City of Blaine

Economic Development Authority

June 20, 2023 | 8:00 PM
Blaine City Hall
10801 Town Square Drive NE
Blaine, MN 55449

The purpose of the Blaine Economic Development Authority is to increase the City's commercial/industrial tax base, provide employment opportunities, undertake redevelopment to enhance and maintain neighborhood economic stability, and address special needs, such as senior housing. As authorized under Minnesota State statutes, the Blaine City Council also serves as the Blaine Economic Development Authority.

AGENDA

1. Call to Order

2. Approval of Minutes

2.1. 2023-252 Approval of the June 5, 2023 Economic Development Authority (EDA) Minutes
Sponsors: Erik Thorvig, Community Development Director

3. New Business

3.1. RES 23-101 Resolution Authorizing an Application to the Community Homeownership Impact Fund Grant Program
Sponsors: Elizabeth Showalter, Community Development Specialist

3.2. RES 23-104 Resolution Authorizing the Sale of Building at 10550 Nassau Street NE.
Sponsors: Erik Thorvig, Community Development Director

4. Old Business

5. Adjournment

City of Blaine
Economic Development Authority

June 5, 2023 | 8:00 PM
Blaine City Hall
10801 Town Square Drive NE
Blaine, MN 55449

MINUTES

1. Call to Order

The meeting was called to order at 7:51 PM by President Sanders followed by the Roll Call.

PRESENT: President Tim Sanders, Commissioners Leslie Larson, Chris Massoglia, Tom Newland, Jess Robertson, and Lori Saroya.

ABSENT: Commissioner Terra Fleming.

Quorum Present.

ALSO PRESENT: City Manager Michelle Wolfe; Community Development Director Eric Thorvig; Safety Services Director/Police Chief Brian Podany; Finance Director Joe Huss; Director of Engineering Dan Schluender; Communications Manager Ben Hayle; and City Clerk Catherine Sorensen.

2. Approval of Minutes

2.1. 2023-211 Approval of the March 20, 2023 Economic Development Authority (EDA) Minutes
Sponsors: Erik Thorvig, Community Development Director

Moved by Commissioner Robertson , seconded by Commissioner Newland, that the Minutes of March 20, 2023, be approved.

Motion adopted unanimously.

3. New Business

3.1. 2023-219 Approving a Development Agreement with South Side Entertainment District Development

Sponsors: Erik Thorvig, Community Development Director

Community Development Director Thorvig stated PinPoint Community Development, LLC is proud to present a two-phase development plan to accentuate the ambitious city of Blaine goals to expand opportunities for local residents and traveling guests to enjoy more options in the realm of restaurants, retail, entertainment and Class A office space. Phase I will consist of two commercial buildings of mixed use. Building One will be a 9,100+ square foot Pizza Pub Prime (7,000 FFL, 2,100 SFL) with a 3,000+ square foot roof top patio and 1,000+ square feet of ground patio space. This is the 10th Pizza Pub to be built, with the nine previous restaurants all operating today and at a profit. Building Two will consist of 20,000+ square feet (12,000 FFL, 8,000 SFL) mixed use of a Mexican restaurant with a Tequila Bar focus, private member club, office, health/athletic services, retail and grab n' go food. Many tenants to be determined, thus the buildings final design to be finalized, however, a planned concept to fill tenants to suite is also accompanied in the package. Both buildings will tie together in exterior aesthetics and carry into phase II if successful. Amenities in building two will include roof top patios for the Private Club and Restaurant as well as office tenants, courtyard design in the middle for smaller retailers and a shared elevator for 2nd floor tenants and ground patios. The developer has received all necessary approvals for the project from the city council and is planning to start construction this summer. In order for the EDA to provide financing, a development agreement must be approved that outlines the terms of payment and responsibilities of each party. The construction timeline was reviewed with the EDA. Staff commented further on the proposed development, noting the two funding options available for the project and requested the EDA approve the Development Agreement for South Side Entertainment District project at 105th Avenue and Radisson Road.

Commissioner Newland stated he supported Option 1 for this project.

Commissioner Massoglia explained he would support Option 2 for this project as he feared Option 1 may put a halt to this project.

