

Forest City Rail Park

Forest City, Hancock County, Iowa

Certification Report
June 2022





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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



June 3, 2022

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



Dear Ms. Kuhlers:

The Forest City Rail Park, located in Hancock County, Iowa, originally achieved certification through the Iowa Economic Development Authority (IEDA) Certified Site Program on April 27, 2016. Quest Site Solutions (Quest) has conducted a thorough analysis of the property and based on the updated information provided by Forest City Economic Development and our evaluation of the property, we are recertifying the **Forest City Rail Park** 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 Forest City Rail Park 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.

- To market the site as rail-served, the site must be served or be able to be served within 12 months by rail.
- The site must be within 15 miles, via truck route, of an interstate or a four-lane highway.¹
- 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 can be found in Sections 3 through 10 of this report.

This certification will expire on **June 3, 2027**. Upon certification expiration, the property will need to submit for recertification.

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

Sincerely,



Lindsey M. Cannon
Director

¹ Forest City Rail Park received a waiver for this criterion.

03

Property Overview



PROPERTY OVERVIEW

03

LOCATION (LAT / LONG)

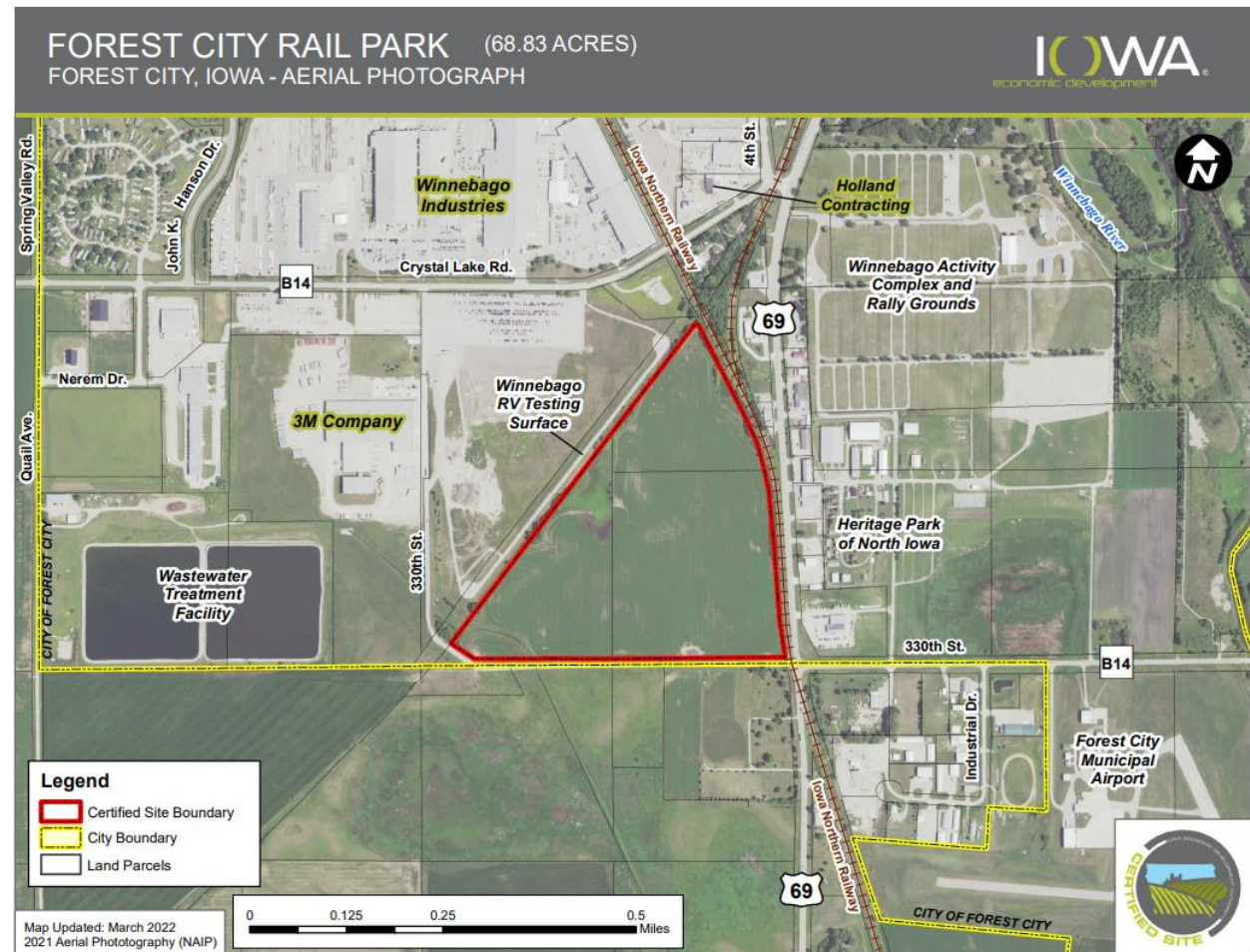
43.247254°, -93.639229°

CONTACT INFORMATION

Beth A. Bilyeu
Executive Director
Forest City Economic Development
beth@forestcityia.com
(641) 585-5560 (office)
(641) 590-3423 (mobile)

SIZE/ACREAGE

68.83 total acres
40.24 developable acres before mitigation
51.78 developable acres after proposed mitigation



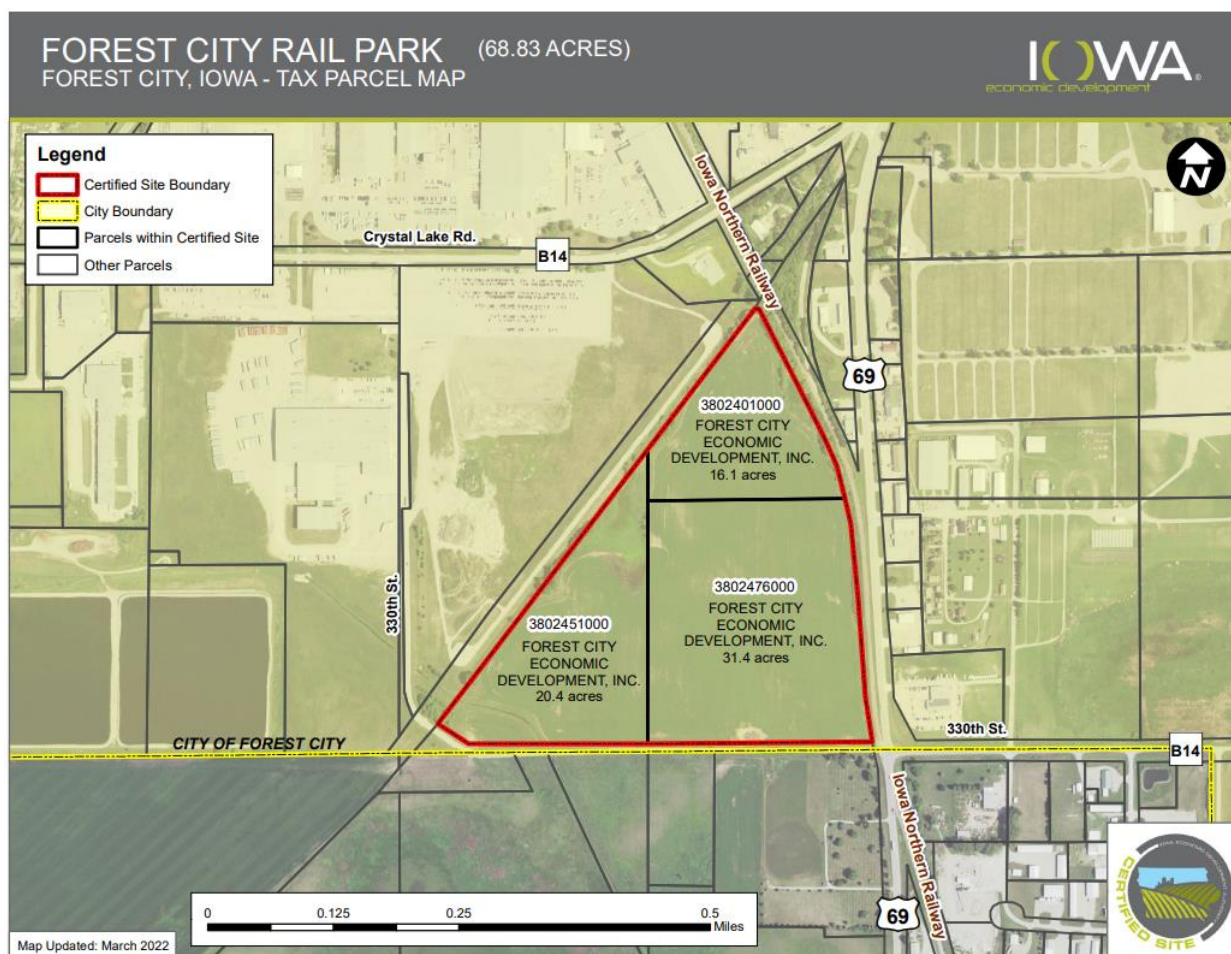
04

Ownership + Availability



OWNERSHIP + PRICE

Owner	Acres	Tax Parcels	Price
Forest City Economic Development	31.43	3802476000	\$15,000/acre
	21.33	3802451000	
	16.07	3802401000	
TOTAL		68.83	



Support Documentation:

Memorandum from WHKS – February 11, 2022

Letter from Forest City Economic Development – March 30, 2021

Plat of Survey Parcel “C” – James D. Witt – November 19, 2008

TITLE

Fee title good and merchantable is in Forest City Economic Development, Inc. The title opinion identified Drainage District No. 7 and an easement to Hancock County for road purposes (public highway) that impact the property. Refer to the full title opinion for other items regarding title to the property.

