

**Red Wing City Council
City Council Workshop
City Council Chambers
June 22, 2026**

Council Members Present: Council President Janie Farrar; Council Members Vicki Jo Lambert, Beth Snyder, Kim Beise, Ron Goggin, and Donald Kliwer

Council Members Absent: Council Member Becky Norton

Others Present: Gary Iocco, Mayor; Chris Heineman, City Council Administrator; Kyle Klatt, Community Development Director; Melissa Hill, City Clerk; Michelle Leise, Public Information & Engagement Officer; Brian Metling, Assistant Police Chief; Shawn Blaney, Public Works Director; Mike Warner, Fire Chief; Steve Kohn, Planning Manager; Zach Regnier, Engineering Director; Apurva Patel, Development Services Group, LLC Representative; Kolbe Kryzanowski, Baker Tilly Municipal Advisor; Jenny Boulton, City Attorney with Kutak Rock, LLP

Agenda Item 1

Call to Order

Council President Janie Farrar welcomed attendees and convened the workshop at 5:00 p.m.

Agenda Item 2

Workshop Items

A. North Service Drive Sidewalk Update/Snow Removal Policy.

Council President Farrar noted that staff is looking for input from the Council.

Engineering Director Regnier introduced the item and explained that staff is looking for a consensus from the Council regarding the sidewalk project and who maintains the proposed sidewalk.

Public Works Director Blaney reviewed the public feedback regarding the City's snow and ice policy.

Council Member Lambert asked why the business owners were unwilling to maintain the sidewalks. Director Blaney replied that he did not know. Director Regnier added that there is typically pushback in scenarios like this and that the mall property commented that they are being required to maintain more than other properties. The properties are tight to the road, so there is a lot of snow plowed snow that gets put on the sidewalks.

Council Administrator Heineman provided additional context for the Council and explained that the City is looking to make the snow and ice policy more nuanced to consider what paths people are taking and should be maintained throughout the winter. It is likely that the revamped policy would include a tier system.

Mayor Iocco expressed support for the City to maintain areas of the sidewalk because businesses are not going to invest in big snow removal equipment just to maintain 150 feet of sidewalk.

Council Member Kliewer asked what a cost estimate would be if the City maintained the entire sidewalk. Director Blaney replied that they do not have an estimate, the route takes 10 to 12 hours, and they cannot extend the route, which is why they are proposing a tier system.

Council Member Goggin expressed support for the proposal since it would be heavy snow from the snow plows, and property owners would not be able to maintain it without purchasing heavy equipment. Council Member Snyder expressed support for the proposal.

Council President Farrar expressed support for the proposal and the tier system.

Council Member Kliewer asked how entrances into businesses would be cleared of snow. Director Blaney replied that the driveway apron would be the property owner's responsibility.

B. TIF Agreement for Fleischman's Malting Project.

Community Development Director Klatt presented on the tax increment financing assistance agreement for TIF District 9-3, the Fleischmann Maltery Site. He reviewed the background, the project summary, the TIF financial summary, the previous projects, the TIF plan details for Maltery, the TIF findings, and the staff recommendation.

Baker Tilly Municipal Advisor, Kolbe Kryzanowski, presented the Tax Increment Financing (TIF) overview and the Maltery preliminary project overview.

Port Authority Board Chair Paul Reding noted that it is a significant investment for the developer, and the TIF financing may not cover all of the costs for the development. He mentioned another option for the City is to use revenue bonds, which would provide access to lower interest rates.

Mayor Iocco asked how revenue bonds would work. City Attorney with Kutak Rock, LLP, Jenny Boulton, replied that TIF revenue bonds do not work entirely differently from what the developer would be doing with their own financing. There is an opportunity to do tax-exempt general obligation TIF bonds. A TIF revenue bond would look at the projected increments, and a lender would take into account the unknowns of the projections and the timeline of the project. A TIF revenue bond would not be much more efficient than what the developer can get by using a pay-as-you-go note as collateral for a loan.

Development Services Group, LLC Representative, Apurva Patel, presented on the Maltery Development. He reviewed the property overview, the project summary, the project statistics, the site location and plan, the building massing study, and the site plan and building views concept. He explained the financing for the project.

Council Member Lambert asked if a revenue bond and TIF funding could be used together. Director Klatt replied that the City typically does one or the other because it causes less risk to the City. There are other ways to finance a project.

Mr. Kryzanowski explained that the City would be using a single source of revenue with the TIF. Any public financing increases risk to the City.

Council Member Goggin asked if the proposed fully furnished apartment rentals would be like a Vrbo or a hotel. Mr. Patel replied that it would be short-term rentals and not a Vrbo.

Administrator Heineman reviewed the length of the term and noted that the timing is good with Xcel Energy and will expand the tax capacity.

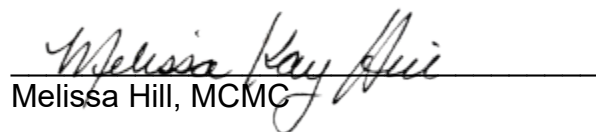
Agenda Item 3

Adjournment

The workshop adjourned at 6:10 p.m.


Janie Farrar, Council President

ATTEST:


Melissa Hill, MCMC