

Harmony EDA Minutes

September 5th, 2024
7:30 AM

Community Center
Council Room

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

Also Present: Ron Zeigler, Erica Thilges, Monica Thilges Corcham, Alissa Stelpflug, Chris Miner, Klayton Miner, Cyndi Ofstedhal, Jill Huffman, Meghan Gill, 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 August 1, 2024 meeting. Motion by Himlie, second by Donney to approve the minutes as presented. Motion carried unanimously.

Financial Reports & Claims

The Chamber of Commerce requested its bi-annual funding - \$15,000 invoice . The Chamber of Commerce also requested \$2,400 for the Photograph Harmony project per the EDA's previous approval. Giesen reported that the latest updated loan schedule was from 8/28/2024, but that there is nothing of note that would cause discrepancy in the week gap. No issues were anticipated. No new home rebates had been made or claimed. Motion by Schieber, second by Himile to approve payment of the claims as presented. Motion carried unanimously.

Loan Request: TBD Vintage

Giesen reviewed a request to fund a \$40,000 loan to TBD Vintage. Chris noted that the typical maximum loan is usually \$25,000 but because of the need and scope of the project, \$40,000 was requested. Owner Monica Thilges Cochran was present to discuss any questions. The request would fund approximately 8% of the cost needed for repairs at 605 Main Ave N, for the parking lot, handicap-accessibility, and revitalization of the pre-existing building, particularly the entrance. Once repairs are adequately performed on the property, a vintage mall will be opened in the space, complimenting the pre-existing New Generations of Harmony Vintage mall as a sister business. Cochran noted that there are vendors lined up to occupy the mall. Owner equity and bank loan would cover the remaining expenses. The loan committee had reviewed the particulars of the request and recommended approval. Loan terms requested were a 10 year term and 6.75% fixed interest rate. Motion by Morem, second by Donney to approve the loan as requested. Motion carried unanimously.

Land Sale: Miners Underground - Industrial Park Land Sale

Giesen reviewed a request for a purchase of 2.4 acres of land to Miners Underground to build an industrial building located on Lot 2 Block 2 of Harmony Industrial Park 1st addition, as well as Lot 2 Block 1 Harmony Industrial Park 2nd addition. Owners Klayton Miner and Chris Miner were present to discuss any questions. K. Miner noted that this business headquarters would be the base of operation for about 20 employees. The board discussed the implications of options for purchase of the land and how best the timing would work for the building to be finished by the end of the year in anticipation of

operations beginning in this new headquarters by spring. The lot as priced is listed at \$100,000. The board discussed the merits of reducing the lot price in lieu of creating a new TIF district for the project would have a similar net effect on the cost of the lot for the developer and the total revenue collected for the lot sale by the EDA. The buyers wished to begin construction in October of this year which would be problematic for starting a new TIF district given the length of time it takes to establish. Consensus of the board was to inquire as to whether the existing TIF district for this property could be utilized, and if so, along with the startup and administrative cost savings the board was willing to consider a cash-out-of-pocket sale price of \$50,000. This was agreeable to the buyers as well.

Motion by Donney, second by Kingsley to call for a public hearing at the October 3, 2024 EDA meeting to consider the land sale, direct the city attorney to draft a purchase agreement for consideration, out of pocket sale price of the desired lots of \$50,000, to utilize existing TIF to the extent possible, and to require substantial completion of the proposed building by December 31, 2025. Motion carried unanimously.

Chamber of Commerce Report

Erica Thilges was present to give the chamber report. The last Back Alley Jam in August was a success, and there was discussion on ideas for how it will look next year. Upcoming planning was discussed, with planning for fall and winter events being underway. The Photograph Harmony project first round of photos have been posted to the Chamber of Commerce Facebook page and are available for use of Harmony-related marketing. The rest of the photos taken will be posted within the next month. The board reviewed the latest financial report.

Prospects/Community Update

Giesen reported that multiple businesses had been in touch with him recently to discuss expansion opportunities.

The Downtown Revitalization Program is open to applications and is being discussed with applicable businesses. The applications are due 11/1/2024 and will be presented at the following EDA meeting on 11/7/2024.

Giesen gave an update on the current status of the bike trail, including bidding on the second phase of construction and ordering of signage for the intown connection route.

Giesen thanked all for a wonderful past 15 years and wishes all well.

There was no other business.

Hearing no objections, Kingsley adjourned the meeting. The meeting adjourned at 8:37 AM.

The next regular meeting is scheduled for October 3, 2024 at 7:30 AM at the Community Center.