Support Documentation:

Letter/Title Opinion from Siegrist, Jones, and Bakke – July 14, 2021

LEASES

Forest City Economic Development, Inc. leases the property for agricultural purposes to Lynn Hagenson. The original lease term expired February 29, 2013, but the lease automatically renews upon expiration from year-to-year. The lease includes details of how the tenant will be reimbursed if they are required to relinquish the property for future development.

Support Documentation:

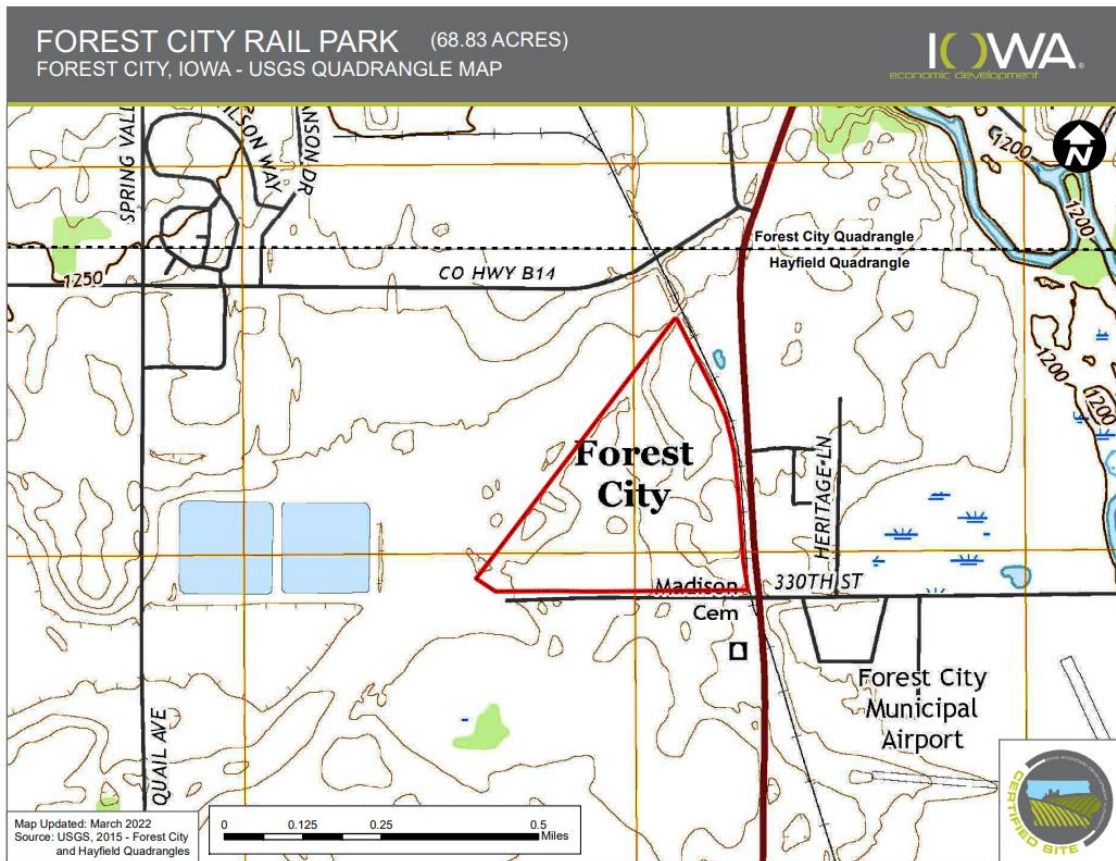
Farm Lease – Forest City Economic Development, Inc./Lynn Hagenson – Undated (Original Term began March 1, 2012)

