

Fort Madison Industrial Site

Fort Madison, Iowa

*Certification Report
November 2021*

QUEST
SITE SOLUTIONS
THE GEOGRAPHY OF BUSINESS™



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01

Overview





Site certification is a designation that a property meets or exceeds specific criteria for industrial development. While there is no national certification standard, Quest Site Solutions' (Quest) certification programs have stringent requirements, and properties undergo detailed analysis. A property that has achieved certification has a wealth of information which reduces the risk for prospects and speeds up the decision timeframe.



Quest is dedicated to assisting with the location selection for companies that are seeking a new location, a competitive expansion, or a consolidation. Quest is able to leverage its expertise in site selection consulting to assist economic development organizations in preparing for the challenges of attracting and retaining capital investment and employment opportunities in this competitive climate. The majority of Quest's economic development services are related to site development, primarily site evaluation and certification services. Quest, and its predecessor McCallum Sweeney Consulting, have been managing the IEDA Certified Site Program since 2012.

Contact: Lindsey Cannon, lcannon@questsitesolutions.com, (864) 551-0349



The Iowa Economic Development Authority's (IEDA) mission is to strengthen economic and community vitality by building partnerships and leveraging resources to make Iowa the choice for people and business. Through two main divisions – business development and community development – IEDA administers several state and federal programs to meet its goals of assisting individuals, communities and businesses.

The Iowa Certified Site Program was launched by IEDA in May 2012 to address the lack of project-ready industrial sites in the state; it is an independent, third-party certification program designed to consider a combination of national site location standards, as well as Iowa's natural assets and the needs of the state's targeted industry sectors.

Contact: Amy Kuhlers, amy.kuhlers@iowaeda.com, (515) 348-6250

02

Certification Letter



November 11, 2021

Amy Kuhlers
Program Manager
Iowa Economic Development Authority
1963 Bell Avenue
Des Moines, IA 50315



Dear Ms. Kuhlers:

The Fort Madison Industrial Site, located in Lee County, Iowa, has completed the Iowa Economic Development Authority (IEDA) Certified Site Program. Quest Site Solutions (Quest) has conducted a thorough analysis of the property, and based on the information provided by the Fort Madison Economic Development Corporation and our evaluation of the property, we are certifying the **Fort Madison Industrial Site** as a **General Industrial Site**.

Quest has developed a program for IEDA to certify industrial sites and industrial parks as ready for industrial development. We have certified the Fort Madison Industrial Site as meeting the following criteria:

- The site must be a minimum of 50 total acres, with at least 80% of the available acreage contiguous and developable.
- The site must be available for sale or lease (with a documented price and terms) to prospective industrial investors.
- The site must be zoned appropriately or be able to be rezoned for industrial use within 90 days (if applicable). The surrounding properties must be compatible with industrial uses.
- The site's developable acreage must be located outside of the 100-year flood zone or be able to be filled within 90 days.
- The site must be free of recognized environmental conditions or have recognized environmental conditions remediated prior to certification.
- The site's developable acreage must be free of wetlands or be able to be mitigated within 90 days.
- The site's developable acreage must be free of federal threatened and endangered species or be able to be mitigated within 90 days.
- The site's developable acreage must be free of areas of archaeological or historical significance or be able to be mitigated within 90 days.
- The site's developable acreage must have soils compatible with industrial development.

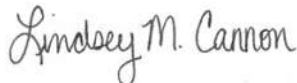
- The site must be within 15 miles, via truck route, of an interstate or a four-lane highway.
- The site must be directly served or be able to be served within six months by a road that is compatible with standards for tractor-trailer access (80,000 pounds / 20,000 pounds per axle).
- The site must be served or be able to be served by industrial level electric infrastructure that can provide a minimum of 2.5 MW electric service within six months.
- The site must be served or be able to be served by natural gas infrastructure that can provide a minimum of 10,000 mcf per month within six months.
- The site must be served or be able to be served by water infrastructure and a water system with a minimum excess capacity of at least 150,000 gallons per day within six months.
- The site must be served or be able to be served by wastewater infrastructure and a wastewater treatment plant with a minimum excess capacity of 100,000 gallons per day within six months.
- The site must be served or be able to be served within six months by telecommunications fiber.

The details on how the property meets each of these criteria is included in Sections 3 through 10 of this report.

This certification will expire on **November 11, 2026**. Upon certification expiration, the property will need to submit for recertification.

We congratulate the team at the Fort Madison Economic Development Corporation for their hard work and on achieving recertification. If there are any questions regarding our analysis, please contact us.

Sincerely,



Lindsey M. Cannon
Director

03

Property Overview



PROPERTY OVERVIEW

03

LOCATION (LAT / LONG)

40.569261°, -91.435551°

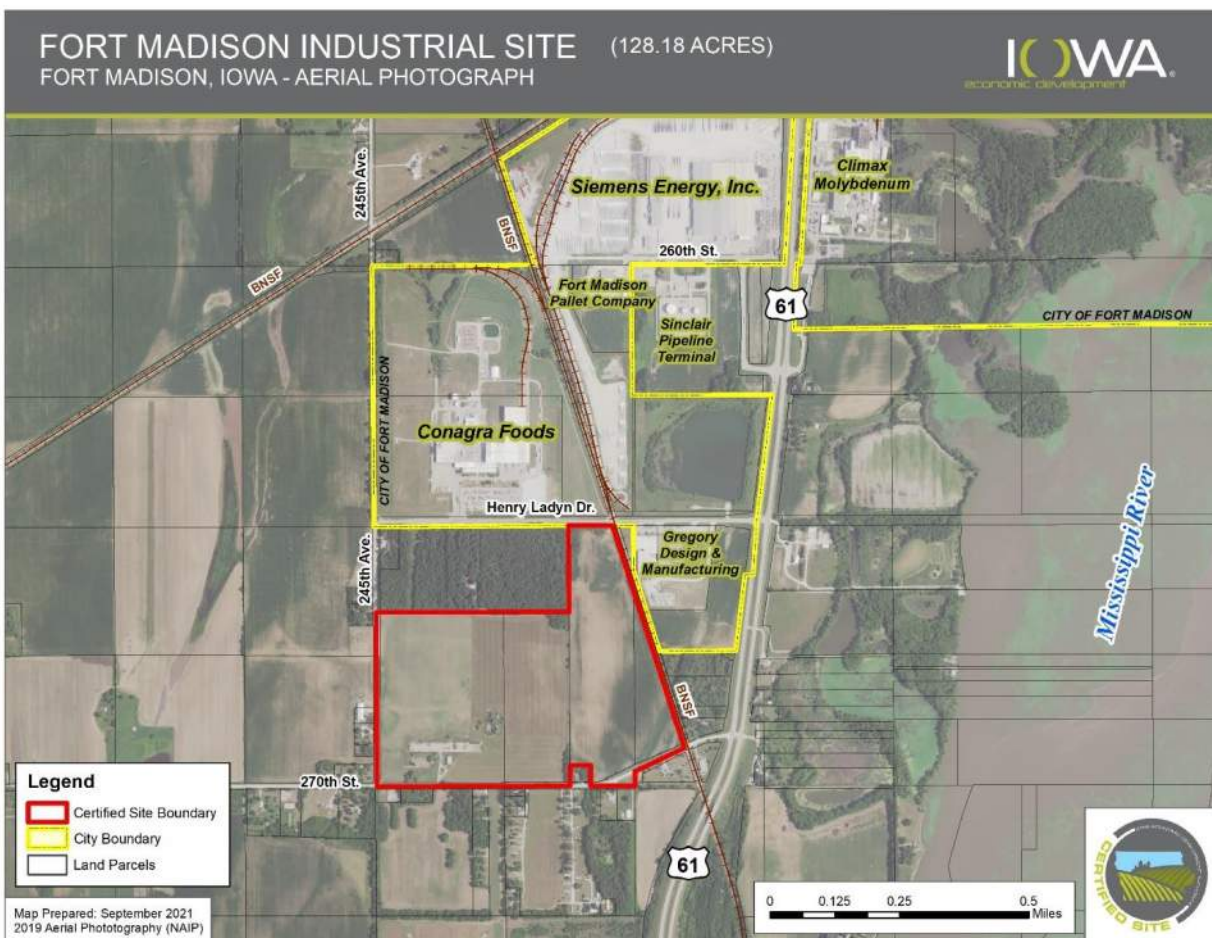
CONTACT INFORMATION

Tim Gobble
Director
Fort Madison Economic Development Corporation
tgobble@fortmadison.com
(319) 372-5471



