



MARSHALL

MEMORANDUM

TO: Members of the Economic Development Authority

FROM: Sharon Hanson, Executive EDA Director
Lauren Deutz, EDA Director
Marcia Loeslie, EDA Assistant Director

DATE: November 11, 2020

SUBJECT: Border States Electric Relocation

Decision

Border States Electric is seeking assistance with the construction of a new facility located on the corner of London and Channel Parkway. Staff recommends a \$55,000 abatement over 10 years.

Background

Border States Electric (BSE) has been searching for a new facility within Marshall due to zoning restrictions at its current facility among other challenges. After an exhaustive search, BSE has decided to build a new facility. Staff has received a building plans from BSE to develop a 13,200 sq. ft facility on approximately 2.5 acres of land located on the corner of London Road and Channel Parkway. The construction of the new facility would provide an increase in EMV of approximately \$620,000 and the retention of 12 employees.

Staff is finalizing a purchase agreement with BSE and has opted to pursue tax abatement to assist with project.

Land Proposal includes:

2.5 acres of Lot 2 Block 1, McLaughlin Industrial Park 2nd Addition (Parcel 27-538002-0) for \$15,000 per acre for a total of \$37,500.

Abatement: \$55,000 over 10 years

MOTION BY DECRAMER, SECONDED BY SCHOZKO to bring recommendation to City Council. DeCramer discussed the current location issues with truck traffic, inventory issues, overall is a good move to the industrial area.

Fiscal Impact

None