



Red Wing Community Development Department

2024

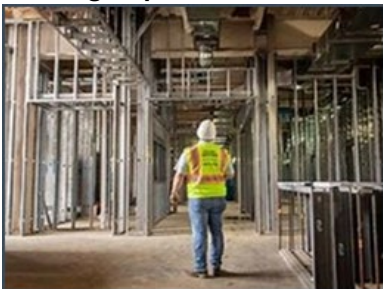
Annual Report

419 Bush Street
Red Wing, MN 55066
www.redwingmn.gov

Core Services

The Community Development Department serves Red Wing citizens and the City Council to protect health and safety, improve quality of life, foster redevelopment, and support businesses. We are customer service focused in our core services, listed below.

Building Inspections



Building plan review, permit issuance, and inspections to assure that construction work meets all safety requirements of codes.

Rental Licensing



Rental registration and inspection to ensure housing units meet health and safety standards so every tenant has a safe place to live.

Code Enforcement



Work with property owners to enforce building, nuisance, and zoning codes.

Community Planning



Guide growth and development through analysis, long range planning, and policy development.

Heritage Preservation



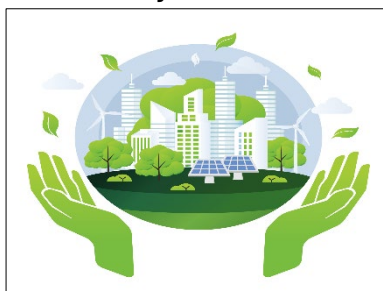
Work with property owners in the protection of Red Wing's historic buildings and heritage resources.

Business Licensing and Permits



Issue registrations, permits, and licenses for businesses, parking, and cemetery lot agreements.

Sustainability



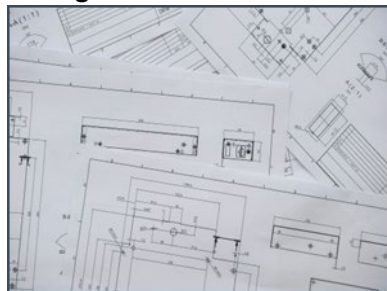
Assist the City Council in its sustainability priorities and initiatives.

Port Authority



Serve as lead economic and industrial development agency, promote employment growth, and coordinate redevelopment.

Zoning Administration



Process applications and work with property owners to ensure developments comply with zoning requirements.

Housing Development and Redevelopment Projects



The four-story 36-unit **Avanti** apartment building at 314 W. 4th Street was completed in December 2024. The project redeveloped the former site of Mike's Barber Shop. The City established a tax increment district to assist in financing the project. The overall project was estimated to be \$8.8 million with an expected developer cash outlay of \$2.1 million.



The historic **Associated Bank** building is under reconstruction to become a 27-unit apartment project with 1,500 square feet of main level retail space. The City established a tax increment financing district which will pay \$225,000 for the project. An additional contribution of \$137,000 was provided through the City's Downtown Investment Fund which was matched by the Downtown Philanthropic Collaborative. The project is estimated to bring a value of \$6.5 million to downtown Red Wing.



The City was awarded \$746,500 in Redevelopment Grant funds for demolition of the former **Fleishmann Malting Company** site. The site is planned to be redeveloped as a 120-unit mixed-use building and 12,000 square feet of commercial space. It is anticipated this project will create 35 jobs, increase the tax base by \$195,410 and leverage \$30.1 million of private investment.



The City is investigating the reuse of the former **Bauer Built** building at 1511 Old West Main Street. Knutson Construction and Brunson Architects have been retained to complete a feasibility study to ascertain the viability of renovating the structure for new commercial tenants.



City staff continue to work to attract a developer for the former **Central Research Laboratories** site at the southwest intersection of Highway 19/61. The property has been surveyed and assessed, and environmental and archaeological studies have been completed to make this site shovel-ready for a new user. Staff are now working to replat the property and exploring whether to demolish the structure which has been deemed structurally obsolete as well as blighted.



