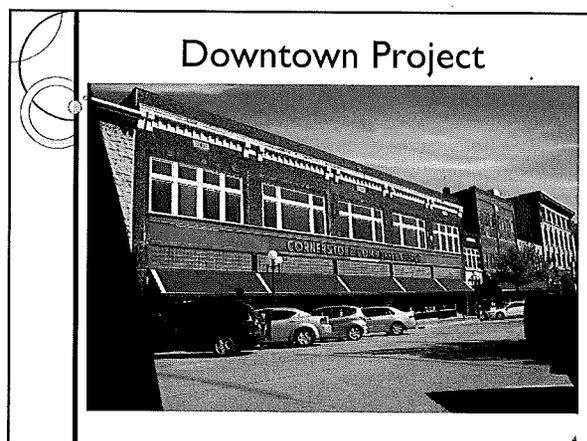
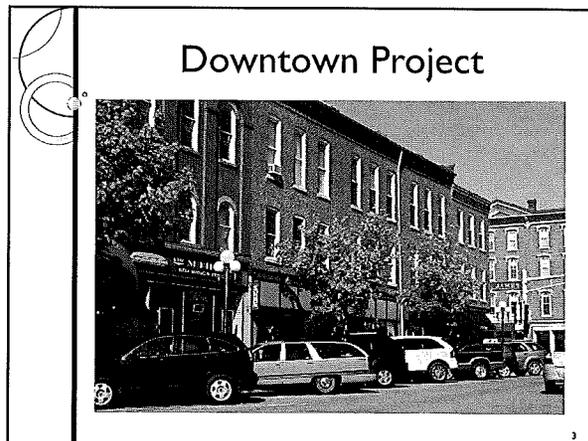
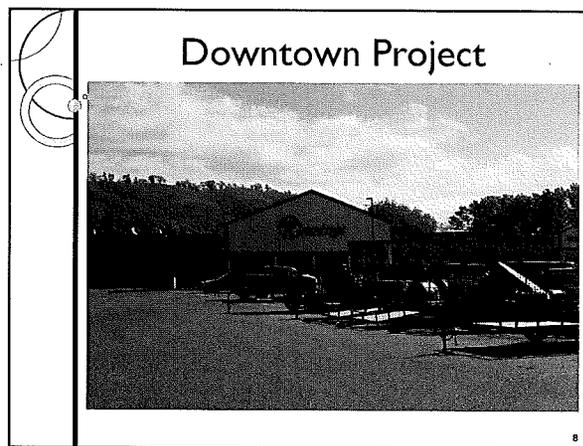
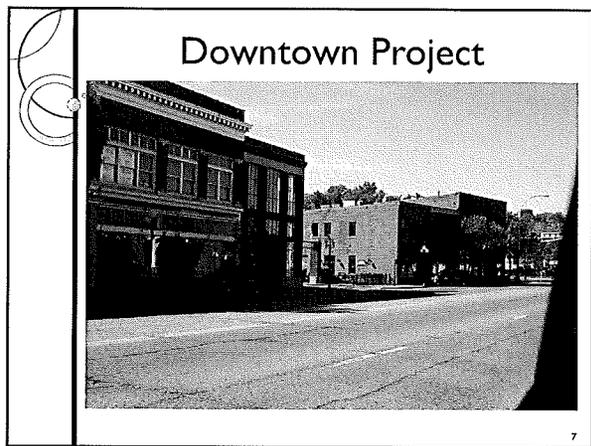
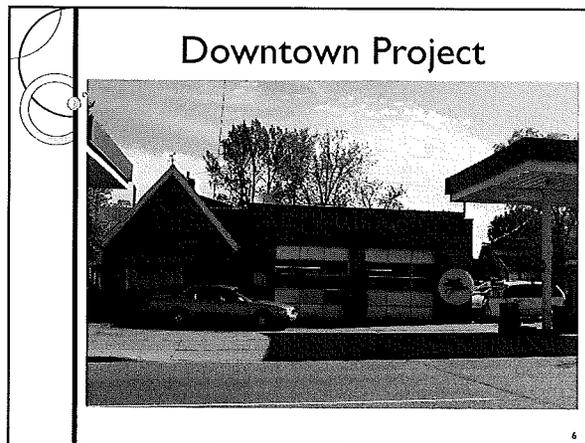
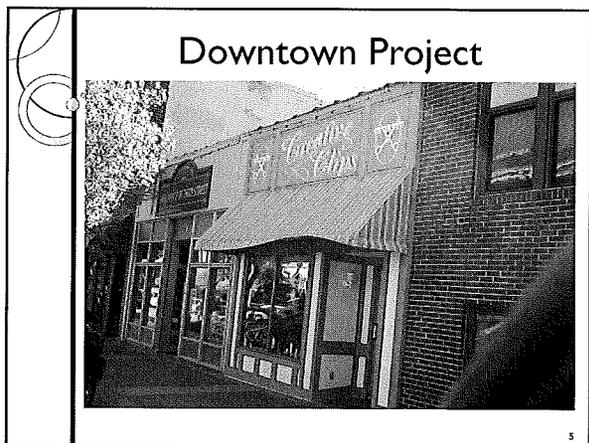
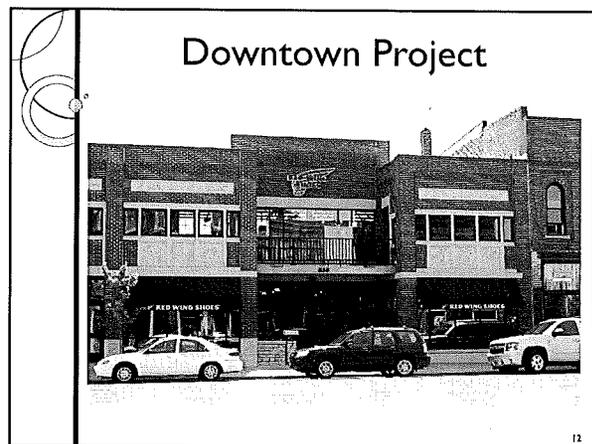
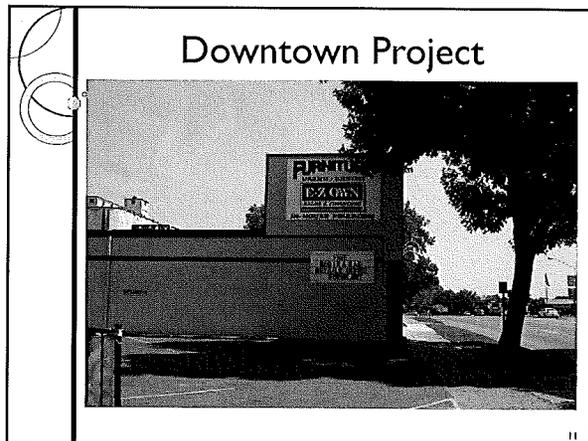
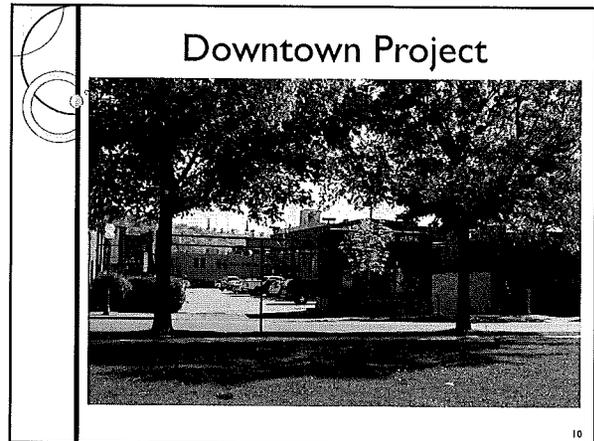
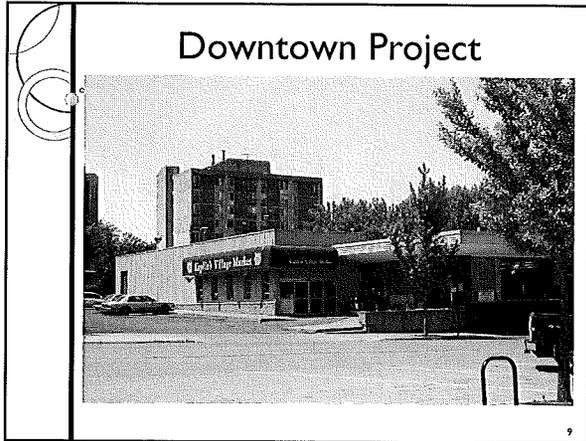


