

North Mankato Port Authority

The North Mankato Port Authority Commission was created by an act of the Legislature in 1985 and began operations in early 1986. The Port Authority is the development and redevelopment arm of the City of North Mankato and has a seven-member board. Two members of the board are City Council Members. The remaining five members of the board are volunteers appointed by the City Council for overlapping six-year terms. The Commission Members receive no pay for their service. The members are selected based on their backgrounds in business, law, accounting, banking and financial services.

Economic Development

The Port Authority began with a small amount of money left over from redevelopment projects accomplished in the late 1970s and some tax forfeited industrial property on Howard Drive. In 1988 the Authority received a \$500,000 grant from the State of Minnesota which was subsequently loaned to Sween Corporation as an inducement to locate in North Mankato. Sween Corporation was later purchased by Coloplast. As a condition of the loan, Sween Corporation was required to provide an agreed upon number of jobs at specified salaries.

A similar grant for \$494,000 was received in 2002 for a loan to Capstone Press for the construction of their new building with similar requirements for job creation and salary levels. The balance of the \$1.4 million in the Revolving Loan Fund has been generated by interest received on revolving loans since 1988. As the loans are repaid they create a pool of dollars to generate new loans for business development in the community.

In 1990 the Port Authority purchased the Marigold Dairy site and over the years acquired properties adjacent to the site as they became available. The Marigold Dairy site, when developed, will form the basis for a long-term redevelopment of the downtown area. Although the Authority has had the opportunity to sell the property in the past for a convenience store or a fast food restaurant, this type of use was not consistent with the long-term redevelopment plan for the downtown. The site is commonly referred to as the hotel site due to the Hampton Inn hotel project which was planned for 2002 but could not be completed.

North Port Center and North Port Industrial Park

In 1993 the Port Authority developed North Port Center which today houses several businesses. This project was the starting point for significant industrial development in the North Port area. In 1997 one hundred acres west of Lookout Drive was purchased and developed for industrial use. To date there are 13 businesses in the area generating over \$700,000 annually in property taxes and providing over 1,200 jobs in a clean and orderly environment.

There are many other businesses outside the industrial park which the Port Authority has assisted. These companies provided additional employment and a greater level of business activity in the community. The Port Authority involvement provided for the creation of additional off-street parking opportunities, the construction of new buildings or upgrades to existing structures. Annual property tax collections from all of these projects exceed \$1,400,000.

Blighted Property

One of the important activities of a city is to identify and remove blighted property in order to maintain property values and provide a safe environment for the residents. Over the years the Port Authority has been involved in a number of redevelopment projects to achieve those goals.

Housing

The Port Authority has been involved in projects designed to assist persons of low and moderate income to obtain suitable housing. Two examples of these projects are Garfield Place and Oak Terrace Assisted Living.

Accountability

All of the transactions of the Port Authority including tax increment financing districts, issuance of bonds and capital projects come under the review and approval of the City Council. In addition, all the disbursements of the Port Authority are processed in the same manner as all checks written by the City of North Mankato. The detail of all disbursements is reviewed and approved by the City Council as an official part of their meeting agenda. Copies of the Council packets are made available to the press. The Port Authority operates under a budget set and approved by the City Council. The funds available to the Port Authority come from State grants, interest on the Revolving Loan Fund and monies generated by industrial park developments.

A copy of the financial report on the operations of the Port Authority can be found in the City's Comprehensive Annual Financial Report which is on file at the North Mankato Taylor Library. Additional detail can be found in the annual City budget on file at the Library or by contacting the City Finance Director at 625-4141. Copies of all the tax increment finance reports are also available from the Finance Director.