SIZE/ACREAGE

128.18 total acres
116.82 developable acres
Approximately 100 contiguous, developable acres between natural gas lines (west) and electric line (east)



04

Ownership + Availability



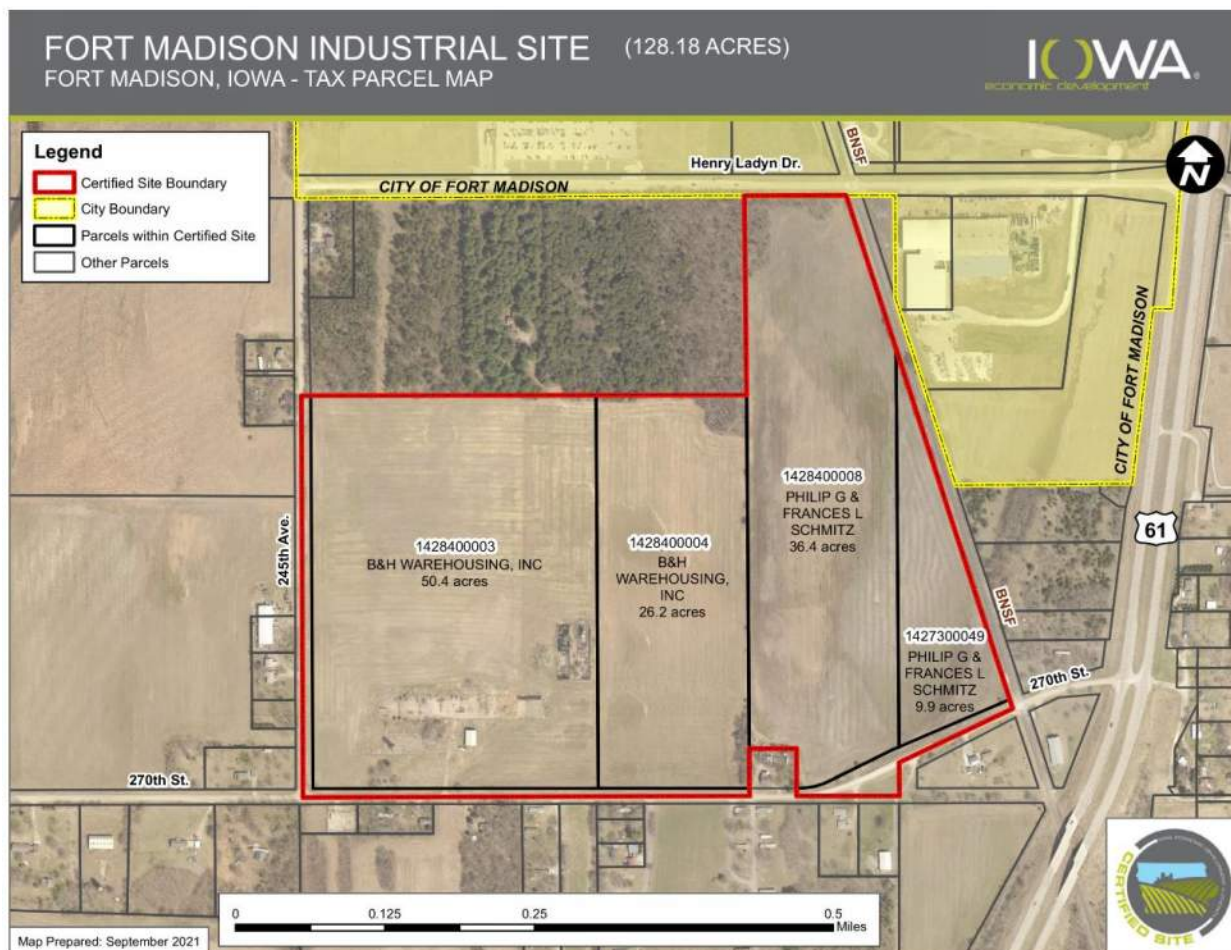
OWNERSHIP + PRICE

| Owner | Acres | Tax Parcels | Price |
|--------------------------|-------|--------------------------|---------------|
| B & H Warehousing, Inc. | 80.14 | 1428400003 1428400004 | \$12,000/acre |
| Philip & Frances Schmitz | 48.04 | 1428400008 1427300049 | |

TOTAL 128.18

Fort Madison Economic Development Corporation has an assignable option on the parcels owned by B & H Warehousing, Inc. through August 1, 2025. This option automatically renews, unless terminated by either party, for an additional three years, expiring August 1, 2028.

Fort Madison Economic Development Corporation has an assignable option on the parcels owned by Philip G. and Frances L. Schmitz through February 1, 2025. This option automatically renews, unless terminated by either party, for an additional three years, expiring February 1, 2028.



Support Documentation:

Step 2 Follow-up Response – November 12, 2020

Option Agreement – B & H Warehousing, Inc. – June 5, 2020

Option Agreement – Philip G. and Frances L. Schmitz. – May 30, 2020

TITLE

Tax Parcels 1428400003 & 1428400004

- Titleholder: B & H Warehousing, Inc.
- Fifty percent of mineral rights are held by Fleischaker Mineral Company, LLC.
- Numerous easements were identified in the abstract:
 - Roadway easements
 - Pole line easement (expired)
 - Electric and telephone line easement
 - Water line easement
 - Telecommunications easement

Tax Parcel 1428400008 & 1427300049

- Titleholders: Philip G. Schmitz and Frances L. Schmitz
- Public highway easement

Support Documentation:

Letter from Fehseke & Gray Law Offices – May 3, 2021

Letter from Pulkrabek Law Office, P.L.C. – January 30, 2021

LEASES

B & H Warehousing, Inc. leases their property to Glen Meller. The lease automatically renews annually unless notice is provided by one party to the other for the intent to terminate the lease. If the property is sold while crops are in the field, the tenant will be compensated for his expenses.

Philip and Frances Schmitz lease their property to Dale Auwaerter. The lease automatically renews annually unless notice is provided by either party to terminate the lease. If the property is sold while crops are in the field, the tenant will be compensated for his expenses.

Support Documentation:

Farm Lease – B & H Warehouse, Inc./Glen Meller – September 21, 2021

Farm Lease – Philip and Frances Schmitz/Dale Auwaerter – January 27, 2021

05

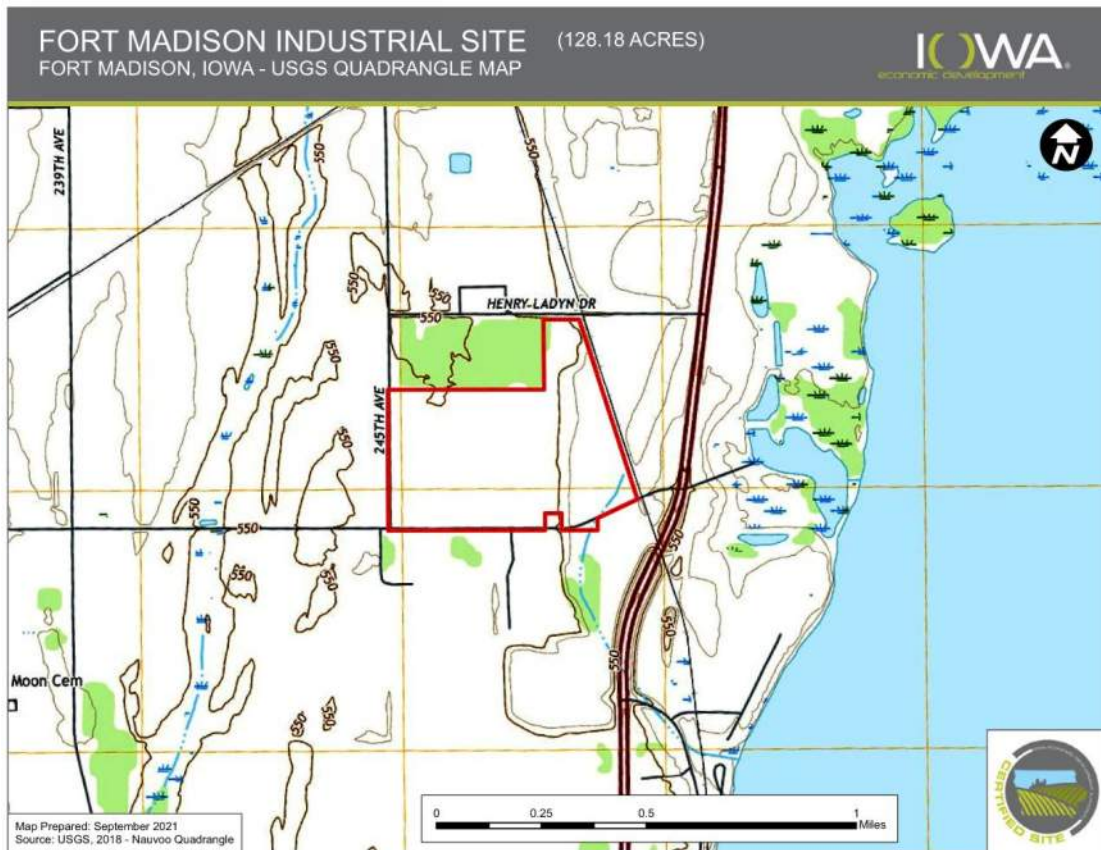
Site Characteristics



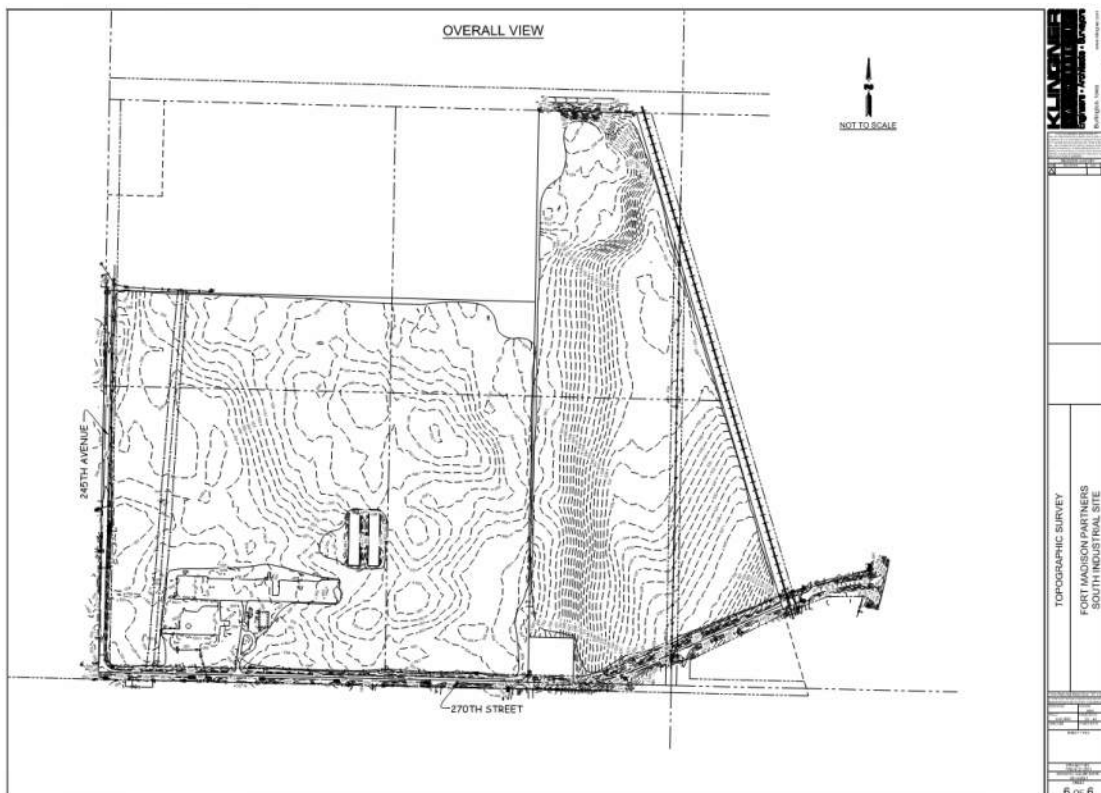
SITE CHARACTERISTICS

05

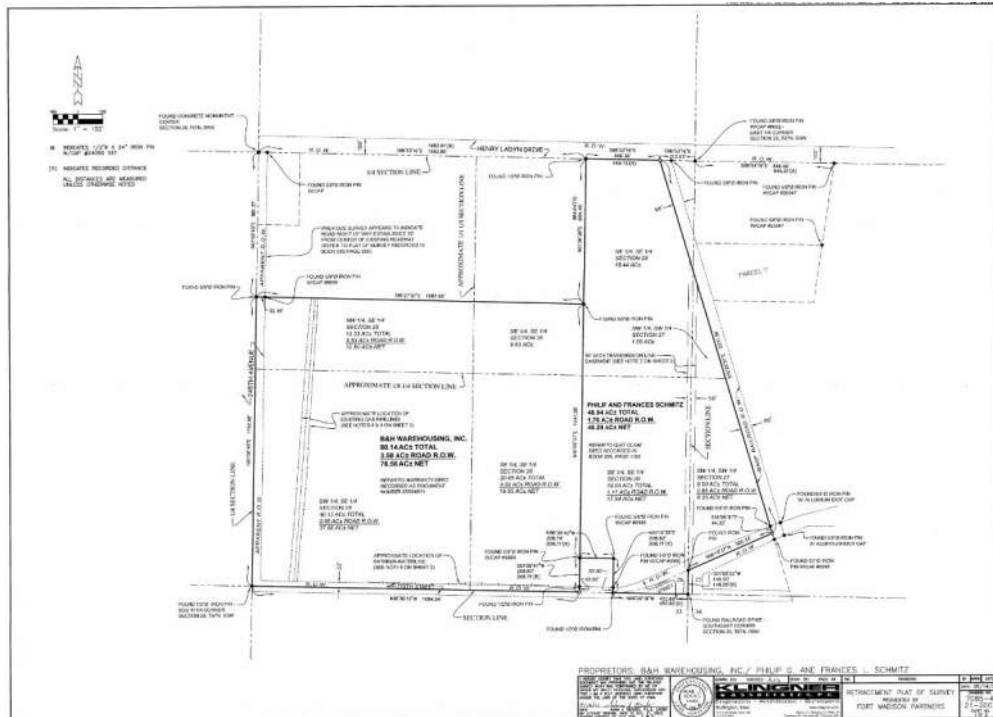
USGS



TOPOGRAPHY



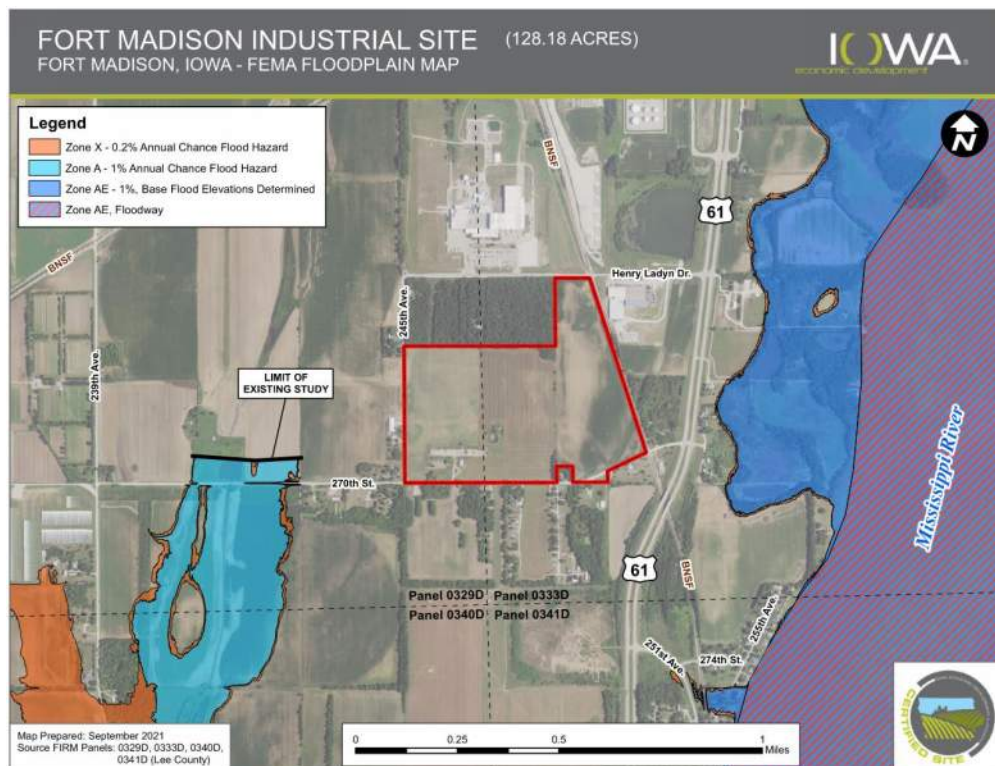
SURVEY



FEMA

FEMA Flood Zone X – outside of the 100- and 500-year flood zones

Map Numbers 19111C0329D and 19111C0333D



IMPEDIMENTS (EASEMENTS, ETC.)

