

## **Willmar Industrial Land Pricing Write-Down Policy**

1. **Purpose**

The purpose of the land write-down policy is to stimulate and assist economic development projects by reducing the sale price of City-owned (industrial) properties, based on an established formula of price credits for job creation and tax base enhancement.

2. **Impacted Properties**

This policy shall apply to the sale of any and all City-owned industrial properties. These properties will most likely be located in one of the phases of the Willmar Industrial Park.

3. **Qualifying Buyers/Projects**

To be eligible for a land write-down, a qualifying business shall be either a permitted or conditional use as listed in the appropriate zoning district of the Willmar Zoning Ordinance. Any approval of a land write-down shall be conditioned on land use approval.

4. **Calculating the Write-Down**

Any land write-down shall use as its basis the asking/listing price for the property as calculated and offered by the City.

- A. Employment credit: A qualifying project shall be credited \$10,000 off the listing price per job created. Job creation goals shall be stated and included in a formal agreement between the buyer and the City.
- B. Tax base credit: A qualifying project shall be credited \$25,000 off the listing price per million dollars of estimated market value created as determined by the office of the City Assessor. Tax base creation goals shall be stated and included in a formal agreement between the buyer and the City.

In no instance shall the amount of the land write-down credited to the buyer exceed the stated price of the property being acquired.

5. **Relationship to Minnesota Statutes**

Any land write-down shall be authorized by and in full compliance with applicable Minnesota Statutes, including but not limited to Minn. Stat. Chs. 169 and 116J.

6. **Land Write Down/Business Subsidy Process Costs**

The buyer/write-down recipient shall be responsible for payment of all real estate commissions and legal/administrative costs incurred by the City in the transaction.