



### **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.

### **Statement of Intent**

We gather today in this room as one people to discuss and attend to the matters of Red Wing. Together, as a government body and as community members, we agree to treat everyone with courtesy, dignity, and respect. We will listen to all sides of an issue, encourage participation, support each other, act with honor and accountability, and inspire pride in our community. This we commit as we open this meeting.

## **Meeting Announcement and Agenda**

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### **Port Authority Board Annual Meeting**

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

**Date: Tuesday, February 3, 2026**

**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. [Join the meeting via Webex](#). To join via telephone, please dial (415) 655-0001. Enter access code 2556 070 9490 and password 2026 when prompted.

- 1. Call to Order**
- 2. Pledge of Allegiance**
- 3. Excusal of Members**
- 4. Swearing in the Oath of Office**
  - 4.A. Wylie Wilson (Second Term Expires January 31, 2029)
  - 4.B. Paul Reding (Second Term Expires January 31, 2029)
- 5. Approval of Agenda**
- 6. Election of Officers**
  - 6.A. Call for 2026 Nominations
    - 6.A.1. 1. President -Paul Reding (2025)
    2. Vice President- Wylie Wilson (2025)
    3. Treasurer — Jay Wardle (2025)
- 7. Motions & General Business**
  - 7.A. Review of Port Authority 2025 Annual Report
  - 7.B. Motion to Adopt the 2026 Rules of Order & Procedure (No Action Requested - Document to be Reviewed at a Later Date)

## 8. 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 2025 Annual Report



## **Staff**

Kyle Klatt (Community Development Director / Executive Director), Shari Chorney (Port Authority Manager), Brandy Howe (Community & Economic Development Facilitator)

## **Port Authority Board**

Paul Reding (President), Wylie Wilson (Vice President), Jay Wardle (Treasurer), Beth Flattum, Tom Drazkowski, Kim Beise (City Council), and Don Kliewer (City Council).

## **Harbor Committee**

William Simmons, Mike Hill, Ron Collett, Greg Genz (Ex-Officio), Michael Hosfeld, Paul Pfluger, Shari Chorney (Staff Liaison), Joe Melson (Staff Liaison), Shawn Blaney (Staff Liaison).

## **Major Accomplishments**

1. The Red Wing Port Authority continued to move forward towards the construction of two significant port development projects that received funding through the Federal Port Infrastructure Development Program (PIDP) and State Port Development Assistance Program. In 2025 the Port completed a major portion of the environmental review (NEPA) process for both the Little River Bulkhead Repair and Red Wing Grain Mooring Cluster Replacement projects working with AMI Consulting Engineers. The Port Authority also reviewed and approved updated plans for the bulkhead to reduce the overall length of the bulkhead but allow construction a new dock wall. Both projects are expected to be bid and under construction in 2026.
2. The Port Authority entered into an agreement with the Red Wing School District to purchase the former Jefferson School site at 601 Buchanan Street. The agreement provides a six-month due diligence period during which time the Port will be completing work to prepare the site for future redevelopment with a potential future sale to another party.
3. The Port engaged in a planning effort to discuss and address key opportunities identified in an internal survey, developed actionable solutions, and aligned on priorities for the Port Authority's growth and

effectiveness. This work led to revisions to the work plan to aid in future project tracking and a system for better defining the purpose, scope and intent for future projects.

4. The Port Authority reviewed a new downtown Tax Increment Financing District (TIF 9-3) in a joint workshop session with the City Council. The overall projected investment for new redevelopment projects within the new district is anticipated to exceed \$40 million. The Port Board drafted and recommended adoption of TIF Agreements for four of the five projects located within the district.
5. The Port Board, in coordination with the University of Minnesota Extension Service, conducted a survey of passengers travelling through the community on River Boats. The results of the survey indicate that these individuals have a very positive image of Red Wing and participate in the local economy in a meaningful manner.
6. The Port approved an allocation of an additional \$150,000 into the downtown revolving loan fund to further bolster incentives for projects in and around the downtown area. The Board also approved a working capital loan program that provides guarantees for local banks to provide lines of credit to businesses for certain types of activities that would otherwise fail to meet funding guidelines.
7. The Port Board participated in a joint workshop with the Red Wing Housing and Redevelopment Authority to present and review the results of the 2025 Red Wing Housing Study.
8. Port Staff successfully applied for loan funding through the Minnesota Department of Employment and Economic Development (DEED) for demolition of the former Central Research Laboratories building. Staff also negotiated a Memorandum of Understanding with the Minnesota Department of Transportation that will allow for the future replatting of Highway 19 right-of-way and increase the amount of buildable acreage on the site.
9. Port staff drafted an Environmental Assessment Worksheet (EAW) for the former Fleischmann Maltery building at 110 Broad Street. The City Council accepted the EAW and found no need for preparation of an Environmental Impact Statement. A historic documentation plan and Phase 1A Archaeological Surbey were completed for the site in response to EAW comments.
10. Port Staff drafted a Request for Proposal and selected consultants to work on two components of the DEED Office of Energy Transition Grant received by the City of Red Wing in 2024. The Port Authority will be involved in the preparation of a Land Feasibility Analysis and Long-Range Financial Plan in 2026.