Three adjacent gas lines, and associated right-of-way, runs north to south through the western portion of the site. An electric transmission line, and associated 50-foot easement, runs north to south through the eastern portion of the site. There is also 5.34 acres of road right-of-way along the boundaries of the property that will not impact development.

There are also existing structures, infrastructure, and used tires that will need to be removed prior to development. It is estimated that all items can be removed within four to eight weeks for \$492,250. The visual below shows the items and location of the impediments to be removed:



Support Documentation:

Retracement Plat of Survey – Klingner & Associates, P.C. – May 14, 2021

Site Impediment Removal Cost & Schedule - Klingner & Associates, P.C. – May 4, 2021

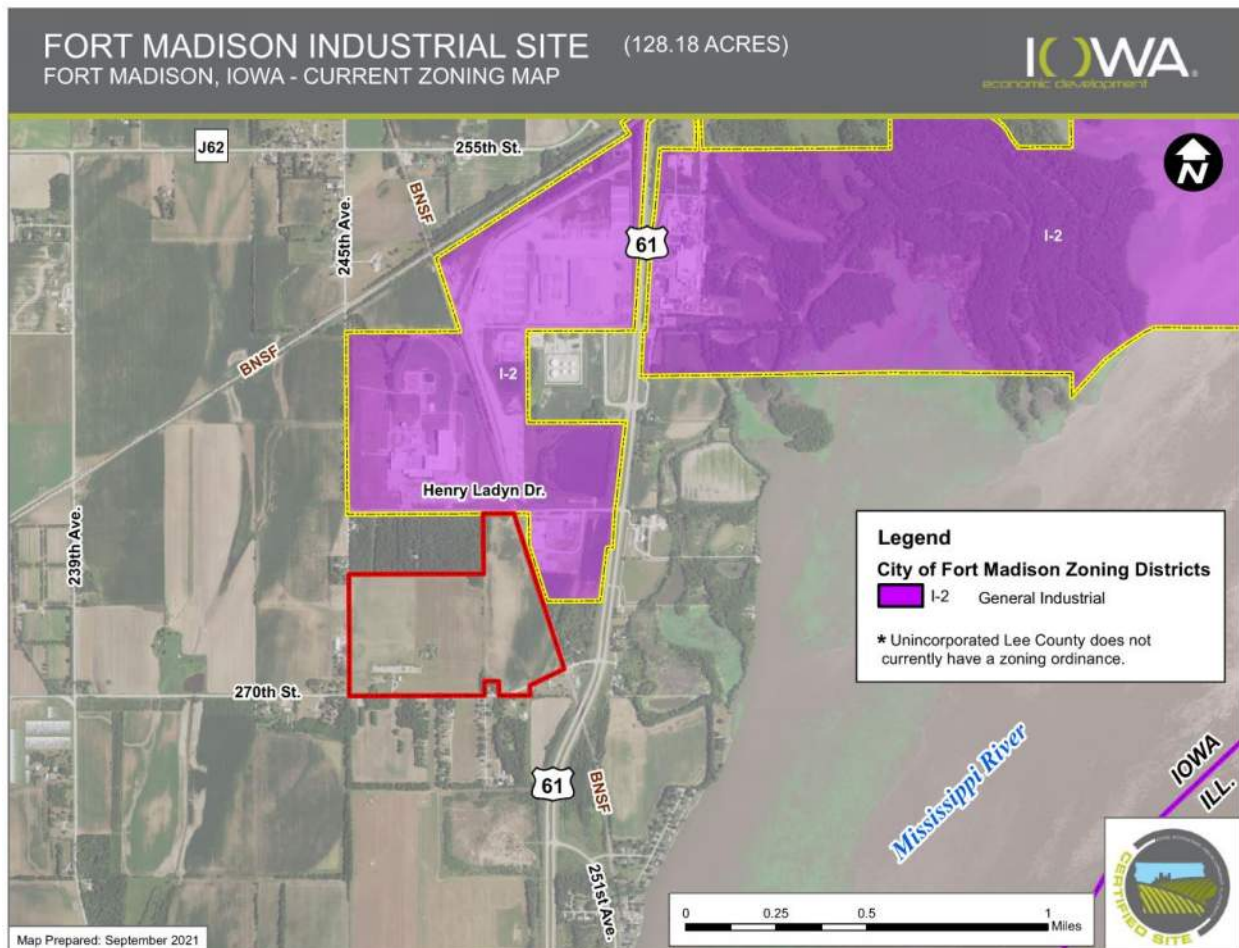
06

Zoning



CURRENT ZONING

Unincorporated Lee County is not subject to zoning.



ANNEXATION

The property will need to be annexed into the City of Fort Madison. The annexation process is outlined by state code, and a voluntary annexation can be completed in a “very timely manner.” All property annexed into the city is automatically assigned a zoning classification of R-1.

Support Documentation:
Letter from City of Fort Madison – November 5, 2020

REZONING

Since all property annexed into the city is assigned a zoning classification of R-1, the property will need to be rezoned. The rezoning process takes approximately 11 weeks and can occur concurrently with annexation.

The following rezoning process would apply:

- Rezoning application is submitted by the first of the month. (Week 1)
- Planning and Zoning Commission holds a public hearing on the fourth Tuesday of each month and gives a recommendation to City Council. (Week 4)

- City Council has a public hearing at next scheduled meeting and a first reading of an ordinance to rezone the property. (Week 5 or 6)
- At subsequent meetings, Council will have a second reading and then a third reading. (Weeks 7-10)
- City Clerk will publish the ordinance. (Week 10 or 11)

