



MINUTES
Economic Development Authority
September 19, 2017

CALL TO ORDER

Economic Development Authority meeting was called to order at 5:00 pm.

Present: Chair: Marty Schneider; Board: Tom Skjaret, Michelle Jerde, Carrie Clemens, Tim Hultmann and Lori Goodsell

Staff Present: City Administrator: Scott Weske; City Attorney: John Thames

Absent: Board: Jahn Dyvik (with prior notice)

Others:

MOMENT OF SILENCE OBSERVED FOR OFFICER BILL MATHEWS
PLEDGE OF ALLEGIANCE

APPROVE AGENDA

A motion was made by Jerde, seconded by Clemens, to approve the agenda. Ayes: all.

CONSENT AGENDA

A motion was made by Jerde, seconded by Hultmann, to approve minutes of the August 15, 2017 EDA meeting. Ayes: all.

OPEN CORRESPONDENCE

Dana Brumitt, Lake West Development

The board was presented a proposal back in April 2017 that included all the properties of Virginia Avenue. Not too long after that the EDA voted to enter into negotiations with Pillar Homes for development of the Virginia Avenue property, but since that has lapsed Lake West Development wanted the Board to know they are still interested and will be revising their plan to better fit the EDA's vision.

Owen Smeby, 515 Virginia Avenue

Mr. Smeby explained some of the history of Virginia Avenue and addressed the EDA to state that most of the people on Virginia Avenue are willing to sell their properties. They do not want their property taxes to go up because of future development that wouldn't include their properties, but understand too that purchasing all the properties is not an easy matter.

Dan Crear, 545 Virginia Avenue

Mr. Crear wanted to support and agree with what Mr. Smeby mentioned and described updates needed to be made to his property for the board. After seeing some movement regarding potential development of Virginia Avenue, he has decided to hold off on property updates for a little while to see what happens with the city owned property.

Sue Hitchings, 505 Virginia Avenue

Mrs. Hitchings explained she has been in her house for 40 years and many ideas/proposals have been discussed over the years for the project area. She does not feel the small stretch of houses should be left hanging, and indicated she would be a willing seller.

Dale Richardson, Interested Party

Mr. Richardson expressed confusion regarding why he had not received an invitation to be included on the EDA meeting agenda. He referenced a letter he received on May 31, 2017. City Attorney Thames explained the past history and the letter to the board and explained Mr. Richardson will be on the next EDA agenda.

BUSINESS ITEMS**Presentation by Bullseye Media – Discuss BDI Consulting Services**

Brian Knight, Bullseye Media, and staff presented a proposal and plan to the board indicating their desire to be retained as a consultant to assist and lead the “Shop Long Lake” marketing plan that has been funded by the Business District Initiative Grant. Bullseye Media’s proposal was to have multiple approaches that include media advertising to individual marketing plans for local businesses. This is to be funded fully by the grant.

A motion was made by Clemens, seconded by Goodsell, to move forward with Bullseye Media subject to financial adjustments per the regulations of the BDI Grant and execution of a service agreement between both parties. Ayes: all.

(Revisited) Application for EDA Review: Virginia Avenue Property / Overland Property Management, Aaron Baruch - Proposal for 30 Unit Apartment Complex

Prior to discussion the City Attorney explained the current state the EDA is at with Pillar Homes. The EDA sent a counter proposal to Pillar Homes previously, and the EDA has not received further response to the most recent counter proposal.

Mr. Baruch explained to the board that back in March he had presented a plan for 32+ unit apartment for the Virginia Avenue property. At the time, board members expressed that his proposal may be a little more intensive in residential units than desired for the site.

Mr. Baruch proposed a new design that reduced his initial plan down to 30 units, three stories, and discussed added features that the board felt they would like to see.

Mr. Baruch expressed he has his own funding and is not looking for any City assistance. Addressing the condition of the Virginia Avenue roadway could possibly be negotiated as a partnership effort. He stated it would be too difficult to make any promises of expansion or of purchasing the homes across the street from the vacant parcel at this time. He also indicated he would not be seeking any modifications to Brown Road.

Application for EDA Review: Virginia Avenue Property / Atlas Homes, Inc., Mark Way - Proposal for Single Family Homes

Mr. Way explained it was his first time in front of the board, and presented a few examples of home projects he had constructed in areas such as Orono and St Paul that he believed would be a fit for the Virginia Avenue footprint. Mr. Way’s intent was to provide examples of his previous work, and indicated an interest in developing the Virginia Avenue property to accommodate eight to 10 homes dependent upon lot sizes.

Discuss Pillar Homes Negotiation Status and Development of Virginia Avenue

City Attorney Thames advised that after the board's last meeting he had sent an email explaining the counter proposal from the EDA. The attorney from Pillar Homes mentioned that Mr. Chermak was out of the country on vacation. Pillar Homes still has not replied back to the City Attorney.

Board member Clemens wanted to mention for the record and for clarification that the EDA board did approve a motion to stop exclusive negotiations with Pillar Homes, allowing the board to ability to hear other proposals.

Discuss EDA Vision for Future Grant Opportunities

Back in June the Executive Director sent the board information about the Small Community Development Program. After doing more in depth research, the City of Long Lake and all other forms of government are not eligible for this program due to being part of Hennepin County.

Executive Director Weske sought direction to be permitted to reach out to WSB for assistance in researching and exploring opportunities for 2018 that could be of help to the EDA.

A motion was made by Skjaret, seconded by Goodsell, to allow the Executive Director to request that WSB explore and pursue grant opportunities for the EDA, at a cost for the work not to exceed \$2,000. Ayes: all.

OTHER BUSINESS

Symes Street - Chairperson Schneider asked if anything more has been heard about the development of Symes Street. Staff hasn't heard much in the last month or so. Depending on the development, the developer wouldn't be visiting the EDA first unless requesting TIF assistance for a project.

ADJOURN

A motion was made by Hultmann, seconded by Skjaret, to adjourn the meeting at 6:23 pm. Ayes: all.

Respectfully submitted,
Scott Weske, Executive Director