**Port Authority Mission Statement**

*The Port Authority is the primary leader for promoting economic and industrial development, together with identifying and coordinating redevelopment for the purpose of enhancing the tax base, promoting employment and contributing to the economic vitality and quality of life of the City of Red Wing.*

A smaller version of the Red Wing Port Authority 25th anniversary logo, located at the bottom right of the slide.





### Downtown Project

**FMS**  
Financial Marketing Solutions  
Insight • Technology • Integrity

HOME FINANCIAL SERVICES • SUPPLY CHAIN MANAGEMENT • INVESTMENTS



*Refined Skin Medi-Spa*



Red Wing  
Port Authority  
1985-2010

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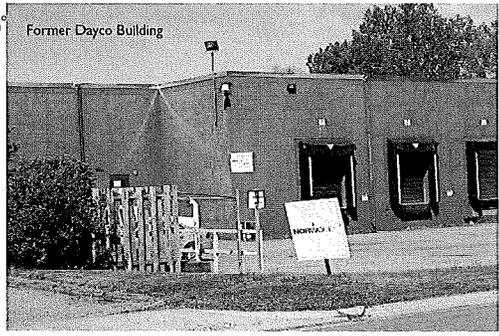
### Industrial Park



14

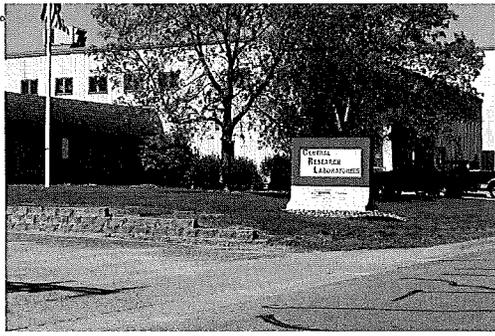
### Industrial Park

Former Dayco Building



15

### Industrial Park



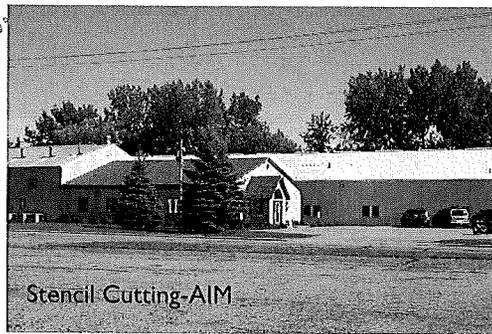
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### Industrial Park



17

### Industrial Park



18

### Energy Park

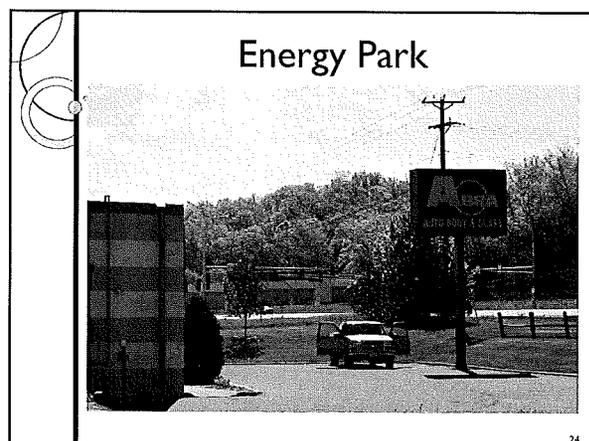
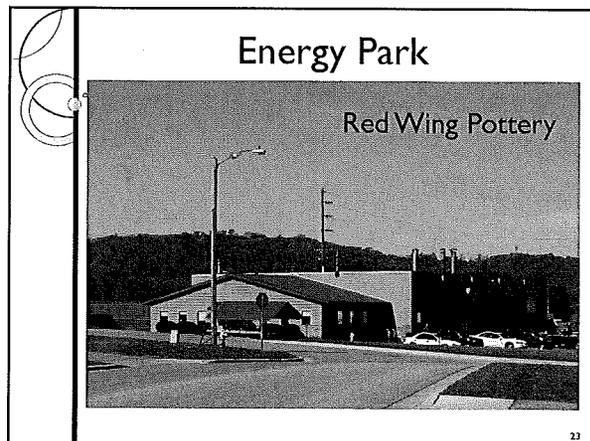
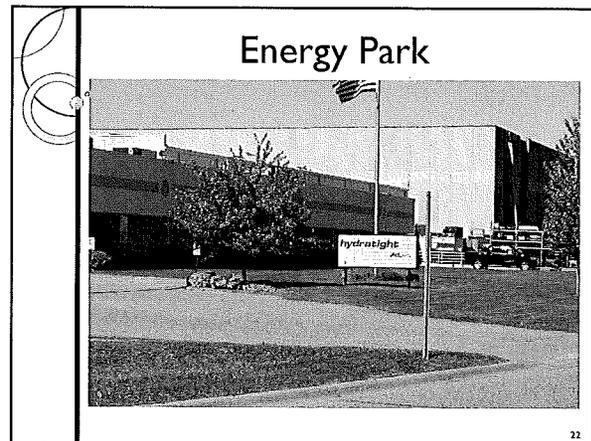
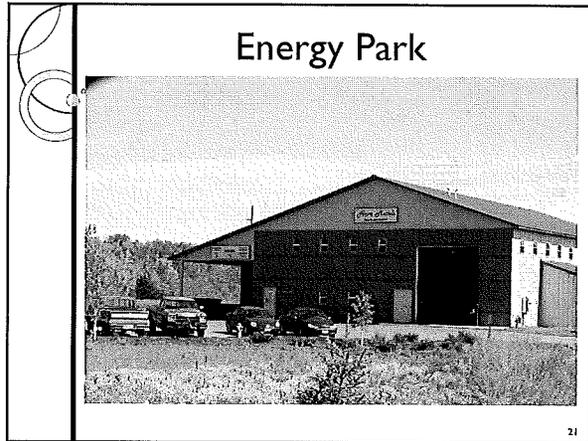