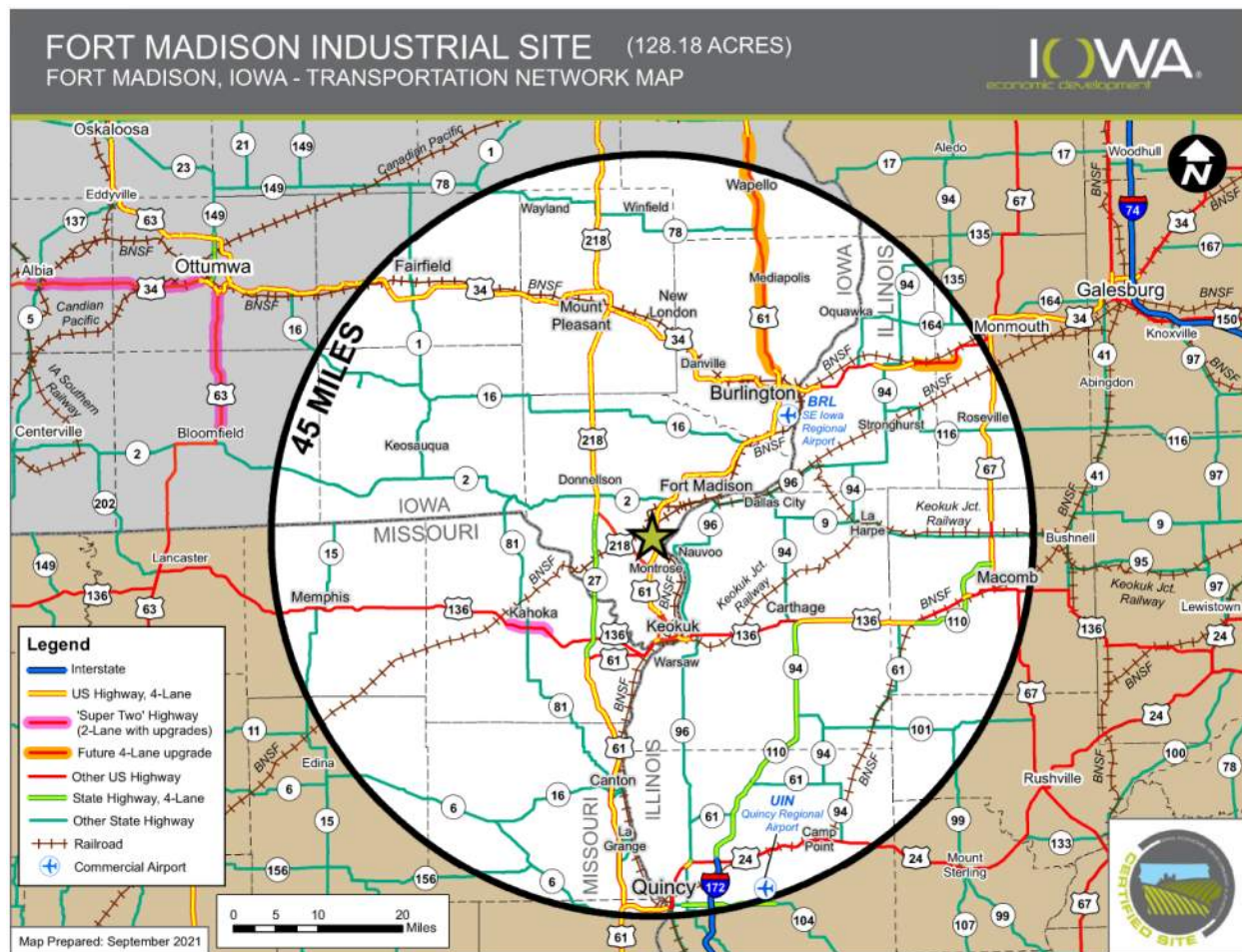
Support Documentation:

Letter from City of Fort Madison – November 5, 2020

07

Transportation





ROADS

The site can be accessed from 270th Street (south), Henry Ladyn Drive (north), or 245th Avenue (west). US Highway 61 is approximately 500 feet east of the site, but the BNSF rail line must be crossed to access US Highway 61. The site is 48 miles from I-172.

270th Street and 245th Avenue are unpaved roads. 270th Street would need to be upgraded to tractor-trailer standards which is estimated to cost \$1,212,975.

Support Documentation:

Conceptual Roadway Estimate – Klingner and Associates, P.C. – May 17, 2021

COMMERCIAL SERVICE AIRPORTS

Southeast Iowa Regional Airport (BLR) – 25 miles

RAIL

While a BNSF rail line runs along the eastern boundary of the site, the property is not marketed as rail-served.

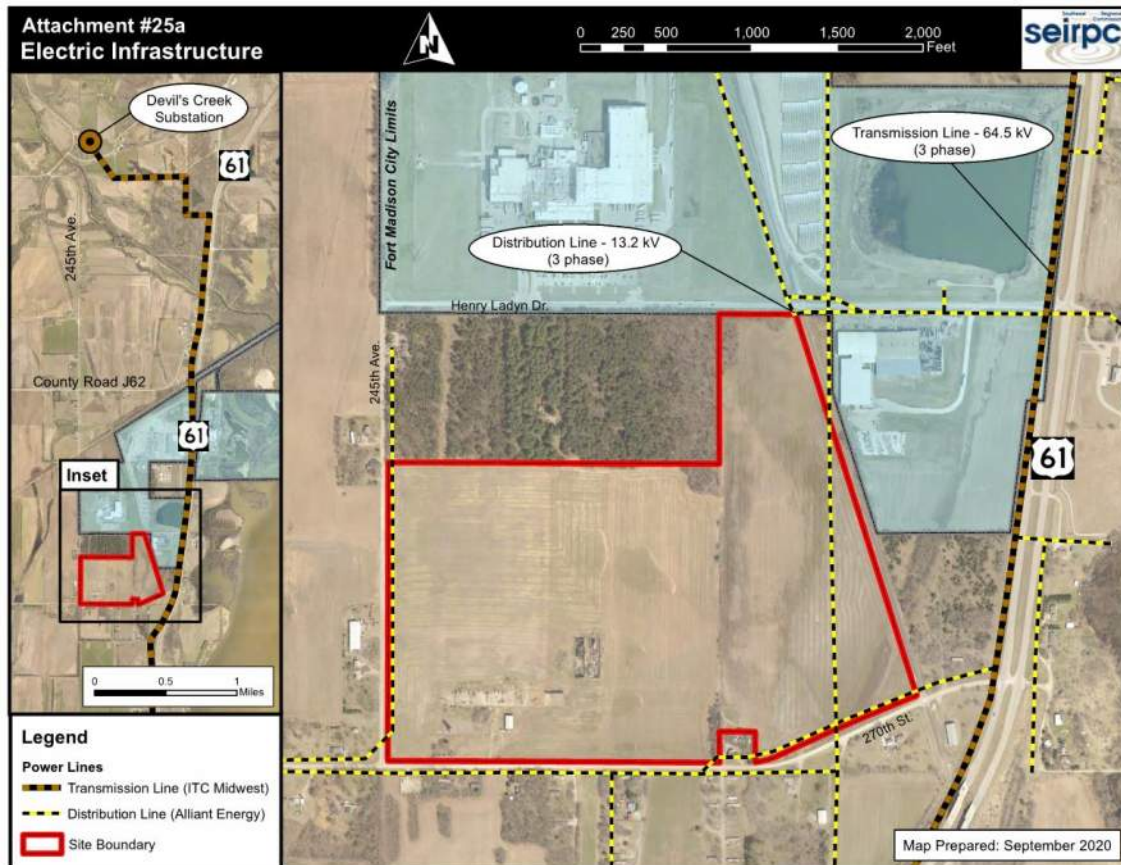
08

Utilities



Note: Utility information, including available capacity and infrastructure locations, changes over time. The utility information below reflects the conditions present at the time of certification documentation. Future users should confirm that the utility infrastructure is adequate for their specific project.

ELECTRIC



Provider: Interstate Power & Light - Alliant Energy (distribution) and ITC Midwest (transmission)

