



Port Authority Mission Statement

The Red Wing Port Authority is the primary leader for promoting economic and industrial development, together with identifying and coordinating redevelopment for the purpose of enhancing the tax base, promoting employment and contributing to the economic vitality and quality of life of the City of Red Wing.

Port Promise

The Red Wing Port Authority allows our city to proactively seek out, attract and retain businesses that add to the long-term vitality of our community.

Meeting Announcement and Agenda

Port Authority Board Regular Meeting

Location: City Council Chambers, 315 West 4th Street, Red Wing, MN & Virtually

Date: Tuesday, September 2, 2025

Time: 4:30 PM

This meeting will be held in the City Hall Council Chambers and virtually via Webex at the same time. Members of the public can join this meeting either in person at City Hall or virtually. To join this meeting via Webex, [click this link](#). To join via telephone, please dial (415) 655-0001. Enter access code 2555 762 8877 and password 2025 when prompted.

1. Call to Order

2. Pledge of Allegiance

3. Roll Call

4. Approval of Agenda

5. Approval of Minutes

5.A. Motion to Approve July 8, 2025, Red Wing Port Authority and Red Wing Housing & Redevelopment Authority Joint Workshop Minutes.

5.B. Motion to Approve August 5, 2025, Red Wing Port Authority Special Meeting Minutes.

6. Public Comment

We now invite anyone to share their thoughts on a topic that is not on the agenda. We welcome all opinions and ideas. We appreciate you stating your name at the lectern, and please remember that personal attacks may be ruled out of order. You will have up to three minutes to comment, and we appreciate your time in coming tonight.

7. Public Hearing

8. Communication Items

8.A. Executive Director's Report

8.B. Committee Reports: Finance Committee 8/26/25

8.C. Discussion Items

9. Motions & General Business

- 9.A. Motion to Approve the July 2025 Balance and Budget Reports
- 9.B. Consider Motion to Authorize Staff to Negotiate with the Red Wing School District to Acquire the Former Jefferson School Site at 601 Buchanan Street
- 9.C. Motion to Approve a New Port Authority Program Guaranteeing Working Capital Lines of Credit for Local Lenders
- 9.D. Motion to Approve the Expansion of the Red Wing Port Authority's Downtown Loan Fund.

10. Adjournment

Accommodations for signing interpreter, Braille, large print, etc. can be made. Call City Hall at 385.3600 seven days prior to the need. Hearing assistance devices are available during meetings.

**Red Wing Port Authority Board
Red Wing Housing and Redevelopment Authority Board
Joint Workshop
City Hall Council Chambers
July 8, 2025**

Port Authority Board Members Present: Port Authority Board President Paul Reding and Commissioner Beth Flattum

Port Authority Board Members Absent: Commissioners Wylie Wilson, Kim Beise, Donald Kliewer, Jay Wardle, and Thomas Drazkowski

Red Wing Housing and Redevelopment Authority Board Members Present: HRA Board Members Abby Villaran, Nicholas Abney, Liz Magill, Sara Hoffman, Kristi Reuter, and Jacqueline Luikart

Others Present: Kyle Klatt, Community Development Director / Port Authority Executive Director; Shari Chorney, Business Development Manager / Staff Liaison; Kurt Keena, HRA Executive Director; Joe Hollman, Director of Research, Maxfield Research & Consulting

1. Roll Call

HRA Board Vice Chair Abby Villaran called the workshop to order at 5:30 p.m.

2. Workshop Items

A. Presentation by Maxfield – Housing Needs Analysis.

Community Development Director Klatt provided background information pertaining to the housing study. He stated that the updated housing study, unlike a past study prepared by Goodhue County, focused specifically on Red Wing.

Joe Hollman introduced himself and provided a brief overview of Maxfield Research & Consulting. He reviewed the scope of the project:

- Objective.
 - Provide custom comprehensive housing needs analysis that projects housing demand by product type.
- Approach.
 - Analyze demographic and economic forces driving housing demand to predict current and future housing needs in the city of Red Wing.
- Project Deliverables.
 - Short- and long-term housing demand calculations.
 - Recommendations to guide future housing development.
 - Tools and policies to implement the plan.
- Key Dates.
 - Data collection – 1st Quarter 2025.
 - Draft Report – March 2025.
 - Final Report – April 2025.

Mr. Hollman reviewed the primary market area for the study. He reviewed key demographic and employment trends in Red Wing and summarized factors that impact job growth. He reviewed average wages in Red Wing and provided comparison information. He discussed how worker inflow can stimulate housing growth.

Mr. Hollman reviewed shifting demographics and discussed how these shifts drive housing demand. He discussed how the housing market has responded to the shifting conditions over the past 10 years. He reviewed sales data and price comparisons. He discussed information related to housing affordability.

Mr. Hollman detailed data relating to the rental market in Red Wing, discussed the current pent-up demand for new rental housing, provided comparison information, and reviewed rental housing affordability information.

Mr. Hollman detailed market analysis data relating to senior housing in Red Wing and reviewed demographic trends.

Mr. Hollman reviewed housing demand calculations by product type over the next 10 years. He provided specific information regarding the demand for senior housing units over the next 10 years.

Mr. Hollman summarized key study findings:

- Extremely tight housing market in Red Wing.
- Pent-up demand for housing in Red Wing.
- Priority need for housing prices targeted to the younger workforce.
- Desire for maintenance-free housing options for older adults and seniors.
- Strong demand for affordable and subsidized rental housing.
- Need to create opportunities for younger workers to move to Red Wing.
- Widening gap between housing costs and average income in Red Wing.

Mr. Hollman provided recommendations for the City to consider:

- Explore public-private partnerships to help keep development costs down.
- Maximize existing vacant lot inventory, infill, and redevelopment.
- Evaluate development regulations and processes.
- Work to increase both the supply and variety of available housing in Red Wing.

B. Questions and Answers with Study Consultant.

HRA Board Member Hoffman asks whether Red Wing stands out in terms of a consistent lack of housing. Mr. Hollman commented that Red Wing has challenges related to areas for development and the housing cost / income gap.

Commissioner Flattum asked about preferences by the younger workforce in terms of housing types. Mr. Hollman stated that the largest demand is for affordable entry-level homes.

Port Authority Board President Reding asked about the impact of additional housing units on Red Wing's population growth. Mr. Hollman discussed the correlation between household shifts and overall population growth.

HRA Board Member Villaran asked about the demand for affordable workforce housing. Mr. Hollman provided definitions of affordable housing, subsidized housing, and workforce housing and reviewed the demand calculations for these housing types.

HRA Board Member Magill referenced affordable and market rate housing data for Red Wing and asked whether this is typical for a community of this size. Mr. Hollman stated his opinion that Red Wing has more affordable and subsidized housing than other communities, noting that he had no specific data in this regard.

HRA Board Member Abney asked how other cities are addressing their housing needs. Mr. Hollman provided examples from other communities. He commented that, while most cities have housing challenges, some communities are exploring creative housing solutions, such as tiny home developments. The impacts of short-term rental units and regulation of these uses were discussed.

Commissioner Flattum commented regarding the significant number of commuters. Mr. Hollman noted that the reasons for this are multifactorial.

Red Wing City Council Member Vicki Jo Lambert referenced data relating to average income as opposed to median income. She commented regarding the demand for affordable and subsidized housing. She asked about potential ways to help address the housing cost versus income gap, such as a cap on rent increases or incentives for landlords to sell their properties to renters. Mr. Hollman clarified definitions and provided additional information related to income-restricted housing criteria and affordable housing.

Laura Helle, Housing Development Director for Three Rivers Community Action, discussed LIHTC (low income housing tax credit) projects in greater Minnesota. She commented regarding aging populations in greater Minnesota communities and asked how this factor changes housing strategies. Mr. Hollman provided information in this regard. Senior housing was further discussed.

Red Wing Mayor Gary Iocco asked about the demand for subsidized housing, and Mr. Hollman provided additional information.

Red Wing City Council President Janie Farrar discussed opportunities for public-private partnerships. She commented regarding potential incentives for employers in terms of workforce housing. She referenced discussions with Minnesota State College Southeast representatives related to student housing.

Council President Farrar requested more information related to zoning ordinance revisions and other ways to help bring down development costs. She asked about a target in terms of balancing the number of rental and owner-occupied housing units

Mr. Hollman provided examples of employer programs.

HRA Board Member Magill asked about the positive economic impacts of more families moving to Red Wing. Mr. Hollman indicated that he did not have this type of data.

HRA Board Member Villaran commented that more data relating to the demand for subsidized housing would be helpful.

Commissioner Flattum asked about data relating to independent living options for seniors. Mr. Hollman discussed the benefits of offering a variety of housing options.

HRA Board Member Abney requested more specific information related to childcare needs. Mr. Hollman provided additional information in this regard.

Bob Hawley, Executive Director of Goodhue County Habitat for Humanity, commented regarding the challenges of building affordable single-family homes and asked about potential developer incentives. Mr. Hollman provided examples of incentives and zoning considerations to promote development. HRA Board Member Villaran discussed a Goodhue County program to help spark growth.

Director Klatt discussed the scheduling of a housing summit, including private developers, to provide feedback and discuss ways to help create housing opportunities.

3. Adjournment

The workshop concluded at 6:42 p.m.

ATTEST:

Paul Reding, Secretary

**Red Wing Port Authority Board
Special Meeting
City Council Chambers
August 5, 2025**

Members Present: Port Authority Board President Paul Reding; Port Authority Commissioners Jay Wardle, Wylie Wilson, and Thomas Drazkowski

Members Absent: Commissioners Donald Kliewer, Kim Beise, and Beth Flattum

Others Present: Kyle Klatt, Community Development Director / Port Authority Executive Director; Shari Chorney, Port Authority Manager / Staff Liaison

1. Call to Order

Port Authority Board President Reding called the meeting to order at 7:31 a.m.

2. Pledge of Allegiance

President Reding led the recitation of the Pledge of Allegiance.

3. Roll Call

Roll call was conducted. President Reding and Commissioners Wardle, Wilson, and Drazkowski were in attendance.

4. Approval of Agenda

President Reding requested a change to the discussion order of the agenda. A motion was made by Commissioner Drazkowski, seconded by Commissioner Wardle and unanimously carried, to approve the agenda as discussed.

5. Approval of Minutes

A. Motion to Approve the June 10, 2025, Port Authority Special Meeting Minutes.

President Reding requested a correction to the minutes under Item 9A:

*A motion was made by Commissioner Wilson, seconded by Commissioner Wardle, to approve the April 2025 Balance Sheet and Budget Report. President Reding requested clarification of how loan information is documented. Manager Chorney and Director Klatt provided information in this regard. Following discussion a vote was conducted, and the motion carried **unanimously by a vote of 5:1, with President Reding dissenting.***

A motion was made by Commissioner Wardle, seconded by Commissioner Wilson and unanimously carried, to approve the minutes as amended.

6. Public Comment

There was no public comment.

7. Public Hearing

There were no public hearings.

8. Communication Items

This portion of the agenda was discussed following discussion of Item 9.

A. Executive Director's Report.

Director Klatt and Manager Chorney highlighted topics from the report:

- Director Klatt referenced City ordinances pertaining to retail cannabis businesses. He reviewed the retail cannabis business application process, noting that three applications were received. He stated that the City Council will take action regarding the licensing process on August 11. He discussed State regulations affecting the Prairie Island Indian Community related to retail cannabis operations.
- Downtown redevelopment project updates were provided. Director Klatt noted that the Historic Preservation Commission will be taking action on several design review applications.
- Preparations for a housing summit were discussed.
- A Quiet Zone update was provided.
- The Downtown Main Street revitalization grant program was discussed.
- An update was provided regarding the former Jefferson School site. Director Klatt noted that no proposals were received during a recent RFP process that was conducted by the Red Wing School Board. He suggested further discussion by the Finance Committee related to potential Port Authority involvement at this point. Commissioner Wilson suggested meeting with School Board representatives.
- Manager Chorney provided an update regarding the environmental review process for the mooring cluster project and the Red Wing Grain improvement project. She expressed appreciation for the assistance that has been provided by Federal employees.
- Manager Chorney provided an Upper Harbor bulkhead infrastructure update.
- Manager Chorney reported that the Port of Red Wing is now listed by the Waterborne Commerce Statistics Center as a recognized port.
- Manager Chorney discussed a recent meeting of the Upper Mississippi Waterway Board. Commissioner Wilson provided additional information regarding the organization and discussed recreational boat traffic through Lock and Dam No. 3.
- It was noted that Director Klatt and Manager Chorney will be attending an upcoming meeting of the Minnesota Ports Association. Manager Chorney reported that she is the current President of this group.
- Commissioner Wilson requested clarification of the setbacks on the Upper Harbor bulkhead. Manager Chorney indicated that she will research this information.

B. Committee Reports.

A Finance Committee update was provided.

C. Discussion Items.

There were no other discussion items.

9. Motions and General Business

This portion of the agenda was discussed following discussion of Item 7.

A. Motion to Approve May and June 2025 Balance Sheet and Budget Report.

Director Klatt reported that the issue with one of the loans not being tracked properly in the financial statements has now been addressed in the June statements.

A motion was made by Commissioner Wardle, seconded by Commissioner Wilson and unanimously carried, to approve the May 2025 Balance Sheet and Budget Report.

A motion was made by Commissioner Wilson, seconded by Commissioner Wardle and unanimously carried, to accept the June 2025 Balance Sheet and Budget Report.

B. Motion to Approve a \$150,000 Loan to Falk Auto Body, Contingent on Bank Financing.

Manager Chorney provided background information. She discussed a major business relocation and expansion project. She detailed a recommendation from the Finance Committee to approve a \$150,000 loan from the Port Authority Intermediary Lending Program Fund. She reviewed the terms of the loan. She stated that the Port Authority loan funds, if approved, would count toward the 25% owner equity requirement for the First Farmers & Merchants Bank financing. Mike Albers, owner of Falk Auto Body, provided additional information regarding the project.

A motion was made by Commissioner Wilson, seconded by Commissioner Wardle, to approve a \$150,000 loan to Falk Auto Body, contingent on bank financing. Manager Chorney expressed appreciation to the owners of Falk Auto Body for expanding their business in Red Wing. Following discussion a vote was conducted, and the motion carried unanimously.

C. Preliminary 2026 Port Authority Tax Levy and Budget: Consider Motion to Approve Resolution No. 344 (Preliminary Tax Levy) and Resolution No. 345 (Preliminary Budget).

Director Klatt provided background information. He stated that the Port Authority is required to submit a preliminary 2026 budget and a preliminary 2026 tax levy to the City Council for action in September.

Director Klatt noted that there would be opportunity for the Port Authority Board to discuss the 2026 preliminary budget and tax levy during the September Port Authority Board meeting, if there are questions or if more discussion is desired.

Director Klatt provided historical background information regarding the tax levy. He referenced market value estimates and recommended a target increase of 3.5%. He noted that the final tax levy can be lowered but cannot be increased from the preliminary percentage.

Director Klatt highlighted changes in the 2026 operating budget from the 2025 operating budget. He noted that the 2026 budget reflects an approximately 2% increase in the overall budget, primarily related to personnel and administrative expenses. He discussed the budgeting and tracking processes for capital projects. He discussed the Port Authority fund balance.

Director Klatt reported that a \$50,000 transfer from the Port to the City is planned in 2026, to be allocated to the Downtown Investment Fund. He noted that the City Council is planning to match these funds with a \$50,000 allocation in 2026. He stated that this fund, which helps support redevelopment projects, has a current balance of approximately \$400,000.

Director Klatt also referenced the Redevelopment Stimulus Fund, which helps fund Port Authority activities, including land acquisition and business assistance. He recommended a \$50,000 budget allocation to the Contract Services Fund and described how these funds are utilized, including funding of the Sign, Awning, and Facade grant program and consultant contracts.

Director Klatt discussed the miscellaneous revenue budget line item and recommended a conservative amount in 2026. He discussed the marketing budget and discussed how these funds are utilized. He discussed the building maintenance and repairs budget, noting that these funds are also utilized toward dredging activities.

A motion was made by Commissioner Wardle, seconded by Commissioner Drazkowski, to adopt Resolution No. 344, approving the 2026 preliminary tax levy. Commissioner Wardle expressed agreement with the target tax levy increase that has been recommended by staff. President Reding expressed appreciation for the information that was provided. Following discussion a roll call vote was conducted. Upon call of the roll, Commissioners Drazkowski, Wardle, Wilson, and Reding voted aye; no nay. Four ayes; no nays; motion carried.

A motion was made by Commissioner Wardle, seconded by Commissioner Wilson, to adopt Resolution No. 345, approving a preliminary Port Authority Budget for 2026. Upon call of the roll, Commissioners Wilson, Reding, Drazkowski, and Wardle voted aye; no nay. Four ayes; no nays; motion carried.

D. Motion to Approve an Amendment to the Port Authority Bylaws to Allow Non-Residents of the City of Red Wing to Serve on Committees.

