

PORT AUTHORITY OF WINONA MINUTES

DATE: March 8, 2018

PRESENT: Commissioners: Cichanowski, Johnson, Borzyskowski, Thurley, Lucas, Hansen, Gorman and Executive Secretary Sarvi

ABSENT: None

STAFF PRESENT: Director of Community Development McMartin, Finance Director Burrichter, and Development Coordinator White

1. CALL TO ORDER – APPROVAL OF MINUTES

The meeting was called to order at 4:00 PM by President Cichanowski. A motion was made by Commissioner Borzyskowski, and seconded by Commissioner Hansen to approve the February 15, 2018 minutes. The motion carried with all Commissioners present voting aye.

2. REMARKS BY PRESIDENT

President Cichanowski welcomed newly appointed Commissioner Gorman.

3. PUBLIC HEARING

A. Public Hearing for the Proposed Sale of Land to Main Square Development LLC and the Hiawatha Education Foundation

President Cichanowski opened the public hearing.

Director of Community Development McMartin provided an overview of the proposed Main Square project and the terms of proposed sale (selling price of \$1.9 million with the Port Authority responsible for soil remediation on the site).

Mr. Bob Kierlin provided an overview of the proposed project as follows:

- As President of the Hiawatha Education Foundation, he explained that a significant part of their mission was to provide opportunities for low income children and the proposed Montessori School would work to create those opportunities.
- Mr. Kierlin was also optimistic about the Main Square portion of the development. He indicated that, based on anticipated demand, they would consider constructing 20,000 square feet of commercial space instead of the originally proposed 10,000 square feet.

President Cichanowski requested comment from those in attendance.

John Killen, CEO WinCraft, stated this is exactly the type of development Winona needs at this time and that WinCraft as a company would certainly benefit from this type of development.

Patricia Rogers, Provost, Winona State University, commented that housing continues to be an important factor in attracting faculty, staff and students to WSU. She indicated that staff and faculty have looked outside of Winona for housing options and commented that this type of development will benefit WSU and other higher education institutions in the community.

Jerry Papenfuss, Winona Developer, voiced his support for the early childhood and housing components of the development.

Michael Ratajczyk, Assistant Professor at St. Mary's University, expressed support for the investment in downtown Winona and the education component of the development. The development will be an anchor for downtown.

Della Schmidt, President, Winona Chamber, commented that in her 15 years at the Chamber "doing something about downtown" has always been on the agenda. This development helps to address three of the challenges Winona faces: housing, workforce and downtown activity.

Mayor Mark Peterson thanked Mr. Kierlin for his vision and investment in Winona. From his perspective, as the Director of the History Center, he acknowledged the parking arrangement on the block was temporary and welcomed the development.

Emily Kurash, Main Street Coordinator, welcomed the investment in downtown Winona and was encouraged by the mixed use nature of the development.

Jim Vrchota, Housing Task Force, indicated that the current housing study shows the need for market rate rental housing and this is a welcome investment.

Heidi Everson, Winona Main Street Chair, welcomed the investment to downtown Winona.

Roxy Kohner expressed that while she loved the concept, she noted that we must keep in mind the limited mobility of some of the patrons of the Winona Friendship Center and consider parking options for those patrons.

Winona Health provided a letter of support of the project.

President Cichanowski asked three times if there were any other members of the audience wishing to comment on the development. Hearing none, the public hearing was closed. President Cichanowski then asked for questions and comments from Port Commissioners.

Commissioner Thurley asked about the Port's obligations with regard to soil remediation. Staff commented that they would seek funding through the Department of Employment and Economic Development to help with the funding and felt confident given the scope of the project, the application would score well.

A motion was made by Commissioner Johnson to proceed with the sale of the property to Main Square Development LLC. The motion was seconded by Commissioner Hansen with all those present voting aye.

4. NEW BUSINESS

A. *Parking Agreements on Property Proposed for Main Square Community Development*

Director of Community Development McMartin explained that the Port currently has two agreements in place for parking on the property proposed for the Main Square Development.

Winona History Center has a 60 day "opt out" clause in the agreement in the event of a development on the site. Ms. McMartin indicated staff's willingness to work with the History Center on parking alternatives.