Completion of Phase 2 of the master plan implementation at the historic **He Mni Can-Barn Bluff Regional Park**. This project included a new main park entrance, parking area, trail repair and stabilization, trail realignments to avoid culturally sensitive areas, defined entry plaza, and trail wayfinding and interpretation. The overall project cost \$703,000 which was funded in part by a Greater Minnesota Regional Park and Trail grant.

Notable Activities

The **Parking Study and Strategic Plan** was approved by the City Council in May 2024. Staff initiated plan implementation by creating a staff parking committee and preparing a draft parking policy, which was initially reviewed by the City Council in November. Early phases of plan implementation are expected to roll out in 2025.

The City of Red Wing was awarded a **\$1 million Office of Energy Transition grant** from the Minnesota Department of Employment and Economic Development DEED. This funding is available to communities facing potential closures of power plants. This funding will support a multi-year planning effort to create numerous planning documents, including an economic impact assessment, community engagement and support strategy, revenue diversification strategy, infrastructure enhancements, workforce development and retraining, and more.

In 2023, staff began researching new permitting software to reduce workload and create better workflow for inspector, permitting, and planning staff. In 2024, staff phased in **Cloud Permit**, the new electronic submittal system that will replace Permit Works. This product houses several functions in one location, such as permitting, licensing, and fee payments which allows for easier internal collaboration as well as ease of use for public users.

The City of Red Wing has been collaborating with the Red Wing School District to identify future uses for the now vacant **Jefferson School**.

The Licensing and Permitting Manager drafted a new **Cannabis Ordinance** that was adopted by the City Council on November 25, 2024. The ordinance limits the total number of cannabis retail operations in Red Wing to no more than two total and includes other regulations pertaining to the sale of cannabis products

within the City. The Planning Commission began work on new zoning regulations for cannabis-related activities and updated regulations for other agricultural uses.

The Planning Commission reviewed nine **short-term rental interim use permits**, bringing the total number of approved short-term rentals to 27, 25 of which are non-owner occupied with two that are owner-occupied. All known operating short-term rentals have been brought into compliance with the ordinance adopted in late 2023. Staff continues to monitor for short-term rentals that operate without the required permits.

Culvers applied for an amendment to their conditional use permit to expand their drive-through operation. The permit was approved by the City Council on January 17, 2024.

The City Council adopted an ordinance establishing the Planning Advisory Commission as the **Board of Adjustment and Appeals**. This action gives the Planning Commission decision-making authority for variances and appeals and helps streamline the decision-making process for these actions.

The City approved an amendment to the **Red Wing Shopping Center** conditional use permit to allow the construction of a new 15,000 square foot retail addition. The applicant also prepared a new plat for the area to create separate parcels for individual buildings within the shopping center.

Rental housing inspections moved into Zone 3 following the requirements of the revised and renewed Rental License and Inspection Program. Staff has completed 702 rental property inspections going back to the start of 2022.

Planning staff reviewed a request for a conditional use permit and storm water management plan for road and utility improvements within the **Grandview Mobile Home Park**.

The City Council approved the rezoning of seven parcels north of Main Street and west of Broad Street to **B-3 Central Business District** to help facilitate future redevelopment of this area in a manner consistent with the 2024 Community Plan.

Habitat for Humanity completed a subdivision to split a lot at 209 East 5th Street into two parcels to allow the construction of two new affordable townhouse units.

Ongoing Endeavors

Host quarterly meetings with our local economic development partners, which include representatives from Goodhue County, Minnesota State College Southeast, Red Wing Area Chamber of Commerce, Red Wing Convention and Visitors Bureau, Red Wing Downtown Main Street, and Red Wing Ignite.