### **Other Accomplishments and Statistics**

11. The Port Authority acted as the applicant and provided general support for a PIDP grant to help fund the renovation of Red Wing Grain's barge loadout facility.
12. The Port Board adopted an updated purchasing manual to clarify requirements for spending authority between staff, the board, and City Council. The manual followed the model used by the City of Red Wing.
13. The Port amended the West End Business Assistance Program to expand the potential project area to include the Pottery District and land further to the west. The Board also allocated up to \$150,000 of the Redevelopment Stimulus fund to further fund this program. The goal of the program is to assist and implement future redevelopment projects in the West End area.

14. The Port amended the Sign, Awning, and Façade Grant program to increase the maximum grant award to \$5,000, to require two bids for projects, and to continue to fund the program in 2025.
15. Members of the Port Authority participated in the 2025 Red Wing Housing Summit.
16. The Port Authority approved a \$150,000 loan to Falk Auto Body to support construction of a new building and expand the business at a new location along Featherstone Road. The Port's Intermediary Relending Program was the source of the funds.
17. The Port Board approved a \$60,000 loan to River Bluffs Technologies for software and integration improvements for their business operations. The funds for the loan came from the Port's Industrial Revolving Loan Fund.
18. The Port completed a analysis of the Upper Harbor Dock Wall to determine the loading capacity for the bulkheads in their present condition. Due to potential issues with the existing wall, it was recommended that the Port Authority continue to monitor the facility and consider repair or replacement in the future to maintain use of the facility.
19. The Port Board participated in a training session in October of 2025 focused on governance and better understanding the roles of staff, commissioners, and the City Council.
20. The Port Authority approved two grants of \$7,500 each through the Technical Assistance Grant program to support further architectural investigations for properties at 409 Main Street and 1920 Old West Main Street.
21. Port Staff participated in quarterly meetings with the City's economic development partner organizations. The focus of the meetings was to discuss projects of shared interest between the participating organizations.
22. Staff completed business retention visits with two local businesses.
23. The Port Authority issued matching grants worth \$8,850 that assisted two businesses in the Sign, Awning & Façade Grant Program. Less than half of the available funds for these grants were used in 2025.
24. Staff and the Port Authority continued working with its operator for the Little River Bulkhead (CD Terminal), which successfully moved \_\_\_\_\_ tons of product across the bulkhead, including Slag, Rebar, Scrap Metal, Coke, and Cotton Seed in 2025, this was \_\_\_\_\_ from \_\_\_\_\_ tons in 2024.
25. There were 23 river boat stops in Red Wing in 2025. One of the stops was relocated to the Upper Harbor due to flooding in the summer.
26. The Port Authority continued to utilize the Harbor Commission for input and recommendations on various marina/waterfront topics, including review of the Upper Harbor bulkhead loading capacity and revised plans for rehabilitation of the Little River Bulkhead.
27. Staff and the Port's Strategic Committee continued to meet with local foundation representatives on supporting further downtown redevelopment and renewal. The committee (along with foundation representatives) received an update from the developer working on redevelopment of the former Flesichmann Maltery site.

28. The Port Authority extended its contract with New History to provide professional technical assistance on downtown and west end development opportunities.
29. The Port Authority Board developed and approved a 2026 budget of \$697,006 with a tax levy increase to \$651,620; the Port's 2025 year-end fund balance (as of December 2025) was \$472,876.
30. The Port Authority participated in various meetings with the Minnesota Ports Association, developing a state capital bonding request to the state legislature for 2025. Red Wing continues to advocate for funding for several projects in Red Wing, including additional funding to support revised plans for the Little River Bulkhead, river sediment control, Levy Port dock pier, Upper Harbor bulkhead repair, and riverboat dolphin piling with an estimated total cost of \$5,065,000.