Director Klatt referenced past Port Authority Board discussion of the appointment process for subcommittees. He reviewed a proposed amendment to the Red Wing Port Authority Bylaws to allow non-residents to serve on committees. He stated that staff recommends that the Port Authority Board approve non-resident committee appointments that are recommended by the Port Authority Board President. President Reding provided additional background information and rationale for the proposed Bylaws amendment, noting that this proposal originated from past discussion of marketing committee membership. He expressed appreciation for the research that was conducted by Port Authority staff. Commissioner Wilson spoke in support of the amendment and referenced non-resident members of the Harbor Committee. Director Klatt noted that two weeks notice of the proposed change was provided to members of the Port Authority Board, as required by the Port Authority Bylaws.

A motion was made by Commissioner Wardle, seconded by Commissioner Wilson and unanimously carried, to approve an amendment to the Port Authority Bylaws to allow non-residents of the city of Red Wing to serve on committees.

E. Consider Motion to Approve Amendments to the West End Business Assistance Program to Expand the Eligible Project Area to Include the Pottery District.

Manager Chorney provided background information regarding the West End Business Assistance Program and referenced the current project area. She discussed matching requirements for funding. President Reding summarized recent discussion of expanding the eligible project area. He suggested consideration of expanding the project area all the way out to Bench Street. Director Klatt commented that the program was originally targeted around the area of the former Bauer Built property. It was stated that the program has been active since 2021. Director Klatt provided rationale for expanding the eligible project area to assist West End area businesses.

A motion was made by Commissioner Wilson to approve amendments to the West End Business Assistance Program to expand the eligible project area all the way to Bench Street. The motion was seconded by Commissioner Drazkowski. The proposed eligible project area was clarified, and the goals of the program were discussed. Following discussion a vote was conducted, and the motion carried unanimously.

F. Motion to Approve an Amendment to the Sign, Awning, and Facade Program Requiring Two Bids for Proposed Work.

President Reding provided background information and referenced recent changes to the program.

Manager Chorney stated that the amendment would require applicants to obtain two bids for the proposed work. She summarized recent program applications.

A motion was made by Commissioner Wilson, seconded by Commissioner Drazkowski, to approve an amendment to the Sign, Awning, and Facade Program that would require two bids for the proposed work. A voice vote was conducted, and the motion carried unanimously.

G. Organizational Improvement Actions Update: Work Plan Revisions, Freedom Scale Discussion, SORTIES for One Page Planning and Delegation, and Future Workshop Topics.

Director Klatt referenced discussion during a past workshop and provided updates regarding the ongoing work with Koliso related to organizational improvements.

Director Klatt summarized the expected outcomes of this work:

- 1) Aligning goals and priorities.
- 2) Clarifying roles and responsibilities.
- 3) Defining success metrics and indicators to track progress.
- 4) Improving processes and leveraging technology.
- 5) Enhancing public engagement, communication, and finding opportunities for improvement.

Director Klatt highlighted actionable items from the Port Authority Strategic Plan and discussed how this plan is used as a working document. He requested that the Port Authority Board consider an amendment to the Port Authority Strategic Plan to bring it more in line with the organizational process updates. He reviewed a tracking mechanism and recommended that staff provide quarterly updates to the Port Authority Board. Commissioner Drazkowski recommended including monthly updates in the staff report. Commissioner Wardle recommended a change to the color coding system that would help to indicate progress since the previous month's report.

Director Klatt discussed the use of a communication and decision-making model and provided examples.

Director Klatt described the use of a Freedom Scale tool, discussed how this exercise will aid the decision-making process, and provided examples. President Reding referenced the relative autonomy of the Port Authority compared with other City boards and commissions and provided suggestions relating to community engagement. Director Klatt and Manager Chorney recommended additional conversation pertaining to outreach activities and communication between the Port Authority Board and Port Authority staff.

Commissioner Drazkowski recommended more Port Authority Board involvement related to clarifying and approving budget line items.

Director Klatt suggested scheduling a workshop in September or October, with topics of discussion to include the 2026 Work Plan, potential 2026 budget revisions. and further review of organizational roles and responsibilities.

A motion was made by Commissioner Wilson, seconded by Commissioner Drazkowski and unanimously carried, to adopt the revised Port Authority Strategic Plan as discussed.

10. Adjournment

A motion was made by Commissioner Wilson, seconded by Commissioner Drazkowski and unanimously carried, to adjourn the meeting. The meeting adjourned at 9:10 a.m.

ATTEST:

Shari Chorney, Secretary



TO: Red Wing Port Authority Board
FROM: Kyle Klatt, Director
Agenda Item No.: 8.A. Community Development Director's Report
Meeting Date: September 2, 2025

Red Wing Port Authority's Mission Statement

The Red Wing Port Authority is the primary leader for promoting economic and industrial development, together with identifying and coordinating redevelopment for the purpose of enhancing the tax base, promoting employment and contributing to the economic vitality and quality of life of the City of Red Wing.

Cannabis Licensing Update

On August 11th, the City Council issued a cannabis retail registration to Nature Creation, LLC to operate a retail cannabis business at 3151 South Service Drive. The City received applications for three registrations that were vetted using criteria from the City of Red Wing Policy for Local Cannabis Retail Registration. The City's cannabis ordinance allows up to two retail cannabis businesses to operate within the City, and with an existing dispensary already operating at Prairie Island, the City has now reached its limit and will not issue any further registrations. Please note that the Prairie Island Indian Community (PIIC) is still negotiating a compact with the State of Minnesota that may provide them with opportunities to establish additional cannabis operations outside of local licensing control.

General Downtown Development Projects Updates

The Heritage Preservation Commission will be reviewing design review applications for four downtown projects at its September 3rd meeting, including exterior work proposed for the St. James Hotel, Hallstrom's building, Chief Theater, and window replacement at 316 Bush Street (the Simple Abundance building). Three of these projects were awarded funding through the Downtown Main Street Revitalization Grant, and some have received previous assistance for the City and other local partners.

The developer of the former Associated Bank building converted eight of the residential units on floors three and four and the structure into condominium units earlier this year. No approvals from the City were necessary to make this conversion, and the change does not alter the approved uses or financing for the building. The City Council did recently agree to amend the loan agreement with the developer, related to the City's previous disbursement of monies from the downtown investment fund, to exempt these units from the agreement. As

part of its research on this request, staff determined that changing some of the units to condominiums resulted in a fairly significant increase in market value for the site.

Fleischmann Maltery Redevelopment

Staff has been working with the State Historic Preservation office to address the comments received during the Environmental Assessment Worksheet (EAW) review. The City will be performing a Phase I Archaeological Survey on the site in the coming weeks and is currently working to prepare documentation that aims to document the historic use of the building. Under the City's grant agreement with MnDEED, the developer must begin incurring expenses covered under the grant agreement by the end of the year.

Housing Summit

The City of Red Wing will be hosting a housing summit on October 29th from 2:00 to 6:00 PM at the St. James Hotel. The summit is intended to provide a forum for community discussion about barriers to the construction of new housing in the City and what the City can do to help provide more opportunities to accomplish its housing goals. Members of the City Council, Port Authority, Housing and Redevelopment Authority, and Advisory Planning Commission will all be invited to participate in the summit. More information will be provided to the Port Board as we get closer to this date.

Downtown Train Quiet Zone

Staff recently met with representatives from the Federal Railroad Administration, Minnesota Department of Transportation, City Engineering Department and Public Works Departments on site to discuss improvements necessary to support the establishment of a whistle-free (quiet) zone through downtown Red Wing. The City Engineer will be providing a notice of intent to proceed with the creation of the quiet zone in the next few weeks, which will then start a 60-day comment period. As part of this notice, the City will provide plans for needed improvements in order to meet railroad requirements for safety measures at each intersection. Once all comments have been addressed, the City will be able to install improvements and formally request the implementation of the quiet zone.

Jefferson School Site

The Finance Committee met on August 26th to discuss the potential acquisition of the former Jefferson School site by the Port Authority. The committee's recommendation is included as part of a staff report concerning this item on the Port Board's September 2nd meeting.

Central Research Property Update

The City Council will be asked to set a public hearing date of October 27, 2025 to consider establishing an abatement bond that will be needed to comply with DEED's requirements for issuing a demolition loan to the City. The bond would provide a guarantee of repayment for the loan funds.

Little River Bulkhead and Mooring Cluster Update (Shari)

AMI continues to be working on the Environmental Assessment, which is part of the national Environmental Policy Act (NEPA) for the Port Infrastructure Development Program, which includes Mooring Cluster Project (adjacent) to Red Wing Grain, Little River Bulkhead Rehabilitation, and the Red Wing Grain project.

A Historic Properties Survey and the topographic survey have been completed for Red Wing Grain and the Little River Bulkhead. AMI is currently working with our bulkhead operator on the “layout” of the Little River Bulkhead project including the replacement of mooring clusters. The layout must be completed so they can finish the NEPA process.

Minnesota Ports Association Summer Meeting (Shari)

The Port Authority’s held their meeting on Wednesday, August 6th at the Saint Paul Port Authority offices. The group discussed the Legislative session, special election and the current budget situation. In addition, there was discussion around the MN Port Development Assistance Program (PDAP) and some requested changes to the current statute regarding an issue with federal funds and interplay with PDAP. The proposed changes would loosen what counts as a non-state match, including the inclusion of environmental dollars that go towards projects. This change would assist port authorities by counting monies they are putting into the project on the front to count towards matching funds.

Next Meeting. The next regular meeting of the Port Authority is scheduled for Tuesday, October 7, 2025, at 4:30 p.m.

Attachments:

- SPAAR July 2025 Report
- Q2 Golden Shovel Analytics
- A New Course for U.S. Shipbuilding (Article)



- 15.0%

- 45.2%

+ 8.8%

Change in
New Listings

Change in
Closed Sales

Change in
Median Sales Price

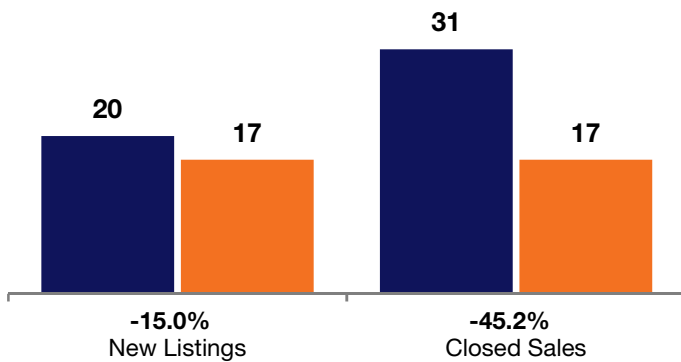
Red Wing

	July			Year to Date		
	2024	2025	+ / -	2024	2025	+ / -
New Listings	20	17	-15.0%	160	176	+ 10.0%
Closed Sales	31	17	-45.2%	138	125	-9.4%
Median Sales Price*	\$300,000	\$326,500	+ 8.8%	\$280,000	\$290,000	+ 3.6%
Average Sales Price*	\$315,581	\$359,325	+ 13.9%	\$310,241	\$310,188	-0.0%
Price Per Square Foot*	\$162	\$176	+ 8.8%	\$158	\$165	+ 4.0%
Percent of Original List Price Received*	97.4%	96.6%	-0.8%	97.4%	97.6%	+ 0.2%
Days on Market Until Sale	54	45	-16.7%	62	55	-11.3%
Inventory of Homes for Sale	40	54	+ 35.0%	--	--	--
Months Supply of Inventory	2.0	3.0	+ 50.0%	--	--	--

* Does not account for seller concessions. | Activity for one month can sometimes look extreme due to small sample size.

July

■ 2024 ■ 2025



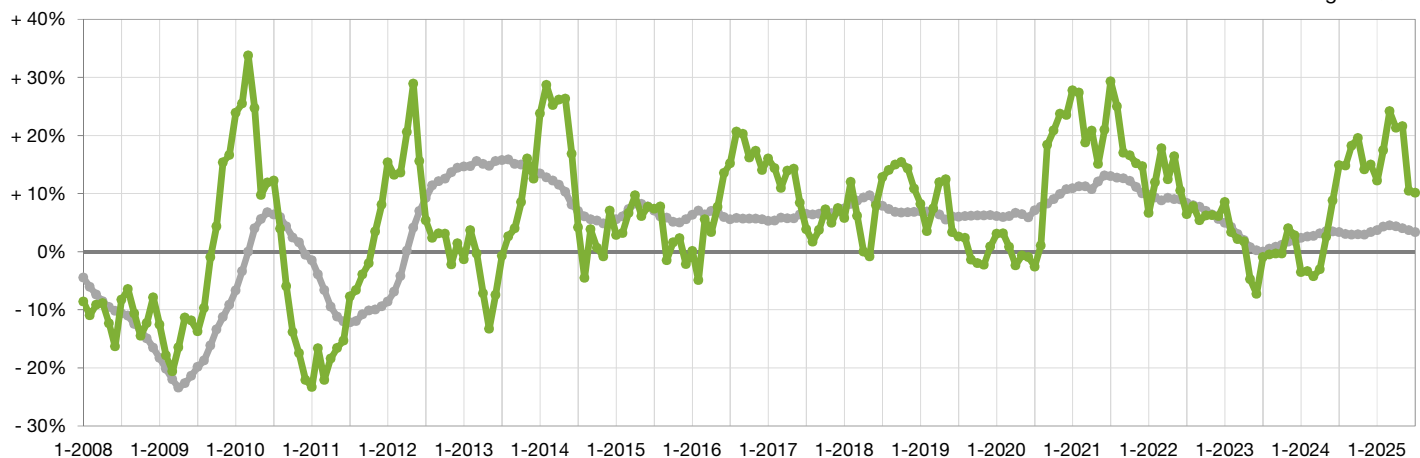
Year to Date

■ 2024 ■ 2025



Change in Median Sales Price from Prior Year (6-Month Average)**

16-County Twin Cities Region — 16-County Twin Cities Region
Red Wing — Red Wing



** Each dot represents the change in median sales price from the prior year using a 6-month weighted average. This means that each of the 6 months used in a dot are proportioned according to their share of sales during that period.

QUARTERLY ANALYTICS REPORT:

Q2 2025



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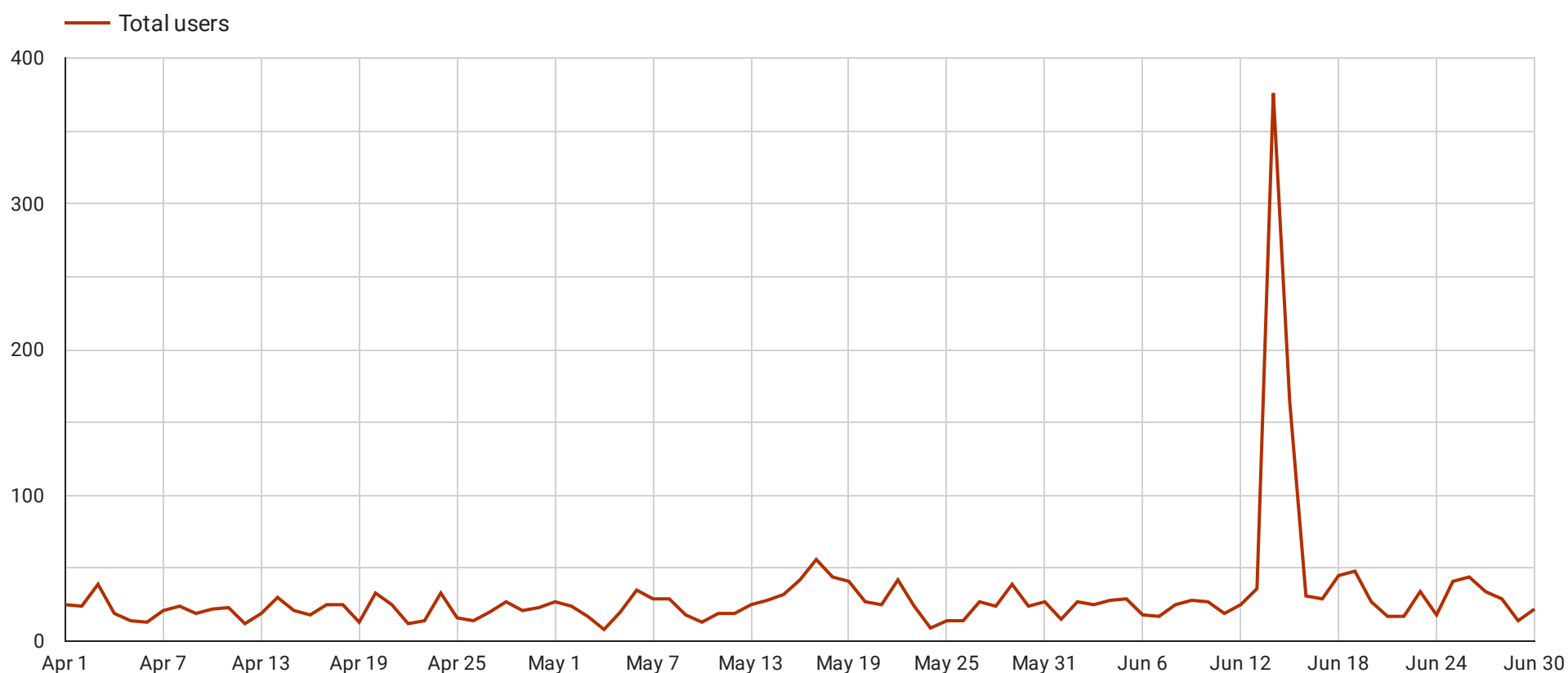




Google Analytics Audience Overview

Apr 1, 2025 - Jun 30, 2025

Your audience at a glance!

