



Grand Forks Growth Fund, a JDA
Staff Report
Growth Fund Committee – April 27, 2020
JDA – May 4, 2020

Agenda Item: Midcontinent Communications Purchase Offer – 2755 South 48th Street

Submitted by: Ryan Brooks, Deputy City Planner

Staff Recommended Action: Authorize execution of a purchase agreement, subject to City Attorney review, reflecting a counter offer of \$3.25/sq. ft.

Growth Fund Action: CONCUR

JDA Action:

BACKGROUND:

Staff has received an offer from Midcontinent Communications to purchase 2.81 acres in the Grand Forks Business Park to construct a Technical Operations Center (TOC) that will house engineers and technicians who manage their plant and install cable/internet/phone service to homes and businesses.

Midcontinent's offer is \$395,000, which equates to \$3.23/s.f. I have let them know that we would likely counter offer at \$3.25/s.f. to maintain consistent pricing policy. A replat to split the property as shown on the attached drawing will be required and has typically been the responsibility of the seller (JDA). Other terms of note include a 90-day due diligence period and \$5,000 in earnest money.

ANALYSIS AND FINDINGS OF FACT:

- In 2016, the Growth Fund determined that cost certainty and shovel-ready industrial land were priorities for developing the Business Park. In 2018, infrastructure installation was completed and the JDA began marketing properties with an "all in" listing price of \$3.25/s.f.
- The required replat and purchase terms outlined above are in line with JDA expectations when the Business Park was developed and infrastructure installed.
- The Midcontinent TOC is an appropriate addition to the Business Park.

SUPPORT MATERIALS:

- Map showing proposed replat