



ECONOMIC DEVELOPMENT AUTHORITY MEETING

June 18, 2024 at 5:30 PM

City Hall Council Chambers – 450 Virginia Avenue, Long Lake, MN 55356

AGENDA

1. **Call to Order**

2. **Pledge of Allegiance**

3. **Approve Agenda**

4. **Consent Agenda**

[A.](#) Approve Minutes of March 19, 2024 Economic Development Authority Meeting

5. **Open Correspondence**

NOTE: Open Correspondence is an item on the agenda during which the public may address the EDA. **No formal action is taken by the EDA** and comments shall be limited to five minutes or less. *Open Correspondence comments may also be emailed to City staff by 12:00 noon on the date of the meeting.*

6. **Regular Business**

[A.](#) Approve Second Amendment to Assessment Agreement to Add Additional Property

7. **Other Business**

8. **Adjourn**



MINUTES
Economic Development Authority
March 19, 2024

CALL TO ORDER

The Economic Development Authority meeting was called to order at 5:01 pm.

Present: Chair: Jahn Dyvik; Board: Deirdre Kvale, Mike Feldmann, Charlie Miner, Gina Joyce (arrived at 5:06 pm), Sahand Elmtalab, and Tim Hultmann

Staff Present: City Administrator/Executive Director: Scott Weske; and City Clerk: Jeanette Moeller

Absent: None

PLEDGE OF ALLEGIANCE

APPROVE AGENDA

A motion was made by Miner, seconded by Kvale, to approve the agenda. Ayes: all.

CONSENT AGENDA

The Consent Agenda consisted of the following:

- A. Approve Minutes of December 19, 2023 Economic Development Authority Meeting

A motion was made by Kvale, seconded by Hultmann, to approve the Consent Agenda. Ayes: all.

OPEN CORRESPONDENCE

Elizabeth Coburn, 1674 Bollum Lane - City Clerk Moeller read aloud an e-mail statement submitted for Open Correspondence from Long Lake resident, Elizabeth Coburn, that outlined the reasons Ms. Coburn felt that a dog wellness facility at 1905 Wayzata Boulevard W was not the best use for this property.

BUSINESS ITEMS

Application for EDA Review – 1905 Wayzata Boulevard W Property, Dog Wellness Club, Inc. (Max Bitterman)

Executive Director Weske reviewed the application received for a Dog Wellness Club to utilize the 1905 Wayzata Boulevard W property, also known as the former BP lot, and offer dog daycare, boarding, training, grooming and special community programs. He noted that the applicant has been in business for 15 years and currently has a location in Minneapolis.

Board member Hultmann stated that he agreed with the statement City Clerk Moeller read aloud from Ms. Coburn.

Moeller mentioned that staff had not asked the applicant to dedicate a lot of their financial resources and incur a lot of expenses into elevations before the EDA had the opportunity to review the concept and provide feedback on whether or not it was something they were interested in seeing at this location.

Board member Kvale asked about what variances would be required that were referred to in the statement from Ms. Coburn.

Weske gave a general overview of the proposal's lot configuration, parking needs, curb cuts, sidewalk, and yard space.

Board member Joyce asked if the EDA was being asked to make a decision on this application tonight or if the purpose was just for review and come back to it later for an actual decision.

Moeller clarified that if there is a clear consensus of the EDA, it would be nice to know that and give the applicant an answer. She explained that staff was essentially looking for some kind of direction from the EDA on whether the applicant's concept is something that they were looking for at this location, and whether they should ask the applicant to move further in developing their proposed concept or not.

Chair Dyvik asked about the required parking for this type of business.

Board member Kvale read aloud from Planning Consultant Rybak's memo which stated that based on square footage, 15 parking spaces would be required.

Max Bitterman, Dog Wellness Club owner and applicant, stated that he felt Ms. Coburn made a lot of good points, but noted that he believed he could address them point by point.

Chair Dyvik asked Mr. Bitterman to share a bit about his background and the reason he was here before the EDA.

Mr. Bitterman shared that he had begun training dogs in 2007 and discussed his program's approach which is along the lines of 'gentle parenting' and where dogs are treated like family. He highlighted concerns raised by Ms. Coburn's correspondence, including the small size of the lot; dogs relieving themselves; barking/noise; existing similar businesses in the area; a desire for restaurant/coffee shop; and outlined the reasons that he felt these concerns could all be successfully addressed. He indicated his business would be able to put in a lot of creativity in order to respond to many of the concerns that have been raised.