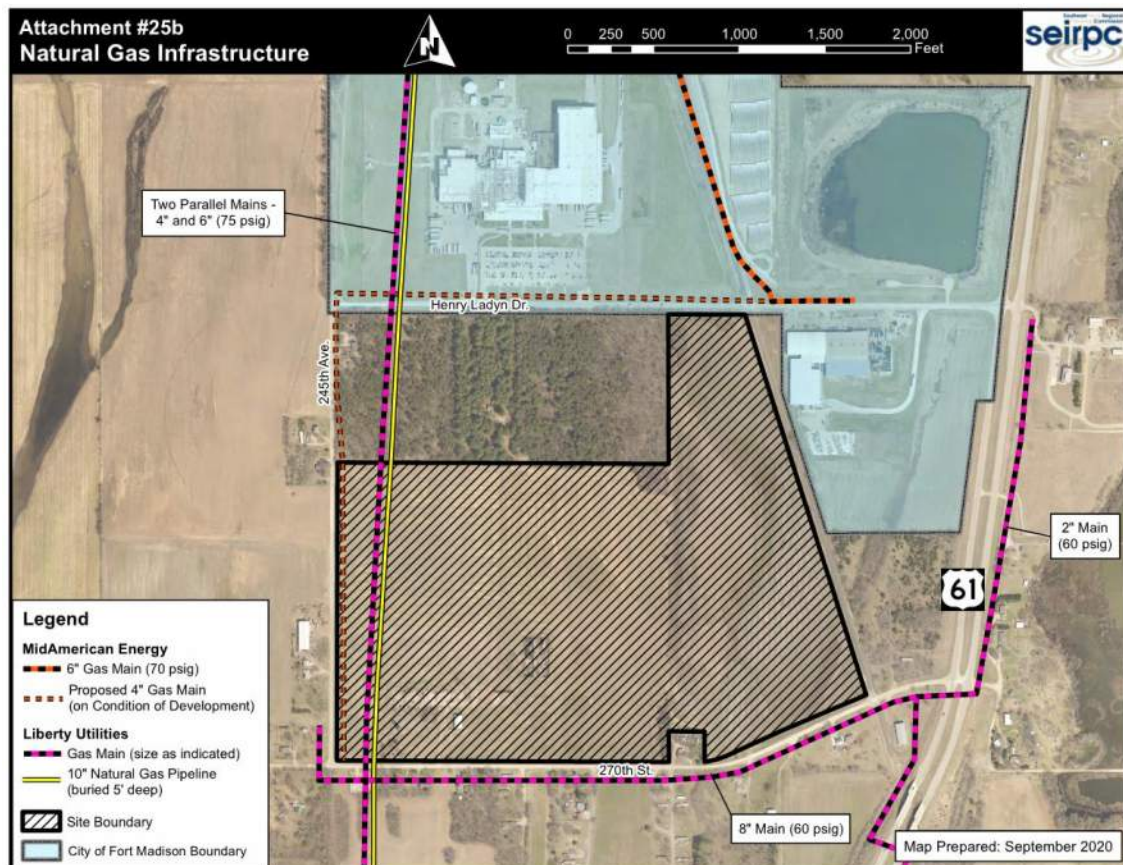
Service Details

- Existing Infrastructure:
 - Distribution: 13.2 kV three phase – adjacent to northeast corner
 - Transmission: 64.5 kV – runs along US Highway 61 east of the site
 - Substation: Devils Creek Substation – less than 2 miles north
- Available Capacity: 2.5 MW should be able to be provided within six months
- Improvements to Provide 2.5 MW: Distribution infrastructure is located at the property boundary and would only need to be extended into the site.
- Other: The costs to complete electric work at the site would be reduced by a revenue credit based on the customer's expected electric use over a three-year revenue justification period. It is possible the customer's cost of construction could potentially be covered in full by the revenue credit.

Contact:
 Nancy Snaadt
 Key Account Manager
 Alliant Energy
 NancySnaadt@alliantenergy.com
 (319) 376-1413

Support Documentation:
 Electric Questionnaire - Alliant Energy – September 24, 2020
 Letter from Alliant Energy – September 1, 2020

NATURAL GAS



Provider: MidAmerican Energy (distribution) and ANR (transmission)

Service Details

- Existing Infrastructure: A 6-inch 70 lbs distribution line located at the northeast corner of the property across the rail line
- Available Capacity: 15,000+ mcf per month
- Improvements: Extend 4-inch gas line approximately 5,230-feet west along Henry Ladyn Drive and then south along 245th Avenue to the southwest corner of the site.
- Estimated Cost and Schedule Estimate: \$139,000
- Estimated Schedule: Five months which includes an easement for an underground rail crossing with BNSF.

Contact:
 Greg Theis
 Program Manager, Business and Community Development
 MidAmerican Energy
 Gregory.Theis@midamerican.com
 (563) 333-8917

Support Documentation:
 Natural Gas Questionnaire – September 3, 2020

WATER



Provider: City of Fort Madison

Service Details

- Existing Infrastructure: A 10-inch main is located along Henry Ladyn Drive approximately 600 feet east of the northeast corner of the property. The line has total and excess capacity of one million gallons per day.
- Improvements: Extend 600 feet of 10-inch water line to the northern boundary of the site.
- Estimated Cost: \$75,000 to extend the line to the property line
- Estimated Schedule: Six months which includes the time required to obtain a utility crossing permit from BNSF
- Other: The property would need to be annexed into the City for water service.

Water Treatment

- Plant: Fort Madison Waterworks (1 mile)
- Total Permitted Capacity: 5 million gallons per day
- Allocated Capacity: 1 million gallons per day
- Average Utilization: 2.5 million gallons per day
- Peak Utilization: 3.5 million gallons per day
- Excess Capacity: 1.5 million gallons per day (factoring in peak utilization)

Contact:

Mark Bousselot
Public Works Director
City of Fort Madison
mbousselot@fortmadison-ia.com
(319) 372-7700

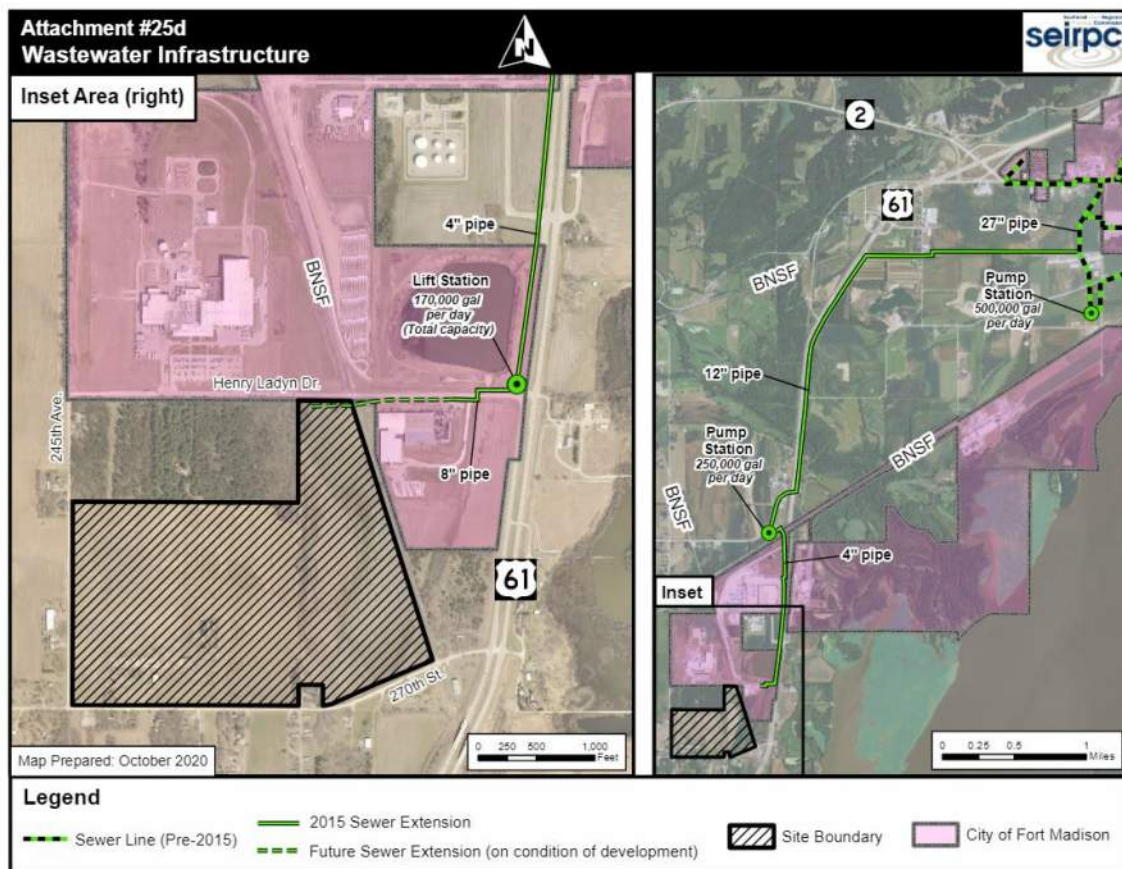
Support Documentation:

Step 2 Clarification Questions and Answers – November 12, 2020

Letter from City of Fort Madison – September 22, 2020

Water Questionnaire – September 22, 2020

WASTEWATER



Provider: City of Fort Madison

Service Details

- Existing Infrastructure: An 8-inch line is located along Henry Ladyn Drive approximately 1,200 feet east of the northeast corner of the property. A lift station is located at the corner of Henry Ladyn Drive and Highway 61. The lift station has a total capacity of 170,000 gallons per day and 150,000 gallons per day of excess capacity.
- Improvements: Extend 1,200 feet of 8-inch sewer main to the northern boundary of the site.
- Estimated Cost: \$150,000 to extend the line to the property line
- Estimated Schedule: Six months which includes the time required to obtain a utility crossing permit from BNSF
- Other: The property would need to be annexed into the City for wastewater service.

