

May 1, 2019

City Clerk City of Marshall 344 West Main Street Marshall, MN 56258

RE: Marshal Service Expansion / Remodel

Distinguished Council – City of Marshall:

We sincerely appreciate the opportunity to present this project to the City of Marshall in request of tax abatement. Our location in Marshall has been growing and is currently in need of increasing its footprint to better serve the Lyon County transportation industry. We look forward to working with the City of Marshall to complete this project.

The proposed project is a 9,000 square foot addition and remodel to the existing facility. The addition will be primarily additional truck service bays. The service addition will be a state of the art service facility to house additional service technicians. In addition, the remodel of the existing facility will include repurposing the existing service bays in to a climate controlled part storage facility, retail parts show room, drivers lounge, conference rooms and additional office space. This project will make the Harrison Truck Center ("HTC") dealership location a destination stop for the transportation industry in West Central Minnesota. Upon approval of this abatement request, we would like to start in June 2019 with completion in early 2020.

We believe that this project will enhance the City of Marshall community in many ways. First of all, it allows our dealership to expand its existing personnel count with additional service technicians, retail parts counter and warehouse personnel. We expect to hire an additional 10 individuals to the facility upon completion of the project. HTC has a very competitive wage and benefits package which will be offered to the additional personnel. In addition, the project would increase the property tax valuation at this facility, generating more taxes than as it sits currently. Lastly, one of cornerstones of the HTC vision is to make a positive impact in our communities by donating time and resources.

We are currently requesting the standard tax abatement platform as approved by the City of Marshall Council on January 8th, 2019. This request would enable us to do our full expansion of 10 bays, create more (2 - 4) jobs, and generate more taxes immediately, instead of considering a two-phase expansion. The requested financial assistance is based on a graduated scale (80%, 70%, 60%, 50%, 50%) and would result in a full expansion. Our estimated investment is as follows:

Total Project Cost\$3,100,000 (owner investment)Requested Abatement\$ 50,000 (approximate)Net Project Cost\$3,050,000 (net owner investment)

Clear Lake, IA 641-357-7446 Des Moines, IA 800-397-2002 Waterloo, IA 800-582-5789 Fairmont, MN 800-807-3349

Faribault, MN 866-334-1653

Mankato, MN 800-625-4118 Marshall, MN 866-496-6695

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Harrison Truck Centers is requesting this assistance to help us build for the future. The City of Marshall's support for this project and the people who are Harrison Truck Centers would be greatly appreciated. We sincerely hope and you will strongly consider this application in the spirit of creating jobs and enhancing your tax base. We look forward to answering any questions you may have regarding our project. If you have any questions, please contact Dustin Petersen at 515.967.3500 or <u>dustin.petersen@htctrucks.com</u>.

Sincerely,

Dustin C. Petersen, Treasurer Harrison Truck Centers, Inc.

Enclosures

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