



MEMORANDUM

TO: Community and Economic Development Committee

FROM: Matt Rehbein, Economic Development Specialist

DATE: February 28, 2017

RE: Offer to Purchase – Lot 7, Southpoint Commerce Park, Plat 1 – Manda Panda Properties

The City of Appleton has received an Offer to Purchase from Manda Panda Properties LLC, for Lot 7, Southpoint Commerce Park Plat Number 1, comprised of approximately 3.3 acres for a price of \$132,000.00 (\$40,000.00 per acre). The proposed closing date, per the contract, is by July 31, 2017.

Security Luebke Roofing, Inc. would occupy the proposed light industrial building with office and warehouse space of approximately 20,000 square feet.

The offer to purchase is for the full asking price and was facilitated by a commercial real estate broker. The City's commission policy provides for commissions of 8% of the purchase price. There are two additional provisions of note listed on lines 458 through 463:

“The City of Appleton will provide an investment of 50% of the land purchase amount (50% of \$132,000 = \$66,000) to the buyer upon occupancy of the new building.”

“The City will provide a variance to the Deed Restrictions and Covenants regarding Repurchase Rights. The buyer shall have two (2) years from the date of purchase to commence construction before the City's Repurchase Rights under “Failure to Build” shall be actionable.”

The City's investment in this project would be memorialized by a Development Agreement between the City of Appleton and Manda Panda Properties.

Staff Recommendation:

The acceptance of the Offer To Purchase of Lot 7, Southpoint Commerce Park, Plat 1 from Manda Panda Properties for \$132,000.00 (\$40,000.00 per acre), comprised of approximately 3.3 acres, and staff authorization to negotiate and execute a development or like agreement providing City investment in the project of up to 50% of the land purchase amount (50% of \$132,000 = \$66,000) and granting a variance to the Deed Restrictions and Covenants to allow two years for commencement of construction **BE APPROVED.**