

## PORT AUTHORITY OF WINONA MINUTES

DATE: August 4, 2005

PRESENT: President Cichanowski, Commissioners Schwab, Thurley, Borzyskowski, Glubka, and Executive Secretary Sorensen

ABSENT: Commissioners Kiekbusch and Johnson

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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 Thurley, to approve the minutes from the July 14, 2005 meeting. The motion carried with all Commissioners present voting aye.

2. **REMARKS BY THE PRESIDENT**

President Cichanowski had no remarks.

3. **NEW BUSINESS**

A. **Decertification of the Riverfront Tax Increment District**

Staff recommended to the Port Authority the decertification of the Riverfront Tax Increment District. The Riverfront TIF was created in 1981 and was a 25 year redevelopment district. A number of projects were successfully completed under this TIF. The Minnesota State Legislature did not approve extending this TIF district as requested by the City of Winona to assist in the Pelzer Street Reconstruction Project. Commissioners approved of the decertification request and a motion for the following actions was made by Commissioner Schwab, and seconded by Commissioner Glubka.

Action # 1 – Approval and transfer of all remaining funds to the Pelzer Street Account.

Action # 2 – Approve the Decertification of the Riverfront Tax Increment District as per the following resolution:

### **RESOLUTION # 623**

#### **RESOLUTION DISSOLVING RIVERFRONT ECONOMIC INDUSTRIAL DEVELOPMENT DISTRICT No. 2**

**WHEREAS**, the Port Authority of Winona has heretofore created the Riverfront Economic Industrial Development District No. 2 within the Riverfront Redevelopment District; and

**WHEREAS**, the capital and administrative costs of the Tax Increment District as set forth in the Tax Increment Financing Plan have been paid or provided for; and

**WHEREAS**, there are no excess tax increments generated by the Tax Increment District.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of the Port Authority of Winona, Minnesota as follows:

1. The Port Authority hereby finds, determines and declares to dissolve the Riverfront Economic Industrial Development District No. 2 as of July 15, 2005.
2. The Director of Finance is hereby directed to send a copy of this resolution to the County Auditor of Winona County and to take all other steps which are necessary to dissolve the Riverfront Economic Industrial Development District No. 2.
3. The Port Authority requests that the Winona County Auditor retain any tax revenues for this District received after July 15, 2005 and to return those tax revenues to the appropriate tax jurisdictions.

Action # 3 – Request the Director of Finance to prepare and distribute the appropriate decertification documents.

The motion requesting those three actions was called for a vote and the motion carried with all Commissioners present voting aye.

**B. 2005 Bond for Transportation Project**

The Port Authority had requested the City Council approve a property tax levy for \$3,500,000 for transportation bond issues. This was to be for the Louisa Street project, however, MnDOT's review is pending & therefore the Louisa Project is not ready to move forward at this time. The Port Authority does have a responsibility to issue the 2005 Transportation Bonds since taxes were levied in 2005 for this purpose.

The Negotiating Committee of the Port Authority of Winona recommends using the \$3,500,000 transportation bond issue for the Pelzer Street Reconstruction Project. In light of the Minnesota State Legislature not approving the extension of the Riverfront Tax Increment Financing District a gap remains. With this bond issue a gap would be filled for the remaining part of the Pelzer project.

A motion to approve the use of \$3,500,000 for the Pelzer Street Construction and to have staff bring the bond sale documents to the Port Authority at a future meeting was made by Commissioner Schwab and seconded by Commissioner Thurley.

General discussion of this issue ensued by the Commissioners. Commissioner Borzyskowski noted the importance of the Louisa Street Extension and expressed to staff and others the importance to include Louisa Street as this area of town is growing and seeing an increase in traffic. Commissioners concurred that the Louisa Street Extension Project should be a priority for the City of Winona as they seek approval for the half cent sales tax.

The motion to approve the bond sale documents to be brought forward at a future date and to approve of the use of \$3,500,000 for Pelzer Street was called for a vote. All Commissioners present voted aye.

**C. Port Authority Budgets for 2006**

The Port Authority reviewed the budget for 2006. The general fund budget was reviewed and a note of the potential eight acre sale of land being included in the budget was noted by Assistant Executive Secretary Judy Bodway. Fund 947 was discussed which is the Infrastructure Fund for Riverbend. Staff noted that with the \$490,000 grant, the amount to transfer out of the Port's General Fund will be reduced. Other components of the budget were reviewed by staff for the Commissioners.

A motion to approve the budget was made by Commissioner Borzyskowski, seconded by Commissioner Thurley. The motion to approve the Port Authority budget was called for a vote. All Commissioners present voted aye.

It was noted that the budget included a request for an increase in the attorney fee from Richard Blahnik, the tax levy for the Pelzer Street Transportation Project was also included in the Port Authority budget.

A second component of the budget requested Port Authority Commissioners to review some changes to the 2005 Budgets. A motion was made by Commissioner Glubka and seconded by Commissioner Schwab to approve the following 2005 budget changes:

- 947 Riverbend Industrial Park Improvements-received grant of \$490,000 to be used in 2005 and 2006.

Revenues

Add state grant revenue of \$90,000

Expenditures

Transfer \$141,000 from engineering services to property improvements

Property improvements will increase to \$321,000 from \$100,000

- 946 Riverbend Brownfields-received grant of \$426,750 for the cleanup of Gorman Foundry. Tom Severson will be providing the matching funds. This project was not budgeted for in 2005 and will start in 2005 and be completed in 2006.

Revenues

Add state grant revenues of \$107,000

Add matching fund reimbursement of \$35,000

Expenditures

Add \$14,500 for Environmental Engineering consultant

Add \$125,000 for Gorman Foundry Environmental Cleanup

The motion for the 2005 budget changes was called for a vote with all Commissioners present voting aye. The motion carried.

Finance Director, Mary Burrichter, reviewed the Financial Report with the Port Authority Commissioners. The report is placed on file.

***D. Riverbend Industrial Park***

Staff presented information on the development of Riverbend Industrial Park to the Port Authority Commissioners, it was also noted that the City received a \$490,000 Grant to be used for Phase I Infrastructure.

A motion was made by Commissioner Borzyskowski and seconded by Commissioner Thurley to have a staff file for the preliminary plat, prepare plans and specifications for bidding, and seek bids for the Riverbend Industrial Park Project with approval of the bids at a future Port Authority meeting. That motion was called for a vote with all Commissioners present voting aye.

**5. ADJOURNMENT**

A motion to adjourn was made by Commissioner Glubka, seconded by Commissioner Borzyskowski. The meeting was adjourned at 4:50 p.m.