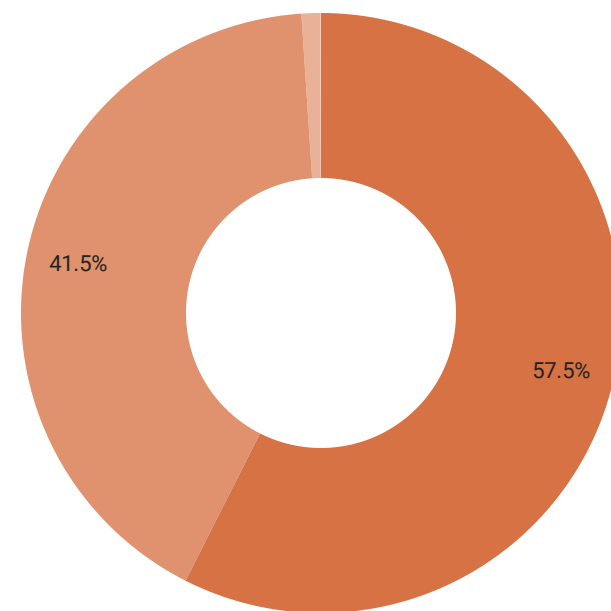


- Total users: **2,581**
- New users: **2,435**
- Sessions: **2,916**
- Sessions per user: **1.13**
- Engagement rate: **55.80%**
- Views: **4,768**
- Engaged sessions: **1,627**



Total users 1 • ● 2,285

What device are people using?



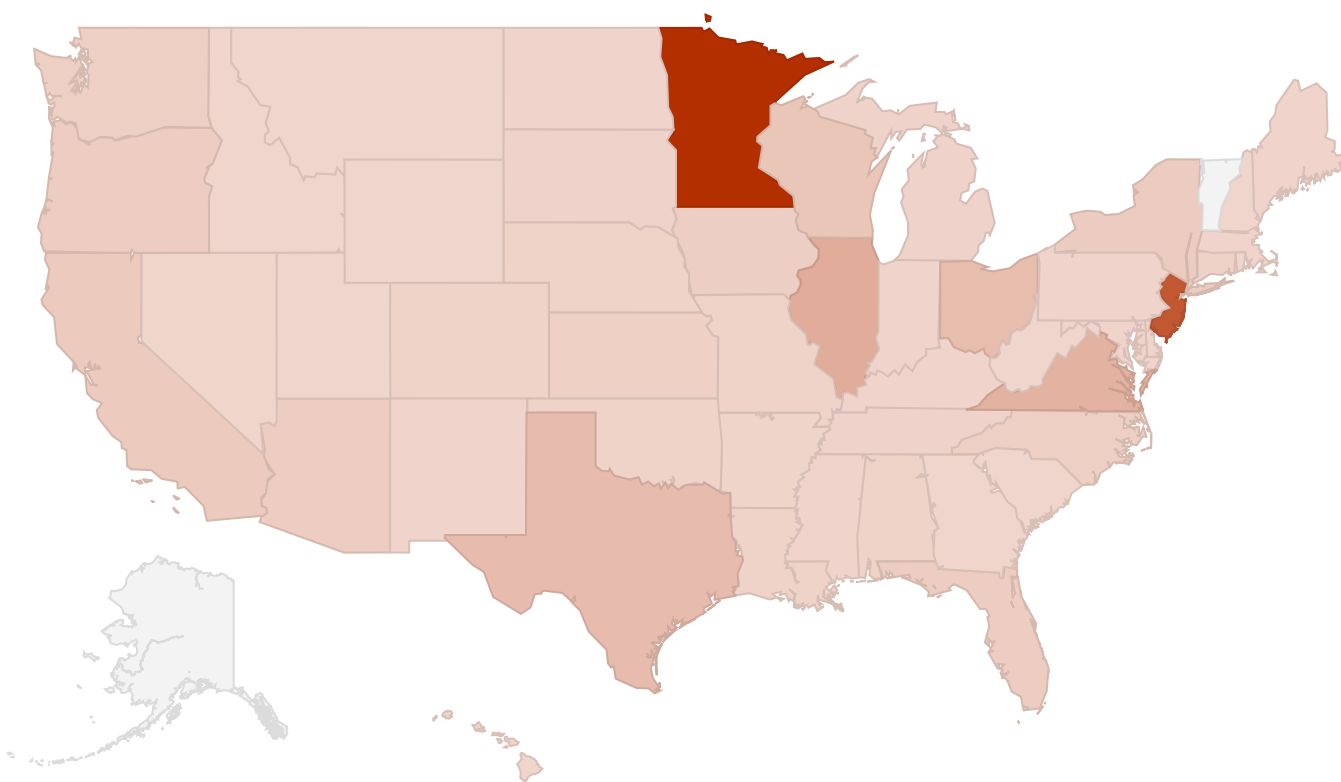
● desktop ● mobile ● tablet ● smart tv

	Country	Total users
1.	United States	2,170
2.	China	69
3.	Ireland	18
4.	Netherlands	14
5.	Germany	11
6.	Israel	11
7.	Philippines	10
8.	Saudi Arabia	10
9.	India	8
10.	Poland	8

	Device category	Total users
1.	desktop	1,484
2.	mobile	1,072
3.	smart tv	1
4.	tablet	26



USA Audience



1 676

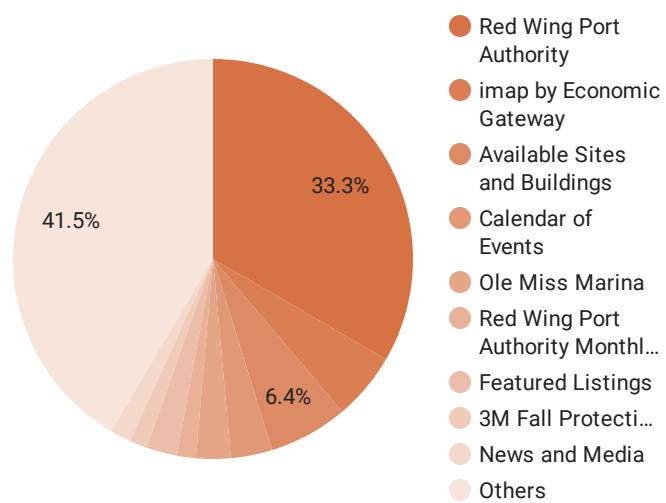
Higher Traffic - States (globally)

Region	Total users
1. Minnesota	676
2. New Jersey	510
3. Illinois	169
4. Virginia	143
5. Texas	101
6. Ohio	99
7. Wisconsin	64
8. California	47
9. New York	41
10. Florida	39

Higher Traffic - Cities (globally)

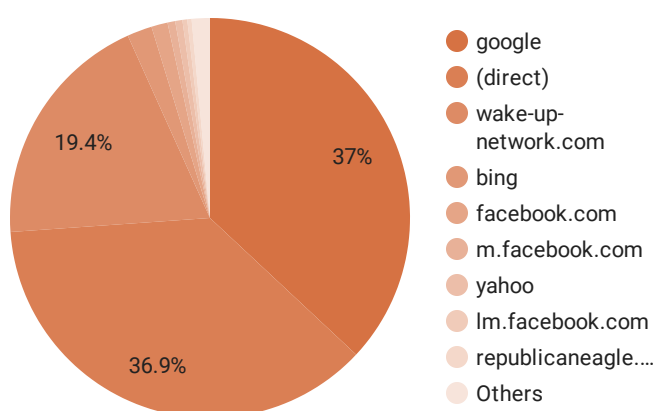
City	Total users
1. Clifton	502
2. Minneapolis	226
3. Red Wing	168
4. Chicago	148
5. Columbus	91
6. Dallas	47
7. Saint Paul	33
8. New York	27
9. Rochester	22
10. Tempe	21

Higher Traffic - Pages



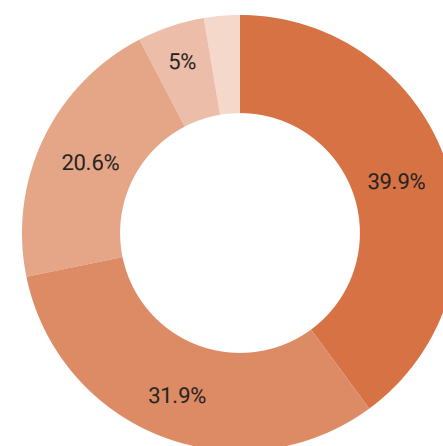
Page title	Total users	Visits	Engagement rate
1. Red Wing Port Authority	1,068	1,573	68.67%
2. imap by Economic Gateway	193	258	98.56%
3. Available Sites and Buildings	178	302	79.67%
4. Calendar of Events	150	158	6.62%
5. Ole Miss Marina	90	132	53.78%
6. Red Wing Port Authority Monthly Meeting	71	72	2.78%
7. Featured Listings	66	117	96.05%
8. 3M Fall Protection	65	68	84.72%
9. News and Media	63	79	57.35%
10. Red Wing, MN	62	89	67.11%

Acquisition Sources



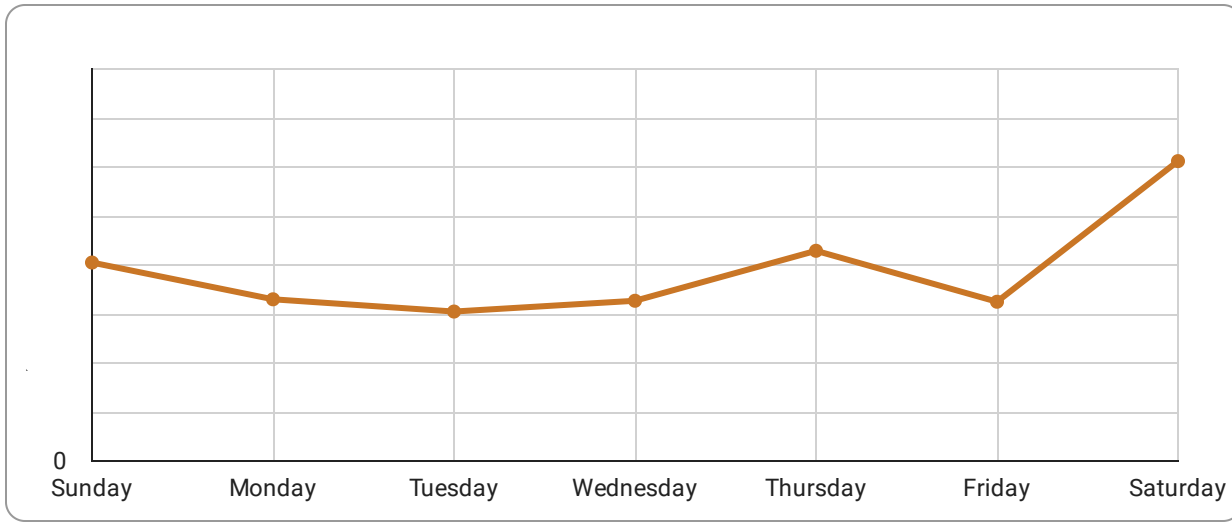
First user source	Total users
1. google	954
2. (direct)	953
3. wake-up-network.com	500
4. bing	52
5. facebook.com	34
6. m.facebook.com	16
7. yahoo	15
8. lm.facebook.com	10
9. republicaneagle.com	9
10. l.facebook.com	7

Traffic Type

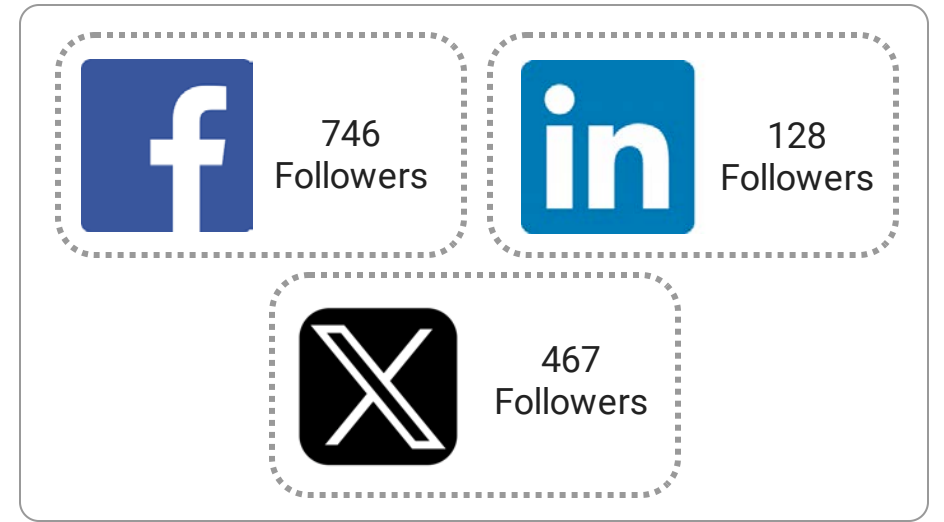


Session default c...	Total users
1. Organic Search	1,035
2. Direct	827
3. Referral	534
4. Organic Social	69

What day of week users visit your website?



Social Media Following



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PROPERTY MARKETS | MANUFACTURING / INDUSTRIAL

A New Course for U.S. Shipbuilding

Maritime Prosperity Zones could reshape shipbuilding and repair across the U.S. — if defined and used wisely.



Jeff Troan, Managing Director, Vista Site Selection, LLC

Q3 2025



PROJECT ANNOUNCEMENTS



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08/18/2025

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08/18/2025

Buttonwood Farm Expands Fortuna, Missouri, Egg Production Operations
08/15/2025

Hartman Cabinetry Plans Jonesburg, Missouri, Operations
08/14/2025

States. This echoes earlier concerns raised by the U.S. Navy (which must build and repair all its ships in the United States) about the lack and age of the country's shipbuilding and repair infrastructure.

In response, the White House recently issued an executive order to establish Maritime Prosperity Zones (MPZs) across the United States. The approach is similar to the Federal Opportunity Zone program created under the first Trump administration. According to the order, the MPZs benefits will be outlined by November 2025.

For those unfamiliar with economic development legislation, zone legislation is enabling legislation. It

limits tax advantages and other business incentives to well-defined geographic areas, preventing a broad swath of tax shelters. Once defined, targeted incentives can be applied to the zones, creating a concentrated framework for driving specific economic transformation — in this case, new maritime construction, maintenance, repair, overhaul, and conversion (MROC).

Based on conversations with several states, Vista believes the July 8 deadline is a target for the U.S. Commerce Department to define the criteria for what can constitute a zone. States will likely follow with proposals for specific geographies. Designing MPZ boundaries promises to be far more complex than the 2018 effort that shaped Federal Opportunity Zones (OZs). That process aimed simply to direct investment into distressed communities, using low-income census tracts as the primary filter. Even so, the census data used was already dated, and the geography of some tracts — particularly university towns — didn't always align with state and local development strategies.

MPZs, by contrast, must start at ports and reach back through the national maritime supply chain — an infrastructure network that stretches across all 50 states and Puerto Rico. The zones will need to capture inland hubs like Crane Naval Surface Warfare Center in Indiana, as well as heritage contractor facilities and small businesses that support both the U.S. Navy and commercial shipyards. Vista is currently developing AI algorithms to help identify these qualifying geographies and assist states in making their final designations.

For private industry, rebuilding the commercial shipbuilding and MROC sectors presents a high-risk proposition. Success will depend heavily on how the MPZs are drawn and the nature of the incentives offered. By contrast, military-related shipbuilding offers a more stable path. For more than a century, U.S. commerce has relied on naval dominance and the freedom of global maritime movement. Allowing that control to shift to China or Russia would disrupt both American and global trade. As the world grows more unstable, the need for a larger, more active Navy becomes increasingly certain.

Zone legislation works by concentrating incentives in small, well-defined areas.

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Q3 2025
7. 20th Annual Area Development Gold and Silver Shovel Awards
Q2 2025

50

That's the number of U.S. states with potential maritime infrastructure eligible for MPZ designation.

With that in mind, shipbuilding and MROC firms would be wise to structure new infrastructure investments around military business as a reliable foundation — then gradually layer in commercial capacity over time. This dual-track approach benefits the Navy as well. Military demand fluctuates. Commercial work could help fill production gaps and sustain the skilled workforce needed to scale when military orders surge.

