



MEMORANDUM

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

TO: Community & Economic Development Committee (CEDC)

FROM: Matt Rehbein, Economic Development Specialist

DATE: June 12, 2019

RE: Offer to Purchase – Lots 5 and 11 Southpoint Commerce Park Plat 1 from Messenger Property Management, LLC

The City of Appleton has received an Offer to Purchase from Messenger Property Management, LLC for Lots 5 and 11 in Southpoint Commerce Park Plat Number 1, comprised of approximately 2.32 and 3.25 acres respectively.

Messenger Property Management, LLC anticipates construction of a building for food grade manufacturing and distribution. Their goal is to be up and running within 12 months, so construction would have to begin shortly upon approval of plans.

The Offer to Purchase is for the full asking price per acre; however, there is one additional provision of note listed:

- 1) The City of Appleton will provide an investment of 50% of the land purchase amount (50% of \$222,800 = \$111,400) to Buyer upon completion of construction and occupancy of the new building. Each lot would be handled independently for the reinvestment.

This is the same language that has been approved in past transactions to encourage investment in the City resulting in increased net new construction. There is no broker commission due in this transaction.

The City's investment in this project would be memorialized by a Development Agreement between the City of Appleton and Messenger Property Management, LLC.

Staff Recommendation:

Acceptance of the Offer-To-Purchase for Lots 5 and 11 in Southpoint Commerce Park, Plat 1 from Messenger Properties, LLC for \$222,800.00 (\$40,000.00 per acre) comprised of approximately 2.32 and 3.25 acres respectively 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 \$222,800 = \$111,400) **BE APPROVED**.