



CITY OF SIOUX CITY

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Former Morrell Site Redevelopment Advances

Progress continues on the redevelopment of the former Morrell site in the Yards Business Park in Sioux City. The City first took possession of the 23 acre site in March 2011. Demolition and clean-up of the site is now complete, and several new infrastructure projects will soon be underway. Additionally the City Council will take the first step to approve the sale of land to Global Foods for their new facility next Monday.

Transformation of the site into an ideal location for new business is proceeding with the aid of grant funding and extensive planning. The City has previously secured multiple funding sources for the project, including \$2 million from the Economic Development Administration (EDA), a \$665,677 grant from the IDOT's Revitalizing Iowa's Sound Economy (RISE), and \$72,000 from the IDOT's Rail Revolving Loan & Grant Program.

Clean Up and Recycling Successfully Completed

The successful demolition of the former John Morrell & Co. facility is now complete; the site has been cleared, and is ready for new development. Clean up efforts included environmental reviews, the demolition of multiple structures, and the removal and recycling of various machinery and equipment.

The City Council awarded the \$1,249,375 demolition contract to Recycled Materials, Inc., in August, and work was completed on time with a single change order of \$9,321. The original estimate cost to clean up the site was \$1.7 million. The project realized an initial savings of \$100,000 due to City Inspections working to conduct asbestos surveys and remove several smaller buildings from the site. The overall clean-up project was completed with 82% of the existing materials having been recycled. 23,000 tons of recycled crushed concrete, valued at over \$300,000, was stockpiled on the site to be used as a sub-base in new street and building construction.

Infrastructure Projects Underway

A key component of the redevelopment is the replacement of infrastructure including the planned construction of the Lafayette Street extension, which will be approximately 3,000 feet long and 31' wide extending, to be constructed alongside the widened I-29 to serve the new Global Foods site, and other existing and future industry. The street will be designed to industrial standards and will include a bike path, and extensive landscaping.

The City is also installing a new 54" sanitary sewer interceptor under extended Lafayette Street. This new interceptor is part of a larger project to redirect and modernize the sanitary sewer system in the I-29 corridor.

Work on the new street, utilities, and trail will begin in late spring and be completed by September. Acceptance of the former Morrell site by the City resulted in a savings of nearly \$500,000 to the City in ROW acquisition and related site costs.

Global Foods Project Moving Forward

Council action will be requested on Monday for the first step to enter into a development agreement with Global Foods Processing, Inc. for the redevelopment of a 10 acre parcel on the former Morrell site. Approval will initiate a 30-day notice period for the sale of the City-owned property in an urban renewal area. The approval of the final development agreement is planned for March 19.

Long time Sioux City employer, Global Foods Processing, Inc., announced plans last spring to expand their value added food processing business to the Morrell site due to an increased demand in worldwide pork exports. The project brings a new 82,000 sq. foot food processing and cold storage facility with a \$10 million investment and 170 new jobs to the Yards I-29 Business Park. Global Foods currently employs 175 people at their facility on Cunningham Drive in the Yards which will remain.

Rail service will be provided by the Union Pacific RR, over a reconstructed rail spur, assisted by the \$72,000 rail grant from the Iowa DOT. Rail service to the new Global Foods facility will increase efficiencies and ensure improved access to overseas markets.

The Yards Business Park is home to a number of key employers such as Curly's Foods, and has attracted new business development in recent years. Land now occupied by new businesses such as Johnstone Supply, Van Meter Industrial, Inc., and Home Depot was at one time the location of the former stockyards, including a number of large structures that housed livestock and elements of the packing house industry. Over a number of years several funding sources have contributed to the ongoing effort to redevelop the area. The area benefits from excellent transportation access and a central location.