



**AGENDA FOR
REGULAR CITY COUNCIL MEETING
JUNE 2, 2026 – 5:00 P.M.**

1. **Pledge of Allegiance**
2. **Call to Order**
 - Roll Call and Establishment of Quorum
3. **Approval of Agenda**
 - Council Changes
 - Staff Changes
4. **Approval of Minutes**
 - A. May 19, 2026
5. **Audience Participation** (10-minute time limit for items not on the agenda)
6. **Consent Agenda** (items approved with one motion)
 - A. Approve City Assistance with Celebrate Redwood Falls – Summer Splash
 - B. Approve Celebrate Redwood Falls – Summer Splash Parade Permit
7. **Scheduled Public Hearings**
8. **Old Business**
9. **Regular Agenda**
 - A. Presentation of Police Chief’s Commendation
 - B. Police Officer Position
 - C. Business Recruitment Incentive Policy
10. **Other Items and Communications**
 - A. Council Items
 - B. Staff Items
11. **Paid Bills and Claims – For Informational Purposes**
 - A. City of Redwood Falls Accounts Payable Summary
12. **Adjournment**

**MINUTES
REGULAR COUNCIL MEETING
CITY OF REDWOOD FALLS, MINNESOTA
TUESDAY, MAY 19, 2026**

Pursuant to due call and notice thereof, a regular meeting of the Redwood Falls City Council was called to order in the Municipal Chambers on Tuesday, May 19, 2026, at 5:00 p.m.

Roll call indicated Mayor Tom Quackenbush and Council Members Matt Smith, Denise Kerkhoff, Jim Sandgren, Larry Arentson, and Shannon Guetter were present, constituting a quorum.

Also present were City Administrator Keith Muetzel, Finance Director Kari Klages, City Attorney Trenton Dammann, Public Works Project Coordinator Jim Doering, and Deputy City Clerk Caitlin Kodet.

Mayor Quackenbush requested a motion to remove from the table and add to the Agenda as Old Business, Ordinance No. 104, Fourth Series and Resolution No. 31 of 2026.

A motion was made by Council Member Smith and seconded by Council Member Kerkhoff to remove from the table and add to the Agenda as Old Business, Ordinance No. 104, Fourth Series and Resolution No. 31 of 2026, and approve the agenda as presented. Motion passed by unanimous vote.

A motion was made by Council Member Arentson and seconded by Council Member Guetter to approve the May 5, 2026, minutes as presented. Motion passed by unanimous vote.

Richard Messer resident at 413 E. Broadway Street was present to address a concern regarding a neighbor parking a commercial semi-truck in the alley behind his house. Mr. Messer stated the commercial semi-truck is causing damage to the alley and was left running over night in a residential neighborhood. Mr. Messer stated he filed a complaint with the Police Department and City Hall and the neighbor is continuing to park in the alley.

City Administrator Muetzel stated City Staff is aware of the complaint and the owner of the semi-truck has been notified of the violation. City Staff was not aware the resident was continuing to park in the alley. Mr. Messer was advised to contact the non-emergency Police Department phone number the next time he observes the truck so the Police Department can address the violation.

A motion was made by Council Member Sandgren and seconded by Council Member Kerkhoff to approve the following items on the Consent Agenda:

1. Accept Police Department Body Worn Camera Audit
2. Housing and Redevelopment Authority Appointment
3. Fire Department Appointment
4. Request to use M&L Parking Lot for Worship in the Streets – The Circle of Healing
5. 2025 Water Consumer Confidence Report

Motion passed by unanimous vote.

City Attorney Dammann introduced Ordinance No. 104, Fourth Series – An Ordinance Amending the Unified Development Ordinance, 2014 Edition, As Provided In §14.04 of the Redwood Falls City Code, For the Purpose of Regulating the Use of Portable Storage/Shipping Containers Within the City of Redwood Falls.

