

Pursuant to due call and notice thereof, a North Mankato Port Authority Commission meeting was held in the Council Chambers of the Municipal Building on Monday, August 21, 2023.

President Olenius called the meeting to order at 6:30 p.m. The following were present: Commissioners Oachs, Steiner, Whitlock, Peterson, and Carlson, Assistant Treasurer Ryan, Community Development Director Fischer, and Secretary Van Genderen. Absent: Executive Vice President McCann

#### Approval of the Minutes

Commissioner Steiner moved, seconded by Commissioner Oachs, to approve the minutes of the Port Authority meeting of August 7, 2023. Vote on the motion: Oachs, Steiner, Whitlock, Peterson, Carlson, and Olenius, aye, no nays. Motion carried.

#### Approval of Bills

Commissioner Oachs moved, seconded by Commissioner Whitlock, to Approve the bills. Vote on the motion: Oachs, Steiner, Whitlock, Peterson, Carlson, and Olenius, aye, no nays. Motion carried.

#### Resolution No. 5-23 Approving Development Agreement and Associated Development Plans and Specifications.

Community Development Director Fischer reported that the presented resolution is in regard to the Norwood Inn located at 1111 Range Street. He introduced Tammy Omdal from Northland Securities, and Maren Magill and Adam Niblick from Taft Law Firm were in attendance. Ms. Omdal noted that she was working as a financial advisor for the City. Ms. Omdal reported that the City established TIF District 2-2 on July 17, 2023. The request for the TIF District came from a potential developer, 1111 Holdings of Mankato, LLC. The developer planned to redevelop an existing sub-standard building and construct approximately 60 new apartment units and 30,000 square feet of commercial space, including restaurants and retail space. Ms. Omdal noted that with a TIF, property taxes will be based on base valuation, the value that existed before development, and will not be captured for TIF. The difference between the base (current) value and the new taxable value is estimated at approximately \$11.3 million. The estimated taxable market value after completion is \$14.4 million. The taxes on the captured value will generate tax increment to assist the project. The total estimated project/financing costs to be paid from tax increment is estimated at \$5,414,853. The TIF will reimburse up to \$2,616,000 of land and site improvements paid by the developer on a pay-go basis for a maximum term of 26 years. Ms. Omdal noted that without the proposed TIF, the project as presented would not have happened through private development. Ms. Omdal noted that the resolution before the Port Authority was to recommend the development agreement to the City Council. Commissioner Carlson asked the developers if there were changes to the design and design concepts. Max DeMars of 1111 Holdings of Mankato, LLC, reported no design concept changes. Commissioner Steiner moved, seconded by Commissioner Oachs, to Adopt Res. No. 5-

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23 Approving Development Agreement and Associated Development Plans and Specifications. Vote on the motion: Oachs, Steiner, Whitlock, Peterson, Carlson, and Olenius, aye, no nays. Motion carried.

Other Business

None

Open Meeting to the Public

None.

There being no further business, Commissioner Steiner moved, seconded by Commissioner Whitlock, to adjourn. Vote on the motion: all ayes. Motion carried. The meeting was adjourned at 6:42 p.m.

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President

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Secretary