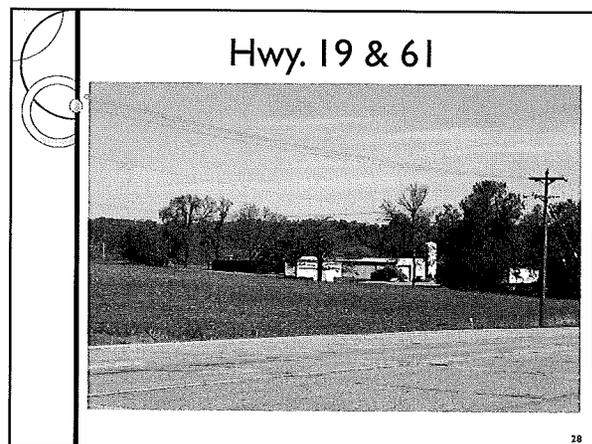
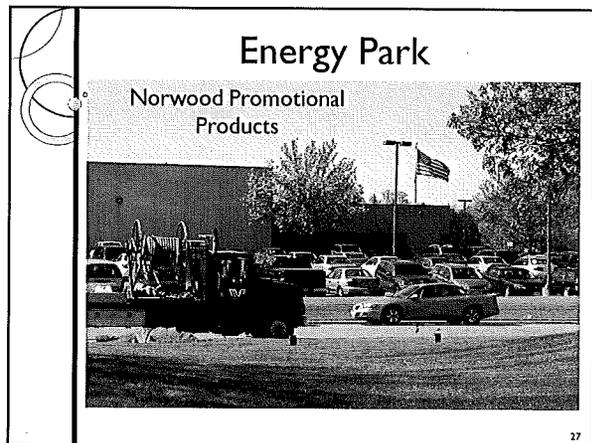
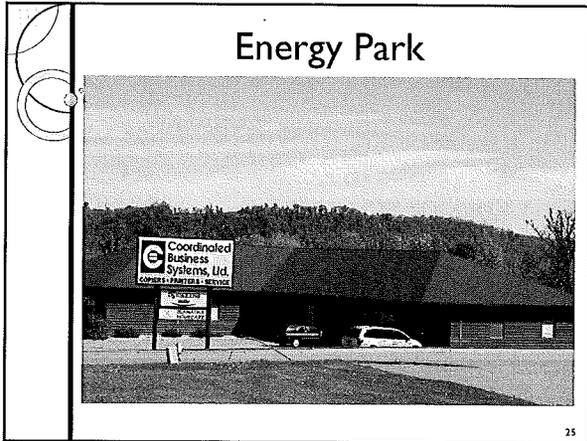
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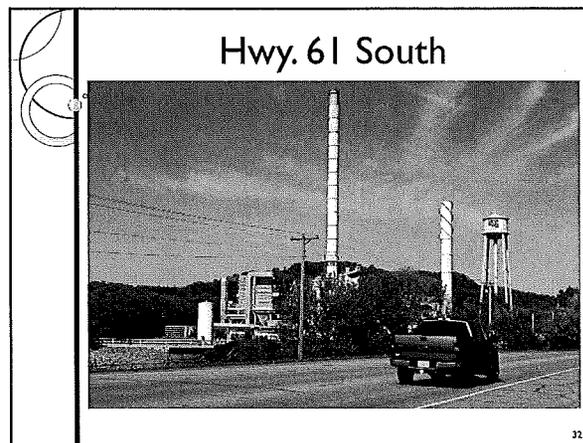
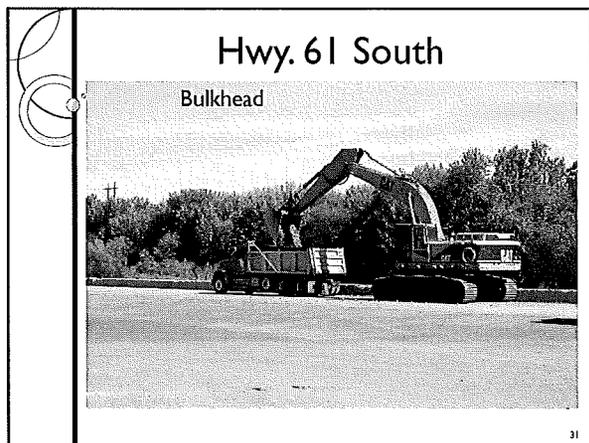
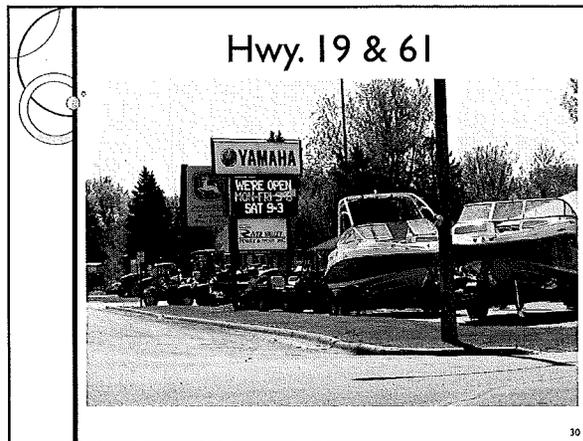
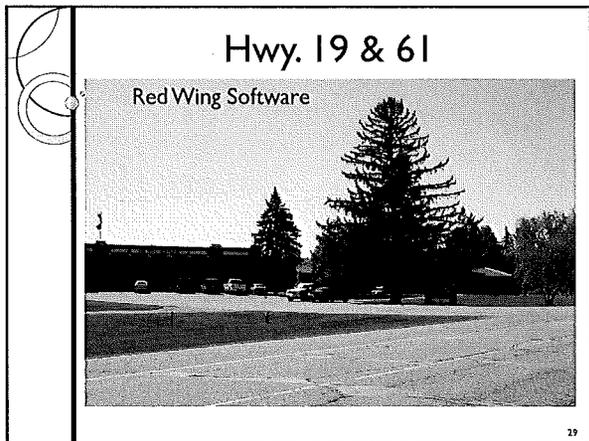
### Energy Park

