

MINUTES
PORT AUTHORITY SPECIAL MEETING
WEDNESDAY, MAY 10, 2023
4:30 P.M.
CITY COUNCIL CHAMBERS

Members Present: Commissioners Jason Baskin, Lee Bjorndal, Geoff Smith, Jeff Austin (4:28 p.m.), Michael Bednar, Kris Heichel (4:07 p.m.), and Tim Ruzek.

Members Absent: None.

Staff Present: Port Authority Attorney Craig Byram, Port Authority Executive Director Craig Clark and Port Authority Secretary Tom Dankert.

Others Present: Alissa Oeltjenbruns (SMIF).

President Baskin called the meeting to order at 4:30 p.m.

Item #2. – Approval of minutes of the April 13, 2023 special meeting: Motion by Commissioner Bjorndal, seconded by Commissioner Smith to approve the minutes of the April 13, 2023 special meeting. Carried 5-0.

Item #3. – Approval of claims for payment February 24, 2023 through April 27, 2023: Mr. Dankert discussed the claims paid for the above period totaling \$26,108.68. No questions noted.

Motion by Commissioner Ruzek, seconded by Commissioner Bednar to approve the claims for payment. Carried 5-0.

Welcome new board member:

President Baskin welcomed new Port Authority Board member Kris Heichel of Fairway Mortgage.

Item #4. – SMIF Presentation: Alissa Oeltjenbruns representing the Southern Minnesota Initiative Foundation (SMIF) thanked the Port Authority for their annual \$6,000 contribution to SMIF. Ms. Oeltjenbruns noted SMIF is involved in childcare support, a lender for riskier portfolio's, early childhood development initiatives, and grants. SMIF has provided over \$800,000 in grants to Mower County businesses in the last two years.

Port Authority President Baskin thanked Ms. Oeltjenbruns for SMIF's commitment to Mower County.

Item #5. – Review of Port Authority Properties: Mr. Dankert discussed the maps and different properties currently under the ownership of the Austin Port Authority, as follows:

- Walker Building – located in the NE Industrial Park, and is leased by International Paper
- Hormel Institute Phase II – owned by the Port Authority as state bonding grants require public ownership.
- Oak Park Mall lot (behind former Shopko building) - last remaining remnant left over from the purchase of Oak Park Mall.

- Persinger 25 acres – Recently purchased.
- 13.55 acres on I90 across from Kwik Trip – acquired as part of transaction to move Mower County Human Services out of the Hormel Corporate South area (for Hormel’s expansion) and into what was Oak Park Mall.
- Creekside Business Park – much of which is under first right of refusal agreements with Nu-Tek for future development.

Discussion ensued for best use of some of the properties, specifically the 13.55 acres, Persinger property, and Creekside Business Park. Further discussion ensued about setting a set price such that Executive Director Clark would know what our starting point would be when we entertain offers for the property. Discounts could be applied for both job growth and size of investment in a development. President Baskin requested we bring back some options for pricing at a future Port Authority meeting. Commissioner Smith questioned the clean-up costs for the 13.55 acres. Mr. Clark noted they have been working on a grant to get funding to help with the cost.

Mr. Clark also noted infrastructure costs are not cheap, and that is a lot of what potential developers are looking at. To install a cul-de-sac at the 13.55 acres has an estimated cost of \$807,471, not including an estimated \$2,127,102 to clean-up the site.

Item #6. – Conversation about I90 Business Park/14th Street NE: Mr. Clark noted there has been past discussion about the 25-acre Persinger property and what is its best use, noting it is currently zoned Commercial/Industrial. Housing has been discussed in the past for this site, as the Nature’s Ridge development is directly to the east. Mr. Clark noted we would have a higher tax base with high-end housing, but we also have limited options for available commercial land if a developer comes in that would add jobs.

Commissioner Bjorndal noted some multi-family options would also be available for this site.

President Baskin noted maybe we need to be open to both commercial and residential development on this site.

Item #7. – Discussion on Meeting Schedule: Commissioner Ruzek noted he would like to have something regularly scheduled, like monthly for the Port Authority Board. Mr. Clark noted we would probably be canceling most of those meeting, and City staff already have a myriad of meetings each month that could create plenty of conflicts in timing.

After further discussion, President Baskin noted we will just stick with the regularly scheduled quarterly meetings (4th Wednesday of each month in January, April, July, and October).

Mr. Clark noted he will be at a CGMC conference on July 26 (our next regularly scheduled meeting date), so that meeting has been moved up to July 19, 2023 at 4:00 per motion by Commissioner Austin, seconded by Commissioner Bjorndal. Carried 7-0.

Item #8. – Executive Director Report: Mr. Clark noted former Port Authority President Jerry McCarthy will be honored at the May 15 City Council meeting for his service on the Port Authority board.

Item #9. – Any other business: Mr. Dankert noted we just received the final 2022 audit right before this meeting, so he will send the electronic version out to the Port Authority board, and will

have the auditors present at the July 19 meeting (unless there is a special meeting earlier). Mr. Dankert noted the numbers are the same as presented at the March 14, 2023 Port Authority meeting.

Item #10. Adjournment: With no further business, motion by Commissioner Austin, seconded by Commissioner Ruzek to adjourn the meeting at 5:19 pm. Carried 7-0.

Approved: _____

President: _____

Secretary: _____