# Community Development Department

**2025**

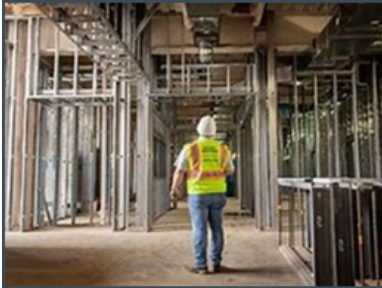
Annual Report

419 Bush Street  
Red Wing, MN 55066  
[www.redwingmn.gov](http://www.redwingmn.gov)

## Core Services

The Community Development Department serves Red Wing residents, businesses, and the City Council by protecting health and safety, improving quality of life, guiding growth and redevelopment, and supporting a strong local economy. We are committed to responsive, customer-focused service across our core service areas, listed below.

### Building Inspections



Building plan review, permit issuance, and inspections to assure that construction work meets all safety requirements of codes.

### Rental Licensing



Rental registration and inspection to ensure housing units meet health and safety standards so every tenant has a safe place to live.

### Code Enforcement



Work with property owners to enforce building, nuisance, and zoning codes.

### Community Planning



Guide growth and development through analysis, long range planning, and policy development.

### Heritage Preservation



Work with property owners in the protection of Red Wing's historic buildings and heritage resources.

### Business Licensing and Permits



Issue registrations, permits, and licenses for businesses, parking, and cemetery lot agreements.

### Sustainability



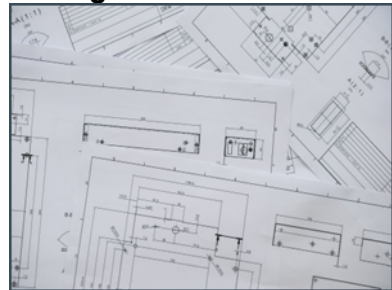
Assist the City Council in its sustainability priorities and initiatives.

### Port Authority



Serve as lead economic and industrial development agency, promote employment growth, and coordinate redevelopment.

### Zoning Administration



Process applications and work with property owners to ensure developments comply with zoning requirements.

## Housing Development and Redevelopment Projects

The Department supported several significant housing and redevelopment projects in 2025:



Occupancy was granted for the four-story 36-unit **Avanti** apartment building at 314 W. 4<sup>th</sup> Street. Avanti marks one of the first major downtown projects in decades, promising to redefine downtown living in Red Wing.



Occupancy was granted for the adaptive reuse of the historic **Associated Bank** building. This project evolved to include both apartments and condos with main and lower level commercial spaces.



Environmental review for the former **Fleischmann's Maltery** redevelopment was completed, with staff preparing an EAW and the City Council adopting findings that no Environmental Impact Statement was required, clearing the way for a transformative mixed-use redevelopment project downtown. Additionally, the City worked with the State Historic Preservation Office (SHPO) to complete a Phase 1a Cultural Literature Report for the property and prepare a Suitable Course of Action as it relates to documenting historical significance during demolition.



The City continues to investigate the reuse of the former **Bauer Built** building at 1511 Old West Main Street. Knutson Construction and Brunson Architects completed a feasibility study to ascertain the viability of renovating the structure for new commercial tenants.



The City made meaningful progress on several key redevelopment efforts. The City secured approval for a demolition loan through the DEED to remove the blighted former Central Research Laboratories building at the **Highway 19/61 gateway**. To access these funds, the City approved a property tax abatement and issued a tax abatement bond, positioning the site for future redevelopment and reinvestment.



The City Council approved the final plat and PUD for **Hope Heights**, a 26-unit subdivision by Habitat for Humanity at the 5-acre site of the former St. John's Hospital. Additionally, the City affirmed its financial capacity to support a successful Minnesota Housing Infrastructure grant application.



Completion and occupancy of the **Boxrud Flats** which includes 12 second story apartment units and 14,000 square feet of first floor retail.

## Notable Activities

In 2025, the Community Development Department advanced several major policy, redevelopment, and planning initiatives that strengthen Red Wing's economic vitality, regulatory framework, and long-term growth strategy.

### CONSTRUCTION AND REVITALIZATION PROJECTS

The Historic Preservation Commission reviewed stabilization and rehabilitation of the historic **Eagle House** following structural and masonry failures. The HPC approved window

replacements and continued review of revised rear façade and roofing improvements intended to address safety concerns, water infiltration, and long-term building preservation.

HPC also reviewed a major rehabilitation and adaptive reuse of the historic Art Deco **Chief Theater**, proposing a restaurant and event space with three new residential units. The project includes significant interior remodeling, selective façade updates, preservation of key historic elements, and removal of the original marquee and balcony structure due to documented structural instability and prohibitive stabilization costs.