Mr. Dammann stated the proposed ordinance was tabled at the May 5, 2026, City Council Meeting after waiver of a second reading. Ordinance No. 104 creates a new chapter in the Unified Development Ordinance for the regulation of portable storage/shipping containers. The goal of the ordinance is to provide for the public health, safety, and general welfare of the community and its people through the establishment of standards to ensure that portable storage/shipping containers are used for the short-term, temporary storage and transport of personal property; are not used as accessory buildings in residential and central business district zones; and do not impede vehicular access, traffic flow or circulation, or create public safety hazards.

Mr. Dammann stated on April 14, 2026, after published notice in the Redwood Gazette on April 2nd, a public hearing was held by the Planning Commission to discuss Ordinance No. 104, Fourth Series. After the hearing, the Planning Commission adopted the Findings of Fact found in Section 2 of Ordinance No. 104 and recommended approval of Ordinance No. 104. After the first reading of the ordinance on April 21, 2026, concerns were made known to City Staff as to the nature and extent of the ordinance's regulation of portable storage/shipping containers. Revisions were made to the ordinance to address those concerns. The ordinance was presented to the Council on May 5th for a second reading after amendments and was tabled at that time. Council requested additional information regarding the number of shipping containers and current placement based on zoning districts, as well as suggested possible edits to the Ordinance as presented.

Mr. Dammann stated City Administrator Muetzel requested a committee be formed to discuss the edits Council would like to make. Council Member Smith and Mayor Quackenbush agreed to meet with City Staff to evaluate the Ordinance and provide feedback. Further edits to the ordinance were made following that meeting. State law requires that all ordinances adopted be published prior to becoming effective. As Council is aware, Ordinance No. 104, Fourth Series is lengthy. However, Minnesota Statutes, Section 412.191, subd. 4, allows publication by title and summary in the case of lengthy ordinances or those containing charts or maps. Staff have prepared Resolution No. 31 of 2026 and Exhibit A, which contains the summary of Ordinance No. 104 for publication as a separate agenda item.

A motion was made by Council Member Smith and seconded by Council Member Guetter to waive the third reading of Ordinance No. 104, Fourth Series – An Ordinance Amending the Unified Development Ordinance, 2014 Edition, As Provided In §14.04 of the Redwood Falls City Code, For the Purpose of Regulating the Use of Portable Storage/Shipping Containers Within the City of Redwood Falls. Motion passed by unanimous vote.

A motion was made by Council Member Smith and seconded by Council Member Guetter to approve Ordinance No. 104, Fourth Series – An Ordinance Amending the Unified Development Ordinance, 2014 Edition, As Provided In §14.04 of the Redwood Falls City Code, For the Purpose of Regulating the Use of Portable Storage/Shipping Containers Within the City of Redwood Falls. Motion passed by the following roll call vote:

AYE: Council Members Arentson, Kerkhoff, Smith, Guetter, and Sandgren,
NO: None

City Attorney Dammann introduced Resolution No. 31 of 2026 – A Resolution of the City of Redwood Falls Providing for the Summary Publication of Ordinance No. 104, Fourth Series, An Ordinance Amending the Unified Development Ordinance, 2014 Edition, as Provided in §14.04 of the Redwood Falls City Code, for the Purpose of Regulating the Use of Portable Storage/Shipping Containers Within the City of Redwood Falls.

Mr. Dammann stated the proposed resolution was tabled at the May 5, 2026, City Council Meeting. State law requires that all ordinances adopted be published prior to becoming effective. As the Council is aware, Ordinance No. 104, Fourth Series, is lengthy. However, Minnesota Statutes, Section 412.191, subd. 4, allows publication by title and summary in the case of lengthy ordinances or those containing charts or maps. Staff have prepared Resolution No. 31 of 2026 and Exhibit A, which contains the summary of Ordinance No. 104 for publication.

A motion was made by Council Member Kerkhoff and seconded by Council Member Arentson to waive the reading of Resolution No. 31 of 2026 – A Resolution of the City of Redwood Falls Providing for the Summary Publication of Ordinance No. 104, Fourth Series, An Ordinance Amending the Unified Development Ordinance, 2014 Edition, as Provided in §14.04 of the Redwood Falls City Code, for the Purpose of Regulating the Use of Portable Storage/Shipping Containers Within the City of Redwood Falls. Motion passed by unanimous vote.