Mike Breese, PinPoint Equity, thanked the EDA for considering this project. He shared reasons for the request and commented on the limits to what the bank will finance.

Commissioner Massoglia reported this project would be a tremendous addition to the 105th Redevelopment Area. It was his hope the EDA would support Option 2 in order to keep this project moving forward.

Commissioner Robertson commented she fully supported this project. She discussed how what was approved tonight could impact future development requests. She wanted to see the EDA remaining consistent for this and future asks.

Commissioner Saroya questioned if the removal of the drive-thru had impacted the project. Mr. Breese indicated this had only impacted his project temporarily.

Commissioner Saroya noted she would support Option 2 moving forward.

Commissioner Larson reported this was a development that was desired by the community. She requested further information from the applicant regarding his history as a restaurant owner and developer. Mr. Breese explained he has never not finished a project in the past 20 years. He reported he has built over $2 billion in projects.

Commissioner Newland stated he was not a fan of the city acting as a bank. He indicated this was a very attractive property for development. He explained he has been in business for the past 30 years and he has never asked the city for financial assistance. He reported he would continue to support funding Option 1.

President Sanders thanked Mr. Breese for bringing this project to the city of Blaine. He appreciated how this development would serve all residents of Blaine, along with the visitors to the National Sports Center. He indicated the requested funds would be spent on infrastructure, and therefore he could support Option 2 in order to move this project forward.

Moved by President Sanders, seconded by Commissioner Saroya, to approve the Development Agreement for Southside Entertainment District Development with direction given on the disbursement structure for Option 2.

Motion adopted 5-1 (Commissioner Newland opposed).

3.2. 2023-220 Renegotiation of Promissory Notes for Senior Living Facilities
Sponsors: Joe Huss, Finance Director/Asst. City Manager

Finance Director Huss stated staff is requesting EDA approval of amended and restated promissory notes issued to the EDA in 2015 as part of the sale of the EDA senior living facilities Blaine Courts and Cloverleaf Courts. Staff commented further on the request and recommended approval of the renegotiated notes.

Commissioner Massoglia asked if all of the other terms on the notes would remain the same. Mr. Huss reported this was correct.

Moved by Commissioner Massoglia, seconded by Commissioner Larson, to approve the renegotiated promissory notes and authorize the President and Executive Director to sign the notes.

Motion adopted unanimously.

4. Old Business

None.

5. Adjournment

Moved by Commissioner Massoglia, seconded by Commissioner Robertson, to adjourn the meeting at 8:18 PM.

Motion adopted unanimously.

City of Blaine
Staff Report

File Number: RES 23-101

Agenda Date	Status
June 20, 2023	
In Control	**File Type**
Economic Development Authority	Resolution

New Business - Elizabeth Showalter, Community Development Specialist

Agenda Item # 3.1

Resolution Authorizing an Application to the Community Homeownership Impact Fund Grant Program

Executive Summary

The Community Homeownership Impact Fund provides funding to support affordable homeownership. Staff is proposing an application to provide deferred loans to support home improvements to manufactured homes in the city, which are poorly served by other home improvement programs. The proposed program would cost the EDA $135,000 and leverage $360,000 in state funds.

Background

The EDA has provided home improvement assistance through a variety of grant and loan programs since 1998. Home improvement programs are common in cities with older housing stock as a way to preserve property values and prevent neighborhood decline. These programs are key in implementing two of the goals of the 2040 Comprehensive Plan. The 2040 Comprehensive Plan outlines goals in each chapter, to improve the quality of existing housing stock and to preserve manufactured housing communities as an important affordable housing option.

At the end of 2021, substantial modifications to the EDA home improvement programs were made which have been very successful in promoting home improvements in traditional single family homes. One of the goals for the home improvement programs in 2023 was increased promotion of the offerings for manufactured homes. Staff has heard from numerous owners of manufactured homes about their need for assistance with home improvement projects, but the existing offerings provided by the City often do not meet their needs. Generally, those needs require greater financial assistance than the EDA is able to offer, so staff has been exploring opportunities for additional funding sources. Many homeowners are living on social security and are unable to make payments on a loan, and do not necessarily qualify for emergency assistance. Staff has been exploring options for additional funding from other sources to better meet these needs. The Community Homeownership Impact Fund is a state-funded program that supports affordable homeownership through a variety of tools, including support for owner-occupied rehabilitation, and provides more flexibility and reduced administrative burden when compared to programs such as Community Development Block Grants and the HOME program, which are federal programs.