So what should MPZ incentives actually include? The executive order hints at a structure similar to the 2018 OZ program. Those incentives were threefold: First, a qualified investor could place capital in a Qualified Opportunity Fund (QOF) and defer unrelated capital gains for up to a decade. Second, the deferred gains qualified for a 10 to 15 percent tax discount. Finally, after 10 years, QOF owners could sell their businesses without paying federal long-term capital gains. That model worked well for startups seeking equity capital, and for founders hoping to cash out post-growth without triggering tax liabilities. However, it was far less useful for legacy companies that used internal capital and never planned to spin off the QOF entity.

That kind of incentive structure would fall short in the context of MPZs. Shipbuilding and MROC are capital-intensive sectors led by long-established firms. While there is room for startups — particularly in emerging maritime technologies like sea and subsea drones — the sector needs something closer to the New Markets Tax Credit (NMTC) program.

Ideally, MPZs would offer a salable federal tax credit, modeled after NMTC but without requiring Community Development Entity intermediaries. In this structure, both startups and heritage companies would receive a tax credit in return for infrastructure investments within MPZs. They could use the credit against their own federal tax liability or sell it to other high-liability taxpayers at a discount.

Additional tools could further encourage ship construction and MROC work in U.S. ports. For example, MPZs might include a temporary tariff waiver on cargo shipped by vessels that were built, significantly overhauled, or converted domestically.

Ultimately, MPZs have the potential to revitalize U.S. shipbuilding and MROC for both commercial and military purposes. But the window to influence these zones is closing fast. Once the U.S. Commerce Department and the states finalize boundaries and incentives,

Risk mitigation means anchoring infrastructure around military contracts, not speculative commercial builds.

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...federal government follows precedent, there will be no opportunity to
revise the zones after they're set.

Now is the time to take action. Make sure your existing operations —
and your future plans — fall within potential MPZs.



Jeff Troan, Managing Director, Vista Site Selection, LLC

Geoffrey (Jeff) Troan retired from Lockheed Martin as a vice president in
Treasury after a 32-year career there, and has been consulting for the past
seven years.



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TOP STATES FOR BUSINESS

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Summary of Balance Sheet and Budget Report

July 2025

231 Industrial Revolving Loan			
	Budget	Monthly	YTD
Revenue	\$65,000.00	\$3,136.75	\$23,243.50
Expenses	\$5,000.00	\$0.00	\$0.00
Cash	\$1,361,613.64		
Acct Rec	\$18,000.01		
Loans	\$790,663.42		
Assests	\$2,170,277.07		
Liabilities	\$0.00		
Fund Balance	\$2,147,033.57		

232 Downtown Revolving Loan			
	Budget	Monthly	YTD
Revenue	\$2,500.00	\$11.54	\$105.67
Expenses	\$0.00	\$0.00	\$0.00
Cash	\$99,874.08		
Acct Rec	-\$150.28		
Loans	\$4,303.47		
Assets	\$104,027.27		
Liabilities	\$0.00		
Fund Balance	\$103,921.60		

233 Intermediate Re-Lending			
	Budget	Monthly	YTD
Revenue	\$10,000.00	\$1,602.81	\$11,186.73
Expenses	\$32,000.00	\$0.00	\$32,607.00
Cash	\$583,140.55		
Acct Rec	\$3,621.09		
Loans	\$48,114.04		
Assets	\$634,875.68		
Liabilities	\$127,207.19		
Fund Balance	\$529,088.76		

Summary of Balance Sheet and Budget Report

July 2025

234 Small Business Development Fund			
	Budget	Monthly	YTD
Revenue	\$0.00	\$233.98	\$1,474.10
Expenses	\$0.00	\$0.00	\$0.00
Cash	\$9,308.59		
Acct Rec	\$193.12		
Loans	\$92,855.43		
Assets	\$102,357.14		
Liabilities	\$0.00		
Fund Balance	\$100,883.04		

243 DEED Loan			
	Budget	Monthly	YTD
Revenue	\$0.00	\$0.00	\$0.00
Expenses	\$0.00	\$0.00	\$0.00
Cash	\$252,658.59		
Acct Rec	\$0.00		
Loans	\$0.00		
Assets	\$252,658.59		
Liabilities	\$0.00		
Fund Balance	\$252,658.59		

236 Port Authority			
	Budget	Monthly	YTD
Revenue	\$677,628.00	\$309,589.39	\$385,924.40
Expenses	\$683,541.95	\$36,156.60	\$128,357.77
Cash	\$702,564.89		
Acct Rec	\$6,833.04		
Leases	\$525,397.00		
Assets	\$1,234,794.93		
Liabilities	\$504,352.00		
Fund Balance	\$472,876.30		

Summary of Balance Sheet and Budget Report
July 2025

Capital Account Summaries		
Account	Description	Fund Balance
429	Little River Bulkhead	\$169,099.50
436	Mooring Cluster Dolphins	\$233,140.81
441	Little River Channel Sed. Cont.	\$120,000.00
450	Levee Wall Protection	\$106,845.00
491	PA Redevelopment Stimulus	\$431,378.62
Total		\$1,060,463.93

Red Wing Port Authoring Operating Budget Report

Revenues	Budget	Month to Date	Year to Date	% of Budget
Property Tax Revenue	\$542,628.00	\$280,864.99	\$280,864.99	52%
Leases	\$135,000.00	\$28,064.40	\$78,659.41	58%
Grants & Aids	\$0.00	\$660.00	\$26,400.00	0%
Total Revenue	\$677,628.00	\$309,589.39	\$385,924.40	

Expenditures	Budget	Month to Date	Year to Date	% of Budget
Wages and Salaries	\$4,959.90	\$0.00	\$2,695.00	54%
PERA	\$0.00	\$0.00	\$33.00	0%
FICA	\$278.45	\$0.00	\$165.25	59%
Worker's Comp	\$36.05	\$1.69	\$11.83	33%
Office Accessories	\$1,250.00	\$0.00	\$286.12	23%
Copying	\$750.00	\$0.00	\$0.00	0%
Small Tools	\$500.00	\$0.00	\$219.20	44%
Admin Services	\$18,551.55	\$1,546.00	\$10,822.00	58%
Admin Services - Other	\$241,594.00	\$0.00	\$0.00	0%
Contractual Services	\$60,000.00	\$22,965.47	\$49,276.22	82%
Engineering Services	\$500.00	\$0.00	\$0.00	0%
IT Services	\$15,072.00	\$1,256.00	\$8,792.00	58%
Personnel Testing - Recruitment	\$0.00	\$0.00	\$583.95	0%
Public Works Charges	\$2,000.00	\$36.00	\$109.80	5%
Other Professional Services	\$30,000.00	\$3,854.00	\$16,769.00	56%
Telephone	\$2,300.00	\$84.45	\$935.70	41%
Postage	\$500.00	\$0.00	\$157.88	32%
Travel	\$2,500.00	\$0.00	\$9.89	0%
Lodging	\$1,000.00	\$0.00	\$0.00	0%
Meals	\$1,000.00	\$155.29	\$472.54	47%
Registration and Tuition	\$2,500.00	\$0.00	\$50.00	2%
Marketing and Promotion	\$60,000.00	\$0.00	\$7,585.00	0%
Legal Notices Publishing	\$500.00	\$0.00	\$0.00	0%
Insurance Premiums	\$3,750.00	\$0.00	\$3,335.00	89%
Repair and Maintenance	\$50,000.00	\$0.00	\$0.00	0%
Building Rental and Leases	\$33,000.00	\$3,711.46	\$15,855.46	48%
Equipment Usage Rental	\$0.00	\$0.00	\$96.49	0%
Dues and Memberships	\$13,500.00	\$2,500.00	\$9,900.00	73%
Subscriptions	\$1,000.00	\$46.24	\$196.44	20%
Special Events Projects	\$50,000.00	\$0.00	\$0.00	0%
Other Miscellaneous	\$1,500.00	\$0.00	\$0.00	0%
Transfer to CP 441	\$10,000.00	\$0.00	\$0.00	0%
Transfer to CP 491	\$75,000.00	\$0.00	\$0.00	0%
Total Expenditures	\$683,541.95	\$36,156.60	\$128,357.77	19%

Loan Summary

Acct #	Acct	Loan	Jan	Feb	Mar	Apr	May	June	July
231	IRL	SB Emerg Loan	\$13,946	\$10,613	\$11,155	\$10,072	\$8,988	\$7,905	\$6,520
231	IRL	GRWDC	\$826,899	\$812,342	\$797,724	\$783,045	\$768,305	\$739,006	\$724,143
231	IRL	River Bluff Tech #4							\$60,000
232	DRL	RW Dev Loan	\$137,500	\$137,500	\$137,500	\$137,500	\$137,500	\$137,500	\$137,500
232	DRL	CMA Prop LLC	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000
232	DRL	Staghead	\$10,360	\$10,360	\$10,360	\$10,360	\$10,360	\$10,360	\$10,360
232	DRL	Bev's Café	\$10,360	\$10,360	\$10,360	\$10,360	\$10,360	\$10,360	\$10,360
232	DRL	Mike's Barber Shop				\$2,785	\$2,642	\$2,498	\$2,354
232	DRL	Cut Above Home	\$2,839	\$2,692	\$2,544	\$2,396	\$2,247	\$2,099	\$1,949
232	DRL	Allowance	-\$55,720	-\$55,720	-\$55,720	-\$55,720	-\$55,720	-\$193,220	-\$193,220
233	IRP	Heimes Haberdashery	\$40,316	\$39,660	\$39,001	\$38,341	\$37,678	\$37,014	\$36,347
233	IRP	Xena Ventures	\$16,739	\$13,978	\$11,206	\$8,422	\$5,626	\$2,819	\$0
233	IRP	Kelly's Tap House	\$5,874	\$5,349	\$4,824	\$4,296	\$3,768	\$3,238	\$2,707
233	IRP	River City Carwash	\$6,841	\$6,318	\$5,794	\$5,268	\$4,741	\$4,213	\$3,683
233	IRP	Presentation Plus	\$2,834	\$2,834	\$2,834	\$2,834	\$2,834	\$0	\$10,000
233	IRP	Allowance	-\$7,643	-\$4,623	-\$4,623	-\$4,623	-\$4,623	-\$4,623	-\$4,623
234	SBDF	River City Thera	\$19,281	\$19,136	\$18,991	\$18,845	\$18,699	\$18,553	\$18,406
234	SBDF	Celeste Beauty	\$18,827	\$18,680	\$18,533	\$18,385	\$18,237	\$18,088	\$17,940
234	SBDF	Gather and Grace	\$58,845	\$58,699	\$58,553	\$58,406	\$58,264	\$18,116	\$17,968
235	SBDF	JT'S Chicken and F			-\$143	-\$287	-\$430	\$19,405	\$19,260
236	SBDF	The Creative Hand			-\$143	-\$287	-\$430	\$19,425	\$19,281
243	DEED	Allowance	\$0.58	\$0.00					

These loans are showing incorrectly on the City's Finance Report. They are still being tracked as three separate loans.

Account Number	Description	Year-To-Date
231	INDUSTRIAL REVOLVING LOAN PROG	
	Asset	
231-00000-10100	CASH	1,361,613.64
231-00000-10350	ASSETS HELD WITH OTHERS-BROKER	0.00
231-00000-10400	INVESTMENTS-EXPENDABLE	0.00
231-00000-10410	INVESTMENTS-STOCK	0.00
231-00000-10450	ACCRUED INTEREST RECEIVABLE	0.00
231-00000-10505	TAXES RECEIVABLE-DELINQUENT	0.00
231-00000-10599	TAXES RECEIVABLE-ALLOWANCE (CO	0.00
231-00000-11500	ACCOUNTS RECEIVABLE-REGULAR	18,000.01
231-00000-11598	ACCTS REC-ACCRUED RECEIPTS	0.00
231-00000-11970	LT LOAN REC - RED WING BICYCLE	0.00
231-00000-11971	LT LOAN REC - RIVERTOWN COMICS	0.00
231-00000-11972	LT LOAN REC - LIVE GIVE SAVE	0.00
231-00000-11973	LT LOAN REC - PS I LOVE YOU	0.00
231-00000-11974	LT LOAN REC - SBEmergencyLoanP	6,520.41
231-00000-11986	LT LOAN REC - GRWDC	724,143.01
231-00000-11989	LT LOAN REC - RW DEV CORP	0.00
231-00000-11991	LT LOAN REC-RIVER BLUFF TECH#1	0.00
231-00000-11992	LT LOAN REC - RW BREWING CO	0.00
231-00000-11994	LT LOAN REC- PMC ASSOCIATES	0.00
231-00000-11995	LT LOAN REC - FAMILY & FRIENDS	0.00
231-00000-11996	LT LOAN REC-RIVER BLUFF TECH#2	0.00
231-00000-11997	LT LOANS REC-MOSAIC MINDSHARE	0.00
231-00000-11998	LT LOAN REC-RIVER BLUFF TECH#3	0.00
231-00000-11999	LT LOAN REC-RIVER BLUFF TECH#4	60,000.00
231-00000-12300	NOTES RECEIVABLE	0.00
231-00000-13101	DUE FROM GENERAL	0.00
231-00000-13243	DUE FROM SRF 243	0.00
231-00000-15233	ADVANCE TO IRP	0.00
231-00000-16008	LOANS TO OTHER FUNDS - 236 POR	0.00
231-00000-16011	LOANS TO OTHER FUNDS - 236 PA	0.00
	Asset	2,170,277.07
	Liability	
231-00000-20200	ACCOUNTS PAYABLE	0.00
231-00000-26001	LOANS FROM OTHER FUNDS- 101 GF	0.00
231-00000-27300	DEFERRED REVENUES	0.00
	Liability	0.00
	Fund Balance	
231-00000-30000	FUND BALANCE EQUITY	2,147,033.57
231-00000-30225	DESGN FOR FUTURE ECONOMIC DEV	0.00
	Fund Balance	2,147,033.57
Revenue Total		23,243.50
Expense Total		0.00
Ret Earnings Total		23,243.50
231	INDUSTRIAL REVOLVING LOAN PROG	23,243.50

Account Number	Description	Year-To-Date
232	DOWNTOWN REVOLVING LOAN PROG	
	Asset	
232-00000-10100	CASH	99,874.08
232-00000-10350	ASSETS HELD WITH OTHERS-BROKER	0.00
232-00000-10400	INVESTMENTS-EXPENDABLE	0.00
232-00000-10450	ACCRUED INTEREST RECEIVABLE	0.00
232-00000-11500	ACCOUNTS RECEIVABLE-REGULAR	-150.28
232-00000-11901	LT LOAN REC - MARKET HOME & DE	0.00
232-00000-11902	LT LOAN REC - RW DEV LOAN	137,500.00
232-00000-11977	LT LOAN REC - HIDDEN STORG BOX	0.00
232-00000-11978	LT LOAN REC - RWVC PROPERTIES	0.00
232-00000-11979	LT LOAN REC - CMA PROP LLC	35,000.00
232-00000-11980	LT LOAN REC - WEST MAIN LAUNDR	0.00
232-00000-11981	LT LOAN REC - IDEA OUTPOST	0.00
232-00000-11982	LT LOAN REC - INNOVATIVE CHIRO	0.00
232-00000-11983	LT LOAN REC - STAGHEAD	10,360.00
232-00000-11984	LT LOAN REC - BEV'S CAFE	10,360.00
232-00000-11985	LT LOAN REC - MR. BILZ	0.00
232-00000-11988	LT LOAN REC - WANSHURA JEWELER	0.00
232-00000-11990	LT LOAN REC - MIKES BARBERSHOP	2,354.17
232-00000-11993	LT LOAN REC - CUT ABOVE HOME	1,949.30
232-00000-11999	LT LOAN REC - ALLOWANCE	-193,220.00
	Asset	104,027.27
	Liability	
232-00000-20200	ACCOUNTS PAYABLE	0.00
232-00000-23101	DUE TO GENERAL	0.00
232-00000-27300	DEFERRED REVENUES	0.00
	Liability	0.00
	Fund Balance	
232-00000-30000	FUND BALANCE EQUITY	103,921.60
232-00000-30225	DESGN FOR FUTURE ECONOMIC DEV	0.00
	Fund Balance	103,921.60
	Revenue Total	105.67
	Expense Total	0.00
	Ret Earnings Total	105.67
232	DOWNTOWN REVOLVING LOAN PROG	105.67