Winona County has an agreement in which the Port would provide 24 stalls at the site. The agreement includes language that states in the event of development on the site, the Port would be required to identify/provide a parking alternative within 2 blocks of the County facility.

Given the proposed Main Square Development, Ms. McMartin requested permission to provide notification of lease termination to the History Center and notice to Winona County that parking would be relocated.

A motion was made by Commissioner Borzyskowski and seconded by Commissioner Johnson to provide notification of the termination of the parking agreements. All Commissioners present voted aye.

B. *Port Development Assistance – 890 Riverview Drive Stormwater*

Development Coordinator White indicated that the Port Authority had applied for funding from the MN Department of Transportation in the amount of \$499,550 for the proposed \$649,550 stormwater project at 890 Riverview Drive. Mr. White indicated MnDOT awarded the project \$454,512 (\$48,038 less than requested). To move the project forward, the proposed resolution committed additional match money for the project increasing the Port Authority match from \$150,000 to \$198,038. Mr. White also indicated that the costs were based on preliminary engineer's estimates and Port staff would work on options to lower the costs of the project.

Director of Community Development McMartin explained to the Port Authority how the Port could adjust the 2018 budget to accommodate the additional match requirement.

A motion was made by Commissioner Thurley and seconded by Commissioner Hansen to approve the proposed resolution earmarking additional local match monies. All Commissioners present voted aye.

RESOLUTION # 738

Resolution Authorizing the Execution of State General Fund Bond Agreement and Committing Local Funds for the 890 Riverview Drive Stormwater Project

WHEREAS, pursuant to Minnesota State Statute 469.048-469.068 and 469.089, the Port Authority of Winona supports the establishment of the design and construction of a stormwater system to adequately manage the stormwater needs of the Winona Port Authority Dock located at 890 Riverview Drive, Winona, Minnesota; and

WHEREAS, under the provisions contained in Minnesota Laws of the State of Minnesota has allocated \$454,512 from General Obligation Bond Proceeds to the City of Winona Port Authority as a grant to design and construct a stormwater system at 890 Riverview Drive.

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

1. The Port Authority of Winona authorizes President Mike Cichanowski and Executive Secretary Stephen T. Sarvi to execute of the General Obligation Bond Grant Agreement with the State of Minnesota to enable the receipt of the awarded funding.
2. Per Minnesota Statute Chapter 412.211, the Port Authority of Winona has the legal authority to enter in to said agreement with the Minnesota State Department of Transportation.
3. The City, as part of its 2018 budget, has committed up to \$195,038 as its share of local funds needed to fully fund the project with up to \$195,038 to be used as a match for bond funded work.
4. The Port Authority of Winona agrees to cover any costs that exceed the amount of funds provided by the State General Obligation Bonds necessary to complete the project.

Passed and adopted by the Port Authority of Winona at a meeting thereof held this 8th day of March, 2018.

C. Proposed Loan to 102 Walnut Winona LLC

Development Coordinator White referenced the proposed loan to the 102 Walnut Project. He indicated staff would provide alternatives at the April 12th meeting. This was an information item and No action was required.

D. Nominating Committee

Mike Hansen and George Borzyskowski were appointed to the Nominating Committee. They were reminded that, given the retirement of Commissioner/Treasurer Mary K Glubka, the Commission would need to nominate a new Treasurer.

5. FINANCIAL REPORTS

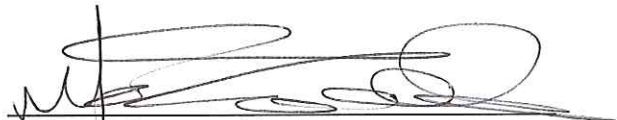
Finance Director Burrichter provided a copy of the most up to date County sales tax report. Ms. Burrichter also indicated the annual audit would begin prior to the April meeting.

6. ADJOURNMENT

A motion to adjourn was made by Commissioner Lucas and seconded by Commissioner Hansen. The meeting was adjourned at 4:44 pm.



Myron White
Development Coordinator



Mike Gichanowski
President