

PORT AUTHORITY OF WINONA MINUTES

DATE: July 13, 2006

PRESENT: Commissioners Cichanowski, Schwab, Borzyskowski, Kiekbusch, Johnson and Thurley and Executive Secretary Sorensen

ABSENT: Commissioner Glubka

1. **CALL TO ORDER – APPROVAL OF MINUTES**

The meeting was called to order at 4:00 p.m. by President Cichanowski. A motion was made by Commissioner Borzyskowski, seconded by Commissioner Kiekbusch to approve the minutes from the April 13, 2006 meeting. The motion carried with all Commissioners present voting aye.

2. **REMARKS BY THE PRESIDENT**

President Cichanowski stated this meeting would be an important and active agenda for the Port.

3. **PUBLIC HEARING**

A. ***Sale of Property to RTP Company***

President Cichanowski opened the public hearing for the proposed sale of Port Authority property to RTP Company. The public hearing notice was published on July 1, 2006. Staff summarized the project which involves RTP using the property to build a manufacturing facility on the site at sometime in the future. In addition to this, the Port Authority will maintain necessary land and appropriate easements for a bike path area and will also retain the wetland areas. Staff also explained that the site was bought from Peerless Chain Company and has a total of 37 acres, 12 of the acres of which are being considered for sale to RTP. Much of the remaining acreage involves wetland and property on the river side of the flood control dike.

Commissioner Cichanowski opened the public hearing and asked anyone wishing to speak to come forward. Wayne Pflughoeft, attorney for RTP, came forward and explained the project and commended Port Authority staff and Judy Bodway in negotiating the sale on behalf of the Port Authority. Hugh Miller, RTP, also came forward and noted that Winona is the headquarters for RTP and that more space and more people will be added to the Winona facility as a result of this project, expanding both the capacity and people working at RTP Winona. President Cichanowski called an additional two times for anyone wishing to speak to come forward. There being none, the public hearing was closed and a motion to

entertain the sale of land and approve the resolution for the sale of land was made by Commissioner Borzyskowski, seconded by Commissioner Thurley.

The following resolution was approved with all Commissioners present voting aye:

RESOLUTION

WHEREAS, the Port Authority of Winona, pursuant to Minnesota State Statutes, Section 458.196, did place a notice, a copy of which with proof of publication is on file in the office of the Port Authority of Winona, of a public hearing of the proposed sale of property owned by said Port Authority in a legal newspaper, said hearing to be held to determine whether it is in the best interest of the district and the people thereof, and that furtherance of the general plan of the Port Authority development and industrial development to sell the land described in Exhibit "A" attached hereto; and

WHEREAS, the RTP Company has submitted a proposal to purchase said property described in Exhibit "A" which property is owned by the Port Authority of Winona; and

WHEREAS, the Port Authority has investigated the facts of the proposed sale of said land and terms and conditions of said sale, and proposed use of said property and the relationship to the City of Winona and its business facilities of the Port Authority of Winona in general; and

WHEREAS, the proposed project, presented by RTP Company meets the terms and conditions set forth by the Port Authority of Winona as its guide in determining if such proposals are in the best interest of the Port Authority district and the public.

NOW, THEREFORE, BE IT RESOLVED by the Port Authority of Winona:

1. That the Board of Commissioners of the Port Authority of Winona hereby finds, determines, and declares that it is in the best interest of the Port district and the people thereof and in furtherance of the general plan to sell said real estate to the RTP Company.
2. The actions of the Executive Secretary of the Port Authority of Winona in causing public notice of the proposed sale and in describing the terms and conditions of such sale, which have been available for inspection by the public at the office of the Port Authority from and after the publication of the hearing, are in all respects ratified and confirmed.

3. The property is being sold for \$620,000 for approximately 12.044+/- acres.

B. Sale of Property to the Minnesota Maritime Art Museum

President Cichanowski opened the public hearing for the sale of property. The public hearing was opened pursuant to a notice published on July 1, 2006. Staff reported that the sale of property in the Commercial Harbor area would be to the Maritime Heritage Society which is the entity that owns the underlying land for the museum. Staff further explained that 1.79 acres of property was being proposed to be sold to the Maritime Heritage Society for expansion of the art museum. The sale price and other terms are similar to the previous sale. Staff further explained that the Port Authority will not close on the land until the dredging project in the Commercial Harbor is complete. President Cichanowski called an additional two times for anyone wishing to speak to come forward at the public hearing and note their intentions. Both Kent Gernander and Bud Baechler noted the Maritime Heritage Society was pleased to purchase the property to expand the Minnesota Marine Art Museum in Winona. Prior to voting on the resolution Commissioners were told of a correction in the details of the proposed sale specifically the Port Authorities right to purchase the property back if it is no longer used as a museum or interpretive center. It was noted that the first right to purchase back would be at a matching offered price versus the amount stated of \$107,400. A motion to approve the corrected resolution and documents was approved by Commissioner Thurley, seconded by Commissioner Kiekbusch. All Commissioners present voted aye. The motion carried.

