



REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: July 27, 2023

STATEMENT OF ISSUE: Consider approval of engagements letters for professional appraisal and review appraisal services with Nagell Appraisal & Consulting and Day Group LLC.

PREPARED BY: Rob Mattei, Executive Director

BACKGROUND:

GREDA has expressed interest in the possible acquisition of two parcels in the industrial zoned area situated between 7th Ave. E. and the Grand Rapids/Itasca County Airport. These parcels, shown in the attached map, were acquired by the Airport decades ago when the Airport Layout Plan called for a crosswind runway to be located at the south end of the main runway. With the crosswind runway eventually constructed further to the north, these parcels aren't significant to the future development of the Airport.

Matt Wegwerth, City Engineer, and the Airport's contracted engineer have consulted with the FAA and were encouraged to seek clearances from the FAA that would release the encumbrances placed on parcels acquired for the Airport so that they could be sold to GREDA, if GREDA so desires.

The process for these FAA releases involves a memorandum with exhibits, a field survey and legal description and an environment review with a categorical exclusion. These items, excluding the survey, which is already being done through an ALTA survey previously contracted by GREDA, are being taken on by the Airport. Two other requirements of the process are appraisals which meet the required FAA standards, and review appraisals.

Staff received proposals from two professional appraisal firms that have experience with this type of appraisal.

The proposals are itemized by property:

Parcel #	Task	Firm	Cost
91-033-1406 (north parcel)	Appraisal	Nagell	\$3,000
	Review Appraisal	Day Group	\$2,800
			\$5,800
91-033-4105 (south parcel)	Appraisal	Nagell	\$4,000
	Review Appraisal	Day Group	\$2,100
			\$6,100
			\$11,900

RECOMMENDATION:

REQUIRED ACTION: Approve separate motions to approve the engagement letters from Nagell Appraisals & Consulting and Day Group LLC.