



## 2020 Strategic Plan – Approved 8/06/19

### A. Local Economic Impact Factors:

1. Red Wing has had slow population growth with 0.7% growth from 2010-2017 compared to 5.1% for the state of Minnesota; 2017 population estimate = 16,572.
2. Household growth in Red Wing is also slow at 1.9% from 2010-2017 compared to 5.5% for the state of Minnesota; 2017 household estimate = 7,152. To accommodate further housing growth, the city has approximately 150 single family vacant lots, 185 townhome lots, and 186 new apartments that were recently approved for construction (12/31/18).
3. The city has a high job/population ratio at 75% compared to 52% for all of Minnesota.
4. A high percentage of workers in Red Wing commute into work here (63%) compared to those who live and work here (37%).
5. Nearly 80% of all jobs in Red Wing are concentrated in four sectors: (a) 21.4% in manufacturing, (b) 20.6% in Leisure & Hospitality, (c) 18.8% in Trade, Transportation & Utilities, and (d) 18.1% in Education & Health Services.
6. Red Wing is a regional retail center with \$12,684 taxable sales per capita in 2017 versus \$9,306 for Minnesota; Red Wing's "pull factor" has steadily increased from 0.86 in 2000 to 1.36 in 2017. Red Wing's pull factor was greater than Hastings, Northfield and Winona.
7. A high commercial/industrial tax base exists in Red Wing at 54.1%, which compares to 18.7% average for all MN cities (utilities are included – Xcel nuclear plants); Red Wing also has a high property market value of \$123,135 per capita compared to \$72,435 per capita for the state.
8. A comparison of Red Wing's commercial/industrial property taxes (payable 2018) for property valued at \$1.0 million shows a total annual tax of \$36,000 compared to an average of \$37,500 for five other comparable cities\*.
9. Red Wing's median household income is low when compared to the average throughout Minnesota ... \$50,746 versus \$65,699 in 2017.
10. Red Wing is one of four active waterway port cities in Minnesota; others include Duluth, St. Paul and Winona.
11. Significant art and culture centers exist in Red Wing, including the Anderson Center, Sheldon Theater, Pottery Museum, Goodhue County Historical Museum, and the Ski Jump Museum.
12. Higher education programs and entrepreneurial support is provided in Red Wing through Minnesota State College Southeast and Red Wing Ignite, including workforce readiness.
13. Red Wing's economy is strengthened by its green infrastructure and its ongoing efforts to improve energy efficiency and to reduce greenhouse gases (e.g., downtown EV charging station, three community solar gardens, and GreenStep City with Step 5 designation).

\* Faribault, Hutchinson, Northfield, Owatonna and Winona

## **B. Mission Statement:**

The Red Wing 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.

## **C. Enabling Resolution:**

The Red Wing Port Authority shall constitute an “agency” pursuant to the Development Act; it shall be the role and responsibility of such port authority to carry out economic and industrial development and redevelopment within the City in accordance with such general policies as may be established by the City Council.

## **D. Harbor Commission:**

The purpose of the Harbor Commission is to recommend policy guidelines for commercial and recreational activities; to advise the Planning Commission, Port Authority or City Council on new development or redevelopment along the riverfront or navigable waterways; to develop policy as it relates to navigable waters within the City; to recommend operational policy for the Marinas utilizing City property for their activities, and to assist with marketing and communication recommendations related to Harbor Commission activity and required review. The Commission is made up of seven members; six members are residents of the city and one member may be a non-resident who either owns real property in the city or has a slip at a city marina.

## **E. Positive Assets of the Port Authority:**

1. Four revolving loan fund programs with a 12/31/18 cash fund balance of \$1.23 million.
2. An operating fund balance of \$473,825 on 12/31/18 with no debt.
3. The future repayment of two past loans to the Greater Red Wing Development Corporation, including \$704,315 and \$65,580, beginning in 2020.
4. An active operating bulkhead owned by the Port Authority with a new lease utilizing a per-ton revenue stream.
5. Commercial waterway leases with Archer Daniels Midland (ADM), Red Wing Grain and ARTCO.
6. Strong support of the City Council since the restructuring of the Port Authority, now being part of the Community Development Department.
7. One of four active waterway commercial ports in Minnesota, including membership in the Minnesota Port’s Association, along with Duluth, St. Paul and Winona.
8. Past significant involvement with business growth and expansion in Red Wing by promoting and utilizing numerous public financing programs.
9. Professional and personal connections with commercial and industrial businesses in Red Wing.
10. The Port has multiple local assets to market in Red Wing, including but not limited to, the municipal airport, recreational boat slips, commercial harbors, a local technical and community college, an entrepreneurial support system, the Anderson Center, a historic downtown district, multiple small and large manufacturers hosting a significant workforce,

available residential/commercial/industrial land, redevelopment opportunities, a tourism destination, and active local economic development partners.

## **F. Five Core Principles for Action:**

1. Business Sites & Resources – Facilitate opportunities for business growth using the City’s land and infrastructure resources, and the Port Authority’s business financing resources.
2. Business Climate & Customer Service – Provide an environment that supports business growth through a one-stop-shop service center; and, coordinate a high-quality level of customer service with all local economic development partners.
3. Marketing & Promotion – Enhance Red Wing’s image as a historic river bluff town with a distinct center of manufacturing, tourism, arts, culture, and river commerce/recreation.
4. Redevelopment – Play a key coordinating role in the redevelopment of key underutilized sites in Red Wing, especially those located in and around the downtown core area.
5. Supportive River Economy – Support Red Wing’s activities that strengthen the waterway port economy along the Mississippi River.