A motion was made by Council Member Guetter and seconded by Council Member Smith to approve Resolution No. 31 of 2026 – A Resolution of the City of Redwood Falls Providing for the Summary Publication of Ordinance No. 104, Fourth Series, An Ordinance Amending the Unified Development Ordinance, 2014 Edition, as Provided in §14.04 of the Redwood Falls City Code, for the Purpose of Regulating the Use of Portable Storage/Shipping Containers Within the City of Redwood Falls. Motion passed by unanimous vote.

Police Chief Jason Cotner was present to introduce Agenda Item 9A – Police Officer Position.

Chief Cotner stated in March of 2026, a hiring process was initiated to fill a vacant police officer position. An interview panel met with several candidates and at the conclusion of the process Jacob Hildebrandt was identified as the leading candidate.

Chief Cotner stated since then, Mr. Hildebrandt has completed his education at Alexandria Technical College, passed a psychological examination and physical examination, and submitted his background packet to the department's background investigator. In addition, he was scheduled to take the Minnesota Peace Officer Standards and Training (POST) test. City Staff received confirmation just prior to the Council Meeting that he passed the POST test and is now eligible to begin work at Redwood Falls Police Department. Staff recommend Council approve hiring Jacob Hildebrandt to fill the vacant police officer position.

A motion was made by Council Member Sandgren and seconded by Council Member Smith to approve the Police Officer Position Offer to Jacob Hildebrandt. Motion passed by unanimous vote.

City Attorney Dammann introduced Resolution No. 33 of 2026 – Authorization to Execute Lease Agreement with Fernelius Enterprises, LLC.

Mr. Dammann stated in 2001, the City of Redwood Falls and the Redwood Falls Golf Club entered into a lease agreement allowing the Golf Club to construct and operate a portion of the golf course on land owned by the City. The lease agreement included provisions granting the City the right of First Refusal and the right of Last Refusal to purchase the golf course in the event it was ever sold. On November 22, 2022, Fernelius Enterprises, LLC presented Golf Club member shareholders with a proposal to acquire the course for the outstanding debt. At the December 6, 2022, City Council meeting, Ryan Fernelius made a request to Council to not exercise the rights of First and Last Refusal. At that time a motion was made and seconded to approve the request to not exercise the City's rights of First and Last Refusal. The motion passed by unanimous vote.

Mr. Dammann stated County records indicate that a contract for deed was entered into by the Redwood Falls Golf Club and Fernelius Enterprises in December of 2023. Due to the change in ownership, a new lease agreement is needed for Fernelius Enterprises. A draft lease agreement was prepared using the previous lease agreement as a template with several updates and removal of several provisions that were no longer required, such as the rights to First and Last Refusal. Staff recommend Council approve of the updated lease agreement, with authority given to the Mayor and City Administrator to negotiate further amendments in good faith.

A motion was made by Council Member Smith and seconded by Council Member Kerkhoff to waive the reading of Resolution No. 33 of 2026 – Authorization to Execute Lease Agreement with Fernelius Enterprises, LLC. Motion passed by unanimous vote.

A motion was made by Council Member Arentson and seconded by Council Member Guetter to approve Resolution No. 33 of 2026 – Authorization to Execute Lease Agreement with Fernelius Enterprises, LLC. Motion passed by unanimous vote.

Council Member Smith requested an update on the road conditions of US 71/MN 19, Bridge Street.

City Administrator Muetzel stated MnDOT is in the process of discussing options for repairing the deteriorating highway. MnDOT has not made a decision on how to address the issue. City Staff will be following up with MnDOT staff in early June. A full mill and overlay of the Y-intersection is still planned with the contract to start in September.

Mayor Quackenbush asked if anyone had an update on the new Kayak Rentals at Lake Redwood. Council Member Guetter stated she tried the rental process and it was easy to use.

Council Member Smith requested an update on the pickleball court project in Ramsey Park.

City Administrator Muetzel stated the site is ready for paving, but the contractor is waiting for warmer weather before completing the final paving.

Council Member Arentson stated the Library Expansion construction is underway with cement being poured at the site today.