Moeller recalled that the City Council had recently had some discussion about parking requirements for various uses and the possibility of loosening up some of the existing language a bit. The Council will be discussing this in greater detail with Planning Consultant Rybak at their April 16, 2024 meeting. A higher level of plan detail could be dialed in later, but at this time, staff and the applicant are looking for feedback from the EDA on whether or not they were interested in more information on the proposed use in this location.

Chair Dyvik reflected that the applicant's business is an admirable one, but he does not think that it would be the appropriate location for the proposed use. He commented that he believed the EDA was looking for a type of business at the property that would really support the pedestrian-friendly

walkability of the community, and he had envisioned it as a restaurant or coffee shop. He felt as though the use may be better suited back in the City's industrial areas.

Mr. Bitterman responded that Chair Dyvik's comments made sense to him. He feels his dog daycare center should be part of a neighborhood and the community, but perhaps shouldn't be the cornerstone of the City.

Board member Feldmann indicated that he would echo the comments made by Chair Dyvik. He stated that he felt the business model was pretty cool and conveyed that his hesitancy is not with the business, but with it in this location. He added that he sees the property's location as being the heart of what will happen to the City.

Moeller inquired whether Mr. Bitterman was only interested in owning or if he would consider renting space.

Mr. Bitterman replied that he was open to either option and explained that the priority concern is the growth of the business.

Moeller pointed out that if the EDA felt that this was not the correct location for the applicant's concept, she believed staff may be able to offer some ideas and suggestions for other possible locations.

Board member Joyce mentioned that she could also think of another location that may be a good fit. She agreed that the applicant's proposed business was really cool and she would like to see it located in the City, but in a different spot.

Board member Kvale voiced her support of the applicant's concept for the property. She thinks having a coffee shop or a restaurant at the site will be tough because it is a busy corner and access may be difficult. Coffee shops have had trouble with parking planning and this use would diversify the opportunities in the area. If people would walk their dogs to dog training, that would be the walkability that people are looking for. She also likes the idea of a small-scale development that does not look like everything else, and she can envision people wanting to walk by in order to see the dogs.

A business partner of Mr. Bitterman asked about the two-hour parking spots and how many were currently being used.

Board member Miner noted that he did not believe they were used very frequently unless there is something happening at the funeral home.

Moeller observed that those spaces are intended for public parking and not a specific business.

Board member Hultmann highlighted some additional buildings and sites where he thinks there are some vacancies.

The EDA discussed various locations throughout the area that may be a good fit for Dog Wellness Club group.

Mr. Bitterman stated that he wanted to find a place where would not be tucked away because of the nature of their business and the message they send about their dogs.

Board member Miner encouraged Mr. Bitterman to remain in contact with City Clerk Moeller because she often has the pulse of space that is available in the City.

Chair Dyvik concluded that the general feedback from most of the EDA is that they really like the general concept of Mr. Bitterman's business, but not for this exact location.

Board member Miner reiterated his suggested that Mr. Bitterman remain in contact with City staff about other possible locations that may be a good fit for this business.

Mr. Bitterman shared that he truly feels his concept would be a good fit for Long Lake and hoped that they would not have to be tucked away in an industrial area of town because they would like to be a bit more visible, and where people are able to see the value for dogs that can go to a campus instead of a kennel atmosphere.

Moeller noted that she had actually sent out a few e-mails to possible properties during tonight's meeting and suggested that Mr. Bitterman give her a call tomorrow so they can touch base and do a bit of brainstorming.

Discuss Future of 1905 Wayzata Boulevard W Property

Moeller shared a recent conversation that had been initiated about the potential of a food truck that was interested in locating on the former BP station site. She recalled there had been a variety of discussion about ways that the City can add a bit more curb appeal to the site and also be open to things like a food vendor wanting to locate there while the EDA is holding out for what they want on the property. She reported that she had also been contacted by someone interested in developing a bakery on this site as an employment opportunity for autistic individuals, and had recently received a phone call about a potential coffee shop use as well. Staff has been involved in discussions of ways to add some plantings and to allow use of the property without entailing a formal interim use permit or planning and zoning approach. The thought process has been that this may be a way to draw interest and attention to the site without locking the use in, in order to wait for the type of long-term use they would like to see, or to allow for time to see how opportunities for the site may be impacted if ownership of adjacent properties were to change. She communicated she was aware that the Long Lake Garden Club is working on some planting proposals for the property, and emphasized that deed restrictions particularly preventing and reviewed some of the deed restrictions that limit what can be done.

The EDA discussed some possible ways to beautify the property and allow food trucks to use space there.