Other major downtown improvement projects include continued work to redevelop the former Hallstrom's building, façade improvements to Boxrud building, St. James Hotel, and Hanisch Baker.

## **PLANNING EFFORTS**

Significant progress was also made on long-range planning and regulatory modernization. The City was awarded a \$1 million Office of Energy Transition grant from DEED to support a multi-year economic development and resilience planning effort. Staff executed the grant agreement, refined the project scope, and initiated consultant-led work on a **land development feasibility analysis** and **long-range financial strategy**, both projects commencing in January 2026.

## **POLICY DEVELOPMENT AND IMPLEMENTATION**

The City Council advanced implementation of the 2024 **Downtown Parking** Study and Strategic Plan by forming a Parking Committee and adopting a parking policy. The new policy introduced simplifies downtown parking rules, established an overnight parking permit, improved snow-emergency flexibility, and established an ADA-compliant process for managing accessible parking. An online permitting system was launched that substantially improved accessibility and compliance, resulting in a significant increase in parking permit revenues and creating a sustainable funding source for parking system maintenance and improvements.

Staff worked with Council to update the **cannabis ordinance** following legislative changes, developing registration forms and policies and ultimately issuing our first cannabis retail registration and low potency hemp edibles registrations.

The City also completed substantial **zoning ordinance updates**, including a First Amendment-compliant **sign ordinance**, modernized residential zoning standards to support incremental density and housing diversity, clarified cannabis land use regulations, and reorganized nonresidential zoning districts to improve usability and administration.

In parallel, the City adopted a formal **street naming and addressing policy**, codifying long-standing practices to improve emergency response, service delivery, and development coordination across departments.

## **OTHER KEY ACTIONS**

Completion of annual certification of **rural and urban service tax districts** to ensure compliance with state statute and equitable service allocation.

In partnership with local foundations, the City closed a funding gap for the **gateway sign** at the US Highway 61 bridge, allowing the project to advance from design approval and extensive community and tribal coordination.

The City hosted a **Housing Summit** in October that represented an encouraging first step in identifying the challenges and opportunities to ensure adequate housing supply in the community.

Staff continued to expend significant energy in the implementation of **Cloudpermit**, the new building permit and licensing software program.

## Commissions and Boards

The Community Development Department serves as the lead department and primary staff liaison for several City boards and commissions. In this role, the Department provides professional planning, technical analysis, administrative support, agenda preparation, public engagement, and policy implementation support. Specifically, the Department supports the following bodies:

- Advisory Planning Commission
- Harbor Committee
- Heritage Preservation Commission
- Port Authority Board
- Sister Cities Commission
- Sustainability Commission

## Partnerships and Collaboration

The Department hosts regular meetings with local economic development partners, including:

- Goodhue County
- Minnesota State College Southeast
- Red Wing Area Chamber of Commerce
- Red Wing Convention and Visitors Bureau
- Red Wing Downtown Main Street
- Red Wing Ignite

These partnerships support coordinated economic development, workforce initiatives, and downtown vitality. In 2025, the City supported Downtown Main Street’s application for funding for DEED’s Main Street Economic Revitalization Program. They were awarded \$750,000 for strategic redevelopment in the historic downtown corridor.

## Community Development Performance Metrics

In 2025, the Community Development Department processed a total of 142 total zoning permits and 717 building permits, and 20 Heritage Preservation plan review permits.

<b>Cannabis and Tobacco</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Cannabis Registration	0	0	0	0	0	1
Low Potency Hemp Edibles	0	0	0	0	0	11
Tobacco	16	17	17	17	17	16