City Administrator Muetzel stated new additions to the Ramsey Park Zoo were scheduled to be delivered today. The park zoo will be home to the Scottish Highlander cattle for the summer.

Public Works Project Coordinator Doering stated the City was approved for \$1.3 million from the House and Senate bonding bill to make repairs to the historic swayback bridge. The repairs will be scheduled in 2027.

Public Works Project Coordinator Doering stated Sweetman Sanitation is partnering with the City to start promoting designated summer clean-up days. Sweetman Sanitation will be offering garbage drop-off days in Redwood Falls this summer on the last Friday of each month, May through August. The first Clean-Up Day will be Friday, May 29, 2026, from 3:00-7:00 p.m. Items must be brought to the drop-off location at 1200 S. Mill Street.

Bills and Claims were presented to the Council for informational purposes. No questions, comments or concerns were raised.

There being no further business, a motion was made by Council Member Arentson and seconded by Council Member Sandgren to adjourn the meeting at 5:43 p.m. Motion passed by unanimous vote.

ATTEST:

Keith Muetzel
City Administrator

Tom Quackenbush
Mayor



Ross Nachreiner
 Redwood Falls Parks & Rec Director
 Phone: 507-616-7444
 Fax: 507-644-2199
 rnachreiner@ci.redwood-falls.mn.us

Council Meeting: Tuesday, June 2nd, 2026

Agenda Item: Celebrate Redwood Falls – Summer Splash 2026

Date: Tuesday, May 26th, 2026

Summary/Overview:

The Celebrate Redwood Falls Committee will be hosting the annual Summer Splash Event on Friday, June 26th at Memorial Athletic Complex.

City of Redwood Falls staff have met and will continue to meet with the Celebrate Redwood Falls Committee as they plan for these community events.

Staff is recommending to the City Council the following assistance and waiving of rental fees for the Celebrate Redwood Falls events:

Community events including the Parade: Friday, June 26th, 2026:

- ½ price Open Swim (\$3 entry into pool from 1:30p-4:30p – the pool ends up being extremely busy this day and we end up with many patrons who do not know the rules and refuse to listen to them.
- Parade: Start time has been adjusted to 6p vs. 7p which has been for years. Will be going back to using 4th St. due work being done at the library. See attached. Use barricades and staff time to set up prior to event and tear down when event is over. This to include parade route with no parking signs.
- Use of Memorial Park to include the Pryor Pavilion and open green space for inflatables, games and food stands.
- Use of city owned cones, barricades, & picnic tables (15).
- Use of Memorial Athletic Complex for fireworks (10p).
- Street Department to install no parking signs on parade route as well as unit staging area. Chestnut St. (both sides of road) as well as Wyoming St. (just south side) from Lincoln to Gould St.

The activities listed above are ones that reflect usage of city property. The committee has other events planned during the Summer Splash celebration weekend and can be found on their website and Facebook page.

Attachments: *Parade Route*

40th Annual Redwood Falls Community Parade Friday, June 26, 2026 - 6:00PM



5:00pm parade check in - text 507-508-2783 or stop by the library

For more information:
Cindy LaBrie (425) 941-0197
contactus@celebrateredwoodfalls.com

AGENDA RECOMMENDATION

Meeting Date: June 2, 2026

Agenda Item: Parade Permit for the Celebrate Redwood Falls Summer Splash Event

Recommendation/Action Requested:

Celebrate Redwood Falls has completed the necessary application process and submitted an approved parade route. The parade will be part of this year's annual Summer Splash Redwood Falls community events. The parade will be starting on Friday, June 26, 2026, at 6:00 p.m. Staff recommend approval.

Attachment: Parade Route - included with City Assistance Request

Meeting Date: June 2, 2026

Agenda Recommendation

Agenda Item: Presentation of Chief's Commendation to Sgt. Brady Stough and Officer Lucas Hodges

Recommendation/Action Requested: Staff recommends presentation of the award

Summary/Overview:

On March 20, 2026, Sgt. Brady Stough and Officer Lucas Hodges responded to a medical emergency involving a Redwood Falls resident experiencing a heart attack. Officers found the patient unresponsive and not breathing and began CPR and use of an AED. After several minutes of life saving efforts Centra Care Ambulance arrived on scene to take over. Centra Care Ambulance later reported the patient survived and credited his survival directly to the actions of the on-scene RFPD personnel.

