

Legislation Text

File #: 20-3713, **Version:** 1

Staff Update, Board Discussion and Possible Action Regarding the Purchase and Sale Contract with Seefried Industrial Properties, Inc. for the Sale of 53.045 acres of MEDC Owned Land South of Easy Drive

Consider approval of the Purchase and Sale Contract with Seefried Industrial Properties, Inc. for the sale of 53.045 acres of MEDC owned land south of Easy Drive.

Approve the Purchase and Sale Contract with Seefried Industrial Properties, Inc. for the sale of 53.045 acres of MEDC owned land south of Easy Drive.

At the July Board meeting, the MEDC Board executed a Letter of Intent to enter into a Purchase and Sale Contract with Seefried Industrial Properties, Inc. for the sale of approximately 50 acres of MEDC owned land south of Easy Drive, identified as part of the Mansfield International Business Park (MIBP). The final Purchase and Sale Contract has now been drafted and approved by MEDC legal counsel. Seefried will actually be acquiring 53.045 acres at \$2.75 per sq. ft. for a total sales price of \$6,291,610 (calculated on net useable acreage of 52.522 acres) with a 2% commission to the broker. Seefried's intended use for the property is the construction of an approximately 200k sq. ft. distribution center for a client who will remain anonymous at this time due to an executed Non-Disclosure Agreement with the City. The anticipated investment for this project is between \$35 - \$45 million and it will create approximately 200 new jobs. Seefried and their client will not be seeking incentives for the project.

MEDC actually owns approximately 77± acres of land, so the remaining 25 acres consists of a regional detention area, drainage, utility and access easements as identified in the exhibit attached to the agreement. Approximately 20 acres (green area on Exhibit) will be transferred to a Property Owners Association (POA) who will have shared responsibility for the maintenance of the drainage channel and regional detention area. The POA agreement is being drafted and will be presented to the MEDC Board for approval at a future meeting. It will become part of the closing documents and will be recorded with the deed at the time of closing. This will ensure that future property owners are aware of it when they conduct a title search and understand their obligations. The remaining 4.5 acres (blue area on Exhibit) will remain in MEDC ownership and contains a gas line easement. However, staff would like to discuss the possibility of dedicating this property to the adjacent landowner, United Cooperative Services, the local electric utility provider to further expand their approximately 60 acres for future development. (See attached exhibit)

This land purchased by Seefried will be used to construct an approximately 200k sq. ft. warehouse with a capital investment of over \$30 million resulting in additional tax revenue to the City of Mansfield. It will also create approximately 200 new jobs. The sale proceeds can be used by MEDC to assist in attracting other desirable projects.

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