

**Red Wing Port Authority Board
Regular Meeting
City Council Chambers
April 7, 2026**

Members Present: Port Authority Board President Paul Reding; Commissioners Bethanie Flattum, Kim Beise, Jim Ross, and Donald Kliewer.

Members Absent: Commissioner Drazkowski (excused absence), Commissioner Wilson (excused absence).

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

1. Call to Order

Port Authority Board President Paul 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. Excusal of Members

President Reding stated that Member Wilson was traveling and unable to attend the meeting.

President Reding stated that he has not heard from Member Drazkowski.

A motion was made by Commissioner Kliewer, seconded by Commissioner Flattum, to excuse Commissioner Wilson and Commissioner Drazkowski. A vote was conducted, and the motion carried unanimously by a vote of 5:0.

4. Approval of Agenda

A motion was made by Commissioner Flattum, seconded by Commissioner Ross, to approve the agenda as drafted. A vote was conducted, and the motion carried unanimously by a vote of 5:0.

5. Approval of Minutes

A. Motion to Approve March 2, 2026, Port Authority Workshop Minutes.

President Reding stated that there were some grammatical errors and spelling errors in the Minutes, and there was no indication that Commissioner Ross was in attendance. President Reding stated that he provided Director Klatt with corrections and feedback.

Commissioner Beise questioned why the Board would approve the Minutes without seeing the final corrections. Commissioner Beise further asked if the Minutes could wait for the next meeting to be approved.

President Reding stated that indeed, the minutes can be presented for approval at the next Meeting.

A motion was made by Commissioner Kliewer, seconded by Commissioner Flattum, to approve the minutes as amended.

Commissioner Kliewer withdrew his motion.

A Motion was made by Commissioner Kliewer, seconded by Commissioner Ross, to table the approval of the March 2, 2026, Port Authority Workshop Meeting Minutes. A vote was conducted, and the motion carried unanimously by a vote of 5:0.

B. Motion to Approve March 3, 2026, Port Authority Meeting Minutes.

A motion was made by Commissioner Flattum, seconded by Commissioner Ross, to approve the minutes as drafted.

Commissioner Ross stated that he was present at the March 3, 2026, Port Authority Meeting, and he was not noted as present in the Minutes.

Commissioner Flattum withdrew her motion.

A motion was made by Commissioner Flattum, seconded by Commissioner Ross, to approve the March 3, 2026, Port Authority Meeting minutes with the attendance amended. A vote was conducted, and the motion carried unanimously by a vote of 5:0.

6. Public Comment

No one wished to address the Board.

7. Public Hearing

There were no public hearings.

8. Motions & General Business

A. Motion to Approve the February 2026 Balance Sheets and Budget Report.

Director Klatt pointed out that there is one item in the Operating Budget that shows up as a negative under Contract Services. This is an accounting error that will be fixed. Director Klatt further noted that the \$12,000 was a payment that was made out to AMI Consulting for work that was done on the upper bulkhead.

A motion was made by Commissioner Flattum, seconded by Commissioner Beise, to approve the February 2026 Balance Sheets and Budget Report, noting the accounting that Director Klatt reported. A vote was conducted, and the motion carried unanimously by a vote of 5:0.

B. Consider a Motion to Approve a 50-Year Lease Agreement with the City of Red Wing for the Use, Management, and Operation of the Levee Road Mooring Clusters Near the Red Wing Grain Terminal.

President Reding introduced the item and explained that Red Wing has applied for a grant. Port Authority Board Manager Shari Chorney explained that the Board must obtain bondable ownership interest in the property to be approved.

Manager Chorney stated that if the 50-Year Lease Agreement is approved tonight, it will be presented to the City Council for their final approval. The hope is for the mooring construction to be completed soon. She added that there will be some realignment of the mooring clusters, and photos that were also provided in the packet.

Commissioner Kliewer asked when the construction is scheduled to begin. Manager Chorney stated that the hope is that construction will begin in April. Chorney further provided an overview of the numerous steps involved when Federal money is involved.

Commissioner Flattum stated that the Port Authority would have the authorization to replace substantially in the same locations, allowing for alignment.

A motion was made by Commissioner Beise, seconded by Commissioner Kliewer, to approve a 50-Year Lease Agreement with the City of Red Wing for the Use, Management, and Operation of Levee Road Mooring Clusters Near the Red Wing Grain Terminal. A vote was conducted, and the motion carried unanimously by a vote of 5:0.

C. Consider Motion to Adopt the Port Authority's 2026-2030 Strategic Plan.

President Reding introduced the item.

Director Klatt stated that he updated the Strategic Plan Chart with strategies and actions that the Port Authority Board has been working through over the past several years. An updated Strategic Plan Chart is included in the packet. Any comments or changes can be added before finalizing it tonight. He detailed the color coding that was used in the chart.

Director Klatt listed the additional items. The first is to replat the former Central Research property consistent with the MOU with MnDOT. They hope to complete the project within the year and prepare the site for development. Demolition of the building is underway.

Director Klatt noted another addition was a framework for the creation of a Tax Increment Financing District for the Former Central Research Laboratories Property. Staff will conduct a workshop session with City Council to provide direction on future goals and strategies to develop the Highway 19/61 site.

Director Klatt explained that an added action is to expand the Technical Assistance Grant Program to include other barriers to development, such as environmental and archeological studies.

Director Klatt stated there are plans to complete the acquisition of the Jefferson School site and conduct an RFP process to select a developer to redevelop the former Jefferson School building into housing or other use that supports economic development.

Director Klatt pointed out that another major addition is to draft a Port Waterway Development Plan using DEED funding through the Office of Energy Transition Grant. Staff is preparing an RFP, and the results will be presented to the Board for further action.