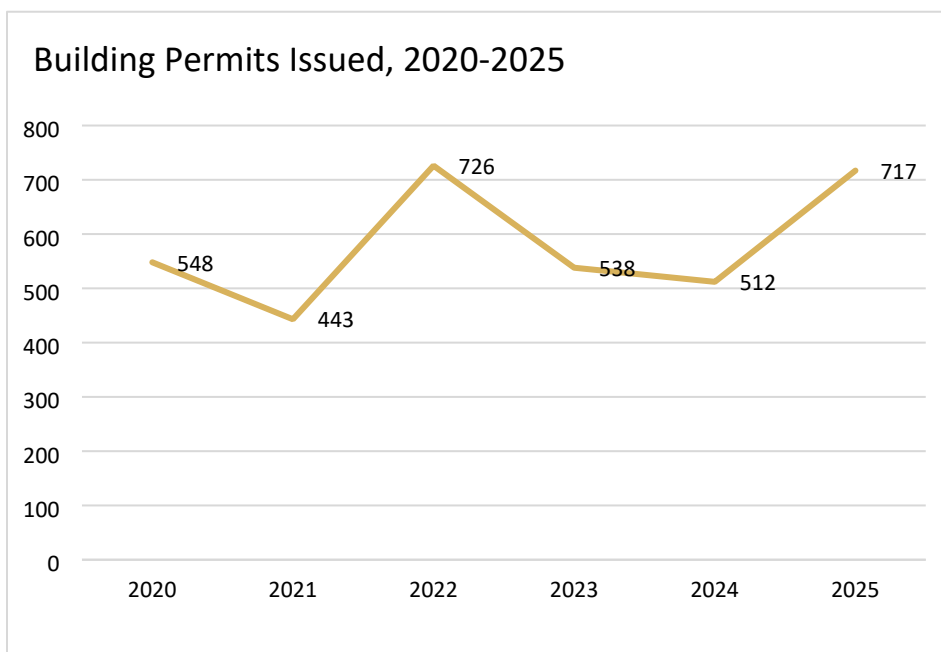
<b>Gambling</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Exempt Gambling Permits	2	9	3	6	7	8
Gambling Premise Permit	1	1	0	0	3	1

<b>Business Licenses</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Food Wagons	6	5	2	5	7	7
Junk Dealers	3	4	3	3	2	2
Pawnbroker	1	1	1	1	1	1
Sidewalk Cafés	10	4	3	5	4	4
Solicitor Registrations	0	22	2	3	21	41
Solid Waste Haulers	13	13	13	15	13	14
Taxicab	2	2	2	3	3	1
Transient Merchants	1	2	2	4	4	2
Vehicle Tags	3	3	3	4	3	1

<b>Cemetery Lot Agreements &amp; Certificates</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Burnside Agreements	6	6	5	6	4	2
Lot Transfer Agreements	9	7	12	8	6	8
Perpetual Flowers	26	37	27	21	24	1
Oakwood Agreements	39	31	38	26	31	37

<b>Zoning Permits</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Annexation	0	0	0	0	0	0
Access Closure	0	0	0	0	0	0
Bed and Breakfast	0	2	0	0	0	0
Boulevard Permit	0	0	0	0	0	0
Certificate of Compliance	50	50	41	41	35	42
Combination (Lots)	4	7	4	1	5	1
Code Enforcement	24	22	22	17	21	20
Conditional Use Permit	5	17	14	10	11	3
Conservation Easement	0	0	0	0	0	0
Environmental Assessment	0	0	0	0	0	1
Easement Grant	1	0	0	0	1	0
Encroachment Permit	0	0	2	2	0	1
Easement Vacation	2	1	0	0	3	2
Flood Plain Determination	0	0	0	0	0	0
Final Plat	4	2	5	2	6	2
Grading Permit	6	9	3	4	1	5

Heritage Pres. Permit	13	18	10	12	13	20
Heritage Text Amend.	0	0	0	0	0	0
Interim Use Permit	0	0	0	8	9	3
License Agreement	0	0	0	0	0	0
Land Division Correction	6	0	0	0	0	0
Lease Agreements	0	0	0	0	0	0
Limited Use (MnDOT)	0	0	0	0	0	1
Misc. Wk. Permit (MnDOT)	0	0	0	0	0	0
Minor Subdivision	3	2	4	3	6	1
Other Permits	0	0	0	1	0	0
Park Land Acquisition	0	0	0	0	0	0
Park Land Vacated	0	1	0	0	0	0
Plan Commission Review	2	4	2	4	2	2
Planned Unit Develop.	5	5	4	2	0	2
Plan Amendment	0	0	0	0	0	1
Preliminary Plat	0	0	1	0	0	1
Re-subdivision	0	2	4	4	3	1
Rezoning	0	5	4	3	6	1
Sign Permit	23	24	34	20	30	29
Street Vacation	0	1	0	3	0	0
Text Amendment	1	2	9	3	2	4
Variance	6	6	6	6	8	4
Zoning Appeal	1	1	0	0	0	0



5-year annual average of 587 permits pulled each year

## 2025 Community Development Department Staff



Left to right: Shari Chorney, Missy Jennings, Scott Safe, Steve Kohn, Lisa Acker, Brandy Howe, Kyle Klatt, Chad Edel, Dan Simonson.