



# 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: June 26, 2019

RE: Offer to Purchase – Lots 1 & 2 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 in the Northeast Industrial Park Plat Number 4, comprised of approximately 2.92 acres on June 18, 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 \$107,000.00, which is \$36,643.84 per acre. The City is currently asking \$40,000 per acre. There are no real estate commissions requested for this transaction.

The remaining terms of this offer are aligned with those previously approved by Council on June 5, 2019 with one exception. This Offer to Purchase is for Lots 1 & 2 only, with an option to purchase Lot 3 within the next 3 years for \$53,850 (\$37,395.83 per acre). The original offer, submitted on April 16, 2019 was for Lots 1, 2 & 3.

## **Staff Recommendation:**

The City of Appleton accept the Offer-To-Purchase for Lots 1 & 2 in the Northeast Industrial Park, Plat 4 from Valley Tool, Inc. and authorize staff to negotiate and execute an option to purchase for Lot 3 in the Northeast Industrial Park, Plat Number 4 **BE APPROVED.**