Wastewater Treatment

- Plant: Fort Madison Treatment Plant (2 miles)
- Total Permitted Capacity: 9 million gallons per day
- Allocated Capacity: 2 million gallons per day
- Average Utilization: 3 million gallons per day
- Peak Utilization: 7 million gallons per day
- Excess Capacity: 2 million gallons per day (factoring in peak utilization)

Contact:

Mark Bousselot
Public Works Director
City of Fort Madison
mbousselot@fortmadison-ia.com
(319) 372-7700

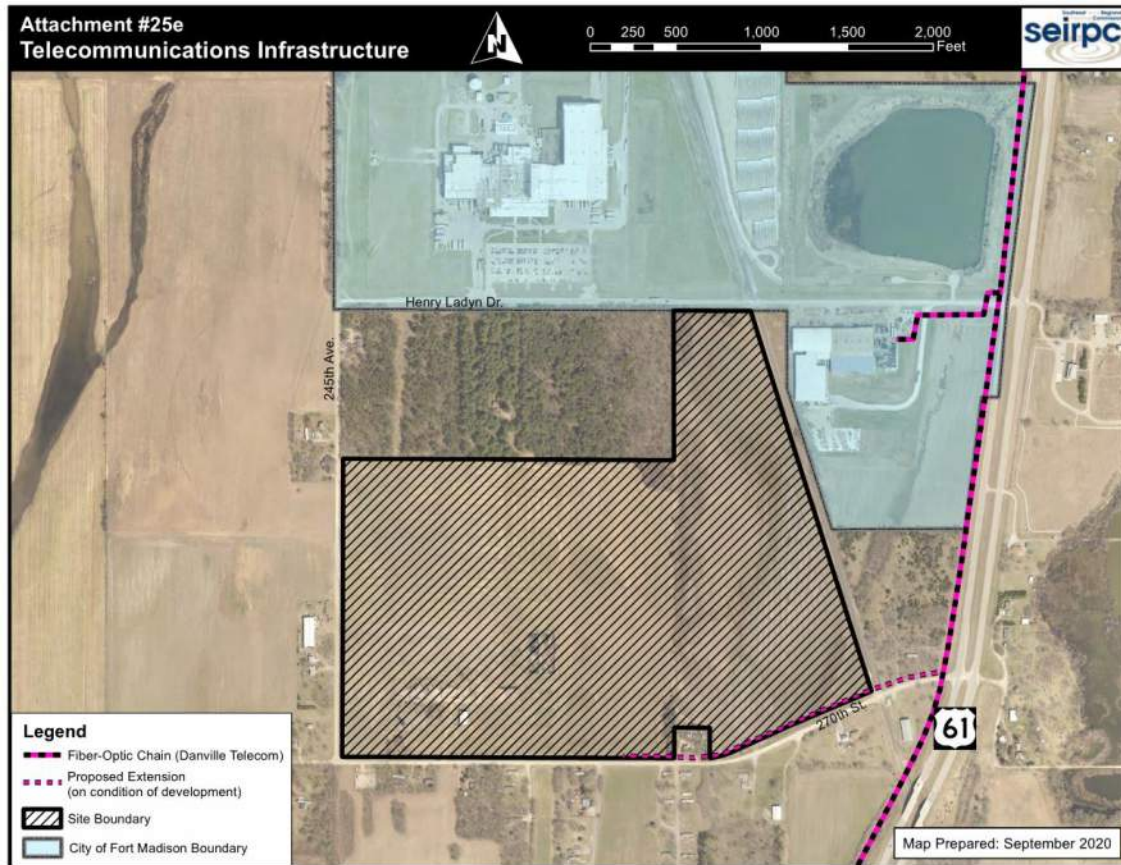
Support Documentation:

Step 2 Clarification Questions and Answers – November 12, 2020

Letter from City of Fort Madison – September 22, 2020

Wastewater Questionnaire – September 22, 2020

TELECOMMUNICATIONS



Provider: Danville Mutual Telephone Company dba iConnectYou

Service Details

- Existing Infrastructure: Fiber runs along Highway 61, east of the site.
- Improvements: Extend line approximately 1,500-feet to the site.
- Estimated Cost: \$7,500 or less
- Estimated Schedule: 90 days + additional 45 days for railroad permit

Contact:

Timothy FencI
General Manager & CEO
Danville Mutual Telephone Company dba iConnectYou
tfencI@danvilletelco.net
(319) 392-4251

Support Documentation:

Letter from Danville Mutual Telephone Company dba iConnectYou – October 30, 2020

09

Due Diligence



ENVIRONMENTAL

Multiple Phase I Environmental Site Assessments (ESA) as well as a Phase II ESA were completed in 2015. A Phase I ESA update was completed in 2020. The update found that no significant changes have occurred at the site since the initial and supplemental Phase I ESAs in 2015 and there are no recognized environmental conditions (RECs) identified at the subject property.

Support Documentation:

Phase I Environmental Site Assessment Update – Klinger & Associates, P.C. – February 11, 2020

Phase II Environmental Site Assessment - Klinger & Associates, P.C. – April 27, 2015

Phase I Environmental Site Assessment – Klinger & Associates, P.C. – March 19, 2015

Phase I Environmental Site Assessment – Klinger & Associates, P.C. – February 13, 2015

WETLANDS

An Approved Jurisdictional Determination, which is valid for five years, indicated that there no jurisdictional wetlands or streams on the site.

Support Documentation:

Approved Jurisdictional Determination – U.S. Army Corps of Engineers – July 10, 2020

Waters of the U.S. Survey – Klinger & Associates, P.C. – March 15, 2019

SPECIES

Species on IPaC Resource List

- Indiana Bat (Endangered)
- Northern Long-eared Bat (Threatened)
- Sheepnose Mussel (Endangered)
- Spectaclecase (Endangered)
- Prairie Bush-clover (Threatened)
- Western Prairie Fringed Orchid (Threatened)

No critical habitats at this location.

The threatened and endangered species study (2019) found that the federally listed species and critical habitat are not present, and no further consultation is required by the U.S. Fish & Wildlife Service.

Support Documentation:

IPaC Resource List – October 28, 2020

Threatened & Endangered Species Study - Klinger & Associates, P.C. – March 15, 2019

CULTURAL RESOURCES

The architectural survey did not identify any structures on the site or within the quarter-mile buffer that are or would be eligible for the National Register of Historic Places (NRHP). The archaeological survey identified five archaeological sites, but none are eligible for the NRHP.

The Iowa State Historic Preservation Office found that the investigation is consistent with best practices and concurs with the recommendation regarding the National Register eligibility of 13LE993–997.

Support Documentation:

Letter from the Iowa State Historic Preservation Office (via email) – April 15, 2021

Phase I Intensive Archaeological Survey - Wapsi Valley Archeology – April 2021

Intensive Level Architectural History Survey – Wapsi Valley Archeology – March 2019

GEOTECHNICAL

A Preliminary Geotechnical Investigation included six test borings drilled to depths of 6.5 feet to 101.5 feet below the existing ground surface. One boring (3a) discovered recent fill that was composed of brown, very loose to medium dense, poorly graded sand with gravel and poorly graded sand with wood and plastic.



Based on the subsurface conditions encountered and the area geology, the Seismic Site Class is closest to E in accordance with IBC 2009. If soil improvement is utilized and RAP installed, the site classification would be closest to D in accordance with the provisions of IBC 2009.

Support Documentation:

Preliminary Geotechnical Investigation – Klinger & Associates, P.C. – March 6, 2015

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Master Plan



FORT MADISON INDUSTRIAL SITE (128.18 ACRES)