Moeller gave a brief overview of state rules and regulations related to food trucks and noted that they are allowed to be in one location up to 21 days in a calendar year, unless they accompany a permanent place of business on the same site. She shared that a potential policy to allow food trucks on City owned properties, to include the 1905 Wayzata Boulevard W location, is slated for discussion at tonight's City Council meeting.

Board member Kvale asked if the City had extra picnic tables available that could be moved to this location or if new ones would have to be purchased. She asked what budget it would come out of if they had to purchase tables.

Weske responded that he would have to check with Public Works and see if there may be some that could be moved from other locations, though he was not overly concerned about that detail at this point.

The EDA talked about the advantage in leaving the 'For Sale' sign on the site if it is used by food trucks.

Chair Dyvik stressed the importance of the lot's appearance as it is a very visible site. He asked if the Park Board should be working with the Long Lake Garden Club on beautification of the property.

Moeller recommended against the Park Board becoming involved because she did not want there to be any public perception of this lot in anyway being for park use, referencing the deed restriction park use prohibition.

Weske added that the Long Lake Garden Club had received direction from the City Council to pretty up the corner so the food trucks don't look like they are out of place.

Board member Hultmann suggested that the 'For Sale' sign that is currently on the property, or a slightly fancier one, be left on the site so that there is not confusion and it is clear that this use is a temporary situation.

OTHER BUSINESS

No other business was discussed.

ADJOURN

Hearing no objection, Chair Dyvik adjourned the meeting by general consent at 6:23 pm.

Respectfully submitted,
Scott Weske, Executive Director



CITY OF
LONG LAKE

Economic Development Authority Agenda Report

City of Long Lake

450 Virginia Avenue, PO Box 606
Long Lake, MN 55356

MEETING DATE / June 18, 2024

SUBJECT: Approve Second Amendment to Assessment Agreement to Add Additional Property

Prepared By: Scott Weske, Executive Director

Report Date: 6/12/2024

Recommended Economic Development Authority Action

Staff recommends the following:

Motion to adopt Resolution No. 2024-26 approving the Second Amendment to Assessment Agreement between the Long Lake Economic Development Authority, the City of Long Lake, and Long Lake Townhomes LLC, and authorizing the President and Executive Director to execute the Second Amendment afore-mentioned on behalf of the City’s Economic Development Authority.

Overview / Background

The City, the Authority, and The Borough LLC, a Minnesota limited liability company entered into a Development Agreement, dated as of April 1, 2021 in connection with the construction of 62 units of multifamily rental townhomes on property owned by the City.

The City, the Authority, and Borough entered into an Assessment Agreement, dated as of April 1, 2021 which established a minimum market value for the Development Property and the Project.

The Borough assigned and transferred its interest in the Development Agreement and the Assessment Agreement to Long Lake Townhomes LLC, a Minnesota limited liability company pursuant to an Assignment, Assumption and First Amendment to Development Agreement and Assessment Agreement dated July 18, 2022 by and among the Authority, the City, Borough, and LL Townhomes.

LL Townhomes has proposed to further amend the Assessment Agreement to add additional property acquired by LL Townhomes to the Assessment Agreement, as provided in the Second Amendment to Assessment Agreement a form of which has been provided to the City and the Authority. The property added was contemplated and approved by the City and Authority as a potential second phase of the original development, contingent upon the developer securing the property from the owner. The Second Amendment will not affect the rights of the City nor the Authority under the Assessment Agreement.

Supporting Information

- Resolution No. 2024-26 authorizing execution of the Second Amendment to Assessment Agreement to add additional property to TIF 1-9 (the additional property added was formerly known as the Kunze property)
- Second Amendment to Assessment Agreement



**Economic Development Authority
Resolution No. 2024-26**

A RESOLUTION AUTHORIZING EXECUTION OF A SECOND AMENDMENT TO ASSESSMENT AGREEMENT

WHEREAS, the City of Long Lake, Minnesota (the "City"), the Long Lake Economic Development Authority (the "Authority"), and The Borough LLC, a Minnesota limited liability company ("Borough") entered into a Development Agreement, dated as of April 1, 2021 (the "Development Agreement") in connection with the construction of 62 units of multifamily rental townhomes (the "Project") on property (the "Development Property") located in the City; and

WHEREAS, the City, the Authority, and Borough entered into an Assessment Agreement, dated as of April 1, 2021 (the "Assessment Agreement"), in connection with the Project.