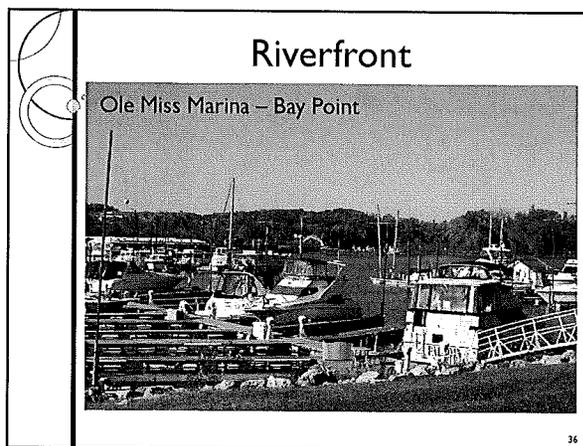
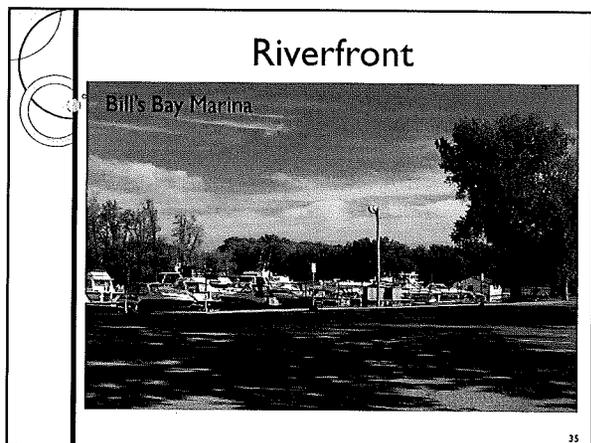
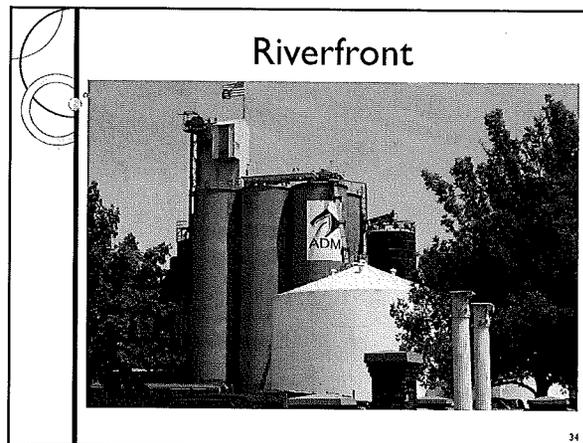
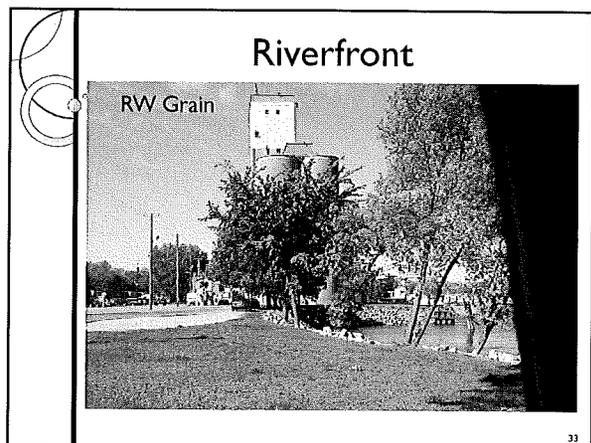


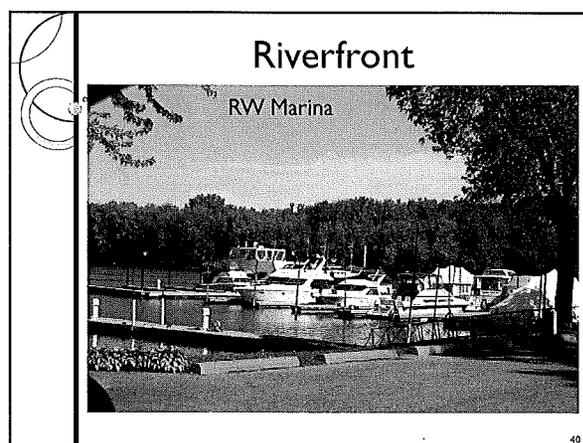
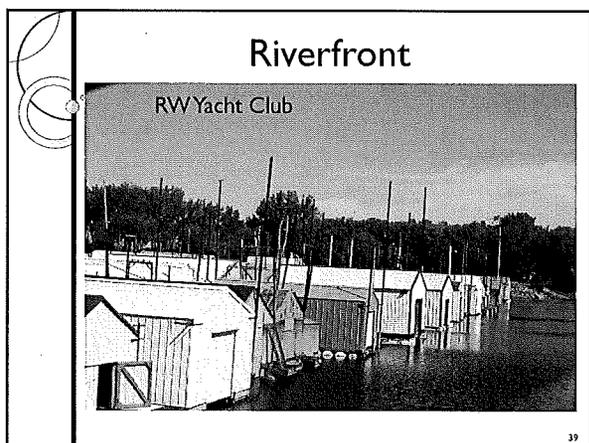
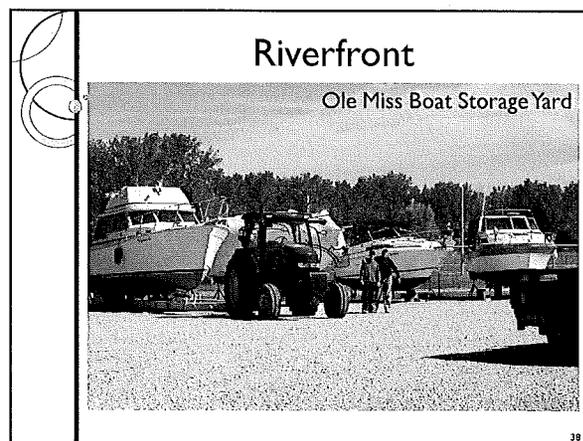
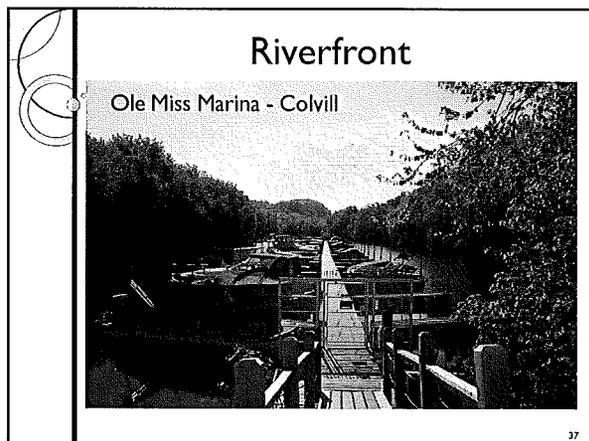
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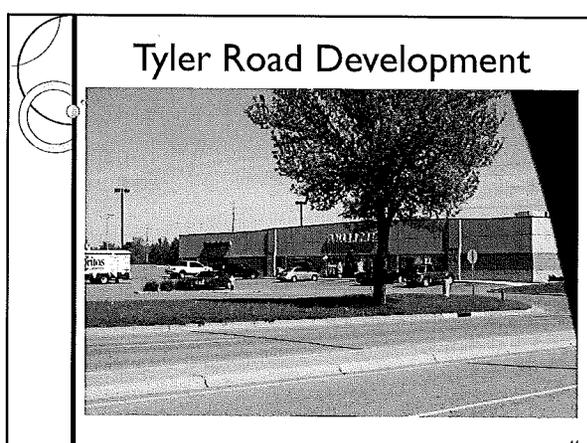
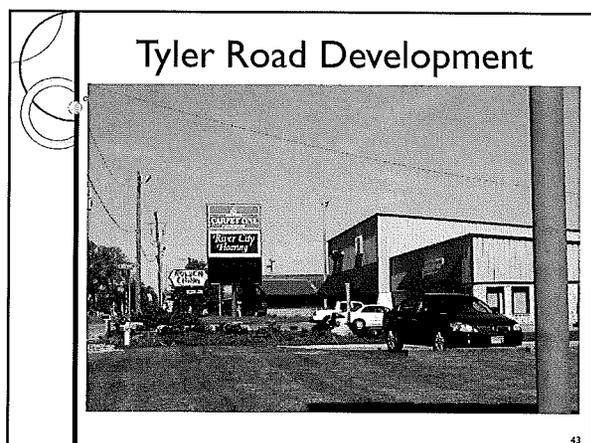
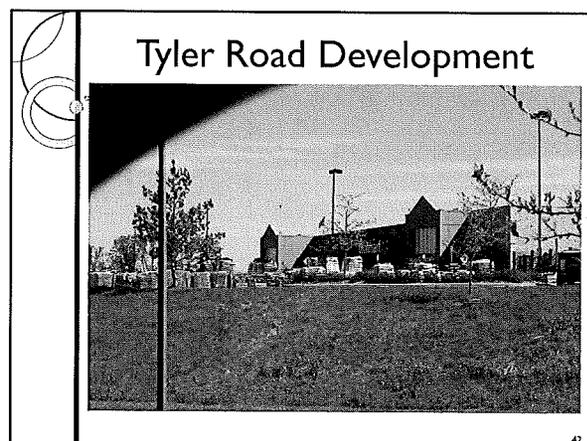
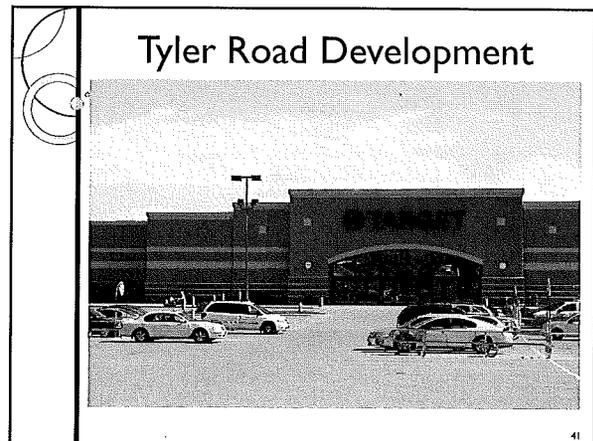