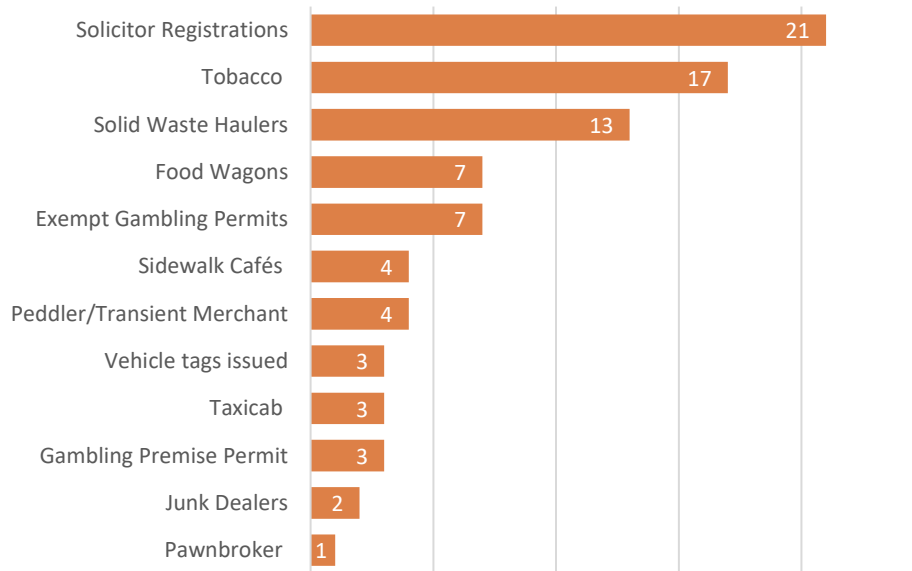
Community Development staff regularly engage with Red Wing Downtown Main Street on projects of shared interest. In 2024 our staff participated in Equitable Entrepreneur Ecosystems for Rural Main Streets, a grant awarded to Downtown Main Street by Main Street America and the Kaufman Foundation.

Community Development staff also assisted in the preparation of Downtown Main Street's application to DEED for its Economic Revitalization grant.

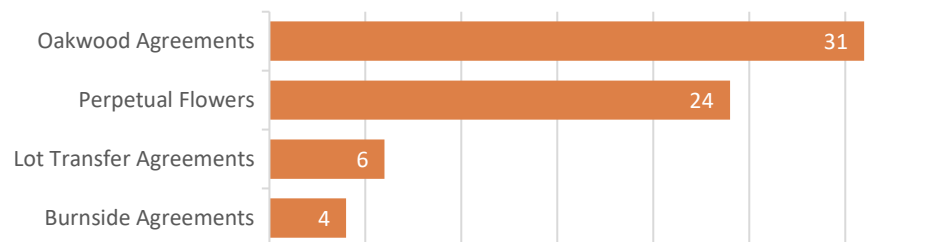
Community Development Performance Metrics