Account Number	Description	Year-To-Date
233	(IRP) INTERMEDIARY RE-LENDING	
	Asset	
233-00000-10100	CASH	0.00
233-00000-10101	CASH - IRP	583,140.55
233-00000-11500	ACCOUNTS RECEIVABLE-REGULAR	3,621.09
233-00000-11950	LT LOAN REC - IRP PMC ASSOC	0.00
233-00000-11951	LT LOAN REC - HEDIN OFFICES	0.00
233-00000-11952	LT LOAN REC - HEIMIES HABERDAS	36,346.56
233-00000-11953	LT LOAN REC - XENA VENTURES	0.01
233-00000-11954	LT LOAN REC - KELLYS TAP HOUSE	2,707.27
233-00000-11955	LT LOAN REC - RIVR CTY CAR WSH	3,683.07
233-00000-11958	LT LOAN REC - REFINED SKIN	0.00
233-00000-11959	LT LOAN REC -PRESENTATION PLUS	10,000.13
233-00000-11999	LT LOAN REC - ALLOWANCE	-4,623.00
	Asset	634,875.68
	Liability	
233-00000-20200	ACCOUNTS PAYABLE	0.00
233-00000-24000	DUE TO OTHER GOVERNMENTS	127,207.19
233-00000-25231	ADVANCE FROM IND REVOLVING LOA	0.00
	Liability	127,207.19
	Fund Balance	
233-00000-30000	FUND BALANCE EQUITY	529,088.76
233-00000-30225	DESGN FOR FUTURE ECONOMIC DEV	0.00
	Fund Balance	529,088.76
	Revenue Total	11,186.73
	Expense Total	32,607.00
	Ret Earnings Total	-21,420.27
233	(IRP) INTERMEDIARY RE-LENDING	-21,420.27

Account Number	Description	Year-To-Date
234	SMALL BUSINESS DEVELOPMENT FUN	
	Asset	
234-00000-10100	CASH	9,308.59
234-00000-11500	ACCOUNTS RECEIVABLE-REGULAR	193.12
234-00000-11957	LT LOAN REC - RIVER CITY THERA	18,405.84
234-00000-11960	LT LOAN REC - CELESTE BEAUTY M	17,940.23
234-00000-11961	LT LOAN REC - GATHER AND GRAZE	17,968.40
234-00000-11975	LT LOAN REC-JTS CHICKEN & FISH	19,260.16
234-00000-11976	LT LOAN REC - THE CREATIVE HAN	19,280.80
	Asset	102,357.14
	Liability	
234-00000-20200	ACCOUNTS PAYABLE	0.00
	Liability	0.00
	Fund Balance	
234-00000-30000	FUND BALANCE EQUITY	100,883.04
	Fund Balance	100,883.04
Revenue Total		1,474.10
Expense Total		0.00
Ret Earnings Total		1,474.10
234	SMALL BUSINESS DEVELOPMENT FUN	1,474.10

Account Number**Description****Year-To-Date**

236	PORT AUTHORITY	
	Asset	
236-0000-10100	CASH	702,564.89
236-0000-10200	CASH-PETTY CASH DRAWER	0.00
236-0000-10350	ASSETS HELD WITH OTHERS-BROKER	0.00
236-0000-10355	ASSETS HELD WITH ESCROW AGENTS	0.00
236-0000-10400	INVESTMENTS-EXPENDABLE	0.00
236-0000-10450	ACCRUED INTEREST RECEIVABLE	0.00
236-0000-10500	TAXES RECEIVABLE-CURRENT	0.00
236-0000-10505	TAXES RECEIVABLE-DELINQUENT	2,123.56
236-0000-10510	TAXES RECEIVABLE-UNAPPORTIONED	0.00
236-0000-10599	TAXES RECEIVABLE-ALLOWANCE (CO	-2,123.56
236-0000-10700	LAND HELD FOR RESALE	0.00
236-0000-10701	LAND HELD FOR RESALE - IMPR	0.00
236-0000-10702	LAND HELD FOR RESALE - CRL	0.00
236-0000-10710	BUILDINGS HELD FOR RESALE	0.00
236-0000-11500	ACCOUNTS RECEIVABLE-REGULAR	6,833.04
236-0000-11598	ACCTS REC-ACCRUED RECEIPTS	0.00
236-0000-13101	DUE FROM GENERAL	0.00
236-0000-14100	DUE FROM STATE	0.00
236-0000-14700	LEASE RECEIVABLE - SHORT TERM	117,114.00
236-0000-14701	LEASE RECEIVABLE - LONG TERM	408,283.00
236-0000-17515	PREPAIDS-OTHER	0.00
	Asset	1,234,794.93
	Liability	
236-0000-20200	ACCOUNTS PAYABLE	0.00
236-0000-20201	AP NON-SYSTEM GENERATED	0.00
236-0000-20610	CONTRACTS PAYABLE RETAINAGE	0.00
236-0000-23101	DUE TO GENERAL	0.00
236-0000-26002	LOANS FROM OTHER FUNDS- 101 GF	0.00
236-0000-26003	LOANS FROM OTHER FUNDS- 101 GF	0.00
236-0000-26007	LOANS FROM OTHER FUNDS- 227 CI	0.00
236-0000-26008	LOANS FROM OTHER FUNDS- 231 IL	0.00
236-0000-26010	LOANS FROM OTHER FUNDS- 101 GF	0.00
236-0000-26011	LOANS FROM OTHER FUNDS- 231 IL	0.00
236-0000-26012	LOANS FROM OTHER FUNDS-227 CI	0.00
236-0000-27100	ACCRUED SALARIES PAYABLE	0.00
236-0000-27101	DEDUCTIONS - TAXES	0.00
236-0000-27102	DEDUCTIONS - PERA	0.00
236-0000-27103	DEDUCTIONS- EMPLOYEE DEDUCTION	0.00
236-0000-27104	DEDUCTIONS - DIRECT DEPOSIT	0.00
236-0000-27105	DEDUCTIONS - DEFERRED COMP NAT	0.00
236-0000-27106	DEDUCTIONS - DEFERRED COMP ICM	0.00
236-0000-27107	DEDUCTIONS - MEDICAL, LIFE, AD	0.00
236-0000-27201	ACCRUED VACATIONS PAYABLE	0.00
236-0000-27202	ACCRUED SICK LEAVE PAYABLE	0.00
236-0000-27300	DEFERRED REVENUES	0.00
236-0000-27304	DEFERRED INFLOW - LEASE REC	504,352.00
236-0000-28001	ESCROW ACCOUNT	0.00
236-0000-28600	PORT ESCROW ACCT-TJR SUPPLY	0.00
	Liability	504,352.00
	Fund Balance	
236-0000-30000	FUND BALANCE EQUITY	472,876.30
236-0000-30200	FUND BALANCE-DESIGNATED	0.00
236-0000-30300	FUND BALANCE - UNDESIGNATED	0.00
	Fund Balance	472,876.30
Revenue Total		385,924.40
Expense Total		128,357.77
Ret Earnings Total		257,566.63
236	PORT AUTHORITY	257,566.63

Account Number	Description	Year-To-Date
243	DEED LOAN	
	Asset	
243-00000-10100	CASH	252,658.59
243-00000-10315	ASSETS HELD WITH OTHERS-MN COM	0.00
243-00000-10350	ASSETS HELD WITH OTHERS-BROKER	0.00
243-00000-10400	INVESTMENTS-EXPENDABLE	0.00
243-00000-11500	ACCOUNTS RECEIVABLE-REGULAR	0.00
243-00000-11963	LT LOAN REC - RW SHOE	0.00
243-00000-11964	LT LOAN REC - CAPITAL SAFETY	0.00
243-00000-11987	LT LOAN REC - DBI DEED LOAN	0.00
243-00000-11999	LT LOAN REC - ALLOWANCE	0.00
	Asset	252,658.59
	Liability	
243-00000-20200	ACCOUNTS PAYABLE	0.00
243-00000-20201	AP NON-SYSTEM GENERATED	0.00
243-00000-23231	DUE TO SRF 231	0.00
243-00000-24000	DUE TO OTHER GOVERNMENTS	0.00
243-00000-24100	DUE TO STATE	0.00
243-00000-27300	DEFERRED REVENUES	0.00
	Liability	0.00
	Fund Balance	
243-00000-30000	FUND BALANCE EQUITY	252,658.59
243-00000-30225	DESGN FOR FUTURE ECONOMIC DEV	0.00
	Fund Balance	252,658.59
	Revenue Total	0.00
	Expense Total	0.00
	Ret Earnings Total	0.00
243	DEED LOAN	0.00

Account Number	Description	Adopted	Amended	Month to Date	Year to Date	% of Amended	Variance
231	INDUSTRIAL REVOLVING LOAN						
	PROG						
<i>00000</i>	<i>NON DEPARTMENTAL</i>						
	TOTAL MISCELLANEOUS						
	REVENUES						
231-00000-46210	INTEREST - DEPOSITINVESTMENT	0.00	0.00	0.00	0.00	0.00	0.00
231-00000-46216	INTEREST - NOTES & LOANS	65,000.00	65,000.00	3,136.75	23,243.50	35.76	41,756.50
231-00000-46299	OTHER MISCELLANEOUS	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL MISCELLANEOUS	65,000.00	65,000.00	3,136.75	23,243.50	35.76	41,756.50
	REVENUES						
<i>00000</i>	<i>NON DEPARTMENTAL</i>	<i>65,000.00</i>	<i>65,000.00</i>	<i>3,136.75</i>	<i>23,243.50</i>	<i>35.76</i>	<i>41,756.50</i>

Account Number	Description	Adopted	Amended	Month to Date	Year to Date	% of Amended	Variance
46700	<i>ECONOMIC OPPORTUNITY</i>						
	TOTAL OTHER SERVICES & CHARGES						
231-46700-53910	BAD DEBT EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00
231-46700-53920	LOAN EXPENSES	5,000.00	5,000.00	0.00	0.00	0.00	5,000.00
231-46700-53924	SUBGRANTEE GRANT EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00
231-46700-53950	REAL ESTATE (PROPERTY) TAXES	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL OTHER SERVICES & CHARGES	5,000.00	5,000.00	0.00	0.00	0.00	5,000.00
	TOTAL DEBT SERVICE						
231-46700-55120	INTEREST	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL DEBT SERVICE	0.00	0.00	0.00	0.00	0.00	0.00
46700	<i>ECONOMIC OPPORTUNITY</i>	5,000.00	5,000.00	0.00	0.00	0.00	5,000.00

Account Number	Description	Adopted	Amended	Month to Date Year to Date		% of Amended	Variance
Revenue Total		65,000.00	65,000.00	3,136.75	23,243.50	35.7592	41,756.50
Expense Total		5,000.00	5,000.00	0.00	0.00	0	5,000.00
Grand Total		<u>60,000.00</u>	<u>60,000.00</u>	<u>3,136.75</u>	<u>23,243.50</u>	<u>0.3874</u>	<u>36,756.50</u>
231	INDUSTRIAL REVOLVING LOAN PROG	60,000.00	60,000.00	3,136.75	23,243.50	38.74	36,756.50

Account Number	Description	Adopted	Amended	Month to Date	Year to Date	% of Amended	Variance
232	DOWNTOWN REVOLVING LOAN						
	PROG						
<i>00000</i>	<i>NON DEPARTMENTAL</i>						
	TOTAL MISCELLANEOUS						
	REVENUES						
232-00000-46210	INTEREST - DEPOSITINVESTMENT	0.00	0.00	0.00	0.00	0.00	0.00
232-00000-46216	INTEREST - NOTES & LOANS	2,500.00	2,500.00	11.54	105.67	4.23	2,394.33
232-00000-46299	OTHER MISCELLANEOUS	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL MISCELLANEOUS	2,500.00	2,500.00	11.54	105.67	4.23	2,394.33
	REVENUES						
	TOTAL OTHER FINANCING						
	SOURCES						
232-00000-49101	TRANSFER FROM GENERAL	0.00	0.00	0.00	0.00	0.00	0.00
232-00000-49236	TRANSFER FROM PORT	0.00	0.00	0.00	0.00	0.00	0.00
	AUTHORITY						
	TOTAL OTHER FINANCING	0.00	0.00	0.00	0.00	0.00	0.00
	SOURCES						
<i>00000</i>	<i>NON DEPARTMENTAL</i>	<i>2,500.00</i>	<i>2,500.00</i>	<i>11.54</i>	<i>105.67</i>	<i>4.23</i>	<i>2,394.33</i>

Account Number	Description	Adopted	Amended	Month to Date	Year to Date	% of Amended	Variance
46700	<i>ECONOMIC OPPORTUNITY</i>						
	TOTAL OTHER SERVICES & CHARGES						
232-46700-53910	BAD DEBT EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00
232-46700-53924	SUBGRANTEE GRANT EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00
232-46700-53999	OTHER MISCELLANEOUS OPERATING	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL OTHER SERVICES & CHARGES	0.00	0.00	0.00	0.00	0.00	0.00
46700	<i>ECONOMIC OPPORTUNITY</i>	0.00	0.00	0.00	0.00	0.00	0.00

Account Number	Description	Adopted	Amended	Month to Date	Year to Date	% of Amended	Variance
Revenue Total		2,500.00	2,500.00	11.54	105.67	4.2268	2,394.33
Expense Total		0.00	0.00	0.00	0.00	0	0.00
Grand Total		<u>2,500.00</u>	<u>2,500.00</u>	<u>11.54</u>	<u>105.67</u>	<u>0.0423</u>	<u>2,394.33</u>
232	DOWNTOWN REVOLVING LOAN PROG	2,500.00	2,500.00	11.54	105.67	4.23	2,394.33

Account Number	Description	Adopted	Amended	Month to Date	Year to Date	% of Amended	Variance
233	(IRP) INTERMEDIARY						
	RE-LENDING						
<i>00000</i>	<i>NON DEPARTMENTAL</i>						
	TOTAL MISCELLANEOUS						
	REVENUES						
233-00000-46210	INTEREST - DEPOSIT INVESTMENT	0.00	0.00	1,449.14	9,765.47	0.00	-9,765.47
233-00000-46216	INTEREST - NOTES & LOANS	10,000.00	10,000.00	153.67	1,421.26	14.21	8,578.74
233-00000-46299	OTHER MISCELLANEOUS	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL MISCELLANEOUS	10,000.00	10,000.00	1,602.81	11,186.73	111.87	-1,186.73
	REVENUES						
<i>00000</i>	<i>NON DEPARTMENTAL</i>	<i>10,000.00</i>	<i>10,000.00</i>	<i>1,602.81</i>	<i>11,186.73</i>	<i>111.87</i>	<i>-1,186.73</i>

Account Number	Description	Adopted	Amended	Month to Date	Year to Date	% of Amended	Variance
46700	<i>ECONOMIC OPPORTUNITY</i>						
	TOTAL OTHER SERVICES & CHARGES						
233-46700-53199	OTHER PROF SERVICES NOC	0.00	0.00	0.00	0.00	0.00	0.00
233-46700-53902	BANK CHARGES	0.00	0.00	0.00	0.00	0.00	0.00
233-46700-53910	BAD DEBT EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00
233-46700-53924	SUBGRANTEE GRANT EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL OTHER SERVICES & CHARGES	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL DEBT SERVICE						
233-46700-55120	INTEREST	32,000.00	32,000.00	0.00	32,607.00	101.90	-607.00
	TOTAL DEBT SERVICE	32,000.00	32,000.00	0.00	32,607.00	101.90	-607.00
46700	<i>ECONOMIC OPPORTUNITY</i>	32,000.00	32,000.00	0.00	32,607.00	101.90	-607.00

Account Number	Description	Adopted	Amended	Month to Date Year to Date		% of Amended	Variance
Revenue Total		10,000.00	10,000.00	1,602.81	11,186.73	111.8673	-1,186.73
Expense Total		32,000.00	32,000.00	0.00	32,607.00	101.8969	-607.00
Grand Total		<u>-22,000.00</u>	<u>-22,000.00</u>	<u>1,602.81</u>	<u>-21,420.27</u>	<u>0.9736</u>	<u>-579.73</u>
233	(IRP) INTERMEDIARY RE-LENDING	-22,000.00	-22,000.00	1,602.81	-21,420.27	97.36	-579.73

Account Number	Description	Adopted	Amended	Month to Date	Year to Date	% of Amended	Variance
234	SMALL BUSINESS DEVELOPMENT FUN						
00000	<i>NON DEPARTMENTAL</i>						
	TOTAL MISCELLANEOUS REVENUES						
234-00000-46216	INTEREST - NOTES & LOANS	0.00	0.00	233.98	1,474.10	0.00	-1,474.10
	TOTAL MISCELLANEOUS REVENUES	0.00	0.00	233.98	1,474.10	0.00	-1,474.10
	TOTAL OTHER FINANCING SOURCES						
234-00000-49101	TRANSFER FROM GENERAL	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL OTHER FINANCING SOURCES	0.00	0.00	0.00	0.00	0.00	0.00
00000	<i>NON DEPARTMENTAL</i>	0.00	0.00	233.98	1,474.10	0.00	-1,474.10

Account Number	Description	Adopted	Amended	Month to Date	Year to Date	% of Amended	Variance
Revenue Total		0.00	0.00	233.98	1,474.10	0	-1,474.10
Expense Total		0.00	0.00	0.00	0.00	0	0.00
Grand Total		<u>0.00</u>	<u>0.00</u>	<u>233.98</u>	<u>1,474.10</u>	<u>0</u>	<u>-1,474.10</u>
234	SMALL BUSINESS DEVELOPMENT FUN	0.00	0.00	233.98	1,474.10	0.00	-1,474.10

