



# MEMORANDUM

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"...meeting community needs...enhancing quality of life."

TO: Community & Economic Development Committee (CEDC)

FROM: Matt Rehbein, Economic Development Specialist

DATE: May 15, 2019

RE: Offer to Purchase – Lots 1, 2 & 3 Northeast Industrial Park Plat #4, Valley Tool, Inc. or its assigns

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The City of Appleton received an Offer to Purchase from Valley Tool, Inc. or its assigns for Lots 1, 2 & 3 in the Northeast Industrial Park Plat Number 4, comprised of approximately 4.36 acres on April 16, 2019. Counter Offer #1 was submitted by the City on May 2, 2019, and the City received Counter Offer #2 on May 6, 2019.

Valley Tool, Inc. anticipates initially constructing a 10,000 square foot warehouse with loading dock and ability to expand to a facility consisting of the warehouse, a 10,000 - 15,000 sq. ft. manufacturing plant with 700-amp electrical capacity, and an office area totaling up to 6,000 sq. ft. Construction is anticipated to be complete by Fall 2019.

The Offer to Purchase is for \$160,000.00, which is \$36,697.25 per acre. The City is currently asking \$40,000 per acre. There are no real estate commissions requested for this transaction.

Counter Offer #2 re-affirms the items addressed in Counter Offer #1, adjusts dates for acceptance and closing, and requests a variance to the Deed Restrictions and Covenants to allow a loading dock and overhead door facing east towards Zuehlke Drive.

Staff has not received a site plan or elevation at the time of this memorandum. Based on prior conversations with the buyer, their intent is to build in phases, beginning on the northeast corner of the three lots and expanding to the east in future phases. Having two frontages further limits options for location of docks and doors. It is not unprecedented to have docks facing the road in other parts of the Northeast Industrial Park. Staff believes this is a reasonable request and recommends approval of the variance, with final details of location, screening, landscaping etc. to be approved administratively through the site plan process.

## **Staff Recommendation:**

Staff shall submit the attached Counter Offer #3 to the Offer-To-Purchase for Lots 1, 2 & 3 in the Northeast Industrial Park, Plat 4 from Valley Tool, Inc., approving a variance to the Deed Restrictions and Covenants subject to staff approval of final site plans and elevations of east side **BE APPROVED**.