested that the board host a groundbreaking event. In discussions with volunteers, later afternoon on Friday May 3 was suggested. Legislators, land owners, volunteers, media, and the general public would be invited. Giesen requested a small budget to provide refreshments for attendees. Motion by Himlie, second by Kingsley to provide up to \$500 from the marketing budget for refreshments. Motion carried unanimously.

Donney noted that the Harmony Area Community Foundation is partnering with the Historical Society to apply for a capacity grant to help conduct planning work for the historic elevator renovation project.

Giesen noted that there was still interest by board members to review the new comprehensive plan and how the board can help implement the stated economic development goals. The board agreed to include this topic on the next agenda.

There was no other business.

Hearing no objections, Kingsley adjourned the meeting. The meeting adjourned at 9:48 AM.

The next regular meeting is scheduled for May 2, 2024 at 7:30 AM at the Community Center.