Account Number	Description	Adopted	Amended	Month to Date	Year to Date	% of Amended	Variance
236	PORT AUTHORITY						
<i>00000</i>	<i>NON DEPARTMENTAL</i>						
	TOTAL TAXES						
236-00000-41010	PROPERTY TAXES - CURRENT	542,628.00	542,628.00	278,122.29	278,122.29	51.25	264,505.71
236-00000-41020	PROPERTY TAXES - DELINQUENT	0.00	0.00	1,464.26	1,464.26	0.00	-1,464.26
236-00000-41030	MOBILE HOME TAX - CURRENT	0.00	0.00	0.00	0.00	0.00	0.00
236-00000-41035	MOBILE HOME TAX - DELINQUENT	0.00	0.00	48.69	48.69	0.00	-48.69
236-00000-41060	TAX INCREMENT - EXCESS	0.00	0.00	0.00	0.00	0.00	0.00
236-00000-41830	GROSS SHELTER RENT	0.00	0.00	1,228.68	1,228.68	0.00	-1,228.68
236-00000-41899	OTHER TAXES NOC	0.00	0.00	1.07	1.07	0.00	-1.07
	TOTAL TAXES	542,628.00	542,628.00	280,864.99	280,864.99	51.76	261,763.01
	TOTAL INTERGOVERNMENTAL						
236-00000-43135	FEDERAL GRANTS & AIDS-OTHER	0.00	0.00	0.00	0.00	0.00	0.00
236-00000-43415	STATE MARKET VALUE CREDIT	0.00	0.00	0.00	0.00	0.00	0.00
236-00000-43599	STATE GRANTS & AIDS - OTHER	0.00	0.00	660.00	26,400.00	0.00	-26,400.00
236-00000-43699	OTHER GRANTS & AIDS NOC	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL INTERGOVERNMENTAL	0.00	0.00	660.00	26,400.00	0.00	-26,400.00
	TOTAL CHARGES FOR SERVICES						
236-00000-44155	ADMIN CHARGES TO OTHERS	0.00	0.00	0.00	0.00	0.00	0.00
236-00000-44156	ADMIN CHARGES FOR ADM OF IRP	0.00	0.00	0.00	0.00	0.00	0.00
236-00000-44810	ECONOMIC DEVELOPMENT CHARGES	0.00	0.00	0.00	0.00	0.00	0.00
236-00000-44970	LAND SALES	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL CHARGES FOR SERVICES	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL MISCELLANEOUS REVENUES						
236-00000-46210	INTEREST - DEPOSIT INVESTMENT	0.00	0.00	0.00	0.00	0.00	0.00
236-00000-46217	INTEREST - OTHER	0.00	0.00	-450.00	-450.00	0.00	450.00
236-00000-46218	LEASE INTEREST REVENUE	0.00	0.00	0.00	0.00	0.00	0.00
236-00000-46223	RENT - CRL ELECTRICITY	0.00	0.00	0.00	0.00	0.00	0.00
236-00000-46228	LEASES - HARBOR	0.00	0.00	0.00	0.00	0.00	0.00
236-00000-46230	LEASES - INDUSTRIAL	135,000.00	135,000.00	28,414.40	78,357.41	58.04	56,642.59
236-00000-46231	LEASES - OTHER	0.00	0.00	0.00	0.00	0.00	0.00
236-00000-46233	LEASE PROCEEDS	0.00	0.00	0.00	0.00	0.00	0.00
236-00000-46240	LEASE REC AMORIZATION	0.00	0.00	0.00	0.00	0.00	0.00
236-00000-46281	REFUNDS	0.00	0.00	0.00	652.00	0.00	-652.00
236-00000-46283	DAMAGE CLAIMS FROM OTHERS	0.00	0.00	0.00	0.00	0.00	0.00
236-00000-46299	OTHER MISCELLANEOUS	0.00	0.00	100.00	100.00	0.00	-100.00
	TOTAL MISCELLANEOUS REVENUES	135,000.00	135,000.00	28,064.40	78,659.41	58.27	56,340.59
	TOTAL OTHER FINANCING SOURCES						
236-00000-49101	TRANSFER FROM GENERAL	0.00	0.00	0.00	0.00	0.00	0.00
236-00000-49605	TRANSFER FROM MARINA	0.00	0.00	0.00	0.00	0.00	0.00
236-00000-49999	FUND BALANCE	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL OTHER FINANCING SOURCES	0.00	0.00	0.00	0.00	0.00	0.00
<i>00000</i>	<i>NON DEPARTMENTAL</i>	<i>677,628.00</i>	<i>677,628.00</i>	<i>309,589.39</i>	<i>385,924.40</i>	<i>56.95</i>	<i>291,703.60</i>

Account Number	Description	Adopted	Amended	Month to Date	Year to Date	% of Amended	Variance
46600	PORT AUTHORITY						
	TOTAL PERSONNEL SERVICES						
236-46600-51105	WAGES & SALARIES - FULL TIME	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-51110	OVERTIME WAGES - FULL TIME	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-51115	WAGES & SALARIES - PART TIME	4,959.90	4,959.90	0.00	2,695.00	54.34	2,264.90
236-46600-51120	WAGES & SALARIES - TEMPORARY	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-51125	OVERTIME WAGES - PART TIME, SE	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-51130	MERIT & STEP	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-51215	ACCRUED VACATION	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-51220	ACCRUED SICK LEAVE	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-51305	PERA CONTRIBUTIONS	0.00	0.00	0.00	33.00	0.00	-33.00
236-46600-51310	FICA CONTRIBUTIONS	278.45	278.45	0.00	165.25	59.35	113.20
236-46600-51405	EMPLOYEE INS - HOSPITALIZATION	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-51410	EMPLOYEE INS - LOSS OF INCOME	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-51440	UNEMPLOYMENT COMPENSATION	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-51505	WORKERS' COMPENSATION INS	36.05	36.05	1.69	11.83	32.82	24.22
	TOTAL PERSONNEL SERVICES	5,274.40	5,274.40	1.69	2,905.08	55.08	2,369.32
	TOTAL SUPPLIES						
236-46600-52105	OFFICE ACCESSORIES	1,250.00	1,250.00	0.00	286.12	22.89	963.88
236-46600-52110	DUPLICATING & COPYING SUPPLIES	750.00	750.00	0.00	0.00	0.00	750.00
236-46600-52115	PRINTED FORMS & PAPER	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-52237	COVID 19 OPERATING SUPPLIES	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-52299	OTHER OPERATING SUPPLIES NOC	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-52405	SMALL TOOLS	500.00	500.00	0.00	219.20	43.84	280.80
	TOTAL SUPPLIES	2,500.00	2,500.00	0.00	505.32	20.21	1,994.68
	TOTAL OTHER SERVICES & CHARGES						
236-46600-53100	ADMINISTRATION SERVICES	18,551.55	18,551.55	1,546.00	10,822.00	58.33	7,729.55
236-46600-53101	ADMINISTRATION SERVICES-OTHER	241,594.00	241,594.00	0.00	0.00	0.00	241,594.00
236-46600-53105	CONTRACTUAL SERVICES	60,000.00	60,000.00	22,965.47	49,276.22	82.13	10,723.78
236-46600-53120	ENGINEERING SERVICES - CITY	500.00	500.00	0.00	0.00	0.00	500.00
236-46600-53125	LEGAL SERVICES	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-53150	IT SERVICES - CITY	15,072.00	15,072.00	1,256.00	8,792.00	58.33	6,280.00
236-46600-53160	PERSONNEL TESTING & RECRUITMEN	0.00	0.00	0.00	583.95	0.00	-583.95
236-46600-53165	PUBLIC WORKS LABOR CHARGES	2,000.00	2,000.00	36.00	109.80	5.49	1,890.20
236-46600-53192	COVID 19 SERVICES	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-53199	OTHER PROF SERVICES NOC	30,000.00	30,000.00	3,854.00	16,769.00	55.90	13,231.00
236-46600-53205	TELEPHONE	2,300.00	2,300.00	84.45	935.70	40.68	1,364.30
236-46600-53210	POSTAGE	500.00	500.00	0.00	157.88	31.58	342.12
236-46600-53305	TRAVEL EXP - PLANE, TRAIN, ETC	2,500.00	2,500.00	0.00	9.89	0.40	2,490.11
236-46600-53310	LODGING	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00
236-46600-53320	MEALS	1,000.00	1,000.00	155.29	472.54	47.25	527.46
236-46600-53325	MILEAGE REIMBURSEMENT	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-53330	REGISTRATION & TUITION	2,500.00	2,500.00	0.00	50.00	2.00	2,450.00
236-46600-53345	VEHICLE ALLOWANCE	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-53410	MARKETING & PROMOTION	60,000.00	60,000.00	0.00	7,585.00	12.64	52,415.00
236-46600-53455	LEGAL NOTICES PUBLISHING	500.00	500.00	0.00	0.00	0.00	500.00
236-46600-53499	OTHER PRINTING & BINDING NOC	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-53505	INSURANCE PREMIUMS	3,750.00	3,750.00	0.00	3,335.00	88.93	415.00
236-46600-53555	ELECTRICAL UTILITIES	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-53560	WATER	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-53599	OTHER UTILITIES - NOC	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-53605	BUILDING REPAIR & MAINTENANCE	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-53645	MAINTENANCE SERVICE AGREEMENT	0.00	0.00	0.00	0.00	0.00	0.00

Account Number	Description	Adopted	Amended	Month to Date	Year to Date	% of Amended	Variance
236-46600-53699	REPAIRS & MAINTENANCE NOC	50,000.00	50,000.00	0.00	0.00	0.00	50,000.00
236-46600-53710	BUILDING RENTALS & LEASES	33,000.00	33,000.00	3,711.46	15,855.46	48.05	17,144.54
236-46600-53750	EQUIP USAGE RENTALS & LEASES	0.00	0.00	0.00	96.49	0.00	-96.49
236-46600-53799	OTHER RENTALS & LEASES NOC	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-53904	DUES & MEMBERSHIPS	13,500.00	13,500.00	2,500.00	9,900.00	73.33	3,600.00
236-46600-53906	SUBSCRIPTIONS	1,000.00	1,000.00	46.24	196.44	19.64	803.56
236-46600-53907	BOOKS	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-53920	LOAN EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-53950	REAL ESTATE (PROPERTY) TAXES	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-53990	SPECIAL EVENTS/PROJECTS	50,000.00	50,000.00	0.00	0.00	0.00	50,000.00
236-46600-53999	OTHER MISCELLANEOUS OPERATING	1,500.00	1,500.00	0.00	0.00	0.00	1,500.00
	TOTAL OTHER SERVICES & CHARGES	590,767.55	590,767.55	36,154.91	124,947.37	21.15	465,820.18
	TOTAL CAPITAL OUTLAY						
236-46600-54120	LAND IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-54150	IMPROVEMENTS OTHER THAN BLDG	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-54200	OTHER EQUIPMENT	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL CAPITAL OUTLAY	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL DEBT SERVICE						
236-46600-55120	INTEREST	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-55121	LEASE INTEREST	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL DEBT SERVICE	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL OTHER FINANCING USES						
236-46600-56101	TRANSFER TO GENERAL	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-56231	TRANSFER TO IND REVOLVING LOAN	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-56232	TRANSFER TO 232	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-56271	TRANSFER TO TIF #1-1	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-56276	TRANSFER TO SR 276	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-56277	TRANSFER TO SR 277	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-56306	TRANSFER TO DS 306	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-56409	TRANSFER TO CP 409	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-56419	TRANSFER TO CP 419	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-56429	TRANSFER TO CP 429 LITTLE R BU	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-56430	TRANSFER TO CP 430	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-56435	TRANSFER TO CP 435	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-56436	TRANSFER TO CP 436	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-56441	TRANSFER TO CP 441	10,000.00	10,000.00	0.00	0.00	0.00	10,000.00
236-46600-56450	TRANSFER TO CP 450	0.00	0.00	0.00	0.00	0.00	0.00
236-46600-56491	TRANSFER TO CP 491	75,000.00	75,000.00	0.00	0.00	0.00	75,000.00
236-46600-56715	TRANSFER TO COMP ABS	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL OTHER FINANCING USES	85,000.00	85,000.00	0.00	0.00	0.00	85,000.00
46600	PORT AUTHORITY	683,541.95	683,541.95	36,156.60	128,357.77	18.78	555,184.18

Account Number	Description	Adopted	Amended	Month to Date	Year to Date	% of Amended	Variance
Revenue Total		677,628.00	677,628.00	309,589.39	385,924.40	56.9523	291,703.60
Expense Total		683,541.95	683,541.95	36,156.60	128,357.77	18.7783	555,184.18
Grand Total		<u>-5,913.95</u>	<u>-5,913.95</u>	<u>273,432.79</u>	<u>257,566.63</u>	<u>-43.5524</u>	<u>-263,480.58</u>
236	PORT AUTHORITY	-5,913.95	-5,913.95	273,432.79	257,566.63	-4,355.24	-263,480.58

Account Number	Description	Adopted	Amended	Month to Date	Year to Date	% of Amended	Variance
243	DEED LOAN						
<i>00000</i>	<i>NON DEPARTMENTAL</i>						
	TOTAL INTERGOVERNMENTAL						
243-00000-43490	STATE DEED LOAN	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL INTERGOVERNMENTAL	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL MISCELLANEOUS REVENUES						
243-00000-46210	INTEREST - DEPOSITINVESTMENT	0.00	0.00	0.00	0.00	0.00	0.00
243-00000-46216	INTEREST - NOTES & LOANS	0.00	0.00	0.00	0.00	0.00	0.00
243-00000-46299	OTHER MISCELLANEOUS	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL MISCELLANEOUS REVENUES	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL OTHER FINANCING SOURCES						
243-00000-49231	TRANSFER FROM INDUSTRIAL REVOL	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL OTHER FINANCING SOURCES	0.00	0.00	0.00	0.00	0.00	0.00
<i>00000</i>	<i>NON DEPARTMENTAL</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>

Account Number	Description	Adopted	Amended	Month to Date	Year to Date	% of Amended	Variance
46700	<i>ECONOMIC OPPORTUNITY</i>						
	TOTAL OTHER SERVICES & CHARGES						
243-46700-53110	AUDITING SERVICES	0.00	0.00	0.00	0.00	0.00	0.00
243-46700-53410	MARKETING & PROMOTION	0.00	0.00	0.00	0.00	0.00	0.00
243-46700-53910	BAD DEBT EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00
243-46700-53920	LOAN EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00
243-46700-53924	SUBGRANTEE GRANT EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL OTHER SERVICES & CHARGES	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL DEBT SERVICE						
243-46700-55120	INTEREST	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL DEBT SERVICE	0.00	0.00	0.00	0.00	0.00	0.00
46700	<i>ECONOMIC OPPORTUNITY</i>	0.00	0.00	0.00	0.00	0.00	0.00

Account Number	Description	Adopted	Amended	Month to Date	Year to Date	% of Amended	Variance
Revenue Total		0.00	0.00	0.00	0.00	0	0.00
Expense Total		0.00	0.00	0.00	0.00	0	0.00
Grand Total		<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>
243	DEED LOAN	0.00	0.00	0.00	0.00	0.00	0.00



TO: Red Wing Port Authority Board

FROM: Kyle Klatt, Community Development Director

Agenda Item No.: 9.B – Jefferson School Site Acquisition and Redevelopment Planning

Meeting Date: September 2, 2025

ACTION REQUESTED:

Motion to authorize staff to negotiate with the Red Wing School District to acquire the former Jefferson School property at 601 Buchanan Street and to draft an acquisition agreement for consideration by the Port Board at a future meeting.

ATTACHMENTS:

1. Case Studies and Example Projects
2. Central High School Development Summary
3. 2040 Comprehensive Plan Excerpt – Jefferson School Site
4. 2025 School District RFP

SUMMARY:

The Port Authority is being asked to consider acquiring the former Jefferson School site at 601 Buchanan Street with the intent of redeveloping the site for new housing and increasing the City's tax base by finding and working with a private developer on the project. The Finance Committee met on August 26th to discuss the potential site acquisition and is recommending that the Board provide staff with direction to engage in conversations with the school district about acquiring the property. The goal of this work and any potential acquisition agreement would be to acquire the site at little to no cost while providing the Port with an opportunity to perform the necessary due diligence work (i.e. environmental reviews, survey work, and funding considerations) prior to taking ownership.

BACKGROUND:

Jefferson School sits on a 2.17-acre site. The school was originally built in 1916 with additions built in 1937 and 1966. Remodeling was completed in 1996. The building closed as an elementary school in 2003. Grades K-2 were consolidated at Sunnyside School and grades 3-5 were consolidated at Burnside School. The building was then used by Goodhue County Education District and River Bluff Education Center from 2003-2015. Since 2015, the building

was used off and on by the School District for summer programming and then office space in 2017-2018 during construction projects. It reopened as an elementary school for only the 2020-21 school year to allow for more social distancing during the Covid-19 pandemic and has sat vacant since then.

