



STAFF REPORT

TO: Mayor Keis and Members of City Council
FROM: Chris Heineman, City Administrator
DATE: September 8, 2021
RE: South Owasso & Spruce Street Development Proposal

BACKGROUND INFORMATION

Staff will provide preliminary information about a proposed 74,500 square foot industrial facility to be located at the Northwest quadrant of South Owasso and Spruce Street. Staff has been working with the proposed developer for the past 3-4 months on a proposed project at the previously undeveloped site. This item is closely related to the third strategic direction (Maximize the City's Assets to Catalyze Development) in the City of Little Canada's Strategic Plan.

Due to the poor soil conditions on this site, significant subsurface improvements are required for a development of this nature to occur on this site. During the due diligence process, the developer has invested in the following items related to this site.

- 1) Geotechnical Report / American Engineering Testing (AET)
- 2) Legal Survey of existing site
- 3) Preliminary Site Plan for approximately 74,500 SF Warehouse
- 4) Preliminary Building Cost Breakdown / RJ Ryan Construction
- 5) Estimates for Rigid Subsurface Ground Improvement / Subsurface Constructors, Inc.

Each of these items have been submitted and were provided to a municipal financial advisor at Baker Tilly (Mikaela Huot). Mikaela will provide preliminary revenue projections and financial feasibility for the proposed industrial development project at this site at the workshop. It is very likely that this project will require additional funding sources to assist with the subsurface improvements required to construct a building on this site.

The purpose of including this item on the City Council workshop agenda is to determine if the City Council supports development on this site and is willing to offer public assistance. If so, additional financial review and needs analysis will be completed by Baker Tilly. A representative for the developer will also be in attendance to answer any additional questions you may have.