

Red Wing Mayor's Blue Ribbon Panel on Economic Development Minutes of January 27, 2010

Members Present: Scott Wordelman, Co-Chair, Scott Adkisson, Donna Anderst, John Becker, Carolyn Hedin, Gary Iocco, Deanna Voth-for Jim Johnson, Dan Massett, Michael Murphy, Denny Tebbe, and Linda Thielbar

Absent: Dennis Egan, Co-Chair, Kent Laugen, Kathy Radmer, Duffy Schafer, and Kenneth Bush

Welcome by Co-Chair Scott Wordelman

Scott called the meeting to order at 7:01 p.m. and welcomed the group. He spoke to the initial charge of the panel (guiding principles and issues that came out of the first meeting) and emphasized the need to become educated and understand what economic development is in Red Wing.

He then explained that guest speakers Myron White and Randal Hemmerlin's presentation will be to educate the group on the role and scope of their organizations.

Mayor Howe's "Charge to the Panel"

Scott reviewed Mayor Howe's "Charge to the Panel" as identified in a letter provided to the panel on December 16:

1. An Assessment of how Red Wing has done with Economic Development.
2. What strategies should Red Wing employ to position our city for the future?
3. How does the city effectively communicate these outcomes with the community?

Discussions centered on the need to not only create "living wage" jobs, but to define them as well; to clarify what it means. Comments were:

- Quality of life should be measured in the benefits of living in Red Wing (include education and arts, not just things that are job related).
- Are living wage jobs dependent on the dollar figure or on how the individual wants to live their life?
- It has to do with what we think the cost of living wage is in our area. Maybe it would be what it costs to live in Red Wing.
- It should not be head of household but should be anyone that is working.
- We need to look at where people are working and what they are making. Based on 2006 demographics 42(?) percent of current Red Wing residents work in the cities.
- The median income in Red Wing per household, per the 2006 demographics, is \$42,000 - is that a living wage job for Red Wing?

- Per the HRA housing market study for Red Wing, the median income is closer to \$54,000 for a family of four.
- Half of the jobs in Goodhue County are in Red Wing and half commute to Red Wing.
- There is not enough rental housing in Red Wing and it may be stifling growth because of that.
- For the market study go to www.redwinghra.org and click on Housing Market Analysis and Demand Estimates for Red Wing, Minnesota, located on the home page.
- People choose to live here and work elsewhere because of quality of life. Would be interested in pulling information from the HRA site to see what the statistics are and what that could mean for economic development in Red Wing.

Task assigned–Understanding Demographics

Scott Adkisson offered to take on this task and expects to have data to the panel in six weeks, or sooner, if possible. Suggestions by the panel that would be helpful to know:

- Average median income in Red Wing.
- Average median income for those who live in Red Wing, but do not work in Red Wing.
- Average median income for those who live in Red Wing without public sector employees.
- Income by age – living wage is different by age of person.
- College students schooling in Red Wing that stay or move from Red Wing after graduating.
- What is being taught at the College?
- Age and race information.
- Grow MN data. (Scott reported that Dennis Egan has been in contact with MN Chamber to get speaker on Grow MN.)
- What types of jobs are people commuting to?
- How many people from the region come to Red Wing to work?
- And, etc.

Task assigned–Defining Living Wage

Donna Anderst, Dan Massett and Denny Tebbe offered to take on this task creating framework for defining living wage, specific to the quality of life issue, identifying what kind of jobs we are looking for in our community, etc.

Guiding Principles

Following a lengthy discussion, the panel formulated five guiding principles. The panel also showed an interest in learning more in these areas, possibly through additional presentations:

1. Living Wage (define)
2. Concept of Creating Income
3. Growing Tax Base (What does that mean? Look to officials to inform the panel.)
4. Quality of Life (define)
5. Sustaining Business (Keeping existing business is as important as bringing in new business.)

Carolyn Hedin moved, seconded by Michael Murphy and unanimously carried to approve the Mayor's Blue Ribbon Panel Guiding Principles:

1. Living Wage
2. Concept of Creating Income
3. Growing Tax Base
4. Quality of Life
5. Sustaining Business

Additional Discussion Items:

Port Authority Business Development Director Shari Chorney responded to a wage question relative to the JOBZ program and explained that the state requirement is \$11.26/hr. without benefits, but the City chose to go with \$13.50/hr. plus benefits. She also clarified that the JOBZ program is only for manufacturing.

There was also discussion about having enough rooftops for businesses to come into Red Wing and open a business; concern with not being able to get what you need locally and going elsewhere to get it; efforts of the Chamber to formulate a process to collaborate with not just businesses, but also Downtown Main Street; the need to collectively accept criticisms; be careful that this won't become political; must listen to the facts, etc. .

Port Authority Presentation

Port Authority Executive Director Myron White reviewed a copy of a PowerPoint presentation (ppt) that was handed out detailing the Port's structure and how it operates. The ppt review included the following areas:

- Established by MN statutes 469.049.
- Red Wing: MN Statutes 469.081 (relating to powers).
- The Port's Mission Statement.
- What is the Red Wing Port Authority?
- Reviewed Committees of the Port
- What Does the Port Do?
- What About the River?
- With What - Budget/Staffing.
- Where's the Oversight?