05

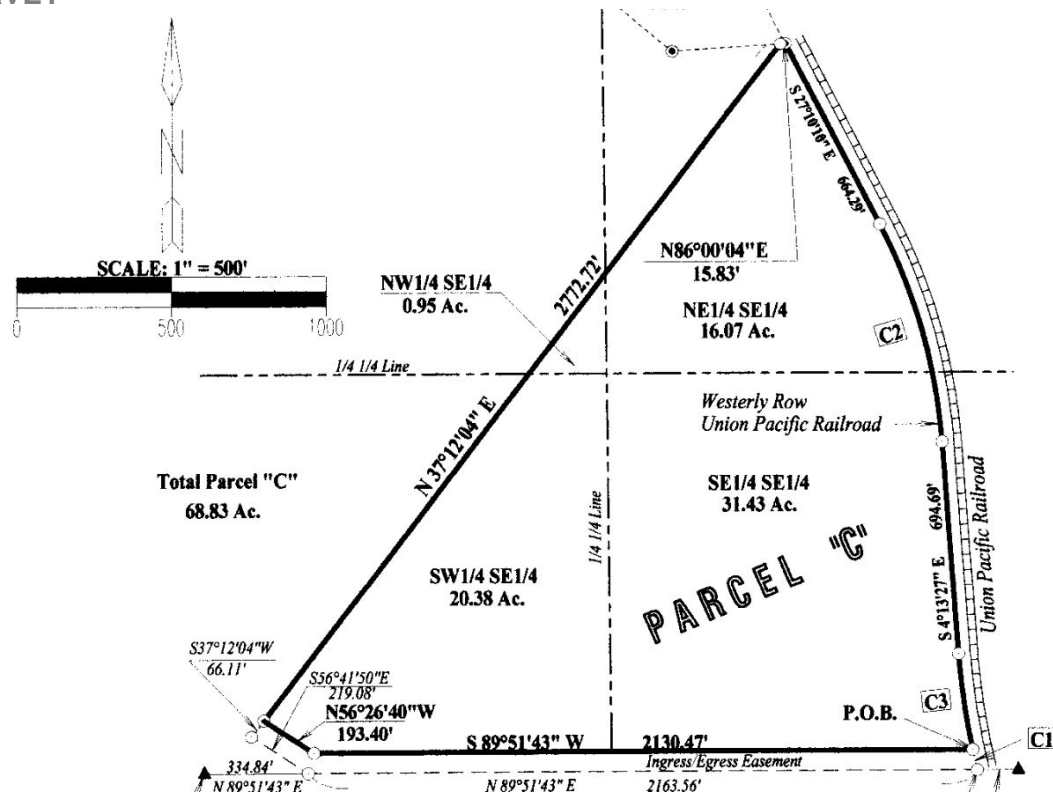
Site Characteristics



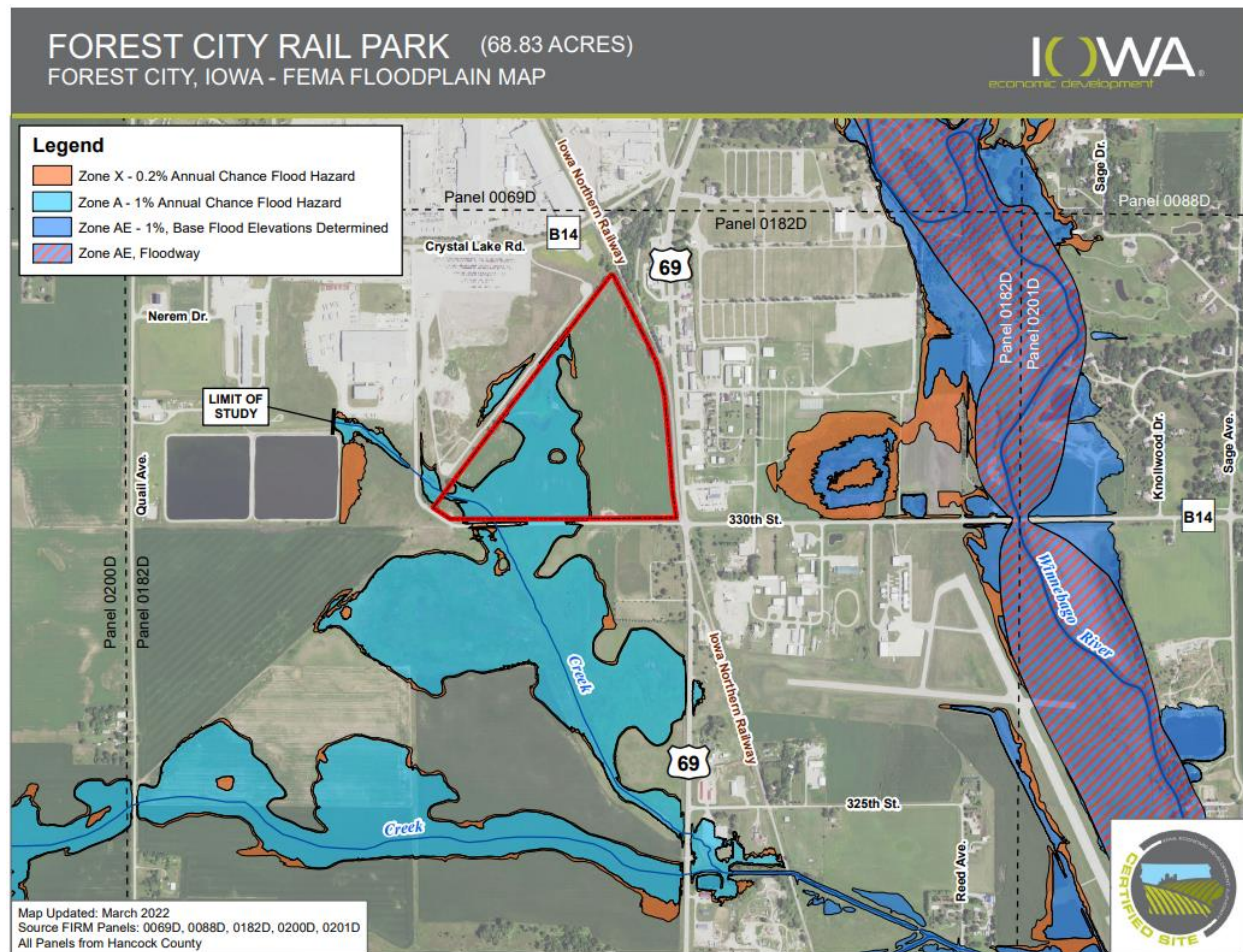
TOPOGRAPHY



SURVEY



FEMA



The eastern portion of the site is located in FEMA Flood Zone X – outside of the 100- and 500-year flood zones. The western portion of the site is located in FEMA Flood Zone A – within the 100-year flood zone. A small portion surrounding the FEMA Flood Zone A is FEMA Flood Zone X (shaded) which is within the 500-year flood zone.

A 17-acre natural area is proposed for the southwestern portion of the site, but the flood areas outside of this area are proposed to be filled. The estimated cost and schedule to fill these areas is \$558,174 and 12 weeks, but this includes \$244,200 for mitigating the wetland areas. The U.S. Army Corps of Engineers indicated that the wetland areas outside of the proposed natural area are non-jurisdictional, so they will not require a permit to be filled.

Map Number 19081C0182D

Support Documentation:
Memorandum from WHKS – December 13, 2021

IMPEDIMENTS

A 17-acre natural area is proposed for the southwest corner of the property due to the following impediments located in this area: jurisdictional wetlands, floodplain, drainage tiles, and a drainage ditch. It is the intent of Forest City Economic Development to retain control of this portion of the property as a natural area or provide a permanent conservation easement over the area with appropriate stewardship.

In the remaining approximately 51 acres, the only existing impediments are floodplain and a drainage tile. The floodplain is proposed to be filled as indicated in the prior section. The drainage tile is proposed to be relocated to the boundary of the property, and the Hancock County Board of Supervisors have indicated their support of relocation when the property is developed. There are also wetlands in this area, but the U.S. Army Corps of Engineers has confirmed these are non-jurisdictional.

Support Documentation:

Letter from Hancock County Board of Supervisors – March 28, 2022

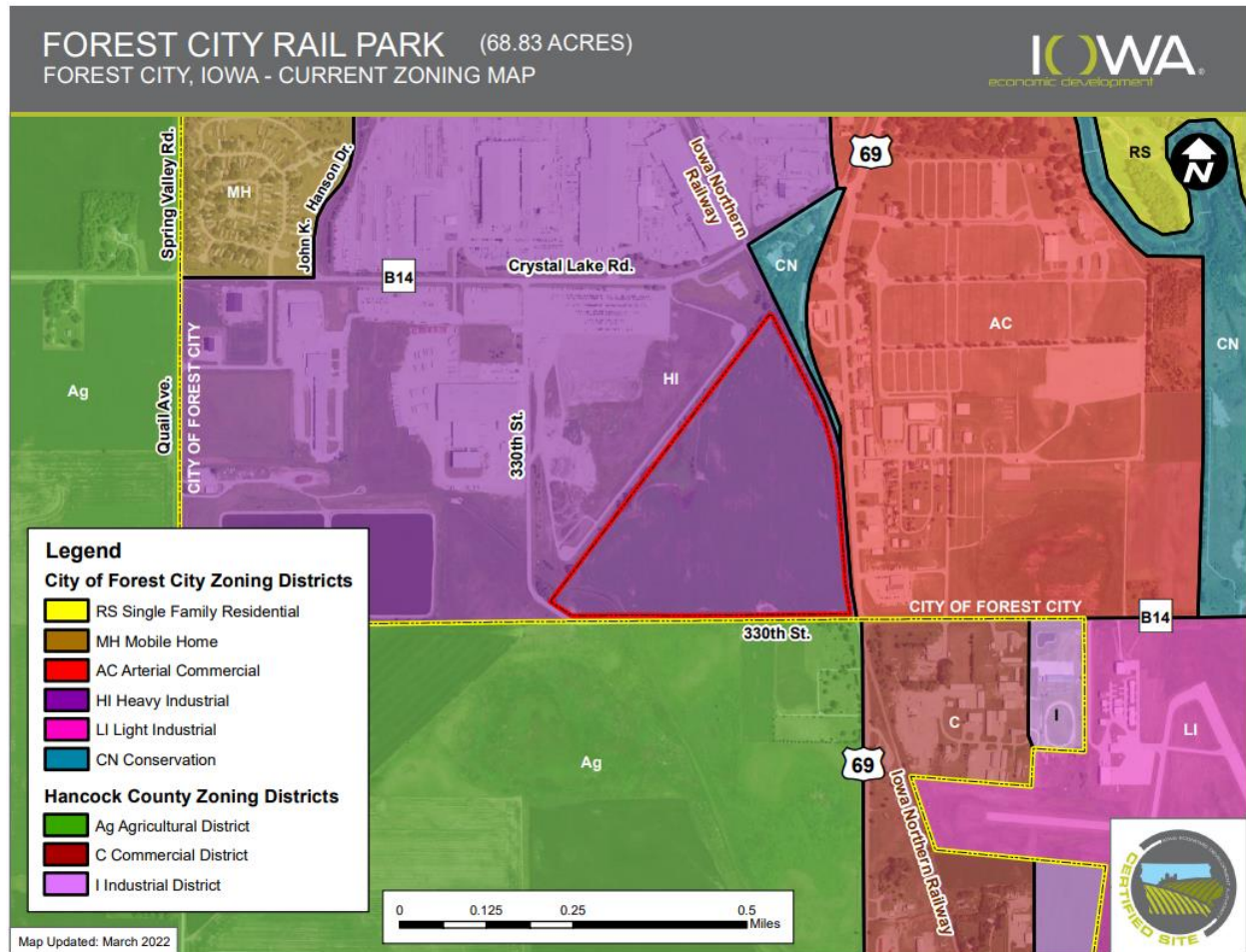
Letter from Forest City Economic Development – March 22, 2022