Blaine has approximately 2,300 manufactured homes located in six parks, which is the most of any community in the metro area. Nine hundred and eighty (42%) of the homes are at least 30 years old and 140

(6%) were constructed prior to the adoption of the manufactured home building code in 1976. Homes constructed prior to the building code are often poorly constructed.

Currently, the City offers four home improvement programs for manufactured homes:

1. Manufactured Home Improvement Loan - available for general home improvements with below market interest rate.
2. Last Resort Loan - available for emergency situations including furnace replacement and health/safety issues with no interest or payments.
3. Accessibility Loan - available for accessibility improvements with no interest or payments.
4. Beautification Grants - cover a portion of the cost for exterior esthetic improvements.

Staff is proposing the EDA apply for a grant from the Impact Fund to create a new deferred and forgivable loan program that will fund replacement and repair of siding, windows, roofs, steps, and water damage associated with failing roofing, windows, or siding. The program would have a maximum total loan of $20,000 with 25% of the loan provided by the EDA home improvement loan fund and 75% provided by the state impact fund dollars. The maximum amount paid by the EDA would be $5,000, which is less than the $7,500 currently paid by the EDA in the last resort loan program. These funds would not be limited to emergency situations, and could cover repairs, that while necessary, do not qualify as an emergency. This will allow the funds to be used more proactively by homeowners who may experience an emergency if the necessary project were not completed. A contribution from the EDA is not a requirement of the Impact Fund, but is encouraged to make applications more competitive.

The Impact Fund grant would allow the EDA to provide greater assistance to homeowners with less contribution from the EDA. The loans would be deferred and forgivable after 5 years, instead of the 20 years under the current program. Since most users of the city program have limited housing options due to low income, and manufactured homes depreciate more quickly than site-built homes, staff generally anticipate not being paid back on funds issued as deferred loans under the last resort program, so the shorter forgiveness window is not anticipated to substantially impact the fund balance.

<u>Proposed Program Details</u>
Funds will be provided as deferred loans of $2,000-$20,000 forgiven after five years. If the home is sold prior to five years from the origination of the loan, the funds will be due. For project budgeting, the average loan amount is expected to be $10,000.

Eligible improvements: roofing, siding, windows, steps, and water damage associated with failing roofing, siding and windows.

Eligible households: income less than or equal to 50% of Area Median Income (currently $59,100)

Project funding: improvements to 45 homes at an average cost of $10,000 results in a total project budget of $450,000. The Impact Fund grant would cover $337,500 of the cost, with $112,500 expended by the EDA from the home improvement loan fund. Administration costs will be up to $1000 per loan with $500 of those costs paid by the grant and $500 paid by the EDA. Resulting in a total cost to the EDA of $135,000 and a total grant request of $360,000.

Strategic Plan Relationship

Not applicable. The proposed program is directly related to two of the goals of the comprehensive plan - to improve the quality of existing housing stock and to preserve manufactured housing.

Board/Commission Review

Not applicable.

Financial Impact

The program would have a cost to the EDA of $135,000, including the loans and the administrative costs. The 2022 annual audit shows the Home Improvement Loan Fund has a balance of $3.3 million as of December 31, 2022. At the end of 2021, staff identified that the fund had more money than was necessary to sustain the current programs, and the EDA expanded programs to spend down the excess balance. This expansion of home improvement offerings would be part of that spend down.

Public Outreach/Input

Staff met with the park managers of Park of Four Seasons, Centennial Square, and Northview Villas/Sandpiper to discuss the current home improvement programs and the needs of their residents. The eligible projects and budget were based on those discussions and phone calls from homeowners throughout the year expressing need for assistance. The managers were enthusiastic about the prospect of greater assistance to their residents. If approved, staff will be doing direct outreach to the parks and attending meetings and events at the park.

