



## *City Council Memorandum*

**To:** Mayor Fasbender & City Councilmembers  
**From:** John Hinzman, Community Development Director  
**Date:** April 20, 2020  
**Item:** Allocate Hastings Business Park Land Sales Towards COVID-19 Business Assistance

### **City Council Action Requested:**

Allocate net sale proceeds from sale of property within the Hastings Business Park to the Hastings Economic Development and Redevelopment Authority (HEDRA) for COVID 19 economic recovery. A simple majority is necessary for action.

### **Background Information:**

In response to economic challenges precipitated through the COVID-19 pandemic, HEDRA has directed the reallocation of \$320,000 in 2020 HEDRA Budget proceeds towards local economic assistance. HEDRA recognizes that future need may surpass allocated funds, and seeks the allocation of sales proceeds from Business Park Land to provide for future economic assistance. Staff is assessing gaps in assistance provided by state and federal programs to determine the best use of resources to provide assistance.

The City of Hastings owns 60 acres of land within the Hastings Business Park that is marketed for sale and development of industry and commerce. The price per square foot of land is \$1.54 per s.f. (\$66,988.97 per acre). Land is often sold under the Land for a Dollar program that provides for a discounted sales price provided certain building valuation and job targets are met.

### **Financial Impact:**

Approval would immediately allocate \$37,869.88 in recent proceeds from the sale of land for Mini Storage along Lightbourn Court. Sale of the remaining 60 acres of land at the current asking price of \$66,988.97 per acre would net would net approximately \$4 million without the calculation of any Land for a Dollar discounts. Sales of Business Park Land are currently classified as unrestricted general funds.

### **Advisory Commission Discussion:**

HEDRA voted 7-0 to recommend approval of the allocation request at their April 9, 2020 meeting.

### **Council Committee Discussion:**

N/A