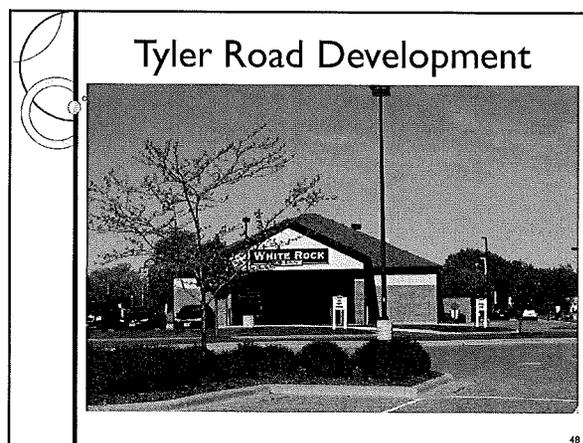
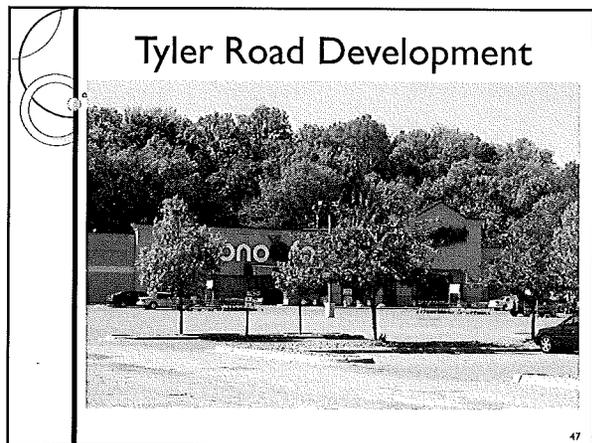
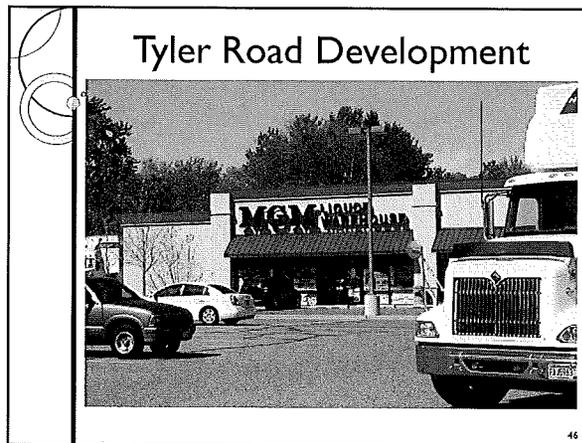
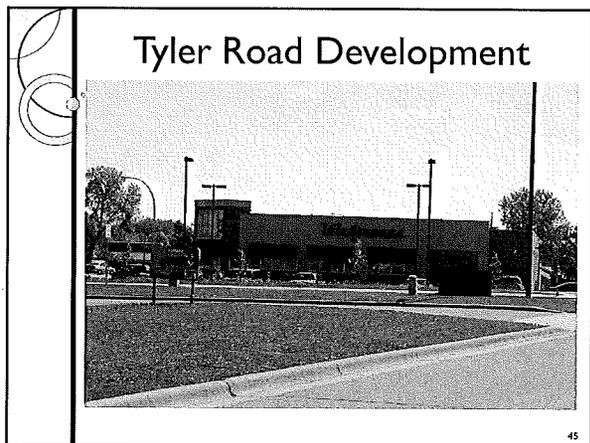