FORT MADISON, IOWA - MASTER DEVELOPMENT PLAN

Legend*

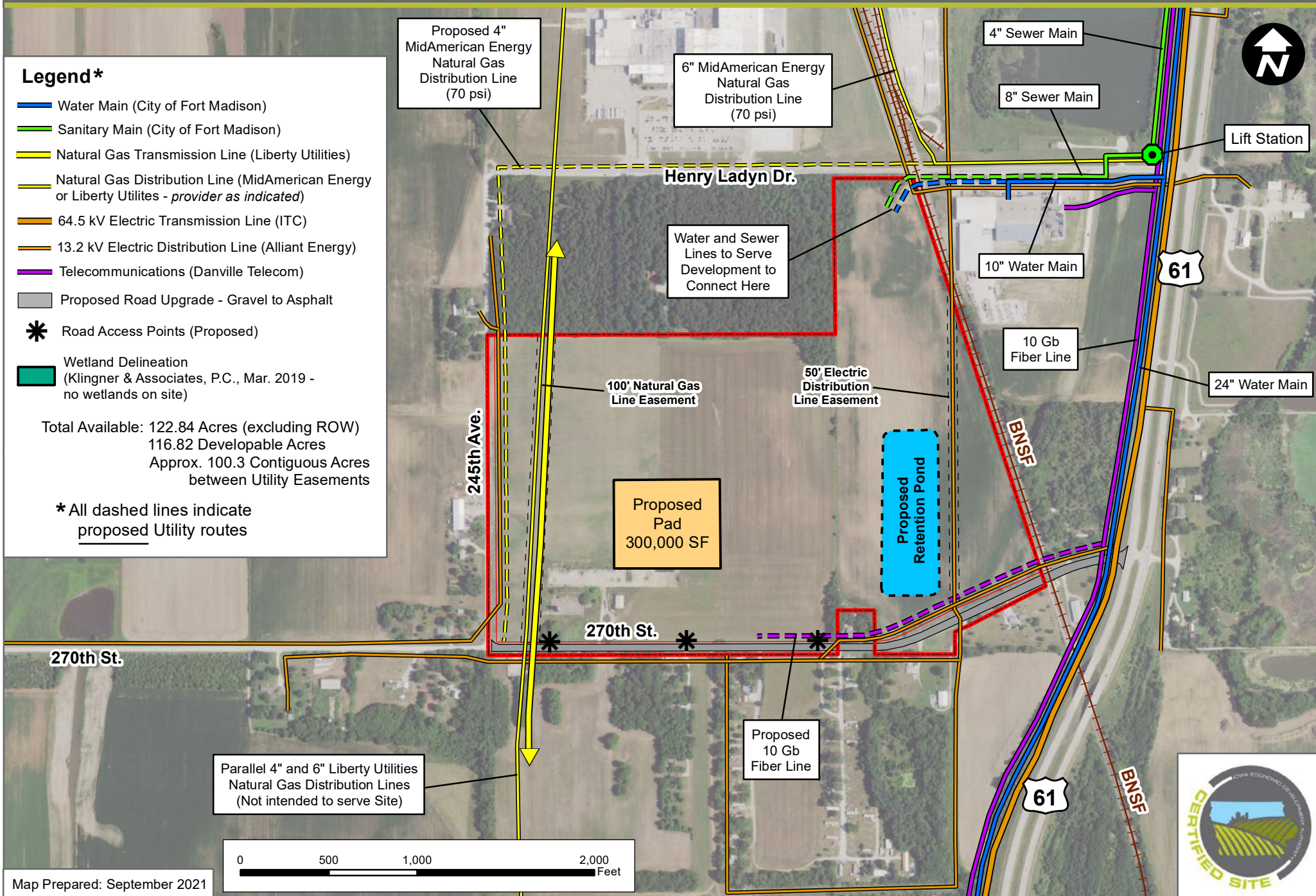
- Water Main (City of Fort Madison)
- Sanitary Main (City of Fort Madison)
- Natural Gas Transmission Line (Liberty Utilities)
- Natural Gas Distribution Line (MidAmerican Energy or Liberty Utilities - *provider as indicated*)
- 64.5 kV Electric Transmission Line (ITC)
- 13.2 kV Electric Distribution Line (Alliant Energy)
- Telecommunications (Danville Telecom)
- Proposed Road Upgrade - Gravel to Asphalt

***** Road Access Points (Proposed)

Wetland Delineation
(Klingner & Associates, P.C., Mar. 2019 - no wetlands on site)

Total Available: 122.84 Acres (excluding ROW)
116.82 Developable Acres
Approx. 100.3 Contiguous Acres
between Utility Easements

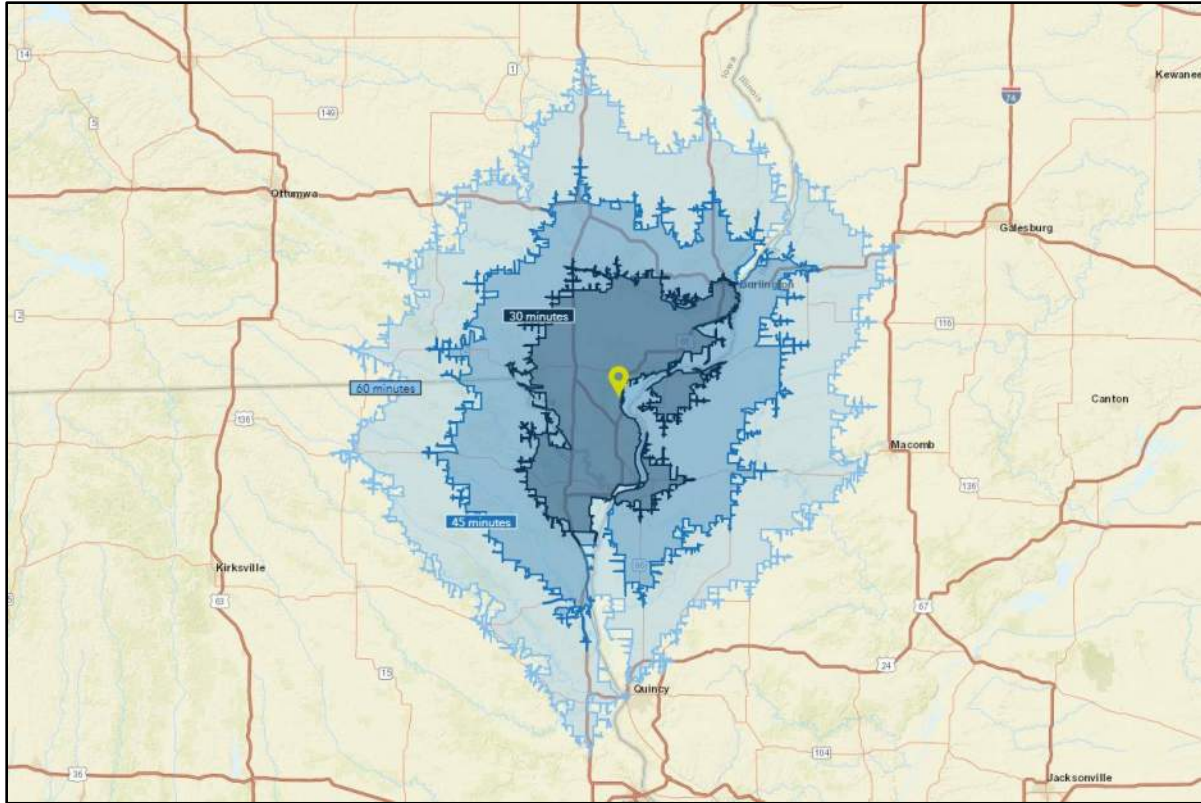
* All dashed lines indicate
proposed Utility routes



11

Workforce





| | 30-Minute Drive Time | 45-Minute Drive Time | 60-Minute Drive Time |
|--------------------------------------|----------------------|----------------------|----------------------|
| Total Population | 59,544 | 112,493 | 156,938 |
| Labor Force | 30,358 | 56,143 | 78,990 |
| Manufacturing Employment | 6,152 | 10,994 | 14,463 |
| Percentage Employed in Manufacturing | 22% | 21% | 19% |
| Median Age | 44.3 | 43.8 | 44.3 |
| Bachelor's Degree Attainment | 19% | 19% | 19% |
| Average Hourly Wage | \$22.22 | \$21.86 | \$21.22 |
| Average Manufacturing Wage | \$29.71 | \$29.12 | \$26.58 |

12

Summary + Recommendations



Strengths:

- Site has approximately 100 contiguous, developable acres.
- Multiple access points available from Henry Ladyn Drive and 270th Street.
- Utilities are in the general proximity of the site and would only need to be extended short distances.
- There are no wetlands or flood zone on the property.

Challenges:

- Property will need to be annexed into the City of Fort Madison and rezoned.
- The property is 48 miles from I-172.
- While rail is adjacent, the property will not be marketed as rail-served.
- Rail line must be crossed to access the property.
- Road (270th Street) is currently unpaved and will need to be upgraded.
- Geotechnical study found some evidence of potential buried trash (plastic, wood, etc.).

Recommendations:

- Collect information on rail traffic (frequency, number of cars, etc.) since the rail line will need to be crossed for access.
- Install signage around the property that it's available for industrial development and a certified site.



10 Falcon Crest Drive
Greenville, SC 29607
864.671.1001

www.questsitesolutions.com