## **G. Strategies for Action (5 Years, 2020-2024):**

1. Assist with the City’s development of a plan that addresses the economic impacts associated with Prairie Island Nuclear Generating Station’s future potential licensing termination.
  - Milestone: Port Authority Board members are part of a local impact evaluation team by 12/31/21.
2. Re-evaluate and improve local business retention and recruitment programs; determine the best method that achieves measurable metrics and annual reporting results.
  - Milestone: Develop a local program to begin sometime during 2020.
3. Revisit, update and implement various area plans, including the Downtown Action Plan and the Old West Main Street Master Plan.
  - Milestone: Update Downtown Action Plan by 12/31/20 in conjunction with Downtown Main Street; evaluate Old West Main Street Master Plan by 12/31/21.
4. Develop a coordinated, city-wide marketing plan for economic development.
  - Milestone: Develop a marketing plan to be implemented in 2020 or 2021 in conjunction with the local Economic Development Partners.
5. Based on City/HRA support, provide assistance as needed for housing proposals that provide additional workforce housing opportunities in support of the local workforce housing demand.
  - Milestone: Evaluate 2020 county-wide housing market study; be viewed as a partner with the City and HRA to support more workforce housing development.
6. Encourage the reuse and renovation of existing buildings, upper floors, and underutilized properties for housing by providing resources, especially those properties located downtown and in the Old West Main Street / West End District.
  - Milestone: Develop ways to provide resources that will help spur such redevelopment by the end of 2020.
7. Implement the adopted framework of the Red Wing Downtown Investment Partnership by convening the Steering Committee toward the identification of short-term actions.
  - Milestone: Convene the Steering Committee and move forward on identified actions by 6/30/20.

8. Identify redevelopment projects within the Downtown and Old West Main districts that may move forward with Port assistance along with other local partners; continue to pursue other projects once the previous one is successful.
  - Milestone: Assist one or more projects each year during 2020-2024 that provide momentum toward active redevelopment in Red Wing.
9. Evaluate and strengthen stronger relationships with all Economic Development Partners.
  - Milestone: Identify a list of actions, and actively work on them between 2020-2024.
10. Complete necessary actions, as directed by the City Council, to prepare the Highway 19/61 property for sale; evaluate new methods to market all vacant/platted city-owned properties for commercial and industrial development.
  - Milestone: Help the City successfully transfer ownership of at least two city-owned parcels by 12/31/23 for new development.
11. Continue to evaluate and improve the Port’s revolving loan programs in order to make them effective and utilized.
  - Milestone: Loan out additional dollars at a target level of \$500,000 by 12/31/23 that support new and expanded business growth.
12. Structure a repayment plan for the Port’s two loans with the Greater Red Wing Development Corporation.
  - Milestone: Organize and finalize a repayment plan by 12/31/20.
13. Support sustainable economic competitiveness, vitality and prosperity of Red Wing through programs and initiatives that encourage solar, energy efficiency in buildings, clean energy and reduced CO2/air pollution.
  - Milestone: Market programs such as PACE more consistently and directly to the business community, including a stronger media presence by 12/31/20.
14. Continue to strengthen Red Wing’s position as a regional retail center by supporting the use of existing vacant commercial spaces, the redevelopment of underutilized property, and the renovation/expansion of retail businesses throughout the community.
  - Milestone: Survey all vacant commercial/retail spaces in Red Wing, and develop a method to help market them to prospective businesses by 12/31/21.

## **H. Enabling Resolution No. 2226 – Project Implementation**

### Definitions:

1. Authority – the Red Wing Port Authority.
2. Port Budget – sources and uses of public funds to be expended in carrying out the public costs associated with a Project Plan. Using tax increment financing shall then constitute a TIF Plan per MN Statutes 469.175.
3. Project Plan – an outline for the development or redevelopment of a geographic area or single parcel that contains a statement of objectives, proposed reuse of private property, general development standards, etc. This plan shall constitute a “development program” and a “redevelopment plan”.
4. Port District – equals the City of Red Wing.
5. Public Activities – development efforts that have impacts on public infrastructure (i.e., streets, sidewalks, public parking facilities), which require any type of direct financial assistance from the City, including, but not limited to, tax increment financing. Financial assistance from the

City does not include any Port Authority levy dollars or any other funds such as the Authority's Revolving Loan Funds.

Powers:

1. No City Council approval is necessary for a project with no Public Activities being undertaken by the Authority.
2. Before undertaking any Public Activities, the Authority shall submit a Project Budget and Plan to the City council for approval, which shall include a public hearing. The Advisory Planning Commission may also need to review the Project Plan to be consistent with the City's comprehensive plan.
3. The Authority is appointed Administrator of any City Development Districts previously established by the City Council. TIF District 7-1 (Redevelopment) is the only remaining district in Red Wing, which was established for the Target development. This district is to be decertified on or before 12/31/2019.