Business Licensing and Permits

2024 Permits and Business Liceses

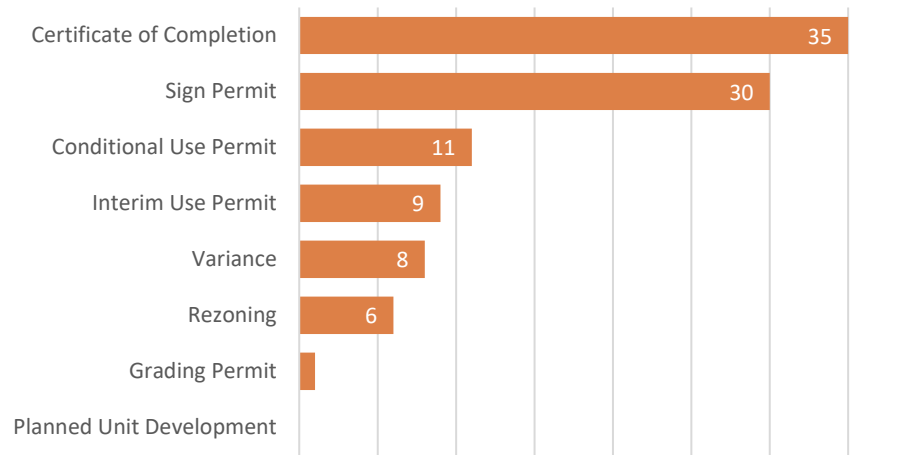


2024 Cemetery Lot Agreements

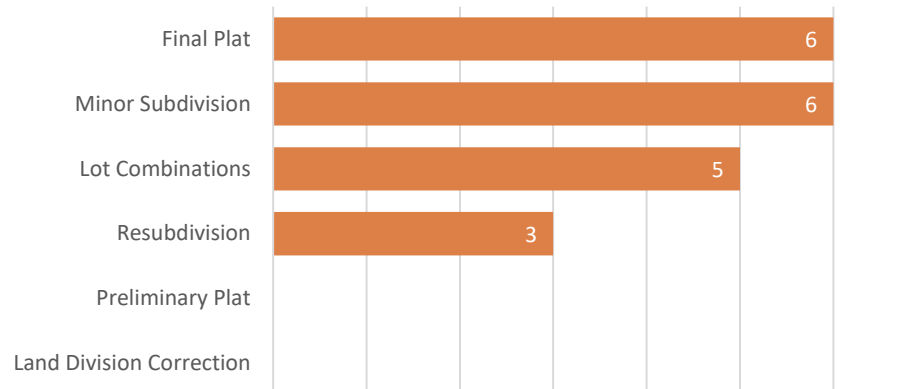


Planning and Zoning Permits

2024 Zoning Permits



2024 Platting Applications

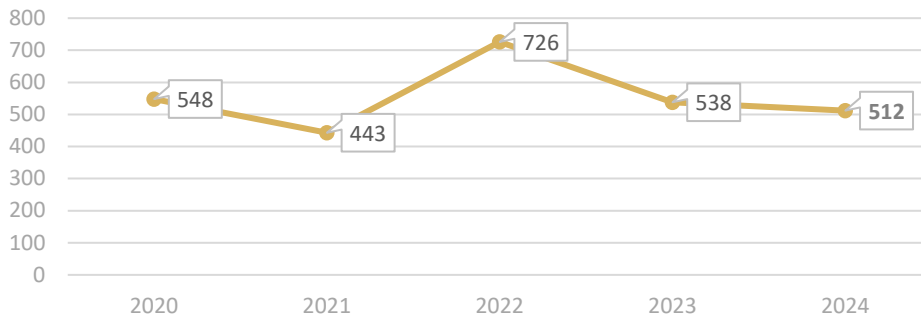


Building Inspections

Valuation of Top 10 Building Permits

Avanti Apartments – new construction	\$5,650,000
Maple Hills Apartments remodel	\$4,004,370
Anderson Center remodel	\$1,858,361
Red Wing Credit Union remodel	\$736,451
Mayo Clinic Red Wing remodel	\$322,643
St. James Hotel remodel	\$288,000
Red Wing Plaza remodel	\$255,000
Kelly's Tap House patio expansion	\$102,500
Hanisch Bakery expansion	\$100,000
Gladstone Building remodel	\$90,390