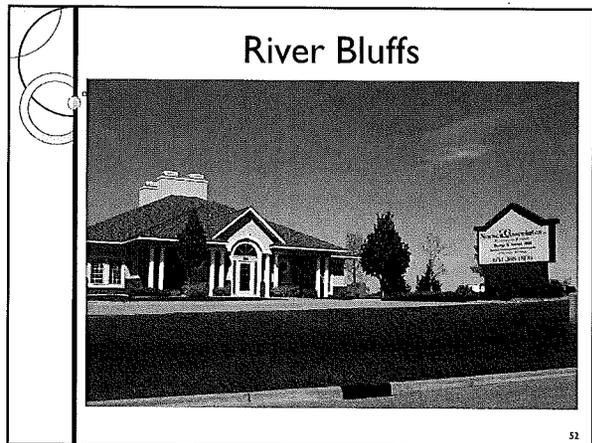
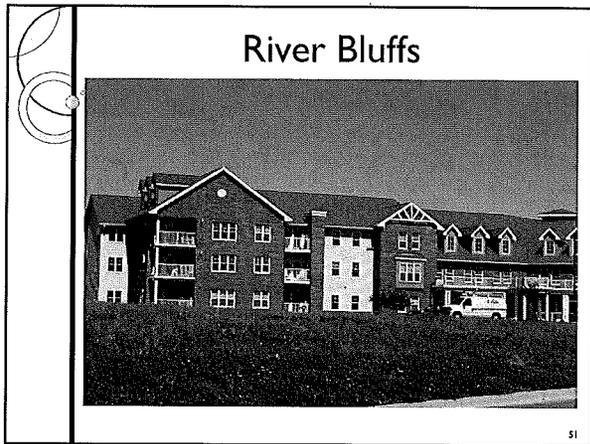
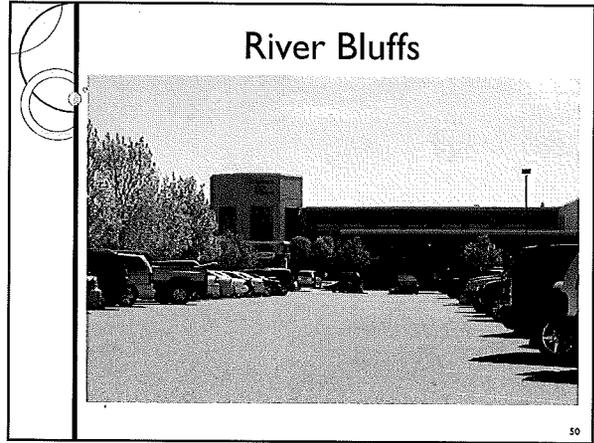
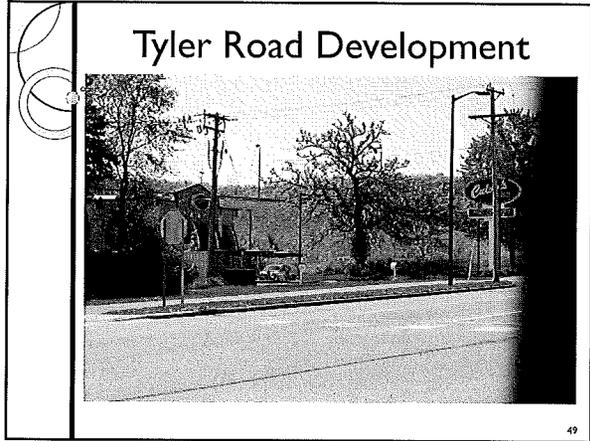


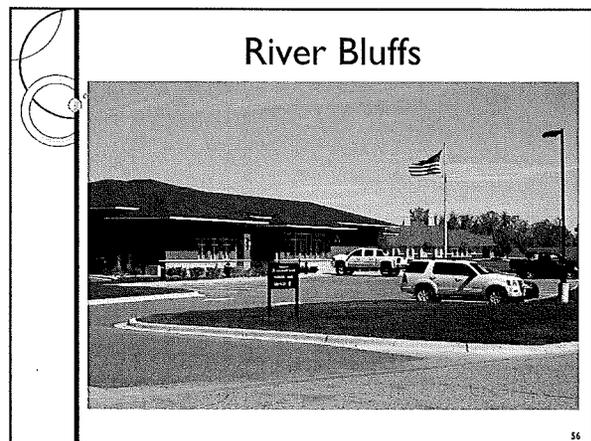
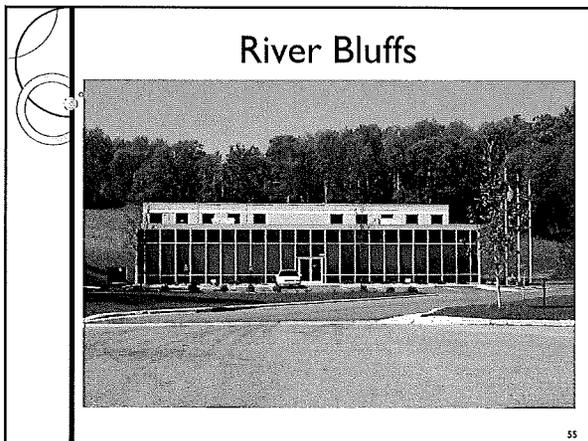
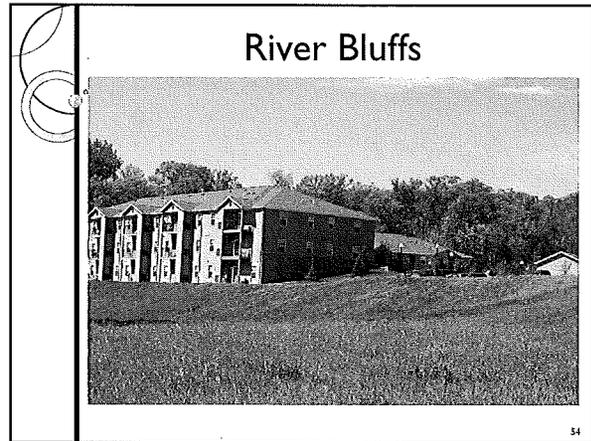
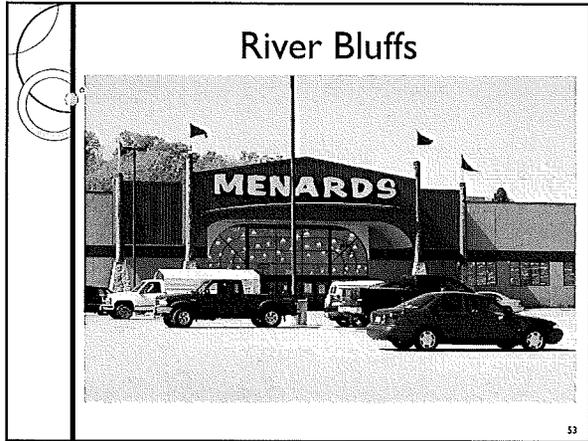


