

PORT AUTHORITY OF WINONA MINUTES

DATE: July 14, 2005

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

ABSENT: None

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 May 12, 2005 meeting. The motion carried with all Commissioners present voting aye.

2. **REMARKS BY THE PRESIDENT**

President Cichanowski had no remarks.

3. **PUBLIC HEARING**

A. **Sale of Property to B & J Partnership**

Pursuant to a public hearing notice published on July 3, 2005, Port Authority Commissioners held a public hearing regarding the sale of property to B & J Partnership. This property was transferred from the City to the Port Authority for the purpose of transferring it to Sugar Loaf Ford. This was agreed upon as part of the Vila Street Project and the land proposed for sale is a triangular piece consisting mainly of wetlands area.

President Cichanowski opened the public hearing and asked anyone wishing to speak to the issue or advisability of the sale to come forward. He called an additional two times for anyone wishing to speak to come forward. The public hearing was closed and a motion to approve the attached resolution was made by Commissioner Thurley, seconded by Commissioner Schwab. The motion carried with all Commissioners present voting aye.

RESOLUTION # 622

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, B and J Partnership 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 B and J Partnership, 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 B and J Partnership.
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 \$1.00.

B. Sale of Property to Dawn Singer

Pursuant to a public hearing notice published on July 3, 2005, Port Authority Commissioners held a public hearing regarding the property along Fifth Street to be sold to Dawn Singer. This property would be a transfer and would keep it in the private sector. A small portion of the land was needed for the Pelzer Street Reconstruction Project.

The public hearing was opened by President Cichanowski and he called for anyone wishing to speak to come forward. He called an additional two

times for anyone wishing to speak regarding the sale of land to come forward. There being none the public hearing was closed.

A motion to approve the resolution was made by Commissioner Johnson, seconded by Commissioner Borzyskowski with an appropriate amendment that the dwelling be used for single family residence. Brief discussion regarding the parcel of land and the prior exchange between the Port Authority and Dawn Singer took place. After further discussion, the motion was withdrawn.

Commissioners decided they want to know the fair market value of the property and wished to sell the property to Dawn Singer instead of transfer it. A motion to table the sale of property to Dawn Singer was made by Commissioner Kiekbusch, seconded by Commissioner Glubka. Staff will report on the value of the parcel of land at the next meeting at which time action could be taken on the transfer or sale.

4. OLD BUSINESS

A. Presentation of 2004 Annual Financial Report for the Port Authority of Winona

Cliff Hoffman of Deloitte & Touché presented the Port Authority Annual Financial Report for 2004. Some of the highlights of Cliff Hoffman's report included the following:

- The City of Winona has a low debt per capita in comparison to other cities of similar size with the net general obligation bond to debt at \$142.
- Increase in the property values five year growth rate of 55.8% and a one year growth rate of 10.6%.
- 2005 Property Values \$1,000,319,882.

Mr. Hoffman also noted the affordable debt payments of the City of Winona – this is due to the bond rating the City has and also because the principle on bonds is paid in a timely fashion with 65% of the principal being paid down in a ten year period. He further noted the diverse taxpayer base in the City of Winona and noted that this was an advantage to the City.

A motion to approve and accept the annual financial report was made by Commissioner Schwab, seconded by Commissioner Glubka. The report will be placed on file.

B. Financial Management Policy

The Port was requested to adopt the revised Financial Management Policy which was adopted by the City Council on June 6, 2005. After brief discussion regarding the health insurance changes and premiums a motion was made by Commissioner Schwab, seconded by Commissioner Glubka to adopt the new Financial Management Policy. The motion carried with all Commissioners present voting aye.

C. Infrastructure Grant for Riverbend Industrial Park

The City of Winona is eligible and applied for the Greater Minnesota Business Development Public Infrastructure (BDPI) grant program. This application was submitted to cover \$490,000 of the estimated \$1.1 million to develop infrastructure in Phase One of Riverbend Industrial Park. The grant would assist in paying for this infrastructure. The Port Authority would commit to finance the remaining infrastructure through their approval of the attached resolution and would also confirm that the areas to be used for manufacturing, technology, warehousing and distribution, research and development, and agricultural processing.

A motion to approve the resolution was made by Commissioner Glubka, seconded by Commissioner Kiekbusch. The motion passed with all Commissioners present voting aye.

RESOLUTION # 621

BE IT RESOLVED that the Port Authority of Winona is the economic development arm of the City of Winona and the City is the legal sponsor for the Business Development Public Infrastructure Grant Application; and

BE IT FURTHER RESOLVED that the sources and amounts of the local match identified in the application are committed to the project identified; and

BE IT FURHTER RESOLVED the property will be devoted to the following types of use: manufacturing, technology, warehousing and distribution, research and development, and agricultural processing; and

BE IT FURTHER RESOLVED staff is authorized to establish a budget to receive and expend the funds for the infrastructure project.

NOW, THEREFORE BE IT RESOLVED that the Port Authority of Winona supports the BDPI Grant application and that the President and Executive Secretary are hereby authorized to execute such agreements as are necessary to implement the project on behalf of the applicant, the City of Winona.

D. Budget Amendment for Shakespeare

Port Authority Commissioners approved a commitment to the Shakespeare Festival for \$25,000 per year for three years. The commitment was made after the budgets were approved for 2005. Commissioners approved a motion to reflect the \$25,000 commitment for the Shakespeare Festival funding. The motion was made by Commissioner Borzyskowski, seconded by Commissioner Johnson. Commissioners unanimously approved the motion.

5. ADJOURNMENT

A motion to adjourn was made by Commissioner Schwab, seconded by Commissioner Kiekbusch. The meeting was adjourned.

Judith Bodway
Economic Development Director