RESOLUTION

WHEREAS, the Port Authority of Winona, pursuant to Minnesota State Statutes, Section 458.196, did place a notice, a copy of which with proof of publication is on file in the office of the Port Authority of Winona, of a public hearing of the proposed sale of property owned by said Port Authority in a legal newspaper, said hearing to be held to determine whether it is in the best interest of the district and the people thereof, and that furtherance of the general plan of the Port Authority development and industrial development to sell the land described in Exhibit "A" attached hereto, and

WHEREAS, the Minnesota Marine Art Museum, has submitted a proposal to purchase said property described in Exhibit "A" which property is owned by the Port Authority of Winona; and

WHEREAS, the Port Authority has investigated the facts of the proposed sale of said land and terms and conditions of said sale, and

proposed use of said property and the relationship to the City of Winona and its business facilities of the Port Authority of Winona in general; and

WHEREAS, the proposed project, presented by the Minnesota Marine Art Museum meets the terms and conditions set forth by the Port Authority of Winona as its guide in determining if such proposals are in the best interest of the Port Authority district and the public.

NOW, THEREFORE, BE IT RESOLVED by the Port Authority of Winona:

1. That the Board of Commissioners of the Port Authority of Winona hereby finds, determines, and declares that it is in the best interest of the Port district and the people thereof and in furtherance of the general plan to sell said real estate to the Minnesota Marine Art Museum.
2. The actions of the Executive Secretary of the Port Authority of Winona in causing public notice of the proposed sale and in describing the terms and conditions of such sale, which have been available for inspection by the public at the office of the Port Authority from and after the publication of the hearing, are in all respects ratified and confirmed.
3. The property is being sold for \$107,400 for approximately 1.79+/-acres.

4. OLD BUSINESS

A. Request from Scott Abramson

Scott Abramson requested an extension to start construction on property he purchased from the Port Authority between Sioux and Ewing Streets, at the foot of Third Street. A motion to approve the extension until July 2007 was made by Commissioner Schwab, seconded by Commission Johnson with all Commissioners present voting aye. The motion carried.

5. NEW BUSINESS

A. Purchase of Property at 201 Main Street

Staff explained that the Negotiating Committee had been working with Chrysler Winona to purchase property at 201 Main Street. The purpose of the purchase of the Chrysler Winona building is for future redevelopment activities in the Winona Downtown Area. The property is currently for sale by the owners. Staff explained:

- the purchase price is \$500,000
- Closing will be no later than August 15, 2006.

- It was noted that the Port Authority would enter into a lease agreement with Main Street, LLP or Chrysler Winona for 24 months and the lease will be for \$4,000 per month with the lessee being responsible for taxes, utilities and insurance.

Port Authority Commissioners reviewed the proposal and approved a resolution to purchase the property as follows:

RESOLUTION

Whereas, the Chrysler Winona property at 201 Main Street was for sale; and

Whereas, the Port Authority of Winona determined that the real estate was appropriate for future redevelopment purposes.

Now, There, Be it Resolved that the Port Authority of Winona approves of the purchase of property at 201 Main Street known as the Chrysler Winona facility.

Be It Further Resolved that the Port Authority of Winona will enter into a lease agreement for 24 months with Chrysler Winona.

The motion was introduced by Commissioner Johnson, seconded by Commissioner Schwab and the motion carried with all Commissioners present voting aye.

B. Pelzer/Edwards Street Property

Staff explained a parcel of land remains after the right of way is secured for the Pelzer Street Reconstruction Project. This area lies between Edwards Street which was extended and the Pelzer Street area and could be developed into potentially 3 or 4 residential lots. The Port Negotiating Committee reviewed the concept of platting the lots and selling one lot to Habitat for Humanity for Winona for \$1.00 and a portion of the costs related to platting the property. A motion was made by Commissioner Kiekbusch and seconded by Commissioner Thurley to proceed with platting the parcels and preliminary approval to sell one of the lots to Habitat for Humanity Winona County. The motion carried with all Commissioners present voting aye.

C. 2005 Port Authority Financial Report

Cliff Hoffman of Deloitte & Touché presented the 2005 Financial Report to the Port Authority of Winona. Some of the highlights:

- Five-year growth rate 54.5%
- One-year growth rate 7.8%
- Debt per capita \$246
- Market value of taxable property (2005) over 1.3 billion

Following Mr. Hoffman's presentation, Port Authority Commissioners accepted the Financial Report submitted.

6. ADJOURNMENT

A motion to adjourn the meeting was made at 5:15 p.m. by Commissioner Borzyskowski, seconded by Commissioner Kieckbusch and the meeting was adjourned at 5:15 p.m.

Lucy McMartin
Program Development Director