He also invited panel members to attend the upcoming Red Wing 2020 Board meeting on March 3 at 7:30 a.m. at the Library.

The bulleted items listed below are Myron's response to questions of the panel:

- Port establishment and enabling resolution: Myron spoke to when the Port Authority was established in 1985 and how at that time the enabling resolution was adopted.
- Authority to tax levy: The Port Authority has authority to levy tax that is not subject to City approval.
- How Port is empowered: He explained how the Port Authority is empowered speaking to how members are appointed to the board, terms of members, by-laws that were created by the Port Board, and etc.
- Business retention and business intervention: Myron and Shari both responded to comments/questions about reports on business retention calls the Port has done (Myron offered to provide), intervention of existing businesses and lack of collaboration with VCB, Chamber, DTMS, etc. Shari explained that they Port wants to collaborate and is interested in downtown. They have done a lot with small businesses and have done a lot with businesses downtown. Scott Wordelman suggested that "retention of all businesses" fits in item 5 (sustaining business) of the guiding principles.
- Business profile Port is looking to attract: Myron reported they have identified that businesses of 30-50 employees seems to fit in Red Wing. Shari reported when they look to bring a business to Red Wing they are also looking at the types of skills in the community.
- Myron spoke to how Red Wing has been a manufacturing community and reported that the age of the manufacturing workforce is within 10 years of retirement. He spoke further about how Red Wing does not have as many higher education jobs and said some families may have one family member working in Red Wing and one commuting to the Cities for work.
- Myron responded to a question about incubation and spoke to the importance of business incubation and how it is dependent on what form it takes. He explained how it is expensive and is seldom self-sustaining; it is very difficult to do transitional incubation.
- Myron will provide the panel with Port Authority by-laws information and a summary of pros/cons on using a Port Authority model versus an Economic Development Authority model.

Housing and Redevelopment Authority (HRA) Presentation

HRA Director Randal Hemmerlin reviewed a copy of a PowerPoint presentation (ppt) that was handed out detailing how the HRA operates. He reviewed the following items identified in the ppt:

- Who We Are?
- What We Do?
- Four Program Areas:
 - Low Income Public Housing
 - Section 8 New Construction
 - Section 8 Voucher
 - General Development
- HRA Finances
- Annual Budget
- Long Term Debt as of 12/31/08
- HRA Reserves

Randal also handed out the 2009 Annual Report and spoke to the HRA's mission. He reported on how the HRA and City are good partners and explained that when it comes to doing budgets and making decisions the HRA stands on its own.

Randal defined Section 8 housing (rental assistance program-Fed. Gov't), reviewed how the vouchers are used, and reported they typically have about 180 on a waiting list.

He also spoke to needed housing and explained that the HRA is not only looking at downtown, but other areas as well. They look to quality of life and need to build on amenities. He referred and spoke to "Complete Streets". Randal also spoke to the vacancy rate of downtown rental units and said people do not want to live downtown because many times there are no elevators, the units are outdated, parking, etc. He said the HRA is working with a developer to bring in a 50-unit project to Red Wing and the biggest problem is finding a good site. He reported that about 100 housing units need to be replaced right now in Red Wing.

Blue Ribbon Panel Resources Discussion

Scott summarized the resource issue:

- There is a need to centrally collect work the panel is doing.
- Scott and Dennis have spoken with the Mayor to designate resources to support the work.
- Need secretarial support and funds to support that resource.
- Potential website support to get information out.
- Facilitate and put together a recommendation (a report).

Panel members provided additional feedback, asking a number of questions:

- What is the estimated cost for resources? Scott reported there is no budget at this time and said costs should be no more than \$4,000-\$5,000. He suggested making a request to the Mayor or City Council for funding.
- Since it is a Mayor's panel, is it a City project? Scott responded that it is separate from the work City Council does, but if City staff becomes more involved, it could move more towards a City project.
- Can the Mayor's Blue Ribbon Panel have a page on the City's website?
- Would like to see the Mayor's Blue Ribbon Panel operate in the spirit of the open meeting law. Should have some way to communicate to the public. Would like to see communications through the radio station too.
- The college is a great space, but is a disadvantage to those wanting to attend. Suggested the Library would be a good location or Indigo (space offered by Carolyn). Linda will check with the Library about their space availability and report back to Scott and Dennis.
- Would it be cost effective to hire a secretarial service?
- Suggested having a column in the newspaper on key points of the panel.
- Could we ask Kent Laugen if he would like to help with building a website with clear direction from the panel on what goes on the site, like agendas, minutes, etc.?
- Can the high school or college help with resources.
- Can the panel tap into Goodhue County Economic Development Authority funds?

Please forward any resource information to Scott and Dennis.

Next Meeting Date: February 10 at 6:30 p.m. SE Technical College. (Future meetings dates are: February 24, March 10, and March 24.)

Adjournment

The meeting adjourned at 9:00 p.m.