Attachments:

Award Nomination

Redwood Falls Police Department Award Nomination Form

This form may be filled out to nominate an officer of the Redwood Falls Police Department or a citizen for conduct which you believe is worthy of recognition. This form is to be filled out by the person who has firsthand knowledge of the events and circumstances which you believe warrant recognition.

Your Name: Steven Schroeder

Your Address: 309 North Drury Street, Redwood Falls MN 56283

Your Phone Number: (507)-430-1270

Nominated Officer or Citizen Name: Sgt. Brady Stough #205

Officer Lucas Hodges #212

Requested Award

Award of Valor: This award is presented to officers who perform their duty to the highest standards despite the immediate threat of great bodily harm or death to themselves or others.

Award of Excellence: This award is presented to officers who perform their duty to the highest standards and in a manner that demonstrates their dedication to achieving the mission of the Redwood Falls Police Department. This award may be conferred for actions in the field requiring immediate action or which required an extended period of time to achieve.

Chief's Commendation Award: This award is presented to members who, during the course of their official duties, provide a service that is carried out in a superior manner. This award may be conferred for duties including, but not limited to: enforcement activity, lifesaving efforts, departmental service, or community service.

Outstanding Citizen Award: This award is presented to citizens who significantly assist or support the efforts of the Redwood Falls Police Department to achieve its mission.

Other officers that have firsthand knowledge or were directly involved in this incident and could be contacted to corroborate information:

- Sgt. Brady Stough #205
- Officer Lucas Hodges #212

Please provide the circumstances and details of the incident which you feel the officer or citizen warrants recognition. Please provide as much detail as possible since this nomination will be reviewed by persons who were not present and have no knowledge of the incident. If more space is required please continue on a separate sheet.

On 03/20/2026 at approximately 2034 hours, Sgt. Brady Stough #205 and Officer Lucas Hodges #212 were requested to respond to the area of 411 West Middle Street in the City of Redwood Falls, MN, for a reported medical emergency. Officers were advised that a 62-year-old male at that location was suffering from a heart attack. Officers immediately responded to the location. Officers located the male in a seated position in a reclining chair in the living room area of the residence. Officers checked for signs of life and found the male was unresponsive and did not appear to be breathing. Officers lowered the male to the floor and began chest compressions. Officers applied a defibrillator and delivered two (2) shocks. After several minutes of lifesaving efforts, CentraCare Ambulance arrived and continued lifesaving medical intervention. The males condition improved and he was transported to the hospital for continued care. Everyone's actions during this incident are commendable and contributed to the successful outcome. It is clear that actions performed by Sgt. Brady Stough #205 and Officer Lucas Hodges #212 directly contributed to saving the males life, and they should receive the Chief's Commendation Award. See Redwood Falls Police Department case file 26201149 for further details.

Meeting Date: June 2, 2026

Agenda Recommendation

Agenda Item: Conditional Employment Offer for Seth Olson

Recommendation/Action Requested: Staff Recommends approval of offer

Summary/Overview:

In March of 2026, a hiring process was initiated to fill a vacant patrol officer position. Applications were taken and an interview panel consisting of City Administrator Keith Muetzel, Police Chief Jason Cotner, and Assistant Police Chief Steve Schroeder met with several candidates. At the conclusion of that process Seth Olson from Dalbo, Minnesota, was identified as the best candidate.

At this time, Mr. Olson has successfully passed a physical exam, psychological test, and background check and he is scheduled to take the POST Board licensing exam on Friday, May 29, 2026. Staff recommends city council approve a conditional employment offer contingent on confirmation from the MN POST Board that Mr. Olson passed the peace officer exam.

