

## Report to the City of Manitowoc Finance Committee

**Meeting Date:** September 5, 2017

**Agenda Item:** Letter of Interest Regarding I-43 Tech Park Land Sale (Parcel 449-003-070, 3.16 acres) and Recommendation of the Industrial Development Corporation to Approve

**Reason for Request:** Color Craft is planning to expand its facility to create additional production capacity. See the attached preliminary building and site plans for details. Common Council approval is required for all land sales in the I-43 Tech Park.

**Report:** The subject parcel is available and unencumbered by any purchase option. It does not contain any known wetlands or any wetland indicator soils according to the WDNR Surface Water Data Viewer. The parcel is moderately sloped and located outside of any existing, fully compliant stormwater management facility service area. Additional onsite stormwater management may be necessary with the new construction.

The existing Color Craft facility at 5631 West Drive is adjacent to the north of the subject parcel. Construction of the proposed addition would require the two parcels to be combined. The owners of Color Craft had purchased the 2.79 acre parcel adjacent to the east back in 2000. In 2013, they determined that the parcel was not needed, and it was returned to the City at no cost to the City. Based on the layout of the existing plant and the desired areas of growth, Color Craft is now proposing to expand the building to the south.

Due to this history, staff is recommending that consideration is extended for the 2013 land donation to the City. The amount of the 2000 land purchase was \$27,840. Assuming a 50% land rebate is achieved, this approach will provide sufficient funds to support the rebate after the completed project is assessed for valuation.

The Manitowoc Industrial Development Corporation has approved of this land sale under the conditions listed below and is forwarding a recommendation for the same.

**Recommendation:** The Community Development Department recommends approval of the land sale subject to the following conditions.

1. The land sale price shall be reduced from \$63,200 to \$35,360 plus closing costs to reflect a credit for the previous (2013) land donation of the parcel to the east sold for \$27,840.
2. For the purposes of the Land Rebate Policy, the gross purchase price shall be \$35,360, and the assessed value of the new addition shall be considered as the project regardless of the fact that portions of it will be located on the existing parcel.
3. The use of the parcel shall comply with the Manitowoc I-43 Industrial Park Protective Covenants.
4. The parcels shall be combined as part of the site plan review process.

5. The Community Development director is authorized to negotiate and finalize the offer to purchase and terms of the sale, and to proceed to close the land sale with City officials authorized to sign all the related documents.