



## **Memo**

To: Honorable Mayor Armitage; City Council  
From: Bryan Myrkle, Community Development Director  
Date: November 22, 2022  
Re: Staff report on Anderson Construction proposal regarding Combs Park property

### **Background**

I have been working with Nick Anderson of Anderson Construction & Eric Rogers, LLC on a proposal for an expansion of his business in the Combs Industrial Park.

Anderson Construction is a growing business already located in the park, sharing space with Eric Rogers, LLC. They have a need for more room and would like to acquire additional space within the park.

I have negotiated a tentative agreement with Mr. Anderson, which is reflected in his proposal (attached).

In short, there is available space on the north side of the park which has not attracted very much development interest over the years, because it is in close proximity to a county drain, a protected (undevelopable) wetlands area, and because a portion of it is overgrown with trees and vegetation. This area totals about 15 acres (estimated).

Over the years, the City has sold all property within Combs Park for \$10,000 per acre. Using that as a benchmark, Mr. Anderson is proposing to purchase 7 of these 15 acres by trading the City services with a value of \$70,000. These services would consist of clearing and leveling the remaining 7-8 acres to make it farmable and saleable. This would allow for the expansion of Anderson Construction, and provide additional, nicer acreage in Combs Park for the City to sell.

City Attorney Hitch has advised that this arrangement would be a legal way to sell City property. However, in order to move this purchase forward, we will have to complete the appropriate title work, arrange for a land survey and the creation of new property descriptions, and secure a 3<sup>rd</sup> party estimate of the proposed services to be traded. These would be paid for from dedicated LDFA funds intended to facilitate development in the park. However, because this is a unique arrangement, we did not want to incur any sale and development expenses without making sure the City Council is basically supportive of the idea.

### **Recommendation**

Provide feedback on the sale and development proposal, and authorize moving forward if Council feels it is appropriate.

### **Financial Impacts**

This proposal would provide additional revenue to the City through future taxes, and will create new farmable and saleable acreage in Combs Park.