Attachments:

Offer Letter



Sheila Stage
Human Resources Coordinator
Phone: 507-616-7400
Fax: 507-637-2417
sstage@ci.redwood-falls.mn.us

March 25, 2026

Mr. Seth Olson
27400 Xenon St. NW
Dalbo, MN 55017

Dear Seth,

We are very pleased to offer you the full-time position of Police Officer for the City of Redwood Falls. We look forward to having you as part of our team. Please be advised that this offer of employment is contingent upon the following:

- POST Certified
- A satisfactory background check conducted by the Redwood Falls Police Department.
- A satisfactory report from your drug test, pre-employment physical, and psychological testing.
- City Council approval at the next scheduled City Council meeting after the above items have been completed.

This position is classified as full-time, non-exempt (overtime eligible). The normal work period for Police Officers consists of 28 consecutive days. The City of Redwood Falls complies with the Fair Labor Standards Act in relation to overtime for any hours worked in excess of 171 hours during a normal 28-day work period. Your position is eligible for overtime. This position will require varying hours of work that will necessitate evening and weekend work.

In accordance with City policy and applicable law, the following deductions will be made from your payroll checks:

- Insurance premiums for health, life, flex accounts, and group accident plans *only if you elect them.*
- Statutorily required PERA contributions.
- Federal and State withholding for taxes, etc.
- Applicable union dues.

As permitted by City policy, you are entitled to the following allowances:

- An annual \$900.00 Uniform allowance as per the 2025-2027 LELS Union Contract.

Your starting wage will be \$34.79 per hour or step one of the 2026 LELS Wage Schedule and your first day of work is yet to be determined. In January of 2027, you will be eligible for a 3% COLA increase and after one year of service, you will be eligible for a step increase as long as you have a satisfactory evaluation. All newly hired LELS employees shall serve a twelve (12) month probationary period.

Per our standard procedure, this offer letter is not intended, nor should it be considered as, an employment contract for a definite or indefinite period of time.

Your position is subject to a 14 day pay period and our regularly scheduled pay period is bi-weekly.

As a full-time employee, you will accrue vacation and sick leave on a bi-weekly basis. Your vacation leave accrual will begin at 3.69 hours per pay period. Your sick leave accrual will be 3.69 hours per pay period. As per the 2025 LELS Union Contract you are able to accumulate up to 80 hours of comp time.

Page 2
Offer Letter
Seth Olson

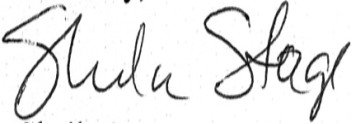
In accordance with the Immigration and Reform and Control Act of 1986, you must provide appropriate documentation to establish identity and eligibility for employment on your first day of work. I've included a copy of the Department of Homeland Security's list of acceptable documents for your review. Please complete Section 1 of the I-9 form and bring this completed document with you on your first day of employment. You will need to bring documents for this form showing proof of identity and employment authorization. See page 3 of the I-9 document for a list of acceptable documents.

I have also included Form **SSA-1945** that contains information about the Windfall Elimination Provision and the Government Pension Offset Provision for you to sign since your employment in this job will not be covered by Social Security. I will need you to sign this form and return it to me.

In addition, prior to your first day of employment I will be sending you new-hire paperwork and your benefit enrollment forms to complete. However, some benefit forms may still need to be completed on your first day of employment so please make sure to bring dates of birth and social security numbers for any dependent you want covered by health insurance.

We are pleased that you will be joining our team and look forward to working with you in this position. If you have any questions prior to your start date, please feel free to contact me.

Sincerely,



Sheila Stage HR
Coordinator
cc: Personnel File

By signing below, I acknowledge I have received the foregoing information regarding my employment offer and related pay and benefits provided in accordance with Minnesota Statutes sec. 181.032. I understand that the City of Redwood Falls employment is not for a specific term and can be terminated by me or by the City of Redwood Falls at any time for any reason, with or without cause.

Name

Date

Once signed to indicate you'll be joining our team, email the entire offer letter to sstage@ci.redwood-falls.mn.us or send to our confidential fax number at (507) 637-2417.

You have a right to receive this notice in a language other than English. If you need this letter translated in other languages, please contact our office at (507) 616-7400.

Meeting Date: June 2, 2026

AGENDA RECOMMENDATION

Agenda Item: Business Recruitment Incentive Policy

Recommendation/Action Requested: City Council Approval.