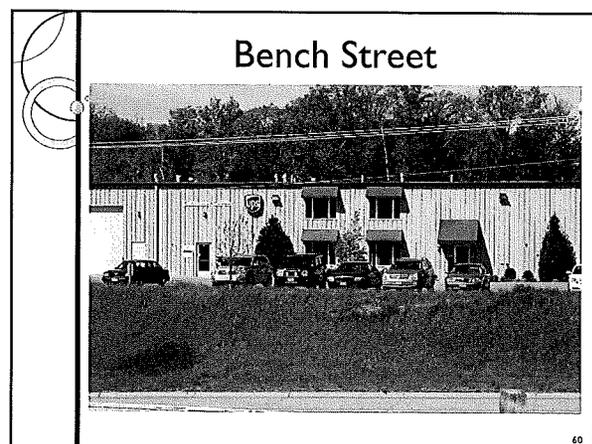
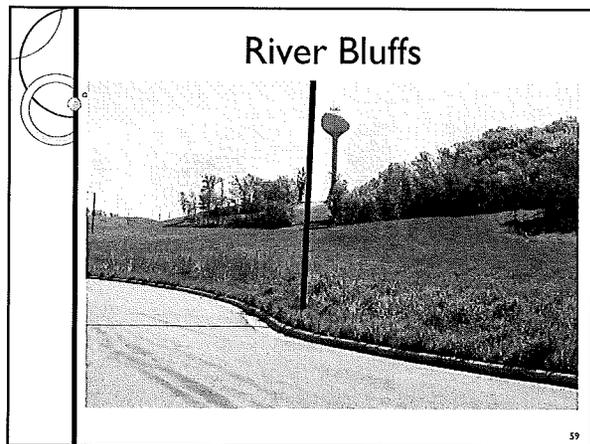
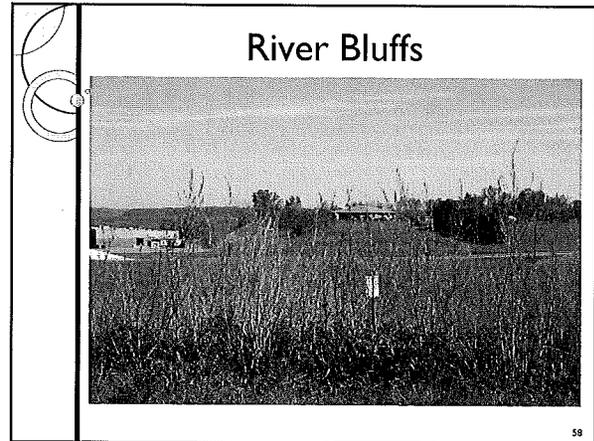
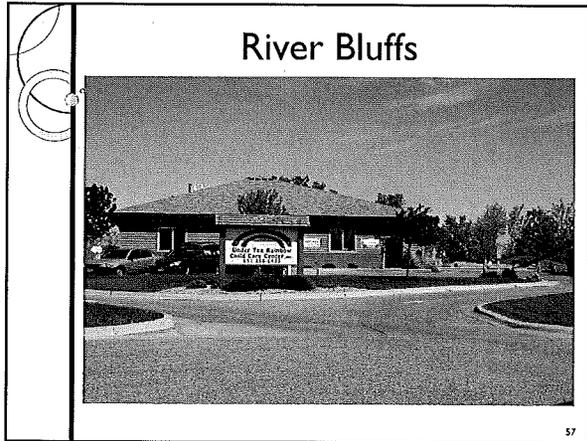












### Port Structure and Governance

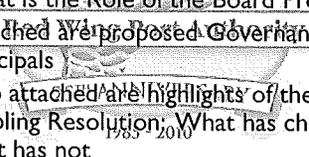
- Seven member board
- Six year terms as directed by statute
- Five appointed by Mayor, ratified by Council
- Two City Council members elected by their peers



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### Governance

- What is the Port
- What is the Role of Board Members
- What is the Role of Port Committees
- What is the Role of the Board President
- Attached are proposed Governance Principals
- Also attached are highlights of the Port Enabling Resolution, What has changed, what has not



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### Port/HRA/EDA What's the Difference

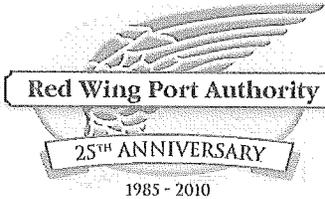
- Again, attached is a chart of the similarities and differences between a Port, an HRA (Housing and Redevelopment Authority) and an EDA (Economic Development Authority)



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### Port Finances: The Cost of Economic Development

- Marshall Hallock: City Finance Director



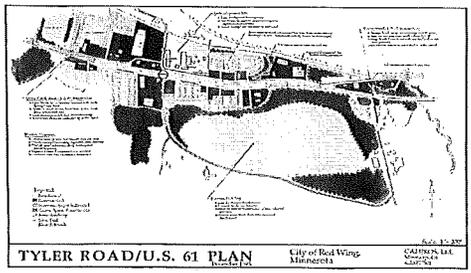
64

### What's the Plan

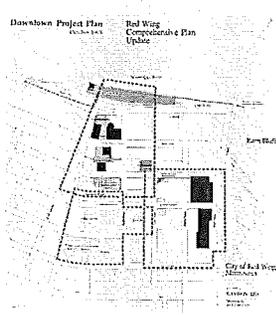
- Big Picture Plan: 1993 and 2008 City Comprehensive Plan
- Port Annual Planning Retreat and Work Plan: Concentration on implementation and tactics



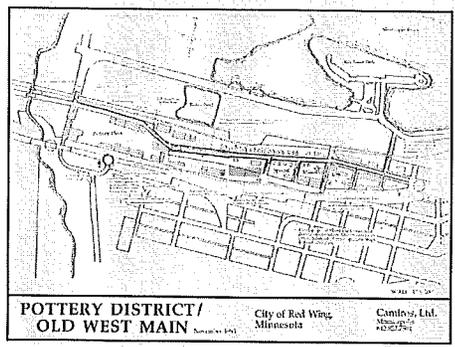
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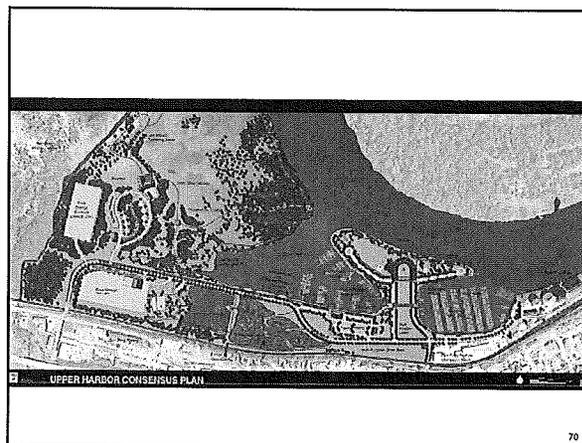
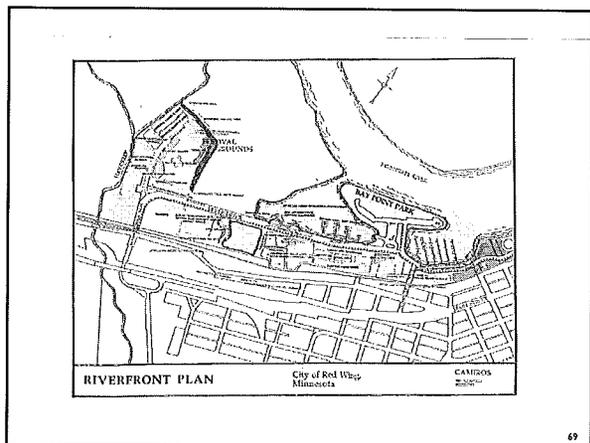
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**What's the Plan**  
**Retention and Expansion**

- Shari Chorney: Business Development
- Vicky Koehn: Business Service Specialist:  
MN Department of Employment and  
Economic Development

**Red Wing Port Authority**

**25<sup>TH</sup> ANNIVERSARY**  
1985 - 2010

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**RETENTION/ EXPANSION**

- Shari, is a certified BR&E Coordinator, course through the University of Minnesota Extension. BR&E Retention Report form is used on visits
- Retention visits are performed annually/semi annually (Pro-active)
- Companies notify the Port Authority of their expansion

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**RETENTION/ EXPANSION PROJECTS**

