

**Red Wing Port Authority Board  
Regular Meeting  
City Council Chambers  
September 2, 2025**

**Members Present:** Port Authority Board President Paul Reding; Port Authority Commissioners Jay Wardle, Thomas Drazkowski, Donald Kliwer, Kim Beise, and Beth Flattum

**Members Absent:** Commissioner Wylie Wilson

**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 4:30 p.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 Kliwer, Drazkowski, Beise, Flattum, and Wardle were in attendance.

**4. Approval of Agenda**

A motion was made by Commissioner Flattum, seconded by Commissioner Kliwer and unanimously carried, to approve the agenda as discussed.

**5. Approval of Minutes**

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

A motion was made by Commissioner Flattum, seconded by Commissioner Wardle and unanimously carried, to approve the joint workshop minutes as drafted.

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

A motion was made by Commissioner Drazkowski, seconded by Commissioner Wardle and unanimously carried, to approve the special meeting minutes as drafted.

**6. Public Comment**

There was no public comment.

**7. Public Hearing**

There were no public hearings.

## **8. Communication Items**

### **A. Executive Director's Report.**

Director Klatt and Manager Chorney highlighted topics from the report:

- Director Klatt provided an update regarding the former maltery site. He discussed archeological survey work that will be conducted before the building is torn down. He stated that the developer will be asked to reimburse the City for these expenses. He reviewed the anticipated timeline for the study and for demolition.
- Director Klatt reported that a housing summit has been scheduled on October 29 at the St. James Hotel. He noted that barriers to housing will be discussed along with ways to achieve housing goals. He stated that members of the Port Authority Board, the HRA Board, and the Advisory Planning Commission are encouraged to attend.
- Director Klatt provided an update regarding the Quiet Zone project. He summarized a recent meeting with City staff, members of the Federal Railroad Association, and MnDOT representatives. He reviewed the next steps in the process. He referenced the need for median work and pedestrian crossing improvements. He noted that Amtrak will be doing some work on the platform.
- Director Klatt referenced past discussion of a Port Authority Board workshop this fall and reviewed potential agenda items. Potential dates and start times were discussed.
- Manager Chorney provided a Little River Bulkhead project update and discussed environmental assessment work. She discussed the submission of a grant application on behalf of Red Wing Grain.
- Manager Chorney summarized topics of discussion during a recent meeting of the Minnesota Ports Association.

### **B. Committee Reports.**

President Reding referenced topics of discussion during a recent Finance Committee meeting, noting that these items would be discussed later during the meeting.

### **C. Discussion Items.**

There were no other discussion items.

## **9. Motions and General Business**

### **A. Motion to Approve July 2025 Balance Sheet and Budget Report.**

A motion was made by Commissioner Wardle, seconded by Commissioner Flattum and unanimously carried, to approve the July 2025 Balance Sheet and Budget Report as presented.

**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.**

Director Klatt referenced past Port Authority Board discussion of the former Jefferson School site. He summarized discussion by the Finance Committee. He stated that staff recommends taking action to authorize staff to negotiate with School District representatives, with the intent to redevelop the site for new housing.

Director Klatt referenced the staff report and provided rationale for the Port Authority to be involved in this process:

- Comprehensive Plan goals include the creation of workforce housing and neighborhood park space.
- Redevelopment of the site would increase the tax base.
- Port Authority involvement would help ensure that an existing institutional building is preserved, as referenced in the Comprehensive Plan.
- The Red Wing Port Authority is positioned to help prepare the site and set the stage for redevelopment.
- The School District has undertaken two RFP processes but has been unable to secure a developer.
- The Port Authority has an established relationship with consultant New History.
- The building has been well maintained by the Red Wing School District.

Director Klatt referenced potential expenses related to this work and noted the need for due diligence. He provided examples of similar projects in other communities and discussed a past housing project involving the former Central High School building. He reviewed potential next steps and the anticipated timeline.

Commissioner Wardle expressed support for acquisition of the former Jefferson School site by the Port Authority, with the intention of repurposing the existing building for housing. He suggested ensuring that the Port Authority and the City Council are aligned in terms of the process.

Commissioner Drazkowski asked about the cost of the environmental study work. Director Klatt discussed the benefits of environmental assessment and other study work, noting an estimated cost of approximately \$50,000.

Commissioner Drazkowski commented regarding the challenges of other Port Authority redevelopment projects, including the former Bauer Built property and the former Central Research Laboratories site. He suggested establishing benchmarks and a timeline for this project. Commissioner Wardle described some of the differences between this project and the projects referenced by Commissioner Drazkowski.

Commissioner Kliewer asked about the Central High School housing project. Director Klatt provided additional background information.

President Reding expressed agreement that the Port Authority would be in the best position to assist with redeveloping this site, describing this as an exciting opportunity for the community.

Commissioner Kliewer expressed interest in utilizing a portion of the site for a neighborhood park, noting that the only park in Ward 2 is very small.

A motion was made by Commissioner Flattum to authorize City staff to negotiate with the Red Wing School District to acquire the former Jefferson School site at 601 Buchanan Street and draft an acquisition agreement for consideration by the Port Authority Board at a future meeting. The motion was seconded by Commissioner Wardle. Commissioner Beise referenced the cost of maintaining the property and preparing the site for redevelopment. He also noted concerns about potential vandalism and commented that there may be neighborhood opposition to a large housing project. Following discussion a vote was conducted, and the motion carried unanimously.

**C. Motion to Approve a New Port Authority Program Guaranteeing Working Capital Lines of Credit for Local Lenders.**

Manager Chorney provided background information and summarized ongoing discussions with Downtown Main Street regarding revitalization efforts. She stated that the Port Authority is being asked to consider utilizing some of its resources to guarantee working capital lines of credit for local lenders. She relayed guidance from the Port Authority attorney, who has recommended limiting the amounts of the loans and the guarantees. President Reding summarized discussion by the Finance Committee and spoke in support of the proposed financing tool. He stated that lack of access to working capital is a leading contributor toward failure of a new business.

Commissioners Kliewer and Drazkowski requested clarification of the proposed percentages and the repayment structure. Manager Chorney, Director Klatt, and President Reding provided additional background information.

Commissioner Beise inquired regarding the proposed length of the program. Manager Chorney suggested evaluating the program annually.

Commissioners asked about the criteria for a Port Authority guarantee, and Manager Chorney provided information in this regard.

A motion was made by Commissioner Flattum to approve a new Port Authority program guaranteeing working capital lines of credit for local lenders, as outlined in the draft document. The motion was seconded by Commissioner Wardle, a vote was conducted, and the motion carried unanimously.

**D. Motion to Approve the Expansion of the Red Wing Port Authority's Downtown Loan Fund.**

Manager Chorney provided background information and referenced the Downtown Main Street Revive and Thrive initiative. She described how the Port Authority would partner with Downtown Main Street, local lenders, and others to assist local businesses.

Director Klatt and Manager Chorney noted that the proposed program boundaries mirror the boundaries of the Downtown redevelopment tax increment financing project area. Commissioners suggested a modification to the program boundaries, to maximize the potential number of businesses that could benefit from the program.

A motion was made by Commissioner Beise to approve the expansion of the Red Wing Port Authority's Downtown Loan Fund, including the additional areas as discussed. The motion was seconded by Commissioner Flattum, a vote was conducted, and the motion carried unanimously.

Director Klatt and Manager Chorney discussed how the programs would be promoted.

**10. Adjournment**

A motion was made by Commissioner Kliewer, seconded by Commissioner Wardle and unanimously carried, to adjourn the meeting. The meeting adjourned at 5:30 p.m.