

MINUTES
HARMONY ECONOMIC DEVELOPMENT AUTHORITY
Regular Meeting

August 7, 2025
7:30 AM

Council Room
Community Center

Present: Kerry Kingsley, Kyle Scheevel, Stuart Morem, Greg Schieber

Also Present: Alissa Stelpflug (City Administrator), Lorena Reichert (CEDA), Chris Hahn (CEDA) Erica Thilges (Harmony Area Chamber of Commerce), Jessica J. Hemenway (Harmony Area Chamber of Commerce), Becky Jones (Farm Charm), Amanda Heibel (Farm Charm), Cindy Ofstedal

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

Minutes

The board reviewed the minutes of the July 3rd, 2025 meeting. Greg Schieber made a motion to approve the minutes. The motion was seconded by Stuart Morem and approved by the board.

Chamber of Commerce Report

Erica Thilges provided her report as the Chamber President. The 4th of July events went well. The most recent Back Alley Jam had the band the Lonely Knees, which went well. The Chamber would like to have the Lonely Knees back for another event in the future. The Chamber Golf Tournament was successful and she thanked CEDA for having teams at the event. The Chamber had a table at the Fillmore County Fair last month. A new ribbon cutting for Seed and Stone was on August 1. There are 3 new chamber members and another potential member; most are new businesses in town. The Ladies Night Bingo event took place again in July with full attendance and another planned for August. There will be a men's and women's bingo night in September. Harmony radio advertisements are airing on MPR. Harmony is also included on the Rochester Media Guide, and will have an editorial advertisement in the Minnesota Monthly September/October issue which will highlight Southeastern Minnesota towns. The Chamber is looking for a membership and events coordinator. Becky Myers is contracted to provide social media services. Jess Hemenway spoke on the budget request of the same dollar amount for 2026 as 2025. Greg Schieber thanked the Chamber for their broad reach in advertising. Thilges noted that the additional funds from the bingo night helped to fund the additional advertising.

Financial Reports and Claims

Lorena Reichert reported that for the Revolving Loan, all borrowers are up to date on their payments. The Monster Bash loan still needs to be added to the report.

CEDA Update

Lorena Reichert thanked the EDA for her time working with everyone as the August meeting will be her last EDA meeting. She will be working in Wisconsin with CEDA. Katrina Hurley will now be the EDA Coordinator; Katrina was unable to attend today's meeting due to a death in the family. Chris

Hahn, the Region 1 Manager for CEDA, thanked Lorena for her time in Harmony. Chris also thanked the EDA board for their recent work sessions this summer to review the workplan to ensure priorities are aligned and defined. Lorena said that she is excited for all of the work that she and Katrina have accomplished this month and feels confident that Katrina will continue to take that work and run with it.

Community Updates

Since the July EDA meeting, Katrina has further assisted the Harmony Area Historical Society in completing a Minnesota Legacy grant application. She compiled general annexing and zoning timelines in order to be prepared for general business inquiries. She attended the ribbon cutting for Seed and Stone and the July Chamber meeting. Lorena and Katrina visited the newly opened Tinker and Makes, attended the July Back Alley Jam, and accompanied MiEnergy on a local business visit for energy efficiency incentives. CEDA sponsored a team for the Chamber Golf Tournament. EDA and City staff also reviewed and processed payments related to an EDA revolving loan and answered several questions related to the housing rebate. Lorena and Katrina are also working on a project that is currently confidential.

Bike Trail Update

Reichert updated the board on the anticipated bike trail extension finish date, which is the end of Fall 2025 according to conversations with the MN DNR. A ribbon cutting would not be ideal that time of year, so the board agreed that a spring time ribbon cutting would be better to ensure that the trail is completed by the time of a ribbon cutting, the weather will be nice, and that there is adequate time to invite stakeholders. Greg suggested that May might be a good month. Alissa Stelpflug answered a question on painting for the bike-shared road.

Public Forum

No public comments were made.

EDA 2026 Budget

Reichert updated the board on items in their packet related to the budget. There was a small discrepancy from the EDA approved budget to the finalized budget in 2025, but the difference was minor. Currently, the proposed 2026 budget increase is 2.82%. The preliminary budget for the levy is due September 30. The board will discuss this item in further detail at the next meeting.

Revolving Loan Fund Request (Farm Charm):

Becky Jones and Amanda Heibel attended the meeting to discuss the Revolving Loan Fund request. They discussed the business expansion opportunity, the Charming Farmer, that would be under the same business LLC as Farm Charm. The project includes leasing the former pharmacy across the street from Farm Charm and opening a boutique that focuses on clothing. Farm Charm has piloted clothing in a portion of their current space since January 2025 and have had good results. The expansion would include hiring another full time employee. Kingsley had a question on whether a personal guarantee could be included, and the company agreed that they could. There was a question on how the loan is paid out for inventory instead of land. Greg Schieber recommended to pay this in one lump sum instead of vendor reimbursements because the

company is established in town. Stepflug confirmed that this would be less onerous on city staff. There would be an annual report that the company will submit to confirm that the funds were spent according to the project. The Revolving Loan Fund Committee had met on August 5 and recommended approval, including a third lien on the piece of land that the company owns. A motion to approve the loan for \$25,000 to the applicant was made by Greg Schieber, with second position on inventory and fixtures, with a third position on mortgage, and with personal guarantees, seconded by Kyle Scheeval. Kingsley added to the motion that the loan would be paid in one lump sum. All motions were carried unanimously.

Work Plan

The board will discuss this more next month when Hurley is back to answer questions. Chris Hahn will recommend Hurley to add to the plan so that it has measurable goals and timelines.

Industrial Park Update

Lorena Reichert and Alissa Stelpflug updated the board on the response from Stantec related to the industrial park sinkholes. Stantec proposed to put together a concept plat for the Second Addition on an hourly basis, and believed it could be completed with an hourly not to exceed budget of \$3,200. The EDA has additional questions related to this estimate and have requested that Stantec attend the next EDA meeting before deciding to move forward with the project.

There is a business that is interested in the plat but would like a turnoff from the highway in order to choose the lot. Chris Hahn has contacts from the DOT that he will share with Katrina to consider the process for a turnoff.

Other Business:

Stelpflug updated the board that the City Council will decide Michael Himlie's replacement at the next City Council meeting.

CEDA Annual Meeting:

Kerry Kingsley and Alissa Stelpflug attended CEDA's annual meeting in Winona on July 31st. Kingsley said that he felt inspired after the meeting to continue to look at areas of economic development, such as childcare. Schieber said that he will reach out to Harmony Kid's about coming to talk to the EDA about opportunities. Chris Hahn said that he appreciates the feedback about the meeting. He said that Allison Whalen from Fillmore County EDA is working on creating a childcare core team to apply for a grant through the Rural Childcare Improvement Program, similar to the team that Houston County EDA has formed. He also added that Katrina Hurley's professional experience in a childcare non-profit will be a helpful fit with that work.

Adjournment:

Hearing no objections, EDA President Kingsley adjourned the meeting. The meeting adjourned at 8:38 AM.

The next regular meeting is scheduled for September 4, 2025 at 7:30 AM at the Community Center.

Lorena Reichert
Community and Economic Development Specialist
lorena.reichert@cedausa.com
August 8, 2025