Summary/Overview:

On March 31, the city council held a work session to discuss marketing activity for the Reflection Ridge Business Park. One of the meeting outcomes was a suggestion to develop an incentive program to encourage business recruitment efforts. A draft policy was reviewed by the city council on May 5 and the Port Authority on May 18. A final draft is attached for city council review and approval.

The policy provides for a one-time \$5,000 cash incentive to an eligible individual who directly and demonstrably facilitates the successful location of a new qualifying business within the City of Redwood Falls.

Attachments: Business Recruitment Incentive Policy

City of Redwood Falls Port Authority Business Recruitment Incentive Policy

Purpose and Intent

The purpose of this policy is to establish a Business Recruitment Incentive Program administered by the Redwood Falls Port Authority ("Port Authority") to promote economic development within the City of Redwood Falls.

This program advances a public purpose by encouraging private individuals to assist in identifying and recruiting new businesses that locate and operate within Redwood Falls, thereby supporting job creation, commercial activity, expansion of the local tax base, and overall economic vitality.

Payments made under this policy are performance-based incentives tied to verified outcomes and are not gifts or donations of public funds.

Legal Authority

This policy is adopted pursuant to Minnesota Statutes, Chapter 469, including provisions governing Port Authorities; Article X, Section 1 of the Minnesota Constitution; and all applicable state laws governing public expenditures, contracting, and conflicts of interest.

The Redwood Falls Port Authority is specifically created and governed by Minn. Stat. § 469.0721, which authorizes the City of Redwood Falls to establish a port authority commission by adopting an enabling resolution, and provides the commission with the combined powers of a port authority established under § 469.049 and a housing and redevelopment authority under Chapter 469, and authority to administer municipal development districts under § 469.131. Procedural requirements for adoption and modification of the enabling resolution are set forth in Minn. Stat. § 469.0723. The Port Authority's implied authority to contract for industrial development purposes is supported by Minn. Stat. § 469.059, subd. 5, which authorizes port authorities to make contracts for an industrial development purpose.

The Port Authority finds that business recruitment constitutes an essential governmental function and that expenditures made under this policy serve a valid public purpose.

Program Description

The Redwood Falls Port Authority may provide a one-time cash incentive to an eligible individual ("Recruiter") who directly and demonstrably facilitates the successful location of a new qualifying business within the City of Redwood Falls.

No incentive shall be paid unless all eligibility, performance, and verification requirements of this policy are satisfied.

Eligible Recruiters

To qualify as a Recruiter, an individual must meet all of the following criteria:

- Be at least 18 years of age;
- Not be an employee, officer, or commissioner of the City of Redwood Falls or the Port Authority;
- Not have a direct or indirect ownership interest in the recruited business;
- Not own, lease, or hold a financial interest in the property occupied by the recruited business;
- Not be acting in the capacity of a licensed realtor, broker, developer, or agent receiving commission-based compensation.

As a condition of eligibility and payment, a Recruiter shall certify, represent, and warrant in the application and certification forms that: (a) the Recruiter's activities do not constitute real estate brokerage requiring licensure under Minn. Stat. Ch. 82; (b) the Recruiter has not negotiated or facilitated any real estate transaction (including but not limited to the sale, lease, or rental of real property) in connection with the recruited business's location; and (c) the Recruiter will not claim or accept any commission, fee, or other valuable consideration for acts requiring licensure.

The Port Authority will condition payment upon receipt of the Recruiter's certification and reserves the right to deny or rescind payment if it determines the Recruiter's activities required licensure.

Eligible Businesses

A recruited business must meet all of the following conditions:

- Be new to Redwood Falls, having been located outside the city limits prior to recruitment;
- Establish and operate a commercial or industrial business within Reflection Ridge Business Park, Ponderosa Business Park, or other Port Authority property held for sale;
- Comply with all applicable zoning, licensing, building, and regulatory requirements; and
- Operate continuously for at least six (6) consecutive months.

Incentive Amount

The standard incentive shall be \$5,000 per qualifying business.

Only one incentive may be awarded per recruited business regardless of the number of individuals involved. Incentive amounts may be adjusted by Port Authority Board resolution.