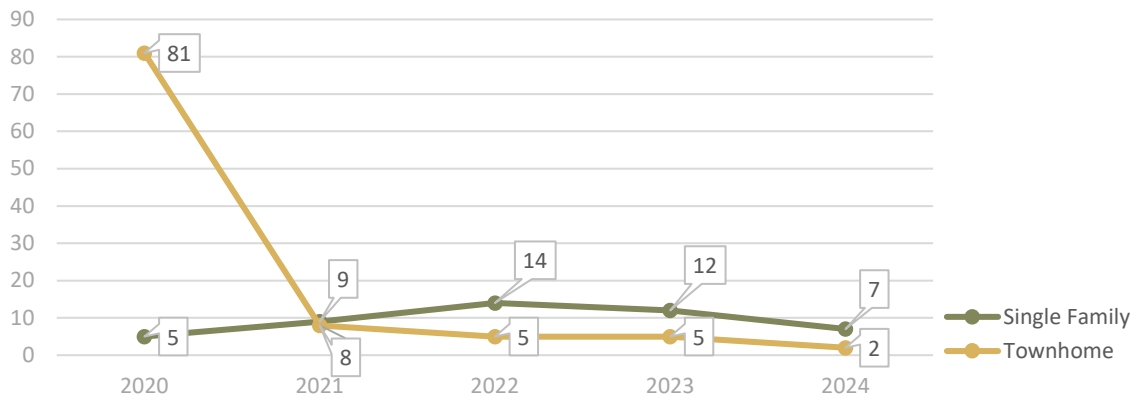
Building Permits Issued - 5 Year



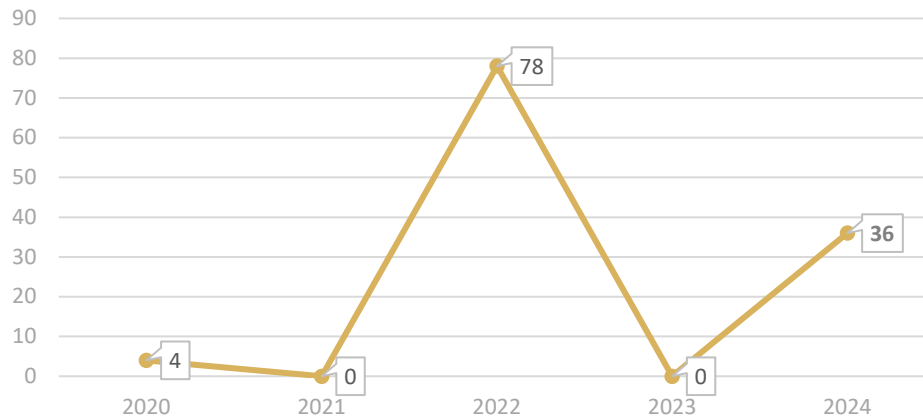
5-year annual average of 553 permits pulled each year

Includes building, mechanical, plumbing permits.

Single Family and Townhouse Permits Issued - 5 Year

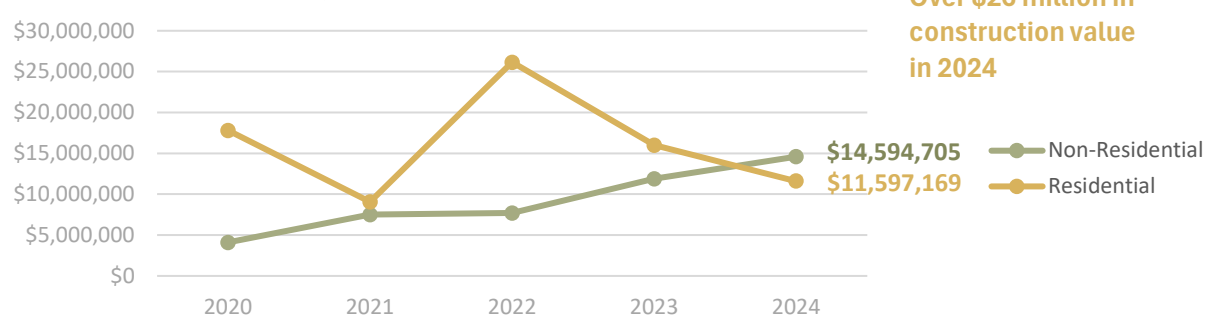


Multifamily Permits Issued - 5 Year



Permit pulled for 36-unit Avanti apartments valued at \$5,625,000 in 2024

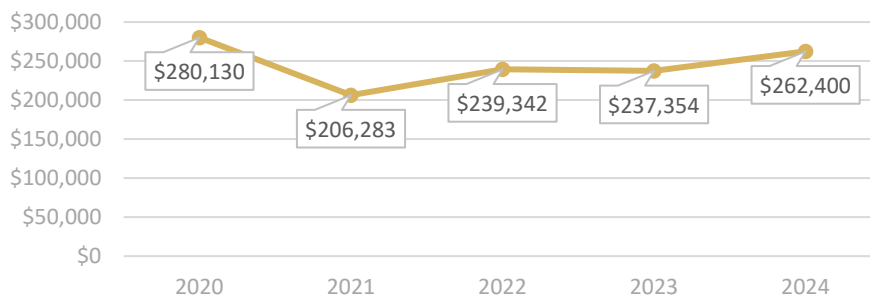
Valuation of Building Permits - 5 Year



Over \$26 million in construction value in 2024

Large multifamily projects are considered commercial (i.e., non-residential).