Staff Recommendation

Staff recommends approval of the resolution.

Attachment List

1. Powerpoint
2. Home Improvement Overview

City of Blaine

Signature Copy

Resolution: RES 23-101

Resolution Authorizing an Application to the Community Homeownership Impact Fund Grant Program

WHEREAS, the 2040 Comprehensive Plan adopted goals to improve the quality of existing housing stock and preserve manufactured housing as an important source of affordable housing; and

WHEREAS, the Minnesota Housing Finance Agency has released a Request for Proposals for the Community Homeownership Impact Fund; and

WHEREAS, grant funds from the Impact Fund would allow the EDA to provide greater and more flexible assistance to homeowners in manufactured homes than is feasible with the EDA funds alone.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Economic Development Authority of the City of Blaine that staff is authorized to submit an application to the Minnesota Community Homeownership Impact Fund with the following framework:

1. Program shall have a cost to the EDA of no more than $135,000 over the 20 month grant period.
2. Program shall be limited to manufactured homes.
3. Eligible repairs shall be limited to roofs, siding, windows, steps, water damage, and other similar repairs.
4. Grant funds shall be used to provide interest free deferred loans to homeowners.

Impact Fund Application

June 20, 2023

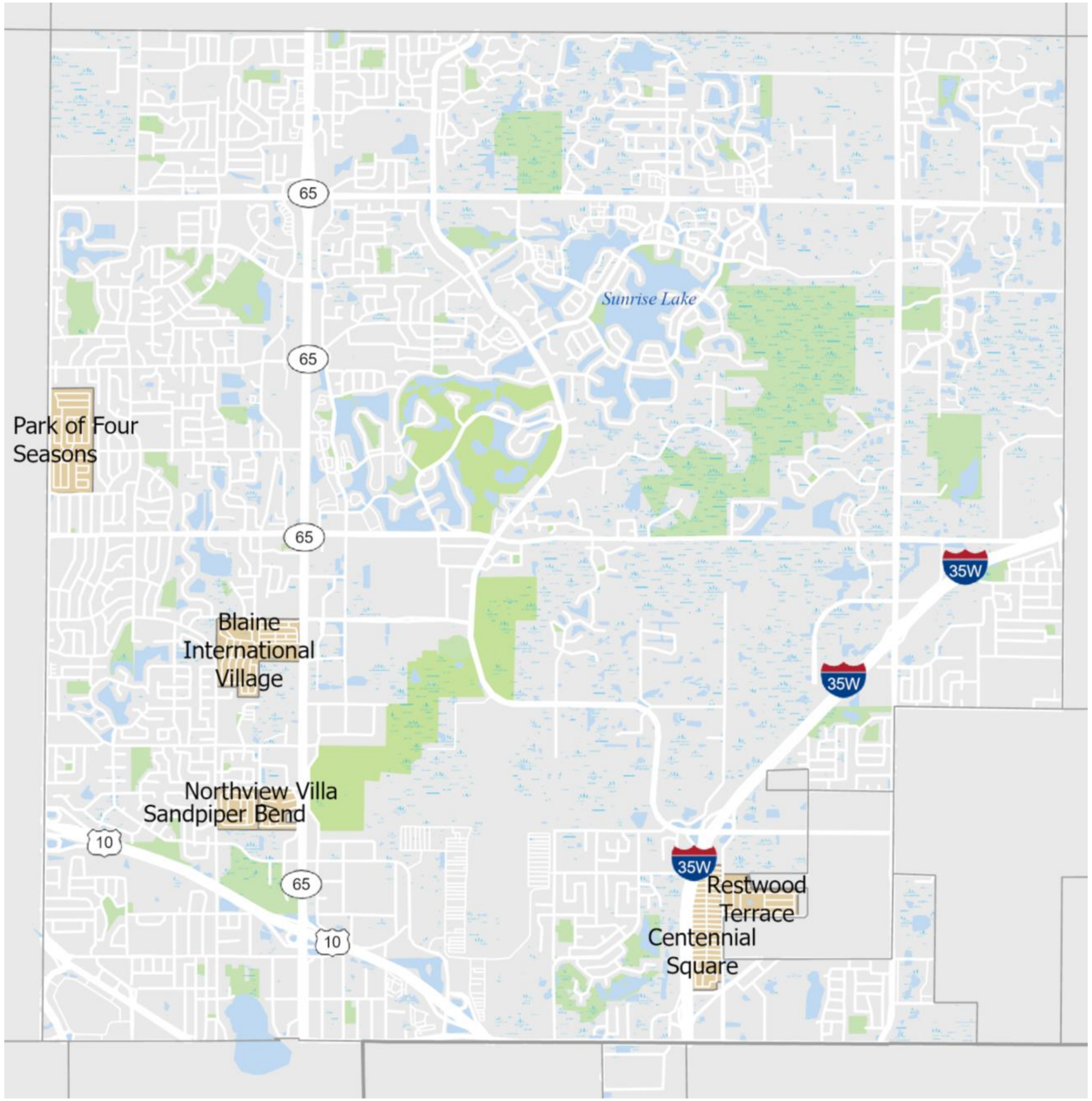
Economic Development Authority

EDA Home Improvement Programs

- EDA sold bonds in the late 1990s to fund a home improvement program
- HRA or EDA programs for home improvement are common in cities with older housing
- Fund has $3.3 million as of year end 2022
- Currently the EDA offers:
  - Grants for aesthetic improvements
  - Loans for general improvements
  - Deferred loans for emergency situations and accessibility

Manufactured Housing

- Blaine has 2,300 manufactured homes located in the six parks in the city
- 2040 Comprehensive Plan calls for the preservation of manufactured housing as an important source of affordable housing in the City


65
65
65
65
Sunrise Lake
Park of Four Seasons
Blaine International Village
Northview Villa
Sandpiper Bend
10
10
35W
35W
35W
Restwood Terrace
Centennial Square

Manufactured Housing

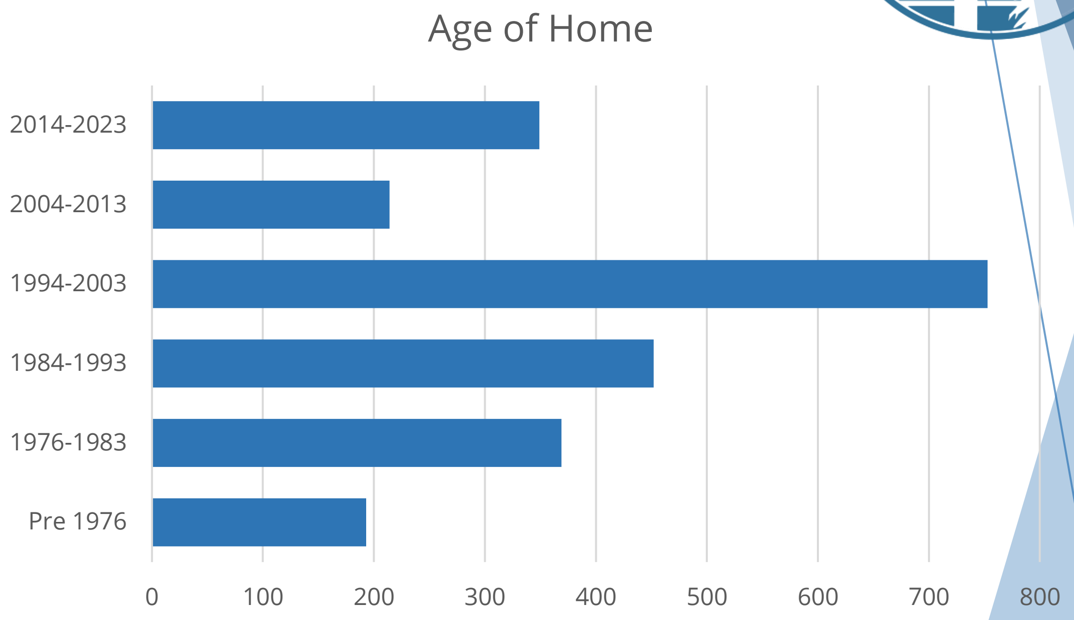
- Homes are titled as personal property (instead of real estate)
- Residents typically own their homes and lease the space within the park
- Manufactured homes can be moved, but it is rare
- Many residents of older homes are seniors who have paid off the home and only pay lot rent, making the homes deeply affordable