WHEREAS, Borough assigned and transferred its interest in the Development Agreement and Assessment Agreement to Long Lake Townhomes LLC, a Minnesota limited liability company ("LL Townhomes") pursuant to an Assignment, Assumption and First Amendment to Development Agreement and Assessment Agreement dated July 18, 2022 (the "First Amendment") by and among the Authority, the City, Borough, and LL Townhomes; and

WHEREAS, the City, the Authority, and LL Townhomes propose to further amend the Assessment Agreement as provided in the Second Amendment to Assessment Agreement (the "Second Amendment"), a form of which has been provided to the Board of Commissioners of the Authority; and

WHEREAS, pursuant to Minnesota Statutes Section 469.177, Subd. 8, the Second Amendment does not require approval by Hennepin County or Independent School District No. 278, because the estimated market value for the Development Property for the most recently available assessment is not less than the minimum market value established by the Assessment Agreement for year 2024 or any later year.

NOW THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Long Lake Economic Development Authority hereby approves the Second Amendment in substantially the form submitted, and the President and Executive Director are hereby authorized and directed to execute the Second Amendment on behalf of the Authority. The approval hereby given to the Second Amendment includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by the Authority officials authorized by this resolution to execute the Second Amendment. The execution of the Second Amendment by the appropriate officer or officers of the Authority shall be conclusive evidence of the approval of the Second Amendment in accordance with the terms hereof.

Adopted by the Board of Commissioners of the Long Lake Economic Development Authority this 18th day of June 2024.

BY:

Jahn Dyvik, President

ATTEST:

Scott Weske, Executive Director

SECOND AMENDMENT TO ASSESSMENT AGREEMENT

THIS SECOND AMENDMENT TO DEVELOPMENT AGREEMENT (the "Second Amendment"), dated as of the ____ day of _____, 2024, by and between the LONG LAKE ECONOMIC DEVELOPMENT AUTHORITY, MINNESOTA (the "Authority"), the CITY OF LONG LAKE, MINNESOTA (the "City"), and Long Lake Townhomes LLC, a Minnesota limited liability company (the "LL Townhomes").

WITNESSETH:

WHEREAS, the Authority, the City, and The Borough LLC, a Minnesota limited liability company ("Borough") entered into an Assessment Agreement dated as of April 1, 2021, and recorded in the office of the County Recorder, Hennepin County, Minnesota on October 28, 2021 as Document No. A11032362 (the "Assessment Agreement") relating to the construction of 62 units of multifamily rental townhomes (the "Project") on property (the "Development Property") located in the City as more fully described in that certain Development Agreement by and among the Authority, the City, and Borough (the "Development Agreement") dated as of April 1, 2021; and

WHEREAS, Borough assigned and transferred its interest in the Development Agreement and Assessment Agreement to LL Townhomes pursuant to an Assignment, Assumption and First Amendment to Development Agreement and Assessment Agreement dated July 18, 2022 (the "First Amendment") by and among the Authority, the City, Borough, and LL Townhomes; and

WHEREAS, the Authority, the City, and the LL Townhomes wish to further amend the Assessment Agreement as provided in this Second Amendment to add additional property to the Development Property, as described in the Assessment Agreement; and

WHEREAS, the Authority, the City, and LL Townhomes have each duly authorized the Amendment; and

NOW, THEREFORE, the Assessment Agreement is amended as provided herein.

1. Exhibit A – Description of Development Property is amended and restated as set forth on Exhibit A attached hereto.
2. Except as herein amended, all terms and provisions of the Assessment Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Authority, the City, and the LL Townhomes have caused this Amendment to be duly executed on the date first written above.

LONG LAKE ECONOMIC DEVELOPMENT
AUTHORITY

By: _____
Its President

By: _____
Its Executive Director

STATE OF MINNESOTA)
) ss
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this ___ day of _____, 2024, by _____, the President and _____, the Executive Director of the Long Lake Economic Development Authority, Minnesota on behalf of said Authority.

Notary Public

CITY OF LONG LAKE, MINNESOTA

By _____
Its Mayor

By _____
Its City Administrator

STATE OF MINNESOTA)
) ss
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this ____ day of _____, 2024,
by _____, the Mayor and _____, the City Administrator of the City of
Long Lake, Minnesota, on behalf of said City.

Notary Public

LONG LAKE TOWNHOMES LLC

By _____

Its _____

STATE OF MINNESOTA)
) ss
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this ____ day of _____, 2024,
by _____, the _____ of Long Lake Townhomes LLC, a Minnesota
limited liability company, on behalf of said company.

Notary Public

EXHIBIT A

Description of Land

Lot 1, Block 1, The Borough, Hennepin County, Minnesota

Lot 2, Block 1, The Borough, Hennepin County, Minnesota

Lot 3, Block 1, The Borough, Hennepin County, Minnesota