Project Horseshoe

Niagara Bottling Company

Niagara Site Selection Process Overview

- In late 2021,the City of Eau Claire and Eau Claire Area EDC, with involvement of the Wisconsin Economic Development Corporation, were invited to submit sites for a potential manufacturer expansion seeking 30 acres of industrial space. The City was provided a building size range, utility requirements, and job creation estimates. After careful review by staff, it was determined that the City of Eau Claire could meet the site requirement, the project was attractive to the community based on capital investment and job creation/wages, and the type of manufacturing is consistent with other companies already located in the community. With this in mind, a site was submitted for potential development.
- This started a process of site visits, plan submissions and reviews, site reviews, capacity reviews, etc. that spanned several months involving several City Departments. Through the process, Project Horseshoe eventually narrow the community search to 2 communities, with Eau Claire designated as the preferred site.
- The selection process for a community is very involved and very competitive. Securing for this kind of development is high stakes for both the municipality and the business, and that leads to a higher level of confidentiality than other types of large projects. For municipalities, it's extremely competitive to try to secure a development agreement with a manufacturing company. Municipalities often compete using incentives, and thus do not want their identity shared as then competitor cities may increase their incentives. In turn, businesses doing site selection do not want competitors to know where they may locate.

Project Horseshoe Overview

- Project parameters:
  - Construction of approximately 500,000 sf manufacturing facility: bottle/cap production and water bottling
    - Niagara anticipates $65 million in construction investment, and over $100 million in total local investment
    - Niagara will guarantee $50 million minimum in property valuation. This equates to about $900,000 minimum in property tax annually, with actually revenues expected to be around $1 million.
  - Facility will employ approximately 58 workers at start-up, 100+ at full capacity
    - Average wage of $59,000 annually at full operations—based on 2020 Dept. of Workforce Development, the average wage for Project Horseshoe is higher than industry average wages by over $2,000/year.
    - The facility is heavily automated. This type of operation requires less staff, but pays better wages and provides advanced manufacturing training to is workforce. This shift is a common trend in manufacturing today.
  - Facility will distribute bottled water to western WI and MN
    - Plants serve regional areas, part of company efforts to reduce emission thru shorter shipping routes
    - Niagara also uses recycled plastic as part of their packaging process

Proposed Site- Gateway Industrial Park Lot #1

- 30 acres parcel zoned I-1P: infrastructure is already in place, zoned appropriately for anticipated use. Parcel is owned by Gateway Industrial Park Board, and a Purchase Agreement has already been approved.
- Site has infrastructure already in place to meet needs of manufacturing, with main water and sanitary sewer lines along County Line Road and County T.
- Venture Drive will be extended into Lot 1 to provides access to the site and open up additional lots for construction. Regional Stormwater facilities will be constructed per City policy on adjacent land owned by the Gateway Industrial Park.

Project Horseshoe-additional site requirements

- Project Horseshoe had specific site needs identified in the RFP process
  - Water capacity—Site would require 850,000 gallons per day (GPD) at full capacity
  - Sanitary Sewer—Site would require 170,000 GPD of wastewater discharge at full capacity
  - The City of Eau Claire, after careful review by staff, determined the water and sewer requirements are well within capacity.
    - The City has the capacity to pump up to 25 million GPD of water thru the water plant. This is not the aquifer capacity, but the capacity of the water plant based on size. The City can handle a similar volume of wastewater, again based on plant size.
    - Current City usage is between 8-9 million GPD (this is outside peak season, i.e. late fall/winter/early spring). Peak season is during summer (i.e. watering lawns, washing cars, filling pools, etc.) Peak season usage is between 15-17 million GPD, well below our pumping capacity (the most the City has ever pumped on a single day is 17 million GPD).
    - Impact to the City sanitary waste system is minimal. As compared to other types of industry, there is low risk or little externalities created by the bottling plant. Their wastewater stream is just water, with a higher concentration of the minerals already found in our water. They manufacture bottles and caps on site, but use recycled plastics and also recycle plastic waste.