



CITY COUNCIL AGENDA REPORT

To: Honorable Mayor and City Council Members
From: Kay Kuhlmann, Council Administrator
Agenda Item No.: 9.B
Meeting Date: November 13, 2012

Action Requested

No official action is requested. The Mayor and Council are asked to provide feedback on the proposed process.

Attachments

- Draft November 20, 2012 Agenda for Special Meeting on the Mississippi National Golf Links.

Background

The City Council has initiated litigation to resolve issues related to the current lease with Wendell Pittinger Golf Operations (WPGO). The City hopes to be able to work with WPGO and Associated Bank to resolve issues including the leasehold mortgage, breach of the lease and cure of the defaults, insurance and utility payments, and repayment of outstanding capital costs. A letter that the City Attorney recently sent to WPGO and Associated Bank related to these issues is included for Council background. The letter is marked confidential.

Until the legal issues are resolved, no long-term decisions can be finalized due to the leasehold mortgage role of the bank. However, while the litigation is pending, the Council can explore long-term options with the citizens. A process has been outlined and is being presented to Council for discussion.

Discussion

At the November 13 Council meeting, Amy Mace will give the Council an update on the pending litigation and discussions with WPGO and Associated Bank.

Council will then be asked to comment on the process moving forward. The process moving forward has several proposed meetings. The proposed meetings and their purposes are listed below:

November 20, 2012

On November 20, 2012 the Red Wing Public Library has been booked for a meeting on the golf course. The event will start at 5:30 p.m. with an open house to review maps and materials such as the current lease. At 6:00 p.m. a public discussion will be held. Mayor Egan will be asked to open the meeting, followed by an update on the

litigation status by Council Member Lisa Bayley. At this point the meeting would be opened to the public for comment and questions.

Future Council Meeting

The City Council will be asked to identify the community goals for the future of Mississippi National. Once the goals are understood, a process and timeframe should be established. For example, if the process is to request proposals, what information will be requested and what are the deadlines. Finally, criteria on which the proposals will be evaluated should be established early in the process.

It is difficult to establish a date for this discussion because it depends on how the litigation proceeds and the action of Associated Bank.

It's important to note that it seems extremely unlikely that Mississippi National Golf Links will be open for the 2013 season. This is because of both the physical attention that is needed to the Course over winter months and because capital for golf course operations are normally generated through membership fees. There are no membership fees being collected now for the 2013 season; therefore, there is no capital.

Recommendation

Staff has outlined a process to move forward with Mississippi National. Council is asked to modify the process to best meet the needs of the community.



**Red Wing City Council Public Meeting on
Mississippi National Golf Links
Red Wing Public Library, Foot Room, 225 East Avenue
Thursday, November 20, 2012
Meeting Time: 5:30 p.m. Open House
6:00 – 6:45 p.m. Meeting**

At 5:30 p.m. the Council, Mayor and staff will host an open house. Maps and materials on the golf course property will be on display. Copies of the current lease and 2011 special legislation will be available.

Individuals who do not want to make public comments will be given an opportunity to submit written comments on a Web site or in written form.

AGENDA

1. Welcome and Call to Order - Mayor Egan
2. Update on litigation and review of process moving forward - Council Member Bayley
3. Questions and comments – citizens
4. Next steps – Council Member Bayley
5. Adjourn