Permit Revenue - 5 Year



Collected \$1.23 million in permit revenue between 2020-2024

Permit revenue is the total fees collected for building permits based on building valuation. These fees are collected to cover the cost of on-site building inspections.

Commissions and Boards

Advisory Planning Commission

In 2024, staff and the Advisory Planning Commission processed 35 certificates of completion (COC), 11 conditional use permits (CUP), 10 interim use permits (IUP), 6 rezonings, and 8 variance applications. The APC reviewed the proposed sale of City land on Featherstone Road and reviewed and provided a recommendation to the City Council to adopt the 2025-2029 Capital Improvement Plan. Additionally, the code of ordinances was amended to designate the Planning Commission as the Board of Adjustments for review of variance requests.

Heritage Preservation Commission

The Heritage Preservation Commission completed its annual Certified Local Government (CLG) report and processed 13 design review applications for sign permits, window replacement at the St. James Hotel, exterior improvements at 219 W. 3rd Street, 317 Bush Street, 321 Bush Street, 415 Main Street, and building design demolitions associated with the Avanti project.



In addition, the HPC hosted the annual statewide Historic Preservation Conference on September 18-20, 2024.

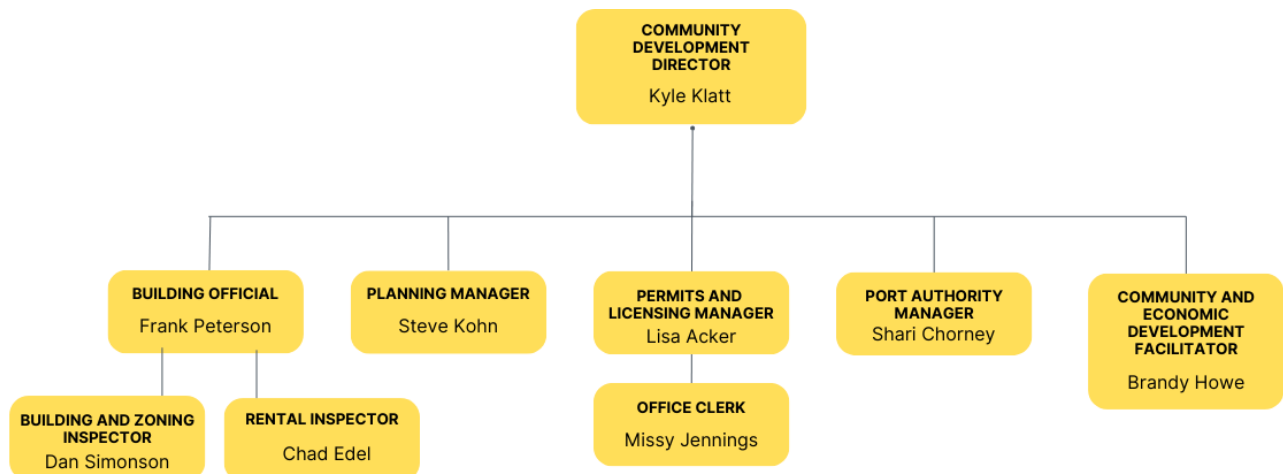
Port Authority Board

Various economic development accomplishments are noted in the Port Authority's Annual Report.

Sustainability and Sister Cities Commissions

Staff support was also provided to the Sister Cities Commission and Sustainability Commission.

2024 Department Organization Chart





Kay Kuhlmann
City Council
Administrator

Kyle Klatt
Community
Development
Director

Community Development Department

**Frank
Peterson**
Building
Official

**Shari
Chorney**
Port Authority
Manager

**Steve
Kohn**
Planning
Manager

Brandy Howe
Community
& Economic
Development
Faciliator

Lisa Acker
Permits &
License
Manager

**Melissa
Jennings**
Office Clerk II

Dan Simonson
Building/
Zoning
Inspector

Chad Edel
Rental
Housing
Inspector