

Harmony EDA Minutes

December 5, 2024
7:30 AM

Community Center
Council Room

Present: Kerry Kingsley, Steve Donney, Greg Schieber, and Michael Himlie (virtual)

Also Present: Erica Thilges, Aaron Bishop, Amy Bishop, Allan Dahl, Eddie Swartzentruber, Becky Meyers, Mason Weedman, and Alissa Stelpflug City Administrator

Not Present: Meghan Gill, Stuart Morem

The regular meeting was called to order at 7:34 AM by Kerry Kingsley.

Minutes

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

Financial Reports & Claims

The loan portfolio was reviewed. Administrator Stelpflug will double-check on payments made to the RED ledger, since nothing was added yet for December. No motion made.

TBD Vintage update

Kingsley read off notes from Gill:

“Monica Thilges is closing on the Wheelers property on the 11th so her RLF loan will be paid out and active shortly.”

Erica Thilges updated council that they will be closing on the purchase agreement soon. The loan paperwork was drafted a couple of months ago. They are on schedule and hoping to open by March 2025. The mall’s name has been decided: Star Dust Retro Rival.

Industrial Park Prices

Kingsley read off notes from Gill:

“Per Mike Bubany, the current industrial park prices do not reflect future infrastructure costs since that would burden existing taxpayers. The idea is to have the cost be offset by future developers, but that is risky to rely on since we can’t guarantee when the other lots for sale will be filled.”

The pricing of the industrial lots was discussed regarding whether or not it included the street assessment in the price. Down the road 2nd Ave NE will need to be extended if another lot is purchased north of the lot Niagara Builders is looking to purchase. If that street is extended to the north we need to know if the lot price includes the assessment that would typically get billed to the potential Niagara Builders lot. Donney felt that Chris Giesen would have the answer to this

question. Administrator Stelpflug will reach out to Chris Giesen for more direction on these property amounts.

Niagara Builders update

Kingsley read off notes from Gill:

“According to Mike Bubany, “the property Yoder would like to purchase is still in the TIF District so we'd be good to do what we had done for Miners Underground. We are still within our 5 year window to cut deals so that is good. What I cannot promise is if we'll get 9 collections from this project (the max allowed by law). It will probably only be 6 or 7.”

This is something we will have to keep in mind, similar to Miners Underground, when considering what cash price we will offer for the lot that will still be lucrative for the EDA.

It is about a ~\$10,500 tax estimate the county gave andrew for a yearly *total*. We should consider a different upfront cash price point than what we did for the Miners. Sounds like we would only get about 6-7 collections of that price point. For lower risk, taking the \$5,500 estimation per year for 6 years, We would be looking at around a \$70,000 price point for the property, including roughly \$3,000 in attorney fees to set up a purchase and development agreements.”

Discussion was held regarding the Loan pricing for Niagara Builders. A motion to offer lot to Andy Yoder for \$67,000 contingent on that his taxes are \$10,500 or more. Dependent on Yoder acceptance, a public hearing will need to be added to the agenda for January EDA meeting and have a public notice posted.

Downtown Revitalization Grant

Eddie Swartzentruber updated council that the \$10,000 award for last year's Downtown Revitalization Grant went towards tuck pointing on the West side of his building. He discussed with council the work still needing to be done to the building. He is hoping to receive a loan from CEDA for \$32,000 to fix up the East side of the building. If he gets the \$40,000 from the 2024 Downtown Revitalization Grant he would like to do the South side as well. Schieber recommended for Swartzentruber to take advantage of the Small Cities Development Program (SCDP) and maybe use the EDA's grant on top of the other grants. Meyers said that she did something similar to this, only her repairs were both completely separate from one another. She also mentioned that she needed to get 2 different quotes to submit.

Mason Weedman explained to council that he would like to get a new store front and windows updated. He applied for a grant through the Historical Society and is currently waiting to hear back. Weedman also expressed that he feels that Swartzentruber's repairs are more crucial than his at this time and is willing to wait another year to receive the funding and let Swartzentruber receive the whole amount of \$40,000.

A motion was made by Kingsley to award the entire \$40,000 to Eddie Swartzentruber contingent on him repairing the entire building. This would include the East, South and North sides. The Motion was seconded by Donney. Motion carried unanimously.

Semi Annual Development Agreement Compliance Review

Bishops were invited to attend to update the EDA on their Downtown Revitalization Grant received in 2022. Aaron and Amy Bishop updated council on how the building repairs are coming along.

- The tin ceilings have been dry ice blasted. They are choosing not to paint the ceilings
- Main level wood and floors have been sanded
- The front window seal is still needing repair
- They have been in contact with Decorah Window and Mobile Glass for the front window
- Main level door needs repair
- They need to finish plastering the upstairs
- They still have 2 kitchens and 2 bathrooms yet to finish

This has been quite an extensive task due to the age of the building and the character that remains and can be preserved. Bishops noted that they are doing this themselves with the help of Youtube tutorials. They are hoping to open September 2025 but would like to have both upstairs apartments done at the same time.

Chamber of Commerce Report

Erica Thilges expressed her concern regarding the contract they were asked to write up between the Harmony Area Chamber and the City of Harmony. She felt that this shouldn't have been something that the Chamber was asked to put together in the first place. When the agreement was brought to City Council, a certain Council Member had issues with this agreement. She felt it was a starting point and they were willing to discuss provisions needing to be made, but instead felt like she was being attacked and ridiculed for it.

Thilges explained to the EDA Council that she received a 20 minute lecture from this City Council Member instead of any provisions that needed to be made. Thilges expressed how important tourism is to Harmony and their businesses. Schieber expressed how proud of Thilges he was for how she handled the conversation with professionalism, and felt it was animosity towards the Chamber and not her personally. Meyers stated how she was appalled with how Thilges was treated publicly about the agreement. She personally feels that the Council doesn't approve of tourism, and questioned what it will take "to get people to understand the big picture". Donney apologized for not speaking up during this 20 minute lecture and is also apologizing on behalf of the Council.

During the City Council meeting on November 10th it was decided that the Building Maintenance Committee would meet and provide a revised agreement back to the Chamber prior to the December EDA meeting. Thilges expressed that she still hasn't seen anything yet. Administrator

Stelpflug will reach out to the Building Committee to see where they are at with the revisions and make sure they get sent to the Chamber and Historic Society prior to their December meetings. This way the Chamber and Historical Society can express their concerns or approval prior to the City Council Meeting in January.

Bike Trail Project Update

Kingsley read off notes from Gill:

“Alissa and I met with our two main points of contact about Phase II and other DNR projects if they arise. We took a ride on the trail and discussed what will be happening moving forward:

Phase II construction is set to begin in Spring 2025, the work being done by Fitzgerald as noted in the last EDA meeting.

The DNR is in full contact with the property owners surrounding. If anyone reaches out to us about the path, we can point them to the representatives with the DNR as it is established that that's their responsibility.

IF there arises an issue with the budget, Alissa and I will be informed by our contacts, but there is no concern as of now.”

Administrator Stelpflug stated the bike trail signs are in and her and Brian Michel are working with the DNR on the placement of those signs.

Updated Home Rebate Signs

Gill ordered new home rebate signs with an updated web address per Administrator Stelpflug.

There was no other business.

Hearing no objections, Kingsley adjourned the meeting. The meeting adjourned at 9:21 AM.

The next regular meeting is scheduled for January 2, 2025 at 7:30 AM at the Community Center.