The school district has prepared an RFP to solicit development proposals for the site on two different occasions in the last several years, once in 2019 that led to a purchase agreement but no project (a local developer proposed to convert the building into 16 residential units with adjacent park space) and again in 2025 with no responses. The most recent school district RFP is attached.

The Red Wing 2040 Community Plan clearly supports the reuse of the school building and property for moderate density residential development and the creation of a public park. Redevelopment also is consistent with multiple goals and strategies found in Chapter 4 (Land Use) and Chapter 8 (Housing) of the 2040 Plan. The portion of the project that will create a public park is also consistent with Chapter 7 (Parks) of the 2040 Plan.

DISCUSSION:

Over the past year or so the Red Wing School District has been up front with the City about its intent to move on from the Jefferson School property and to eliminate its ongoing expenses associated with maintaining a vacant building and grounds that provide no direct benefit to the district. For this and other budgetary reasons, they have made the decision to either sell the property or demolish the school structure and sell the land. During the planning process for the 2040 Red Wing Comprehensive Plan and previous community discussions concerning the Jefferson School site, the City has maintained a strong desire to see the existing building reused and the site redeveloped to provide housing and public park space in this area.

Through previous meetings with an ad-hoc committee of the Council and recent conversations with City staff, the school district superintendent has expressed a willingness to consider selling or giving the Jefferson School site to the City or Port Authority as opposed to razing the building or selling it to the lowest bidder. The Port Authority is uniquely positioned in Red Wing to be able to acquire the property and to engage in a process to redevelop the site. The following are some reasons why the Port Authority should consider taking this action:

- The potential to provide more housing for employees working in the community, the lack of which is often reported as a major limiting factor for business expansion and attraction in the City . Alternatively, the building may provide housing opportunities for older individuals that could free up more moderately priced single-family homes.
- The ability to have a direct impact and have control over the potential future uses of the property while minimizing potential risks to the public. If the property were sold to a private party, the City would have a limited ability to dictate how the site develops beyond the general zoning requirements (there are no existing protections that would prohibit demolition of the building).
- A redevelopment project would increase the City's tax base by putting an existing tax-exempt public use back on the tax rolls. The two projects from Winona used as case studies for this report are presently valued at \$1,327,100 (Central Square) and \$1,129,400 (Madison Place). For comparison purposes, the Central High School Condos

in Red Wing in total are valued at \$6,539,852. As a public entity, the school district does not pay property taxes. This benefit may be delayed if TIF or tax abatement is used to help finance a project.

- There would likely be benefits to the City that are indirectly correlated with the project, including potential additional investment in the surrounding neighborhood and increased surrounding property values associated with a park or other public amenity and new investment in an underutilized site.
- Port involvement may be the only way to avoid demolition of the structure, which would require additional taxpayer expenditures (through the school district) in the short term to cover the demo cost.
- The Port Authority has an ongoing relationship with New History (Meghan Elliott) who has extensive knowledge and experience with historic buildings and similar redevelopment projects and has assisted with several current redevelopment projects in Red Wing. Meghan's firm is leading the redevelopment effort for the Sandstone project listed as a case study.
- Unlike other potential redevelopment projects in Red Wing (i.e. the Maltery site), the Jefferson School building is not obsolete and it appears that the building has been well-maintained by the school district. Attached are several examples of similar redevelopment projects – most of the buildings in these examples were in far worse condition before the start of renovations.
- Staff is confident that initial work on the project could be completed with no increase to the Port's budget and without pulling staff away from other projects. Any consulting work could be accommodated under the Port's existing contract with New History. The Port has a healthy balance in its redevelopment stimulus fund to cover other costs that may be necessary to support redevelopment of the site.
- The site may be able to accommodate public or quasi-public uses, including park space, a community center, offices for non-profit agencies, daycare center, or other activities that a private developer would not typically accommodate in their project.

Potential funding sources for the project could include grants, historic tax credits, abatement, foundation support, and other sources, depending on the potential funding gap and proposed uses of the site. Many of these potential funding sources are only available to public entities.

SUPPORTING INFORMATION:

For additional context concerning the staff recommendation and expectations, below is some further information for consideration by the Port Board:

- **Case Studies and Similar Project Examples.** To help provide some context regarding potential redevelopment options for Jefferson School, staff has attached a summary of three similar projects across the state and a more detailed summary of the Central High School project here in Red Wing.

- **Carrying Costs/Potential Expenses.** The school district has previously stated that it spends up to \$70,000 a year maintaining and insuring the property. These expenses include heat during colder months and other general property maintenance needed to keep the building secure and safe. The building was last occupied four years ago but has been continuously maintained since then. There are also several tasks that need to be performed to best position the site for new development, including environmental studies, survey work, and historic tax credit eligibility reviews. Funding for this work could come from the Port's redevelopment stimulus fund which has more than enough in the fund to cover these expected costs.
- **Potential Timeline.** If the Board agrees to move forward, staff believes that it would be possible to bring an acquisition agreement to the Board within 30-60 days. The agreement would need to include a reasonable due diligence period (with a goal not to exceed six months) and would address other monetary and timing issues.

RECOMMENDATION:

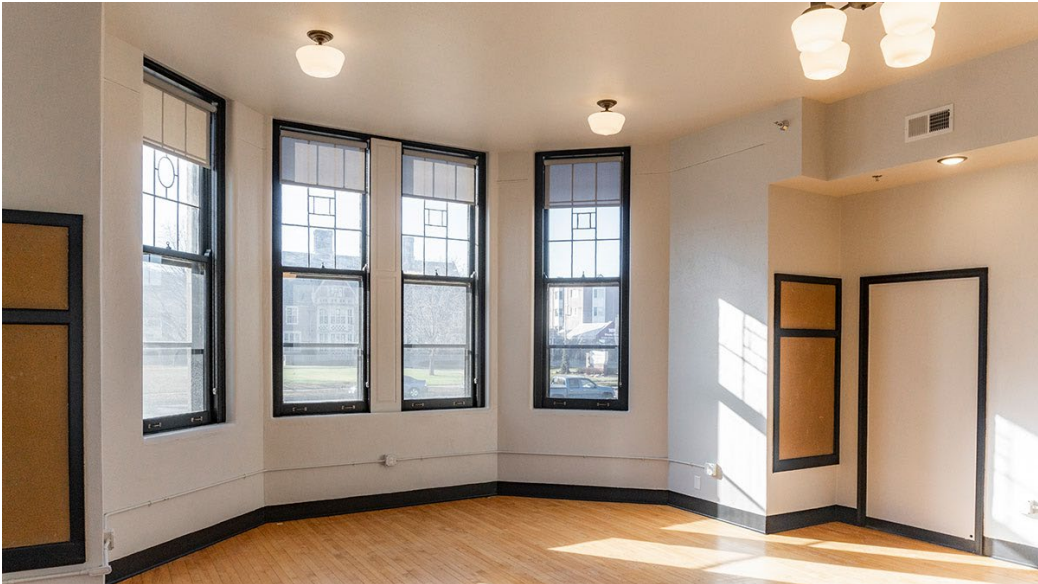
Staff recommends the action noted above in "Action Requested".

Redevelopment of Historic Schools in Minnesota

Central Square Grade School (Winona)

The Central Grade School was built in 1930 and operated for over 80 years before its closure in 2012. Using Minnesota’s State Historic Tax Credit, developers were able to renovate the school into 15 units of housing, which opened in 2021. The building is fully leased and has waiting lists for new tenants.

[Residential Apartments, Central Square Properties - For Rent](#)



Madison Elementary School (Winona)

A similar project nearby, undertaken by a different developer, turned the historic Madison School into 21 apartments. The project was funded through a combination of private investment and historic tax credits. The building is fully leased and has waiting lists for new tenants.

Madison Place



Sandstone School (Sandstone)

The historic Sandstone school in the city's downtown will be converted into 32 units of workforce housing. The building, constructed in 1901, has remained vacant since 2004 and is a designated part of the National Register of Historic Places.

The original 1936 auditorium is being transformed into the future Sandstone History and Art Center, while non-historic additions are slated for demolition.

Both state and federal historic tax credits are being utilized for preservation and redevelopment costs. In addition, \$258,500 was funded by DEED and \$180,000 was donated by Essentia Health.

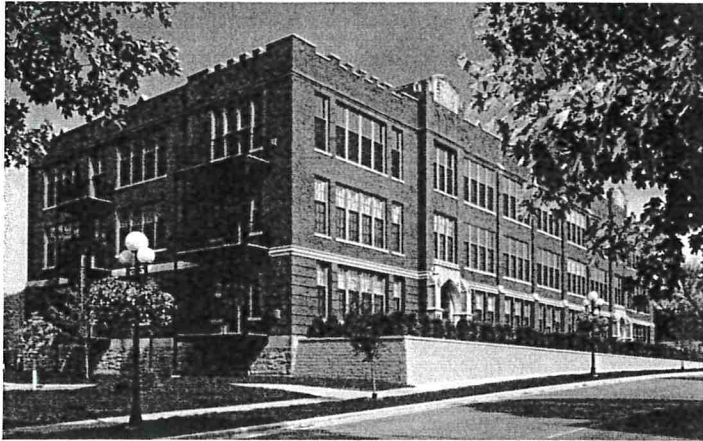
The building is currently under construction (August 2025).



[Construction underway for 'The Rock' housing project in Sandstone](#)

RED WING, MN

CENTRAL PARK CONDOMINIUMS



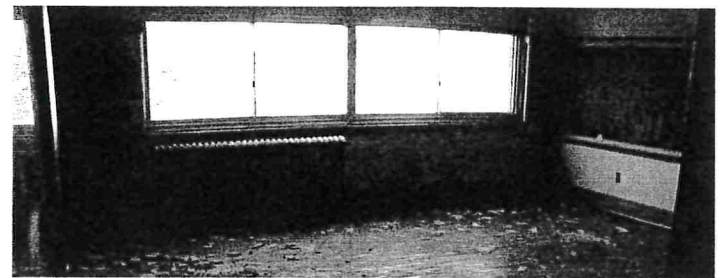
BACKGROUND & CONTEXT

Central High School was built in 1916 in downtown Red Wing and served continuously as a school until the mid-1990s. The county purchased the two-block property with an eye toward demolishing the building and using the land for parking lots or expansion of government offices. The city's Historic Preservation Committee blocked demolition because this historic building sits on the eastern edge of their mall district. It sat empty from 1995 to 2004, when a private citizen convinced the county to pursue reuse of the building. Completed in 2006, the building now houses the Central Park Condominiums.

“There a lot of memories for a lot of people in that school.” *Interviewee*

ADAPTING THE BUILDING

A reuse study (made possible through a grant from the Minnesota Historical Society) revealed that the building was structurally sound and could be adapted and repurposed to benefit the community. They looked at a few different options and ultimately decided that the community needed additional housing.



The project was a joint effort of the county, city, and a local philanthropic organization. The city of Red Wing provided a tax abatement and contributed labor for the streetscape. Goodhue County put out an RFP and received two bids from developers. They decided against the lowest bid, but were able to renegotiate terms with the developer they ultimately selected. The county sold the building for \$1, provided environmental abatement (for asbestos and mold), and assisted with interior demolition. A streetscape and small park were funded by the Red Wing Area Fund.

PROJECT AT A GLANCE

Population	16,412
Cost	Approximately \$7 million in private investment, Approximately \$1.2 million in local assistance
Funding Source	
Timeline	3 years
Year Completed	
Developer	Sutton & Associates
Partners	Goodhue County, City of Red Wing, Red Wing Area Fund
National Registry	Yes
Original Building Use	School
Use Today	Residential
Income Source	No
Website	http://www.millerdunwiddie.com/projects/central-park-condominiums/#sthash.rZjln1hP.bhMFQVKL.dpbs
Staff Contact	Steve Kohn- Planning Manager, City of Red Wing



**Central Park Condominiums (1916 Central High School)
Downtown Red Wing, Minnesota**



Although the building incurred some water damage in the nine years it was vacant, overall the building was in good shape. The Red Wing HPC was focused mainly on the exterior, and that did not change much. Work was done on tuckpointing, as well as replacing doors, windows, and garage doors. The original windows had all been replaced in the 1960s with smaller vinyl windows (half the size of the original windows). The developer wanted private first floor residences, so they built retaining walls and flower boxes to hide the doors that opened directly onto the sidewalk. They got an easement for the historic facade on two sides of the building from the Preservation Alliance of Minnesota.

On the interior, classroom walls were removed and the hallways on back side were made more narrow. Utilizing the space from the old library and a new multi-story addition on the back side of the building, they were able to create a parking ramp and six loft apartments. The addition is not very visible from the street.

	Slight challenge	Somewhat of a Challenge	Significant Challenge
Planning Process			■
Funding		■	
Structural/ Building Issues	■		
Community Support	■		

Snapshot of response to survey question “How significant, if at all, were each of the following challenges?”



CHALLENGES

The planning process posed the greatest challenge to the project, reconciling city and county designs for the building. Community support was mixed. Many people wanted to see the building preserved and reused, recognized the need for additional housing in downtown Red Wing, and did not want to see a parking lot in its place. Others were concerned that it was not feasible.

“So many players were involved, it just took a lot of time to get everyone on the same page. Once the reuse project began, it went smoothly.”

Another challenge was funding the project, overcome by a multi-pronged approach that included public funding, donations from a philanthropic organization, and a private developer willing to invest in a historic property.

REUSING THE BUILDING

Today there are a total of twenty- one condominium units, including six loft apartments and fifteen standard units. Most are valued at \$300,000 to 375,000 which is pretty spendy for a smaller community like Red Wing . Some sold immediately, while other units took longer to sell and were rented for a period of time before they sold. All of the units are now privately owned.

BENEFITS

Preserved the Character of the Red Wing Heritage Mall, made use of a vacant or underutilized building, and created a tax base, market value.

LESSONS LEARNED

The school left the site in 1995 and reuse of the property did not gain traction until 2004. The main lesson learned is that a project like this may take time. Button up the building and keep working toward the goal!

Find the right developer!

Jefferson School

This one-block site consists of the Jefferson School which is currently vacant. To help the school district consider new uses of the property, redevelopment concepts were illustrated in order to collect citizen feedback. This site is guided for the Medium Density Residential land use category.

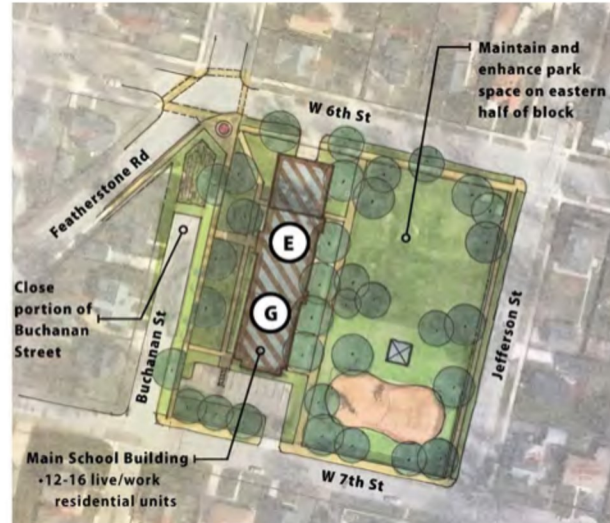
Site Redevelopment Guiding Principles

- » Pursue preservation and reuse of the existing school building for neighborhood school or other uses
- » Create possibilities of both full and half block redevelopment
- » Guide redevelopment for medium/high density residential, institutional or office uses
- » Focus building fronts on 6th Street and Buchanan
- » Close portion of Buchanan Street in Concept 1
- » Preserve neighborhood park space on this site or at St. John's nearby
- » Placement of scale of new buildings should complement surrounding uses
- » Improve safety of five-corners intersection
- » Add neighborhood identity elements at five-corners



Existing Conditions

FIGURE 4.13 JEFFERSON SCHOOL SITE REDEVELOPMENT CONCEPT 1



1 Preserve for school or nonprofit use or reuse school building for live/work residential + neighborhood park.



School Building Reuse



Residential Addition

FIGURE 4.14 JEFFERSON SCHOOL SITE REDEVELOPMENT CONCEPT 2



2 Reuse of school building for residential + additional residential and smaller park.



Live/Work Units

**REQUEST FOR PROPOSALS (RFP)
FOR
THE PURCHASE OF REAL PROPERTY OWNED BY INDEPENDENT SCHOOL
DISTRICT #256**

May 27, 2025

**THE PROPERTY IS COMMONLY
KNOWN AS:**

JEFFERSON SCHOOL

**PROPERTY ADDRESS: 601 BUCHANAN ST
RED WING, MN 55066**

Tax Parcel ID 55.5801360

All proposals and other communications must be addressed and returned to:

**Independent School District #256
Purchase of Real Property RFP
2451 Eagle Ridge Drive
Red Wing, MN 55066**

PROPOSALS MUST BE RECEIVED NO LATER THAN 3:00 PM LOCAL TIME

ON Thursday, July 24th, 2025

REQUEST FOR PROPOSALS

FOR

INDEPENDENT SCHOOL DISTRICT #256

I. PURPOSE OF THE REQUEST FOR PROPOSALS

Independent School District #256, Red Wing, Minnesota (the "District") will accept proposals for the purchase of District owned property known as Jefferson School located at: 601 Buchanan Street, Red Wing, Tax Parcel ID 55.5801360 (the "Property"). The District has the right to reject any or all proposals.