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Zoning



CURRENT ZONING



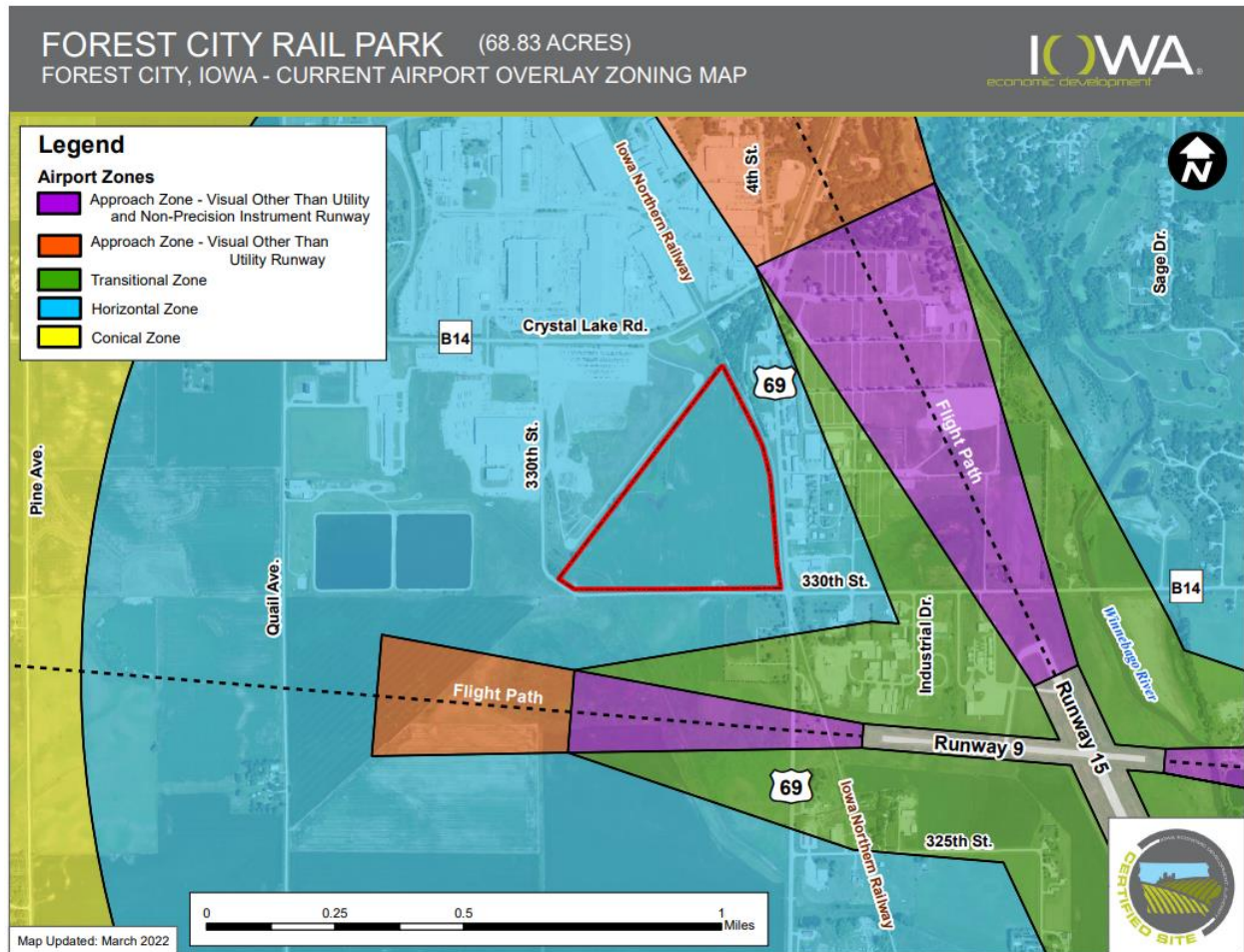
HI – Heavy Industrial

This district is intended to provide areas for activities and uses of a heavy industrial character and is the least restrictive of any district. In the best interest of the City, certain uses in the HI District shall be subject to final Board of Adjustment approval, conditional approval, or denial to insure that property safeguards are taken. No residential uses are permitted.

Support Documentation:

City of Forest City Code of Ordinances – Chapter 165 – As of January 17, 2022

AIRPORT OVERLAY



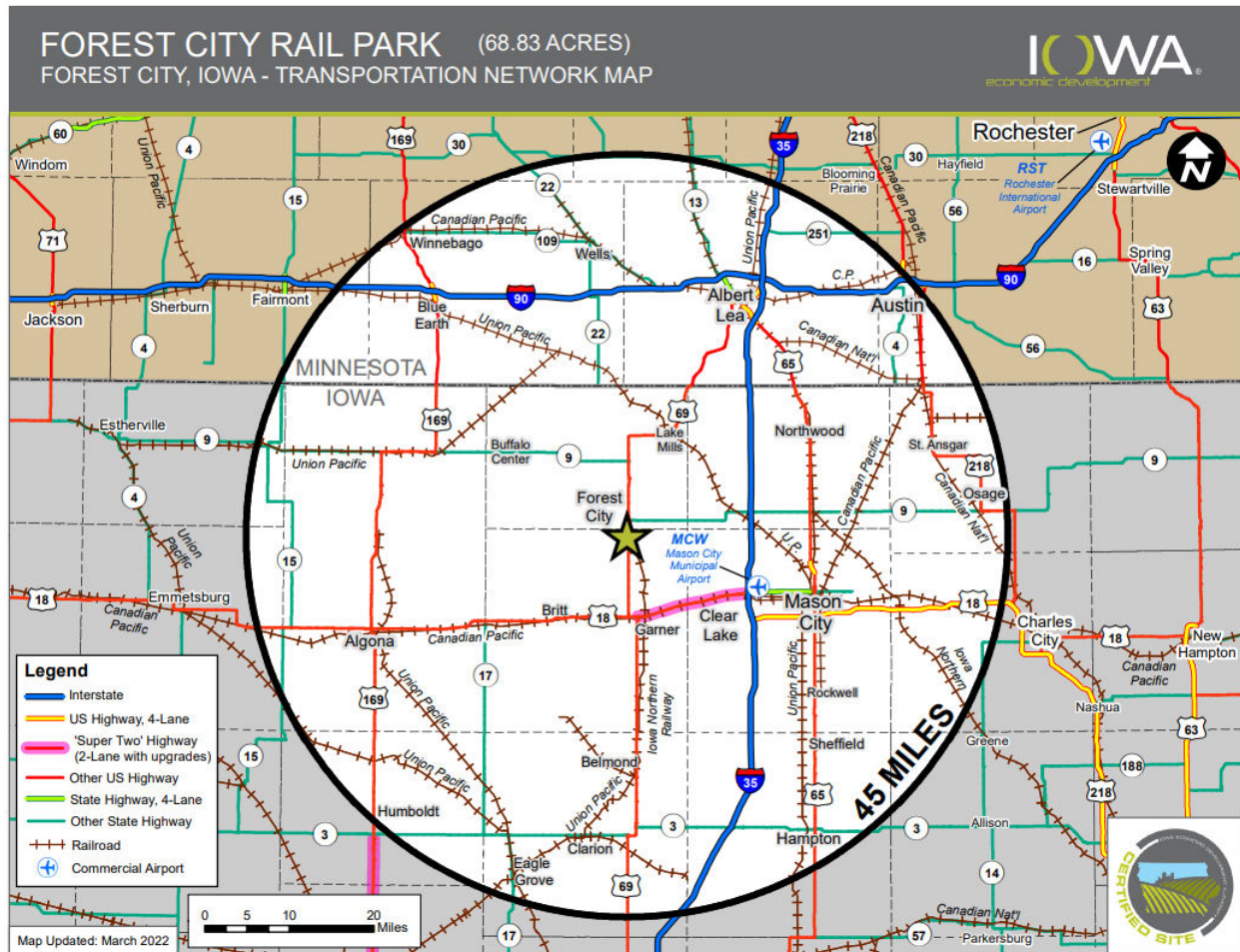
The horizontal zone is a horizontal plane located 150 feet above the established airport elevation and encompasses an area from the transitional surface to the conical surface. This zone should be clear of uses generating visual obstruction or wildlife attractants. Additional details can be found in the Iowa Airport Land Use Guidebook.