- DBI/Capital Safety
- Central Research
- Food Service Specialties
- Tech Group
- Norwood Promotional Products
- D.L. Ricci / Hydratight
- Automated Equipment/Elektro Assemblies

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**DBI/CAPITAL SAFETY**

- Land/Bldg investment:     \$3,310,799
- Equipment                     \$2,294,814
- 312 FTE's
- Incentives: JOBZ and MIF Loan

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**NORWOOD PROMOTIONAL PRODUCTS**

- Original building     1992
- Bay 2 addition       1996
- Bay 3                   2001
- Bay 4                   2010
- Investment of Bay 4 \$2.5 million
- Total employment   434

75

**BUSINESS ATTRACTION STRATEGIES**

- Target marketing by industry size 50 or less employees
- Target marketing:
  - Red Wing's top employers
  - Red Wing's top skill areas
  - Midwest Region
  - Based on NAICS codes
- Partner with DEED through "Positively Minnesota" their marketing division
- CORENET (Corporate Real Estate Network) Midwest Chapter and IAMC (Industrial Asset Management Council)

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**BUSINESS ATTRACTION STRATEGIES**

- MNPRO, search tool-department of the Department of Employment and Economic Development, lists land, commercial and industrial sites and building in Minnesota.
- Contracted with MD Studios & Intergreat (marketing efforts).
- Meetings with purchasing agents from local manufactures

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**BUSINESS ATTRACTION STRATEGIES**

- Contracted with Welsh Companies (Real Estate Company)
- Members of EDAM (Economic Development Association of Minnesota)  
Port won best retention/expansion project 2006 (DBI)
- SWOT analysis
- Facebook page
- Golf Outing

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**BUSINESS ATTRACTION STRATEGIES CONTINUED**

- Shovel Ready –DEED
- Note: Marketing budget was at \$50,000 now \$5000

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**BUSINESS ATTRACTION STRATEGIES PROJECT:**

- STENCIL CUTTING & SUPPLY/  
ADVANCED INSIGHT  
MANUFACTURING
- Company Investment:
- Land/building \$2,427,671
- Equipment: \$1,352,783
- Total Employment: 47 FTE's

80



**BUSINESS ATTRACTION PROJECT:**

- Hydro-Control
- Investments:
  - Land/Building: \$2,300,000
  - Total Employment 8 FTE's

81



**PORT AUTHORITY PARTNERS**

- Department of Employment and Economic Development- Red Wing Port is a member of Positively Minnesota
- MNPRO- DEED's site selection tool
- EDAM-member of Economic Development Association of Minnesota
- Southern Minnesota Initiative Foundation- loans and regional marketing
- University of Minnesota Extension – Community training.

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**PORT AUTHORITY PARTNERS CONTINUED**

- MN Ports Association/ MNDOT –Port Development assistance monies
- Upper Mississippi Water Way
- Minnesota Department of Revenue-JOBZ Program
- USDA-Intermediary Relending Program
- RW Visitors and Convention Bureau
- RWIDC –Red Wing Industrial Development Corporation
- RW Chamber
- Goodhue County
- Red Wing Manufacturers

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**RED WING PORT AUTHORITY PARTNERS CONTINUED**

- St. Paul Port Authority
- DownTown Main Street

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### Critical Infrastructure Tools of the Trade

- Shovel Ready sites
- Loan Fund overview
- JOBZ
- TIF
- Tax Abatement
- MN Investment Fund
- Port Development Assistance Funds
- Brownfield Funding

Red Wing Port Authority  
25<sup>TH</sup> ANNIVERSARY  
1985 - 2010

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### Tools of the Trade

- Industrial Revenue Bonds
- Riverfront Assets: Commercial/Industrial waterfront
- Big Broadband
- Tools for Entrepreneurs
- Loan Funds
- Physical Space
- Technical Assistance

Red Wing Port Authority  
25<sup>TH</sup> ANNIVERSARY  
1985 - 2010

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### What's With The Cash Situation?

- The Port is heavily invested in Real Estate. The direction provided by previous Port Boards and City Council's was to make sure we had adequate inventory of commercial/industrial property for future growth.
- Development in Red Wing poses unique challenges. The River, the bluffs, the topography limit the development and make it more expensive than our neighbors/competitors.
- Up until 2003, the City recognized these challenges and extraordinary expenses and earmarked \$200,000 annually for economic development/land development related expenses.

Red Wing Port Authority  
25<sup>TH</sup> ANNIVERSARY  
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### How Did We Get Here

**In a nutshell today the Port is Land Rich and Cash Poor. For Example:**

**River Bluffs Business Park**

Acquisition price:	\$1.5M
Assessments on property:	\$2.5M

**CRL Property**

Acquisition price:	\$1.25M
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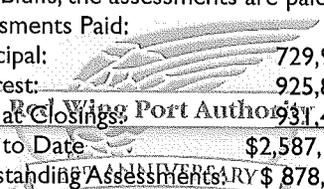
Red Wing Port Authority  
25<sup>TH</sup> ANNIVERSARY  
1985 - 2010

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### Assessments

- When the Port sells a parcel of property in River Bluffs, the assessments are paid in full:
- Assessments Paid:
  - Principal: 729,934
  - Interest: 925,808
  - Paid at Closings: 931,406
  - Paid to Date: \$2,587,148
  - Outstanding Assessments: \$ 878,152

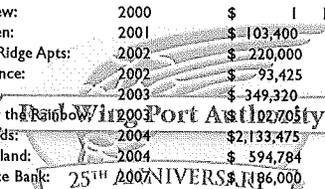
Annual cost of River Bluffs ownership is about \$300K.



1985 - 2010

### Land Sales

Date		Sale Price	Taxable Mkt. Value
Fairview:	2000	\$ 1	16,450,000
Noesen:	2001	\$ 103,400	955,400
Eagle Ridge Apts:	2002	\$ 220,000	3,798,000
Lawrence:	2002	\$ 93,425	70,700
Frost:	2003	\$ 349,320	407,400
Under the Rainbow:	2003	\$ 102,705	545,500
Menards:	2004	\$ 2,133,475	10,556,700
Bridgeland:	2004	\$ 594,784	8,638,100
Alliance Bank:	25 <sup>TH</sup> ANNIVERSARY	\$ 186,000	259,400
HydroControl:	2008	\$ 100,000	147,800
	1985 - 2010		
Totals:		\$3,883,110	\$41,829,000



1985 - 2010

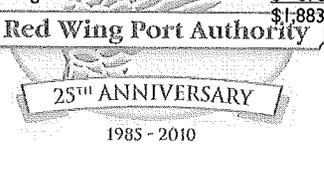
### River Bluffs Property Inventory

- 35.71 Saleable Acres \$3,146,750

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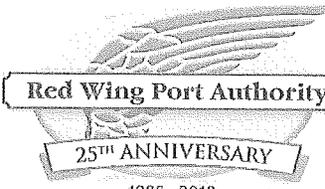
- Outstanding Balance on Land \$ 794,622
- River Bluffs Grading \$ 211,217
- Outstanding Assessments \$ 878,152

**\$1,883,991**



1985 - 2010

### Questions/Questions/Questions



1985 - 2010