Director Klatt added that they need to select one or more consultants to work on the remaining initiatives identified in the City's DEED Energy Transition Grant, as well as participate in the drafting of a land feasibility analysis being funded by a DEED Office of Energy Transition Grant, both of which are long-range financial analyses.

Director Klatt noted two additions to the marketing, which will follow the branding study, to complete and implement a marketing plan. He welcomed input from the Board on the listed strategies or other additions to be considered.

President Reding referenced housing support and the identification of a site for a potential HRA and Three Rivers community action project, and asked for more information on why that partner is specifically listed. Director Klatt stated that the important item is the tax credit element, and Three Rivers is the firm that the City has worked with and that has experience in this area, but confirmed that they could use more generic language. He stated that the goal would be to bring an affordable tax credit project to Red Wing.

President Reding referenced the wayfinding signs mentioned and could see how that would fit into community development, and planning was unsure how that would tie into the Port Authority. Director Klatt stated that the Port Authority funded and completed the parking study, and this is an action to follow, but agreed that the item could be removed from this plan.

President Reding commented that this has been a great process, and the document makes things more tangible and identifiable to track.

A motion was made by Commissioner Flattum, seconded by Commissioner Beise, to adopt the Port Authority's 2026-2030 Strategic Plan with the edits suggested. A vote was conducted, and the motion carried unanimously by a vote of 5:0.

9. Communication Items

A. Executive Director's Report.

Director Klatt highlighted several items from the report:

- Director Klatt provided an update on the status of the Jefferson School project, including the progress of the historic evaluation and submission of the related report, environmental reviews, developer outreach, and RFP process. Director Klatt noted that a special meeting may be called in May to review the proposals.
- Director Klatt stated that DEED did provide an extension for the start date for demolition work on the Fleischmann Maltery building, part of which included a commitment for a time schedule related to certain project milestones. Director Klatt stated that part of that timeline includes a TIF agreement, noting that the item will be on the May agenda for the Board.

Commissioner Ross recognized the start date for demolition and asked if there was also an identified end date. Director Klatt stated that an end date of 2027 was provided and explained that an extension was provided for the start date, but that did not extend the completion date. Director Klatt provided additional information on the requirements that will be a part of the TIF agreement, such as the number of jobs to be created.

- Director Klatt provided an update on the Central Research property and stated that demolition has begun on that site and will continue for several weeks. Director Klatt noted that the City Council took action to declare the building structurally substandard at the March 23rd meeting, which preserves the ability of the City to use Tax Increment Financing in the future to help finance redevelopment.
- Director Klatt provided an update on the downtown area, noting continued work on the four projects within the downtown area.
- Director Klatt did not have additional comments to add on the former Bauer Built redevelopment or the Parking Study.
- Director Klatt commented that members of the Port did participate in the Land Feasibility Analysis with NEOO Partners, which began with the stakeholders meeting. Director Klatt stated that the evaluation will focus on several key sites and provided more details on the information that will be provided in the report.

Director Chorney highlighted the following items:

- Manager Chorney stated that members of the Minnesota Ports Association recently testified at the Senate Capital Investment Committee in support of the Port Development Assistance Funds, which are vital for the Ports' aging infrastructure.
- Manager Chorney provided an update on a recent meeting with the USG Interior's new Plant Manager, Matt Campbell, where Mr. Campbell provided information on the \$20,000,000 investment planned for the USG facility.

Manager Chorney also provided information to Mr. Campbell on the update on the Little River Bulkhead project.

- Manager Chorney recently toured Seven Springs Laundry and provided some historical context on the previous users of that building and the assistance provided by the Port Authority. Manager Chorney noted the significant investment the new business has already made in the building.

Commissioner Flattum asked for the location of the business. Manager Chorney provided the business location.

President Reding asked for information about the employment numbers of the new business. Manager Chorney stated that the business estimated that when fully operational, they would have about 12 employees.

- Manager Chorney provided an update about the Little River Bulkhead and Mooring Cluster projects, noting that they are still awaiting confirmation on whether they would be awarded the Port Infrastructure Funds. Manager Chorney stated that it is anticipated that much of the Environmental Assessment will be completed this week, with bidding for the Mooring Cluster to occur in late April or early May and an anticipated construction window of about three to four weeks. Manager Chorney stated that the Little River Bulkhead project is anticipated to occur between the late fall of 2026 and early spring of 2027.

B. Committee Reports: Marketing Committee – 04/01/26.

President Reding provided an update on the recent meeting of the Marketing Committee, noting the two new members (non Port members) who joined the Committee. President Reding commented that he believed the new members provided the desired benefit of bringing different perspectives and experience with marketing and branding. President Reding stated that the next meeting was scheduled for April 20, 2026.

Commissioner Kliewer thanked Manager Chorney for creating a regular meeting schedule that will help to keep the Committee on schedule.

Director Klatt stated that staff solicited proposals from three firms to do a branding study, which was the main area of focus for the meeting. The Committee asked for additional clarification on the two-tier or two-step process, specifically what would be included in the second tier/step.

President Reding explained that he would like to see consensus and commitment to the plan and its implementation, beyond the creation of the brand.

C. Discussion Items.

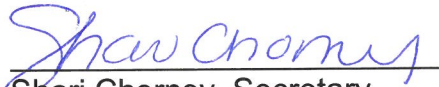
There were no additional discussion items.

10. Adjournment

A motion was made by Commissioner Kliewer, seconded by Commissioner Flattum, to adjourn. A vote was conducted, and the motion carried unanimously by a vote of 5:0.

President Reding adjourned the meeting at 5:19 p.m.

ATTEST:


Shari Chorney, Secretary