Support Documentation:
Iowa Airport Land Use Guidebook – January 2008

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Transportation





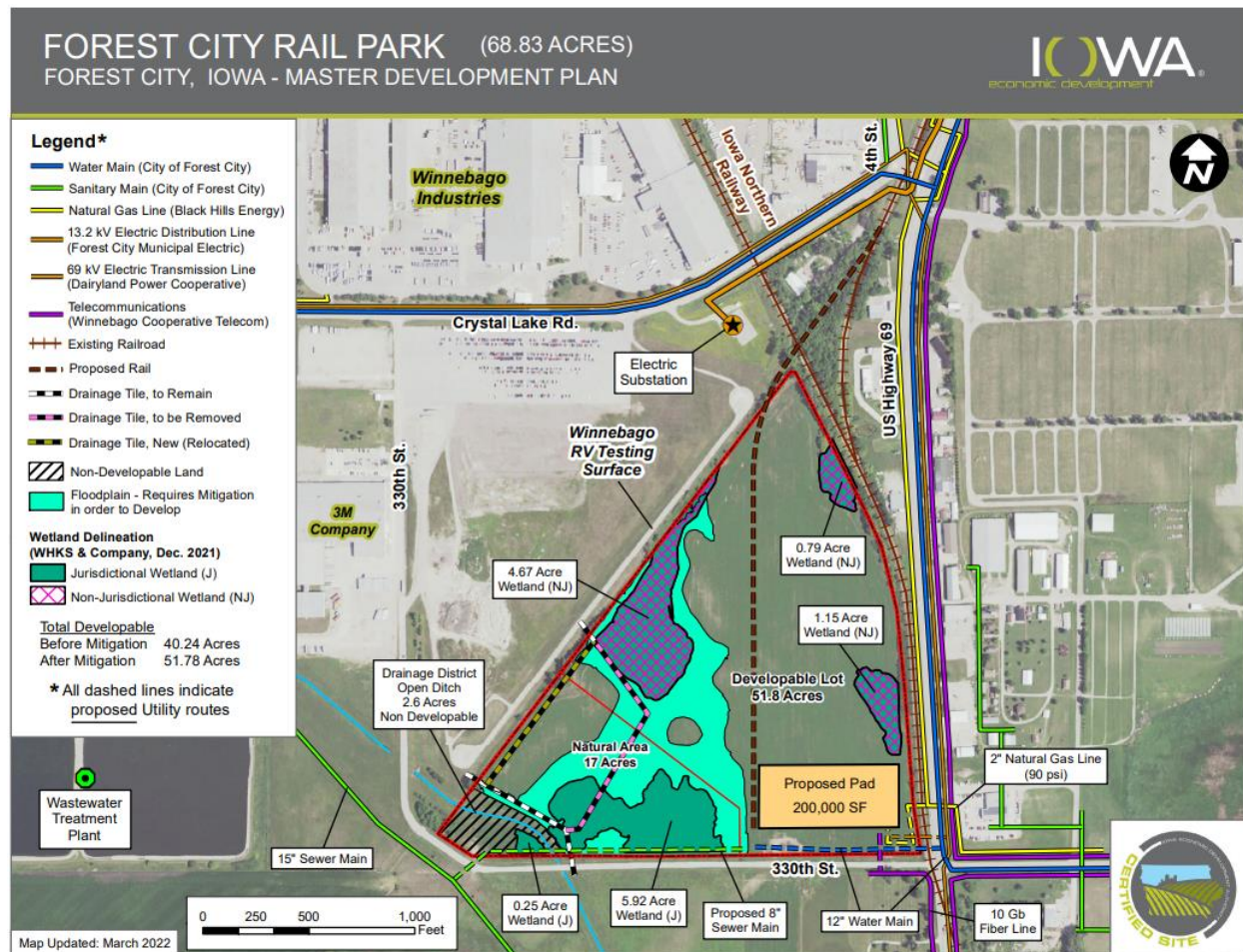
ROADS

The site would be accessed by 330th Street which runs along the southern boundary and is compatible with standards for tractor-trailer access. 330th Street connects to US Highway 69 which runs along the eastern boundary of the site. The site is located approximately 17 miles from I-35 and approximately 34 miles from I-90.

COMMERCIAL SERVICE AIRPORTS

Mason City Municipal Airport (MCW) – 23 miles
Des Moines International Airport (DSM) – 128 miles
Minneapolis St. Paul International Airport (MSP) – 134 miles

RAIL



An Iowa Northern Railway (IANR) line runs along the eastern boundary of the site. The line directly connects with Union Pacific (UP), Canadian National (CN), and Canadian Pacific (CPR).

To construct a rail siding as shown in the visual above, the estimated cost is \$989,411, and the estimated schedule is six months.

Contact:
Dan Sabin
President
Iowa Northern Railway (IANR)
dsabin@iowanorthern.com
(319) 888-7060

Support Documentation:
Memorandum from WHKS – December 13, 2021
Rail Questionnaire – May 26, 2021

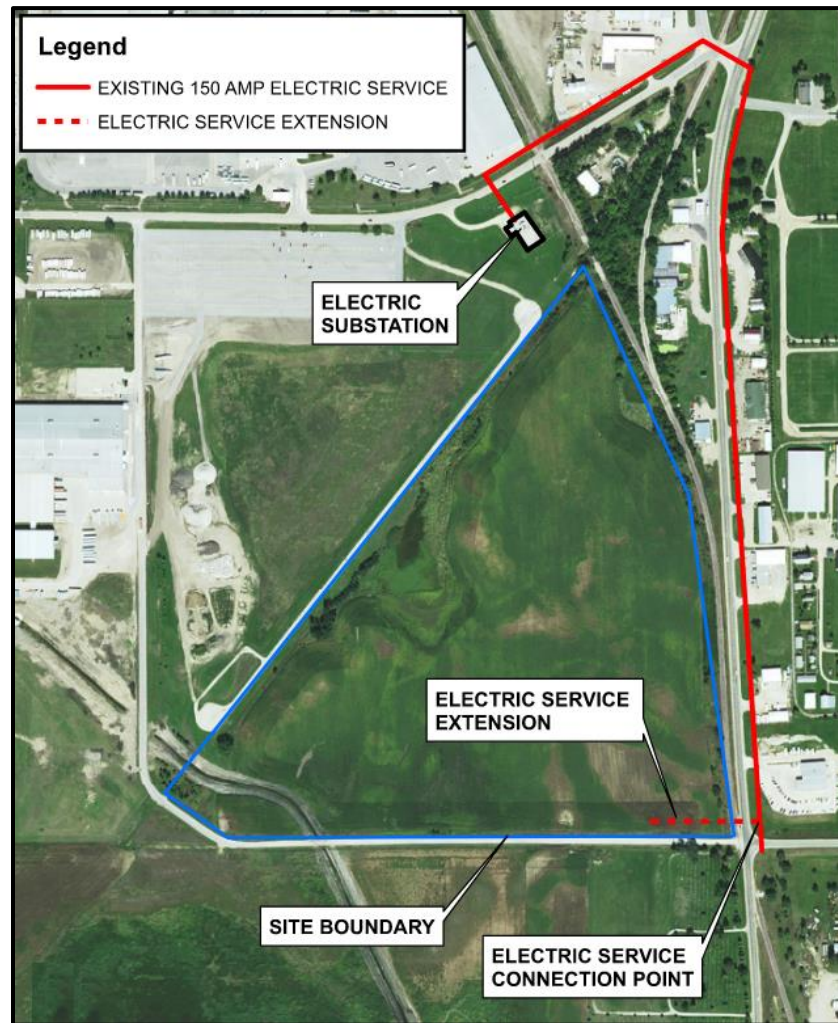
08

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: Forest City Municipal Electric (distribution) and Dairyland Power Cooperative (transmission)

Service Details

- Existing Infrastructure:
 - Distribution: 13.2 kV - 100 feet east across US Highway 69
 - Transmission: 69 kV - 1.5 miles north
 - Substation: 335th Street Substation – 500 feet north
- Available Capacity: 20 MW
- Improvements: Extend the line across US Highway 69 into the site.
- Estimated Cost: None; standard construction costs for service extension would be covered by the City.
- Estimated Schedule: 8 weeks
- Other: Potential for service to be looped for redundant power.

Contact:
Daisy Huffman
City Administrator
City of Forest City
administrator@forestcityia.com
(641) 585-3574

Support Documentation:
Memorandum from WHKS – December 13, 2021
Electric Questionnaire – June 4, 2021

NATURAL GAS



Provider: Black Hills Energy (distribution) and Northern Natural Gas (transmission)

Service Details

- Existing Infrastructure: A 2-inch 90 psig line is located at the southeast corner of the property.
- Available Capacity: 15,000 mcf per month
- Improvements: The line will only need to be extended into the site.
- Estimated Cost and Schedule: \$60,000 and 6 weeks
- Other: A utility crossing permit will be required from the railroad.