Home Improvement Programs

- Various programs exist from the city, county, state, and nonprofits for home improvement for low-income households
- Most available programs can only be used for site built homes/real property
- City offers four programs for home improvements on manufactured homes:
  - Regular loan program with payments
  - Last resort program for emergency repairs (up to $7,500 per home as deferred loan)
  - Accessibility program (up to $10,000 per home as deferred loan)
  - Grant program to cover part of cost of aesthetic improvements

Condition of Manufactured Homes in Blaine

- 140 homes prior to manufactured home building code
- Only 24% of homes are less than 20 years old
- Water issues are a common complaint with windows and roofs failing
- An estimated 500 homes in Blaine need new roofing, siding, windows, or steps



Well Maintained Older Homes

Homes Requiring Significant Repair

MN Homeownership Impact Fund

- State funded grant program to promote affordable homeownership
- Can be used to support affordable purchase and home repairs
- Must be used for a service not well provided by an existing program
- Matching funds not required, but are encouraged to make the application more competitive

Proposed Program

- Provide up to $20,000 in a deferred loan for roofs, siding, windows, steps, and water damage
- 75% funded by the state, 25% funded by city
  - Maximum cost of $5,000 to the city
  - Current last resort program funds up to $7,500, so the cost to the city is less than current programs
- Income limits at 50% of Area Median Income (currently $59,100)
- Day to day administration by the Center for Energy and Environment – the City's contracted loan originator

Public Outreach

- Staff started researching funding options based on phone calls received from residents who needed substantial repairs to their homes
- Staff met with the managers of four of the parks to discuss what they hear from residents and see in the condition of homes
  - Feedback was highly supportive of additional resources for homeowners to make repairs
  - Managers provided opportunities for staff to attend events at the parks to promote home improvement options

Funding

- Total project budget of $495,000
  - Estimated to fund repairs to 45 homes
  - Budget based on the size of requests typically approved for the grant program
- $135,000 from the EDA Home Improvement Loan Fund
  - $112,500 for deferred loans
  - $22,500 for administration
- $360,000 from state grant
  - $337,500 for deferred loans
  - $22,500 for administration

Resolution

If the EDA wishes to pursue the Impact Fund grant, adopt the provided resolution

- Authorizes staff to apply for the grant
- Authorizes expenditure of up to $135,000 from the EDA home improvement loan fund for deferred loans on manufactured homes for roofing, siding, windows, steps, water damage, and similar repairs

Loan Program Modifications

EDA

November 15, 2021

Comprehensive Plan Goals

Goal #1

Provide housing opportunities, which meet the needs of all generations and income levels, particularly varying types of independent and accessible senior housing.

Goal #3

As housing preferences change, the City supports taking actions that improve the quality of the existing housing stock and supports the development of housing that meets the needs of the population today.

Goal #4

Preserve the manufactured housing communities within Blaine as important affordable housing option.

Revolving Loan Fund

- Current balance of $2.7 Million

- Average Annual Use of Funds
  - $100,000 loans repaid with interest
  - $8,000 of deferred forgivable loans
  - $6,000 in loan origination and administration

- Approximately $65,000 is taking in annually in interest.

Proposed Loan Program

- Low Interest Home Improvement
- Manufactured Home Improvement
- Last Resort Deferred
- Accessibility Deferred
- Rental Property Improvement
- Down Payment Assistance

Low Interest Home Improvement

- Interest rate indexed to the 10 year treasury note
  - +1.75% for most loans
  - +1.5% for loans with EDA as first position lender
- $2,500-$50,000
- 1-20 year term
- Most improvements are eligible

Manufactured Home Improvement

- Interest rate indexed to the 10 year treasury note
  - +1.75% for most loans
  - +1.5% for loans with EDA as first position lender
- $2,500-$7,500
- 1-8 year term
- Most improvements are eligible