Responses to this Request for Proposals ("RFP") must address each component as set forth herein. Proposals must be in writing.

II. PROPERTY INFORMATION

The District intends to sell the Property, which is known as Jefferson School.

The Property is approximately 94,525 sf \ 2.17 acres and consists of a two story masonry building, playground, and green space. The Property is located in an established residential district in the City of Red Wing, Minnesota.

The two story building on the Property was built in 1916 and is approximately 36,557 gross square feet in size. The Property served as an elementary school until 2003. From 2003-2015, it was leased by Goodhue County Education District. Since 2015, it has been used off and on by the District for summer programming and office space during construction of other buildings by the District. The playground and green space have been made available to the public when not in use by the District.

The Property is currently zoned Two Family Residential (see attached Exhibit 2). The respondent shall be responsible for determining whether its intended use of the Property complies with local land use regulations. The respondent will be responsible for seeking any land use or other governmental approvals necessary for its intended use of the Property at its own expense. The District will agree to cooperate with the respondent in seeking those approvals.

III. CONDITIONS GOVERNING THE SALE OF THE PROPERTY

A. Offer

All respondents must complete and submit the Offer to Purchase form (attached as Exhibit A) indicating the amount being offered for the Property. The offer must not be subject to any type of financing contingency. All offers submitted to the District in response to this RFP shall remain valid for sixty (60) days from the opening date of the RFP. This time period may be extended by mutual agreement of the District and the proposer(s). The Property is being sold by the District "AS IS."

B. Purchase Price

The purchase price must be paid in full to the District either by wire transfer or certified check at closing.

C. Closing Fees and Costs

The successful respondent will be solely responsible for paying all closing fees and costs, including, but not limited to, a survey, if desired by respondent, any tests desired by respondent, title commitment fees, title search and examination fees, any title insurance premiums or the cost of any endorsements, closing fees charged by the closing company, any brokers' fees or commissions, respondent's attorneys' fees, the state deed tax, the cost of recording the deed, and any escrow fees. The District will be responsible for the cost of making title to the Property marketable and the District's attorneys' fees.

D. Commission

The District agrees and acknowledges that it has not engaged the services of any agent or broker for the sale of the Property. In the event that the successful respondent has engaged an agent or broker, the respondent will be solely responsible for the payment of said agent or broker, and said fees must not be deducted from the purchase price.

E. Earnest Money Deposit

Within five business days after all parties signing a purchase agreement, the successful respondent will be required to deposit 10 percent of the purchase price, as earnest money, with a title company who will hold the earnest money in escrow. The earnest money will be applied to the purchase price. If the buyer causes the purchase to not be completed, the earnest money is nonrefundable.

F. Site Visit

A site visit will be held on at 8:00 am on June 18, 2025 at the Property. Attendance by interested respondents is highly recommended but not required.

G. Submission of Proposals

To be considered, a sealed written proposal must be submitted by the respondent to the District either by mail or personal delivery no later than 3:00 p.m. on July 24, 2025. No proposals submitted by electronic mail or facsimile will be accepted. The outside of the envelope must be marked "PURCHASE OF REAL PROPERTY RFP" and delivered to:

Independent School District #256
Purchase of Real Property RFP
2451 Eagle Ridge Drive
Red Wing, MN 55066

All submissions are subject to the Minnesota Data Practices Act, Minnesota Statutes Chapter 13.

H. Provision of Contact Information

Those interested in submitting a proposal are encouraged to provide contact information to Bob Jaszczak, the District's Superintendent at: bjaszczak@rwps.org. This will allow the District to contact interested parties in the event that there are any addenda or changes to this RFP. Individuals who do not submit contact information to the District shall be solely responsible for independently verifying if any addenda or other changes have been issued for this RFP by contacting the District in writing prior to the submission deadline.

I. Selection

The District will select the proposal that is in the best interests of the District and will support the best use of the Property in the District's sole discretion. The sale of the Property is subject to the approval of a purchase agreement between the successful respondent and the District by the School Board. The District reserves the right to negotiate with respondents and to reject any and all offers.

J. Schedule

8:00 a.m. on June 18, 2025	Pre-proposal site visit at the Property
3:00 p.m. on July 24, 2025	Proposals due
5:30 p.m. on July 28, 2025	Proposal opening

K. Questions about Property and/or RFP

All questions or requests for clarification should be submitted in writing via electronic email to bjaszczak@rwps.org. The District shall not be responsible for the delay in the transmission of any request for clarification or other communication. The District will make all questions and answers available to all interested parties.

M. Conflict of Interest

Any respondent who has a conflict of interest or potential conflict of interest shall disclose the same in its offer. The District will review any potential conflicts of interest in its evaluation of the proposals.

IV. SUBMISSION REQUIREMENTS

A. Required Content

At a minimum, the following information must be included in all proposals:

1. Cover Letter

The respondent must submit a cover letter committing the respondent to purchasing the Property on the terms and conditions set forth in this RFP and providing information regarding the respondent's intended use of the Property.

2. Offer to Purchase

The respondent must complete the Offer to Purchase Property form as is with no changes or alterations (attached as Exhibit A)

V. EVALUATION CRITERIA

The District reserves the right to contact some or all of the respondents to clarify non-material aspects of their offers. In evaluating the proposals, the District's selection will be based upon those factors deemed necessary to promote the best interests and welfare of the District, the neighborhood, and the community, including, but not limited to, the best use of the Property.

VI. REJECTION OF PROPOSALS

A. Selection does not guarantee a Purchase Agreement.

This RFP shall not create any legal obligation of the District to evaluate any proposal that is submitted or to enter into any purchase agreement with a respondent who submits a proposal except on terms and conditions that the District deems, in its sole and absolute discretion, to be satisfactory and desirable. All proposals should contain an affirmative statement regarding whether there is any "conflict of interest" with the District, its elected and appointed officials, and the respondent.

The District reserves the right to reject any and all proposals received and the right to waive non-material formalities and technicalities according to the best interests of the District.

The District reserves the right to select a respondent or multiple respondents for the purchase of the Property.

By submitting a proposal, the Respondent acknowledges its understanding of the requirements of this RFP and agrees to be bound to the same when negotiating the purchase agreement, if its proposal is selected by the District.

B. No Liability for Expenses or Costs

The District is not responsible for expenses or costs incurred by respondents in connection with this RFP process and submitting an RFP. This includes, but is not limited to, costs associated with preparing the proposal and of participating in any site visits, oral presentations, or negotiations.

VII. SELECTION

A. Completion

The Respondent's proposal must be complete in order to be considered by the District for selection.

B. Purchase Agreement

The selected proposer will be required to enter into a purchase agreement with the District for the purchase of the Property. The purchase agreement is subject to the approval of the District's board.

EXHIBIT 1: OFFER TO PURCHASE REAL PROPERTY

SUBMITTAL: To ensure proper identification and handling, submit your offer in a sealed envelope. This Offer must be submitted by 3:00 pm on July 24, 2025 to:

Independent School District #256
Purchase of Real Property RFP
2451 Eagle Ridge Drive
Red Wing, MN 55066

Timely delivery of the offer is the sole responsibility of the Respondent. The offer must be submitted by personal delivery or mail. Late offers will not be accepted. All offers shall remain valid for a period of 60 days from the RFP opening date. The time period may be extended by mutual agreement of the District and the proposer.

TO: Independent School District #256
Purchase of Real Property RFP
2451 Eagle Ridge Drive
Red Wing, MN 55066

_____, herein called the "Buyer," hereby offer and agree to purchase the Property known as Jefferson School, located at 601 Buchanan Street, Red Wing, MN (Tax ID 55.5801360) from Independent School District #256 ("District") subject to the terms and conditions contained in this Offer and the District's Request for Proposals due July 24, 2025 at the price set forth below:

\$ _____

The proposed use of the property will be: _____

I understand that possession shall be granted upon closing. Transfer of the Property shall be by quit claim deed.

I also understand that closing shall be within sixty (60) days of approval of a purchase agreement by the District's Board, unless otherwise agreed to by the parties. This purchase is subject to approval by the District's Board and the District reserves the right to reject any and all offers.

I am aware/not aware of any potential conflict of interest with respect to my purchase of the Property. If there is a potential conflict of interest, please state the potential conflict of interest here:

I understand and agree to the terms set forth in this offer and also in the District's Request for Proposals.

Date: _____

By: _____

Its: _____

EXHIBIT 2 – City of Red Wing Zoning Regulations (*respondent is responsible for verifying that these regulations are still in effect with respect to the Property and are accurate*)

Zoning District: Two Family Residential (R-2)

Permitted Uses:

1. Single Family Detached and Duplex Housing
2. Family Day Care (provided outside of a center, typically within a provider's home)
3. Group Home (less than 7 handicapped persons living as one housekeeping unit)
4. Parks and Open Space

Certificate of Compliance: (City Staff approval process)

1. Public and Private Schools
2. Religious Institutions

Conditional Uses, Not Inclusive: (Planning Commission and City Council approval process):

1. Colleges and Universities
2. Community Services (senior centers, museums, police stations, etc.)
3. Congregate Housing (shelter and limited services for the elderly)
4. Day Care Center (15+ persons providing individual care less than a 24-hour day)
5. Group Residential Facility (foster homes, maternity shelters, battered women shelters, etc.)
6. Medical Facilities
7. Nursing and Personal Care (nursing homes)
8. Multiple Family Residential (3-4 units)
9. Multiple Family Residential (5+ units as part of a PUD; see Note below)
10. Planned Unit Development (PUD)

NOTE: PUDs allow up to 10 housing units per acre; however, the reuse of an existing institutional or commercial building located within an existing developed residential district may calculate density based on going out 250 feet beyond the property development boundaries, and subtracting the existing housing density within that larger area from the 10 total units per acre allowed on the development property (Section 47-060).

Further information on setbacks and other regulatory requirements may be found on the City's website www.red-wing.org, Community Development Department, or by contacting the department at 651-385-3623.



TO: Red Wing Port Authority Board

FROM: Shari Chorney, Port Authority Manager

Agenda Item No.: 9. C. Guarantee Of Working Capital Lines of Credit

Meeting Date: September 2, 2025

ACTION REQUESTED: Motion to Approve Guaranteeing Working Capital Lines of Credit for local lenders.

BACKGROUND:

The Red Wing Port Authority received a proposal from local lenders to provide guarantees for working capital lines of credit. Below is a definition of Working Capital Lines of Credit and how the port's guarantee can assist existing or new small business with some of their challenges. The goal is to assist with the long-term vitality and health of the community.

Working capital lines of credit is a type of short-term financing that's used to cover a business's operating expenses, such as rent, payroll or inventory. These small-business loans are not used to fund large investments, like opening a new location or purchasing real estate.

Development finance (Port Authority) is the efforts of local communities to support, encourage and catalyze expansion through public and private investment in physical development, redevelopment and/or business and industry. It is the act of contributing to a project or deal that causes that project or deal to materialize in a manner that benefits the long-term health of the community. Whether the funds are used for site acquisition or start-up capital, nearly all projects hinge on the borrower's ability to leverage convenient sources of financing. Development finance may offer a type of financing that is less expensive than conventional, private financing.

DISCUSSION:

This new tool is designed specifically to unlock financing for existing and new businesses in the downtown area.

The Local Lender's (banks/credit unions) will provide the following services:

- 1.) Underwrite individual request to established standards
 - a. Debt service coverage ratio (DSCR) of 1.25 or better
 - b. Evaluate owners' experience, capacity and business plan
 - c. Guarantor credit scores of 680 or higher
 - d. Establish loan amount
- 2.) Request guarantee from Red Wing Port Authority based on borrower risk profile
 - a. Provide summary of loan request
 - b. Minimum of 50% guarantee
 - c. Provide guarantee agreement for execution at closing
 - d. Provide guarantee fee 0.25% of loan amount
- 3.) Loan Structure
 - a. Minimum loan amount of \$5000
 - b. Maximum loan amount of \$50,000
 - c. Three-year maturity
 - d. Annually renewable by lender
 - e. Interest only payments
 - f. Adjustable interest rate based on prime + margin
 - SBA 7a program can provide an index for loan pricing
 - Floor of 6%, ceiling of 18%
 - g. File UCC on all business assets
 - h. Fees established upfront.
- 4.) Fund and administer the working capital loan
- 5.) Provide routine reporting to RW Port Authority
- 6.) Conduct collection efforts according to established practices
- 7.) Redeem guarantee if necessary

On May 6, 2025, at the Port Authority meeting the board approved a transfer of \$100,000 from the Port Authority Redevelopment Stimulus Funds to the Downtown volving Loan Fund.

On May 27, 2025, the City Council approved allocating \$50,000 from the Downtown Investment Fund to the Port Authority Downtown Revolving Loan Fund.

**The combined additional funding along with our existing Downtown Loan Fund we now have a healthy balance of \$250,000.

This new tool is aimed at accelerating local investment by reducing risk for lenders and increasing access to capital for downtown businesses.

In May 2025, Port Authority staff reached out to legal counsel for their opinion regarding the guarantee of lines of credit. Later in the month we received an opinion from our attorney. On July 16, 2025, the Finance committee met and reviewed the attorney’s opinion.

In summary it was suggested that if the Port Authority wants to move forward with establishing a program. A key consideration is risk mitigation. If the Port Authority were to craft a program guaranteeing business lines of credit, it could be responsible for paying significant amounts if the business owners’ default on their lines of credit. One strategy to reduce the risk is guaranteeing a percentage of the line of credit.

Following discussion, the committee recommended the following framework:

- Line of credit up to \$50,000 with 50% guarantee of the line of credit
- Annual review of the applicant
- Three-year maturity
- Up to five loans
- Loan Guarantee Fee 0.25 percent of the guaranteed amount is charged for each loan.

The current Downtown Revolving Loan Fund (232) equals approximately \$250,000 to be used for both loans and guaranteeing working lines of capital.

BUDGET IMPACT:

The guarantees will be covered by our Downtown Revolving loan fund. Account No. 232.

RECOMMENDATION:

Staff and the Finance Committee are recommending the motion as stated in “Action Requested.”



TO: Red Wing Port Authority Board

FROM: Shari Chorney, Port Authority Manager

Agenda Item No.: 9. D. Expansion of the Port's Downtown Revolving Loan Fund

Meeting Date: September 2, 2025

ACTION REQUESTED: Motion to Approve Expansion of the Port Authority's Downtown Revolving Loan Fund.

- **Loan Area Map**

BACKGROUND:

In 2024 Downtown Mainstreet (DTMS) was in the development phase of what they called the Revive & Thrive Initiative. The intent of the program was to address the need for additional financial tools and incentives to attract tenants and building owners.

DTMS reached out to local leaders, Port Authority, and the philanthropic organizations as possible sources for funding a separate loan fund.

In 2025 Downtown Mainstreet passed the mantel down to the Port Authority, to help create a separate fund unfortunately, after trying to coordinate the complexity of the loan criteria with local lenders, Port staff and the finance committee agreed that the best path forward would be to expand our existing downtown loan fund by increasing the funding and expanding outside the "downtown" corridor. Please see the attached map area.

The Port Authority has a long history of partnering with local lenders in the "gap" financing capacity, along with partnering with our philanthropic partners, but this expansion will be a more robust program to assist our businesses.

It was suggested that the additional funding come from the following sources:

315 West 4th St
Red Wing, MN 55066
Website:
www.redwingportauthority.org
Phone: 651.385.3638

- On May 6, 2025, at the Port Authority meeting the board approved a transfer of \$100,000 from the Port Authority Redevelopment Stimulus Funds to the Downtown revolving Loan Fund.
- On May 27, 2025, the City Council approved allocating \$50,000 from the Downtown Investment Fund to the Port Authority Downtown Revolving Loan Fund.

**The combined additional funding along with our existing Downtown Loan Fund we now have a healthy balance of \$250,000.

These funds will help facilitate a recognized financial “gap” for both existing and potential new businesses.

In addition, because the funding sources of these monies are not encumbered by state or federal programs, we will be able to offer flexibility regarding terms and conditions.

BUDGET IMPACT:

Downtown Revolving Loan Fund Account No. 232.

RECOMMENDATION:

Staff and the Finance Committee are recommending the motion as stated in “Action Requested.”

Downtown & Main Street Areas

N

0 125 250 500 Feet