Contact:
Chris Bengtson
Account Manager
Black Hills Energy
Chris.bengtson@blackhillscorp.com
(563) 581-7697

Support Documentation:
Memorandum from WHKS – December 13, 2021
Natural Gas Questionnaire – June 7, 2021

WATER



Provider: City of Forest City

Service Details

- Existing Infrastructure: A 12-inch line is located 140 feet from the site across US Highway 69. The line has more than 2,000 gallons per minute of total capacity with 250,000 gallons per day of excess capacity.
- Improvements: Extend the line across US Highway 69 into the site.
- Estimated Cost and Schedule: \$169,390 and 12 weeks

Water Treatment

- Plant: Forest City Water Supply (2 miles)
- Total Permitted Capacity: 2,400,000 gallons per day
- Average Utilization: 500,000 gallons per day
- Peak Utilization: 1,100,000 gallons per day
- Excess Capacity: 1,300,000 gallons per day (factoring in peak utilization)

Contact:

Daisy Huffman

City Administrator

City of Forest City

administrator@forestcityia.com

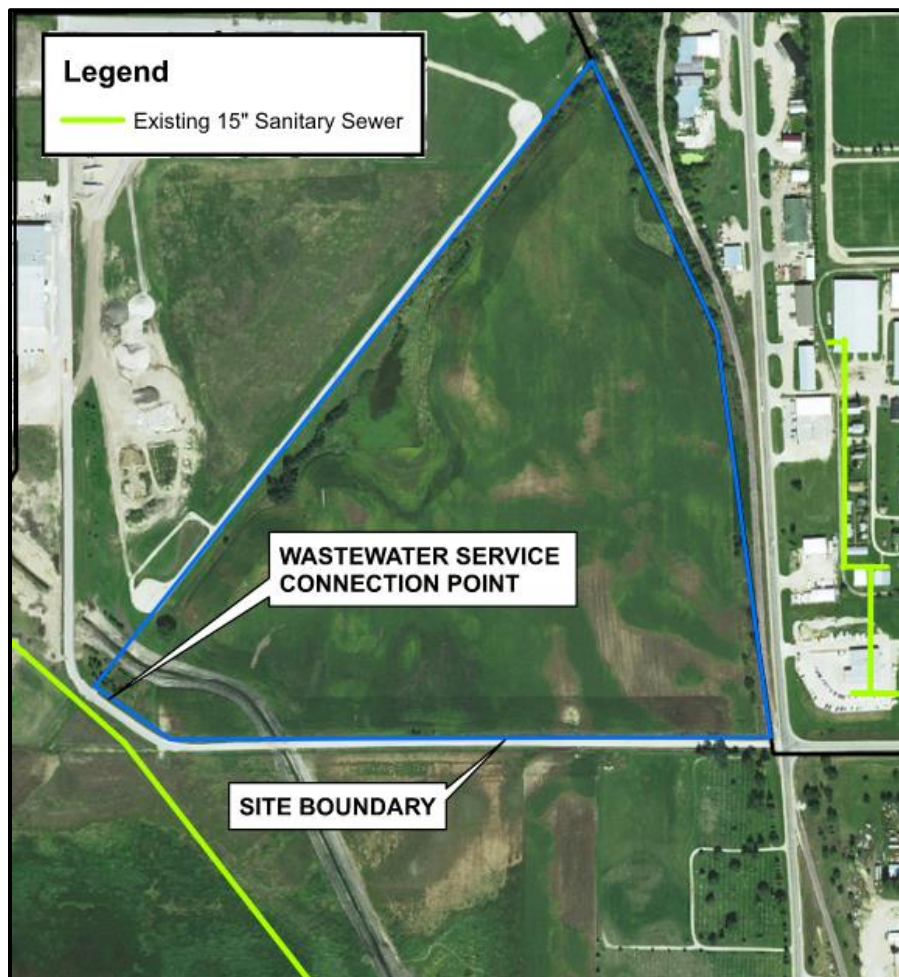
(641) 585-3574

Support Documentation:

Water Questionnaire – January 31, 2022

Memorandum from WHKS – December 13, 2021

WASTEWATER



Provider: City of Forest City

Service Details

- Existing Infrastructure: A 15-inch gravity line with 1,400,000 gallons per day of total capacity and 250,000 gallons per day of excess capacity is located 130 feet from the site across 330th Street.
- Improvements: Extend the line across 330th Street into the site.
- Estimated Cost and Schedule: \$247,000 and 12 weeks
- Other: The proposed connection point is currently at the southwest corner of the property which is proposed as a natural area that may be retained by Forest City Economic Development.

Wastewater Treatment

- Plant: Forest City Wastewater Treatment Plant (1 mile)
- Total Permitted Capacity: 6,150,000 gallons per day
- Average Utilization: 890,000 gallons per day
- Peak Utilization: 2,660,000 million gallons per day (wet weather flows)
- Excess Capacity: 630,000 gallons per day
- Other: Nutrient reduction improvements are planned with a projected completion in 2025.

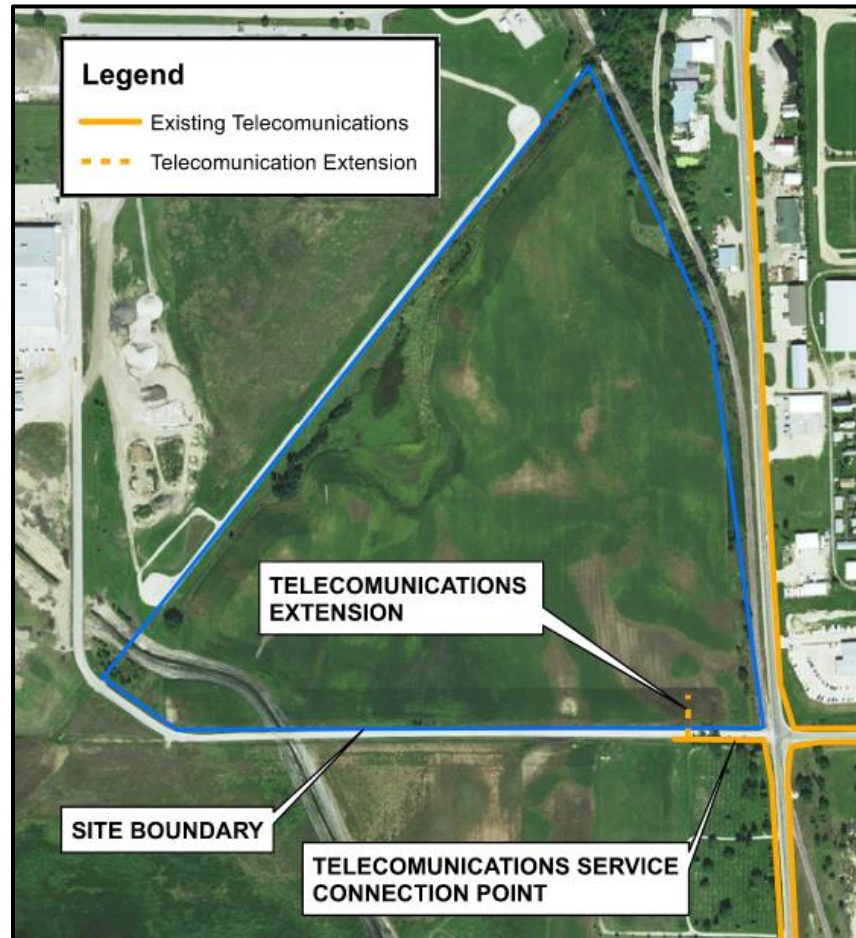
Contact:

Daisy Huffman
City Administrator
City of Forest City
administrator@forestcityia.com
(641) 585-3574

Support Documentation:

Wastewater Questionnaire – January 31, 2022
Memorandum from WHKS – December 13, 2021

TELECOMMUNICATIONS



Provider: Winnebago Cooperative Telecom Association (WCTA)

Service Details

- Existing Infrastructure: Fiber is located at the southeastern corner of the site at US Highway 69 and 330th Street.
- Improvements: Extend line across 330th Street into property.
- Estimated Cost: None; WCTA provides fiber to buildings at no charge.
- Estimated Schedule: 4 weeks

Contact:

Mark Thoma
CEO

Winnebago Cooperative Telecom Association
markthoma@wctatel.com
(641) 592-6105

Support Documentation:

Telecommunications Questionnaire – January 31, 2022

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Due Diligence



ENVIRONMENTAL

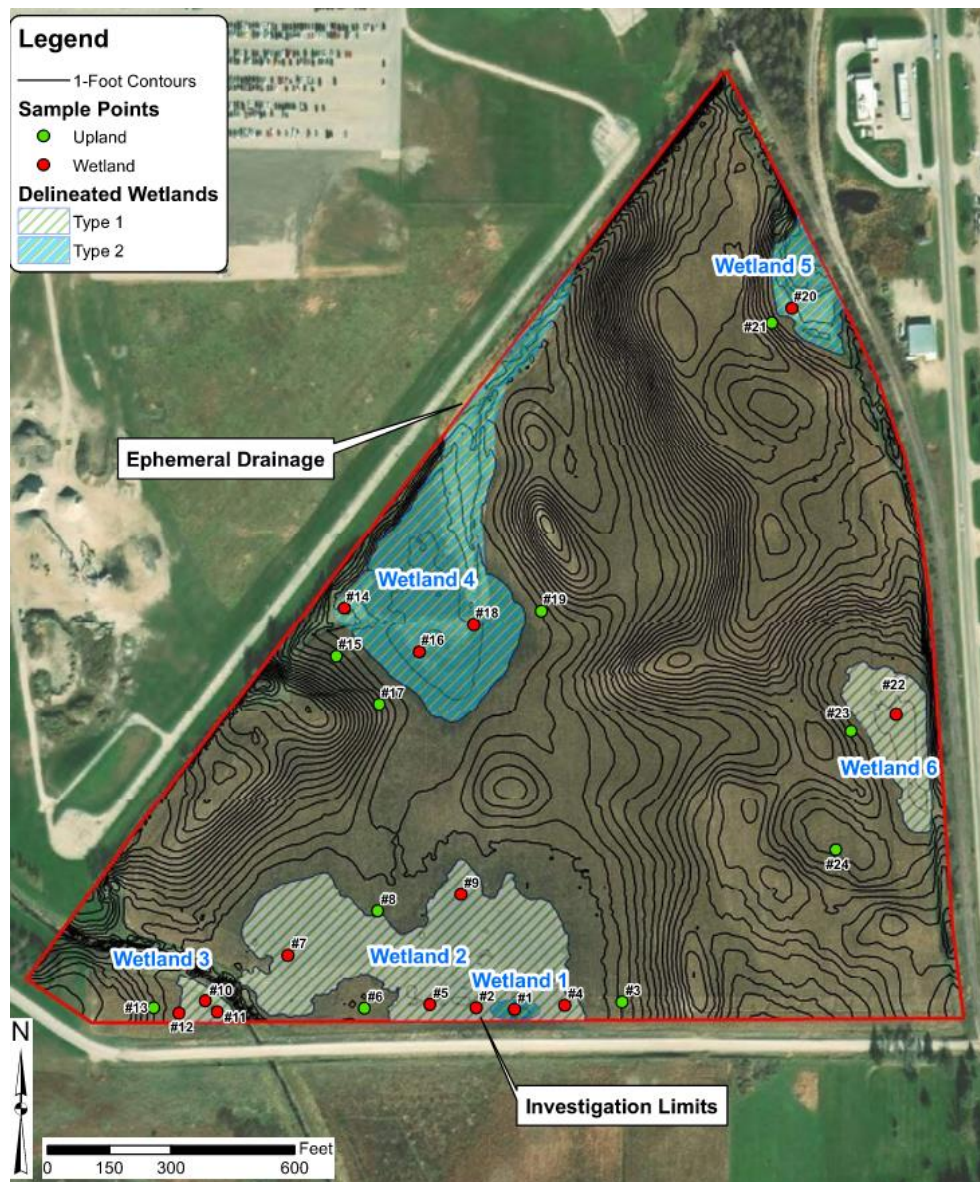
A Phase I Environmental Site Assessment revealed no evidence of recognized environmental conditions in connection with the site.

Support Documentation:

Phase I Environmental Site Assessment – American Engineering Testing – November 24, 2021

WETLANDS

An Approved Jurisdictional Determination, which is valid for five years, indicated that Wetlands 1, 2, and 3 are jurisdictional. Wetlands 4, 5, and 6 are non-jurisdictional.



Support Documentation:

Approved Jurisdictional Determination – U.S. Army Corps of Engineers – March 21, 2022

Wetland Delineation – WHKS – December 1, 2021

SPECIES

U.S. Fish and Wildlife Species Resource List

- Threatened and Endangered Species
 - Northern Long-eared Bat (Mammal) – Threatened
 - Topeka Shiner (Fish) – Endangered
 - Monarch Butterfly (Insect) – Candidate
 - Poweshiek Skipperling (Insect) – Endangered
 - Prairie Bush-clover (Flowering Plant) - Threatened
 - Western Prairie Fringed Orchid (Flowering Plant) - Threatened
- Critical Habitats
 - There are no critical habitats at this location.

WHKS reviewed the site characteristics and other available information regarding known habitat and hibernacula. They believe that the property will have “no effect” on listed species, their habitats, or designated critical habitat.

Support Documentation:

Memorandum from WHKS – February 11, 2022

IPaC Resource List – April 15, 2021

CULTURAL RESOURCES

A 2014 archeological survey did not identify any sites on the property. The State Historic Preservation Office (SHPO) indicated in early 2015, “Should the future development of this property involve a federal action..., this report, in our opinion, will provide the agency official with substantive information with which to form determinations of eligibility and effect.” In September 2021, SHPO concurred with the original 2015 comments as they relate to archeological properties.

In July 2021, Bear Creek Archeology, Inc. provided an update on existing historic buildings/structures within the 0.25-mile buffer area and recommended no further cultural resources work. In September 2021, SHPO indicated, “At this time, we cannot agree with the recommendations regarding above-ground resources. It appears that the buffer meets the MOU requirements. However, with the exception of the Madison Township Cemetery, no reconnaissance level survey was provided, as is required in the MOU. As above-ground resources over 45 years of age were only listed as unevaluated, they should be surveyed by a professional who meets the appropriate Secretary of the Interior's professional qualifications.”

Support Documentation:

Email from the Iowa State Historic Preservation Office (Sara Andre) – September 9, 2021

Letter from Bear Creek Archeology, Inc. – July 6, 2021

Email from the Iowa State Historic Preservation Office (Dan Higginbottom) – January 13, 2015

Phase I Archaeological Survey and Reconnaissance Level Historical Survey - Bear Creek Archeology, Inc. – November 2014

GEOTECHNICAL

A Preliminary Report of Geotechnical Exploration and Review included four soil borings to a depth of approximately 25 feet. The site is classified as Seismic Site Class A.

Support Documentation:

Preliminary Report of Geotechnical Exploration and Review – American Engineering Testing, Inc. – December 20, 2013

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Master Plan



FOREST CITY RAIL PARK (68.83 ACRES)

FOREST CITY, IOWA - MASTER DEVELOPMENT PLAN

Legend*

- Water Main (City of Forest City)
- Sanitary Main (City of Forest City)
- Natural Gas Line (Black Hills Energy)
- 13.2 kV Electric Distribution Line (Forest City Municipal Electric)
- 69 kV Electric Transmission Line (Dairyland Power Cooperative)
- Telecommunications (Winnebago Cooperative Telecom)
- + + + Existing Railroad
- Proposed Rail
- Drainage Tile, to Remain
- Drainage Tile, to be Removed
- Drainage Tile, New (Relocated)