Last Resort Deferred Loan

- No interest and no payments due
- Up to $10,000 (or $7,500 for manufactured homes)
- 20 year term (forgiven after 20 years if not sold)
- Emergency improvement only, must not qualify for other financing
- Household income limited to 110% AMI

Accessibility Deferred Loan

- No interest and no payments due
- Up to $10,000
- 30 year term (forgiven after 30 years if not sold)
- Accessibility improvements as recommended by physician
- Household income limited to 110% AMI, member of the household must have a disability that impacts the ability to live in a residential setting

Rental Property Improvement

- Interest rate indexed to the 10 year treasury note
  - +1.75% for most loans
  - +1.5% for loans with EDA as first position lender
- $5,000-$50,000
- 1-20 year term
- 1-12 unit rental properties
- Limited to health, safety, security, code compliance, and exterior projects

Down Payment Assistance

- No interest, no payments due
- $10,000 for current Blaine residents and those employed in Blaine
- $5,000 for those moving to Blaine
- 30 year term (must be paid back after 30 years)
- $350,000 maximum purchase price
- Borrower must contribute 1% of purchase price
- Household income limited to 110% AMI

Grant Programs

EDA

November 15, 2021

Purpose of Grants

- Reduce portion of money spent on administration
- Incentivize aesthetic improvements in older neighborhoods
- Target different property owners than grant programs

Front Door Grant

- Improve curb appeal on older single family homes
- $1,000-5,000 grant (15-25% of project cost)
- Properties must be 30 years old and have assessed value less than $350,000
- All projects must include a beautification aspect (brick, front door, porch columns, etc)
- Beautification projects are reimbursed at 25%
- Basic projects (siding, windows, roofing, etc) are reimbursed at 15%
- Annual budget of $150,000 in beautification grants

Manufactured Home Beautification

- Improve curb appeal on older manufactured homes
- $500-3,000 grant (15-25% of project cost)
- Homes must have a model year at least 30 years old
- Beautification projects (front door, window boxes, deck) are reimbursed at 25%
- Basic projects (siding, windows, roofing, etc) are reimbursed at 15%
- Annual budget of $150,000 in beautification grants

Major Remodeling Grant

- Encourage reinvestment in older homes
- $1,000-7,500 grant (5-15% of project cost)
- Properties must be 30 years old and have assessed value less than $350,000
- All projects must include a major remodeling element (finishing basement, addition, etc) and have a total cost of at least $35,000
- Reimbursement rate ranges from 5-15% based on the number of exterior upgrade projects included
- No annual budget proposed

Rental Property Improvement Grant

- Encourage reinvestment in rental properties
- $1,000-5,000 grant (5% of project cost)
- Properties must be 30 years old and may have 1-12 units
- Can be used for exterior project, accessibility, security, fire suppression, and fire alarms
- No annual budget proposed

Grant Program Budget

Front Door Grant Funds (maximum)	$150,000
Major Remodeling and Rental Grants (estimated)	$45,000
Increase in Remodeling Advisor Visits (estimated)	$5,000
Marketing (first year only)	$1,000
Total	$201,000

The loan fund currently has an approximately $50,000 annual income not currently used by administrative costs and forgivable loans.

Staff is comfortable with offering the grant programs with a $200,000 budget for the next five years, and spending down a portion of the accumulated interest, leaving the fund with a balance of approximately $2 Million.

After the five year trial period the success of the program can be evaluated to determine whether alternative funding sources should be used to continue the program.

City of Blaine
Staff Report

File Number: RES 23-104

Agenda Date	Status
June 20, 2023	

In Control	File Type
Economic Development Authority	Resolution

New Business - Erik Thorvig, Community Development Director

Agenda Item # 3.2

Resolution Authorizing the Sale of Building at 10550 Nassau Street NE.

Executive Summary

Consider selling the building at 10550 Nassau Street.

