



# MEMORANDUM

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TO: Community and Economic Development Committee

FROM: Matt Rehbein, Economic Development Specialist

DATE: May 1, 2018

RE: Farrell Investments Offer to the City of Appleton to Repurchase Vacant Property (Lots 1, 2 & 3 of Plat 4 in the Northeast Industrial Park)

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Farrell Investments purchased 4.32 acres of land from the City of Appleton, comprised of parcels 1-5359 and 1-5360 on April 30, 2015 and Parcel 1-5361 on June 29, 2016 (Lots 1, 2 & 3 in Plat 4, Northeast Industrial Park) with the intent to build a new Appleton store location. Subsequently, Farrell Investments has found an existing building that will meet their needs, which they are in the process of purchasing.

On April 26, 2018, staff received a letter from Farrell Investments indicating their interest in the sale of the above-referenced vacant parcels in the Northeast Business Park (attached). Per the Deed Restrictions and Covenants (attached), the property must be offered to the City of Appleton prior to sale to another party.

The City no longer controls any land in the Northeast Industrial Park for development, and the repurchase of this land would provide inventory to actively market to new/existing businesses.

Following the repurchase price calculations outlined in the Deed Restrictions and Covenants, the estimated cost of the land is approximately \$171,738.00, subject to tax pro-rations and outstanding liens. Farrell Investments has also completed a wetland delineation at a cost of \$2,682.57. While not spelled out in the Deed Restrictions and Covenant calculation of value, this report would be beneficial information to have for future marketing. If added to the estimated purchase price, the total would be approximately \$174,420.57 (subject to pro-rations). There is \$200,000 in the Industrial Park Land Fund Budget identified for repurchase of vacant land.

Staff Recommendation:

The City exercise its right to repurchase per the Declaration of Covenants and Restrictions, Section 11 for Lots 1, 2 & 3 of Plat 4 in the Northeast Industrial Park and increase the purchase price by the cost of the wetland delineation **BE APPROVED.**