- Non-Developable Land
- Floodplain - Requires Mitigation in order to Develop

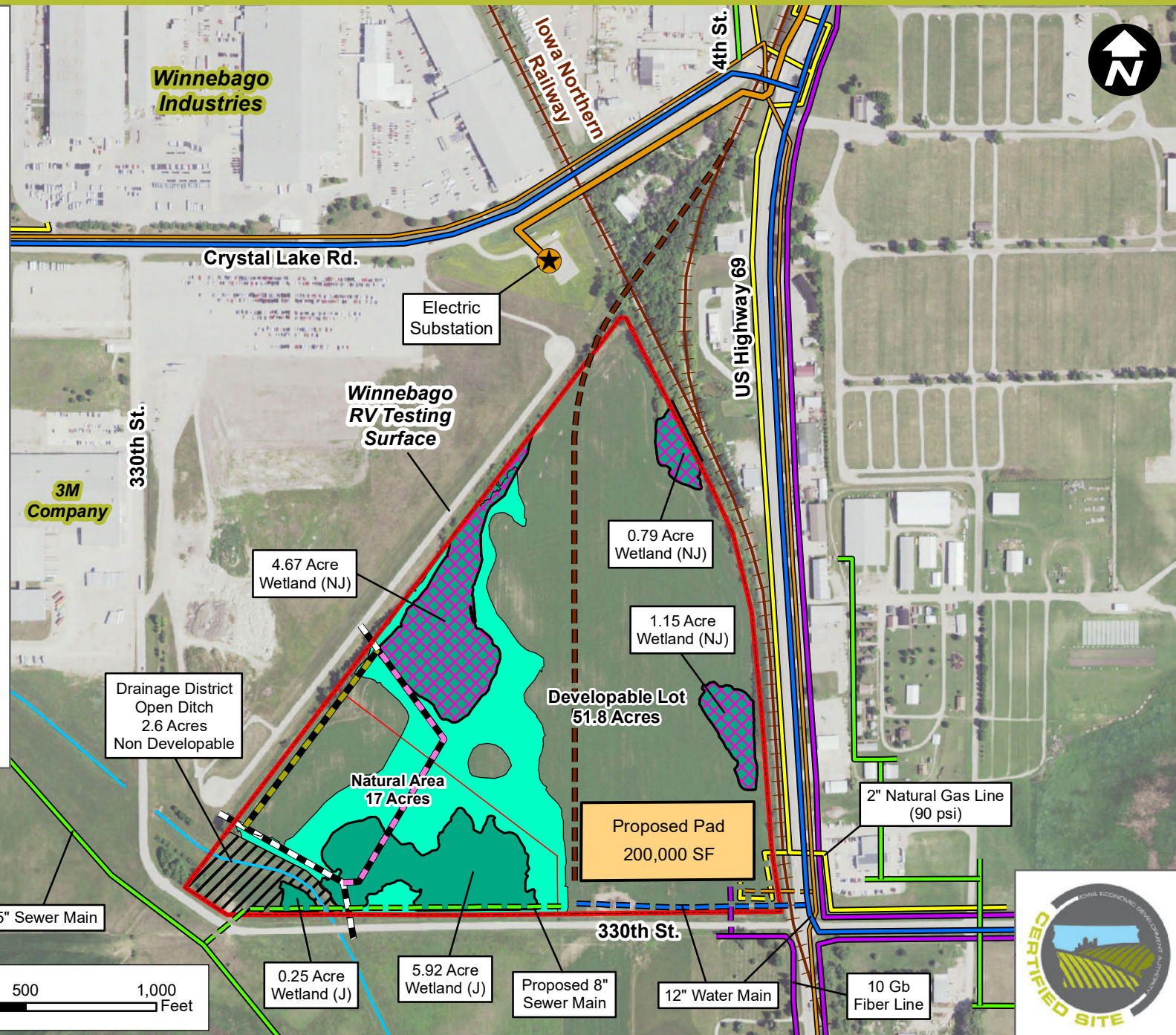
Wetland Delineation (WHKS & Company, Dec. 2021)

- Jurisdictional Wetland (J)
- Non-Jurisdictional Wetland (NJ)

Total Developable

Before Mitigation 40.24 Acres
After Mitigation 51.78 Acres

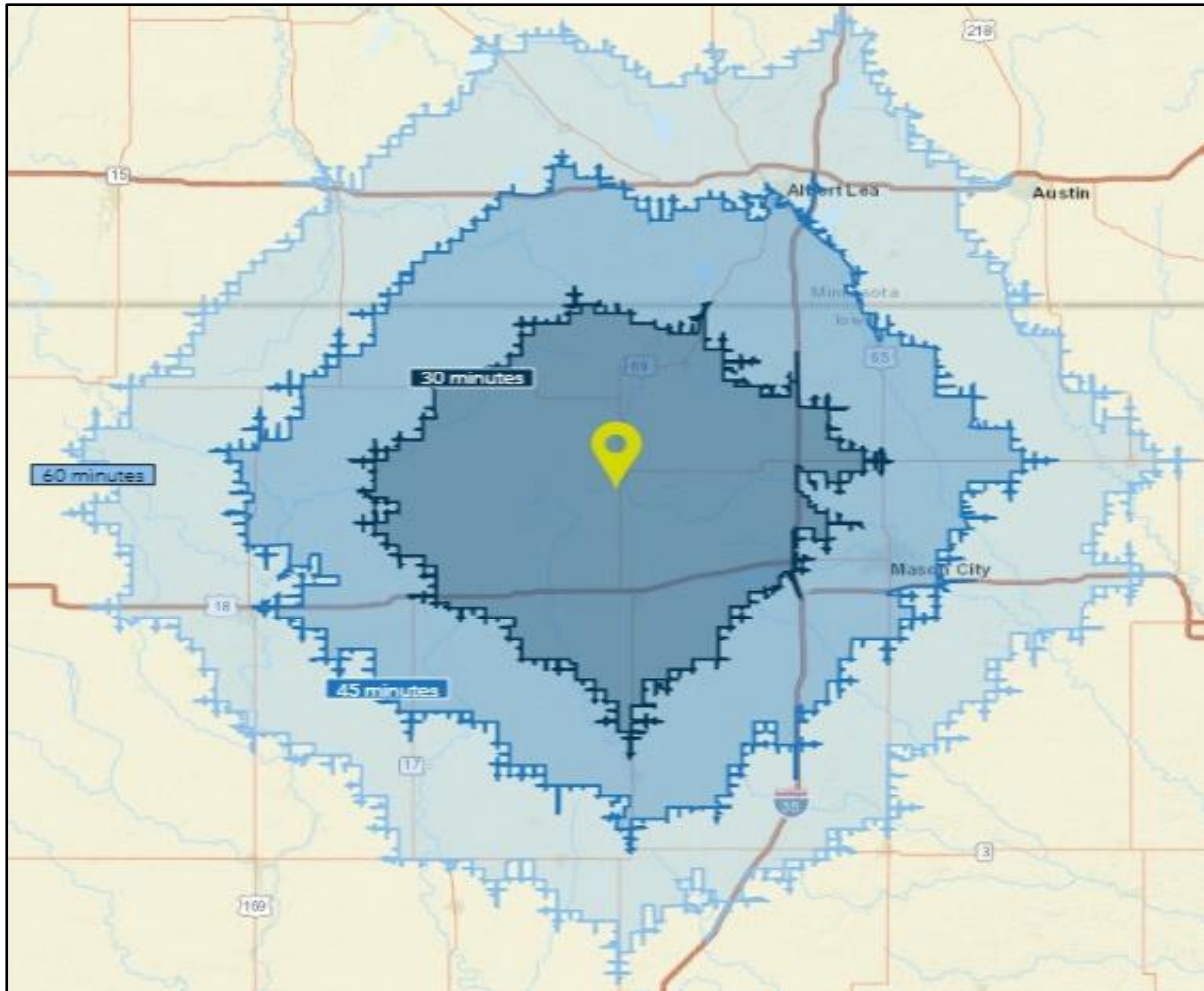
* All dashed lines indicate proposed Utility routes



11

Workforce





	30-Minute Drive Time	45-Minute Drive Time	60-Minute Drive Time
Total Population	29,498	86,555	147,950
Labor Force	15,567	46,184	78,623
Manufacturing Employment	3,124	8,725	14,182
Percentage Employed in Manufacturing	21%	20%	19%
Median Age	46.8	45.5	46.1
Bachelor's Degree Attainment	26%	22%	21%
Average Hourly Wage	\$21.69	\$21.77	\$22.22
Average Manufacturing Wage	\$21.56	\$23.20	\$24.52

Source:
 ESRI Business Analyst Online – 2021 (all data except wages)
 JobsEQ – Q2 2021 (wage data)

12

Summary + Recommendations



Strengths:

- Site has approximately 50 developable areas (after mitigation).
- Property is owned by Forest City Economic Development.
- Entire property is zoned Heavy Industrial.
- Rail is adjacent to the eastern boundary.
- All utilities, with adequate capacities, are adjacent and only need to be extended into the site.
- A 17-acre natural area has been proposed for the southwestern portion of the site where the majority of the impediments are located.

Challenges:

- The site is 17 miles from I-35.
- The floodplain will need to be filled and the drainage tile relocated to achieve the 50-acre developable area.
- If there is federal involvement in a project and SHPO clearance is needed, additional work may be needed in the buffer area surrounding the property.

Recommendations:

- Since Forest City is a rural community, be prepared to address your workforce with prospects. Developing a case study utilizing Winnebago would showcase the capabilities of the community and the workforce.
- Ensure that the property is listed in all site databases (state, utility, etc.) as well as promoted with the commercial real estate community in the region.
- Costs have increased drastically in the last year or two due to supply challenges, so ensure that cost and schedule estimates remain up to date.
- Consider proactively relocating the drainage tile and/or filling the floodplain. You may consider going as far as developing a graded pad on the property. Pursue grants and other funding to help with the cost.



10 Falcon Crest Drive
Greenville, SC 29607
864.671.1001

www.questsitesolutions.com