Background

On October 31, 2022, the Blaine Economic Development Authority acquired 10550 Nassau Street. The property includes a 17,467 sf. metal building. At the time of purchase, the EDA assumed the existing lease with General Pattern Company. General Pattern Company has until June 30, 2023 to be vacated from the building. The purchase agreement also allows an additional 30 days for the previous owner to remove any fixtures or equipment from the building. Removing fixtures and/or equipment reduces liability and cost to the city during demolition. There are two large overhead cranes the previous owner is selling to a company in Arkansas. When the company owner recently visited Minnesota, he inquired whether he could purchase the building from the City and relocate it to their property in Arkansas.

Ultimately, the City will be demolishing the building later this year. The estimated cost of demolition will be approximately $70,000+. By selling the building, demolition costs would be significantly reduced if not eliminated. A concrete slab will remain, but this could be removed at the time earthwork begins on the entire 105th Avenue project.

It's not uncommon for cities to sell buildings on sites where redevelopment will occur. Typically, cities will sell the building for $1 and any removal/moving costs are the responsibility of the purchaser. The purchaser will need to hire a contractor that is bonded and insured. An agreement will be drafted between the EDA and the purchaser identifying timeline (building to be removed by August 31, 2023), site clean-up responsibilities, etc. In addition, an escrow will need to be deposited to ensure site cleanup.

Strategic Plan Relationship

Redevelopment of the 105th Avenue Area.

Board/Commission Review

Not applicable.

Financial Impact

The EDA would sell the building for $1. However, removal of the building saves approximately $70,000+ in future demolition expenses.

Public Outreach/Input

Public hearings are required when the EDA sells real estate. However, this only involves a building asset, so no public hearing is required.

Staff Recommendation

Approve the attached resolution.

Attachment List

1. Reiter Technical Services - Letter to City of Blaine

City of Blaine

Signature Copy

Resolution: RES 23-104

Resolution Authorizing the Sale of Building at 10550 Nassau Street NE.

WHEREAS, the Blaine Economic Development Authority owns property at 10550 Nassau Street; and

WHEREAS, the property contains a 17,467 square foot building; and

WHEREAS, EDA has been approached by a company willing to purchase the building from the EDA; and

WHEREAS, the building would ultimately be demolished by the EDA and selling the building reduces future demolition costs that could be incurred by the EDA.

NOW, THEREFORE BE IT RESOLVED that the Blaine Economic Development Authority agrees to sell the building at 10550 Nassau Street for One Dollar ($1.00) to Reiter Technical Services and authorizes the executive director and community development director to execute an agreement outlining terms of the sale and removal.

Adopted by the Blaine Economic Development Authority on June 20, 2023.

Reiter Technical Services, Inc.

2426 Airport Rd. Hot Springs, Arkansas 71913

Phone: 501-538-3038 Fax: 501-463-9072

Email:davidreiter@reitertech.com

To whom it may concern,

My name is David Reiter and I am the owner of Reiter Technical Services, Inc. in Hot Springs, Arkansas, and I am also a Professional Engineer. We are a producer of sawmill machinery for the forest products industry. We are the company that purchased the bridge crane system from the building at 10550 Nassau in Blaine. It was brought to my attention by the previous owner that the building the crane is coming from will be scrapped for a sports complex to be placed on the property. Our operation has now outgrown our current footprint on our property, and we will be getting a building put up to supplement that immense growth. It appears that we have a shared interest in getting that building removed from your property and it is our intention to take the building down and move it to our facility in Hot Springs if we can acquire the building. We would like you to consider having us remove the building, so that we can repurpose it for our operation. We are currently getting bids to remove and transport the building, and understand that time is of the essence. If we can get an answer within the next week to ten days, we should be able to get the building removed down to the slab by the end of August. It is important for us to know something soon, so we can make a decision to either acquire this building, or other alternatives. We must expand our operation to make current equipment deliveries. It makes good sense for us to work together on this building, especially since we have already purchased the crane, and it is already configured for it. We propose to remove the building, down to the concrete, and remove everything on the site, and dispose of everything, down to the concrete, bu the end of August. We are open to hiring local contractors, and would like to know what the requirements for insurance and license to do the job.

Sincerely,

David Reiter P.E.
Owner/President
Reiter Technical Services, Inc.
2426 Airport Road
Hot Springs, Arkansas 71913