Performance and Verification Requirements

Prior to payment, the Port Authority must verify and document that the Recruiter was the primary and direct cause of the business locating in Redwood Falls, that the business has operated continuously for at least six (6) months, that the business is in good standing with the City and State, and that measurable public benefit has been realized.

“Primary and direct cause” means that, based on the totality of the evidence, the business would not likely have located in Redwood Falls at the time and on substantially similar terms but for the Recruiter’s qualifying activities, and that other contributing factors were not of equal or greater significance.

In furtherance of Article X, Section 1 public purpose requirements, payment is also conditioned on documented, specific, and measurable public benefits attributable to the recruited business’s location and operation, which shall be verified and included in the administrative record prior to payment. At a minimum, the Port Authority shall document one or more of the following, as applicable: (a) Number of net new jobs created; (b) Amount of private capital investment in facilities, equipment, or site improvements; and (c) Estimated annual property tax contribution upon full valuation.

“Measurable public benefits” means quantifiable outcomes attributable to the recruited business’s location and operation, including but not limited to job creation, capital investment, property tax base expansion, and activation of Port Authority-owned property.

Recruiters must submit a written application and certification in a form prescribed by the Port Authority. The application shall include: (a) detailed description of the Recruiter's activities demonstrating primary and direct causation; (b) the certifications and warranties required for eligibility; (c) acknowledgment of tax reporting; and (d) acknowledgment of penalties for false statements.

Payment Conditions

Incentives shall be paid only after all performance criteria are met and verified.

Payments shall be made by check or electronic funds transfer. Incentives constitute taxable income and will be reported in accordance with applicable law. No advance payments are permitted.

Conflict of Interest and Prohibited Payments

No incentive shall be paid where a prohibited conflict of interest exists, where the payment would constitute a gift or donation, or where the primary benefit of the payment accrues to a private interest rather than the public.

This policy incorporates the requirements of Minn. Stat. §§ 471.87 and 471.88; public officers authorized to take part in making any sale, lease, or contract shall not have a personal financial interest or personally benefit financially therefrom, except as expressly permitted under § 471.88 and subject to its procedural requirements. Any false certification or material misrepresentation shall result in denial of payment and may require reimbursement of funds.

Board Approval and Administrative Record

Each incentive payment shall be authorized by Board resolution after staff verification of compliance. The resolution shall: (a) identify the Recruiter and the recruited business; (b) summarize findings of primary and direct causation; (c) summarize measurable public benefits; (d) state the incentive amount; (e) confirm compliance with conflicts procedures; and (f) direct issuance of payment.

The Port Authority shall maintain an administrative record for each payment including the Recruiter's application and certifications, staff verification memorandum, evidence of operational continuity, documentation of public benefits, conflict disclosures and recusals, and the Board resolution. Creating a documented administrative record for each payment aligns with governance standards and supports auditing compliance.

Funding and Budget Control

Incentives shall be paid solely from funds legally available and appropriated by the Redwood Falls Port Authority. Incentives shall be paid only after all performance criteria are met and verified, and payments shall be made by check or electronic funds transfer; no advance payments are permitted.

Adoption of this policy does not obligate the Port Authority to fund incentives beyond available resources.

Administration and Discretion

The Executive Director or designee shall develop application, certification, and verification forms consistent with this policy. Staff shall screen applications for indicia of real estate brokerage activity and may require supplemental information or legal review. The Redwood Falls Port Authority Board retains final authority to approve or deny applications, interpret and administer this policy, and amend, suspend, or terminate the program at any time by resolution. The Executive Director is authorized to implement administrative procedures consistent with this policy and to execute documents necessary to administer approved payments following Board authorization.

No Right or Entitlement

Nothing in this policy creates a right or entitlement to payment. The Board retains discretion to approve or deny any application consistent with this policy and applicable law.

Non-Assignment; One Incentive Limit

The right to apply for or receive an incentive under this policy may not be assigned or transferred.

Severability

If any provision of this policy is determined to be invalid or unenforceable, such determination shall not affect the remaining provisions.

Adoption

Adopted and approved by the Redwood Falls Port Authority on May 18, 2026.