



## AGENDA ITEM #10.1

### REPORT TO CITY COUNCIL

**Report Prepared by: Nancy Malecha**

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**Date:** August 6, 2019

**Subject:** Pequot Lakes Business Park Prospect

**Report:** Attached is project, background, timeline, and purchase price information for Joe Dotty of Dotty Holdings who is interested in purchasing the City's final lot for sale in the Pequot Lakes Business Park. This lot is #13 on the attached map and is 1.85 acres in size. It is located directly south of Lonesome Cottage Furniture Company.

The Economic Development Commission (EDC), at their meeting held on July 16<sup>th</sup>, reviewed this information and is recommending the City continue negotiations and draft documents with the prospective buyer and include a due diligence hold until October 15, 2019 to not sell this property to another prospect. This will give Mr. Dotty time to compile all the information needed for the purchase of this property.

The EDC further noted the Council may want to include some of the Heart of the Good Life Development zoning standards on this property due to its close proximity to this Development; however, it would be difficult to do this as these standards have yet to be finalized and are in a different zoning classification. I can, however, inform Mr. Dotty of these standards if he is interested in incorporating some of them for this property. Attached is a draft of these standards.

**Council Action Requested:** Council motion authorizing the City Administrator to negotiate and draft documents for the sale of Pequot Lakes Business Park lot #13 with the prospective buyer, Joe Dotty of Dotty Holdings, and furthermore authorizes a due diligence hold on this property until October 15, 2019.

## **Presentation to PL EDC on July 16, 2019 on behalf of Joe Dotty**

7-9-19

### **Project Information:**

Joe Dotty of Dotty Holdings is interested in exploring the acquisition of Lot 13, which is 1.85 acres, in Pequot Lakes' original Business Park.

Joe is proposing to build 18,000-22,000 SF, of metal construction, in one or two buildings - to be determined based on-site layout and snow storage considerations.

Joe currently estimates the value of the building to be in excess of \$1,000,000.

Joe is planning the construction of this building/s to meet the needs of a tenant who will occupy 10,000 SF initially.

Joe desires to have excess space for other tenants, and/or to accommodate the growth of his anchor tenant.

### **Background Information:**

Joe and Sue Dotty live between Pequot Lakes, Minnesota and Mesa, Arizona.

Dotty Holdings currently owns Lots 16 and 20 and owns 6 buildings on these lots that are leased to 6 individual companies that employ approximately 40 people.

Joe is currently planning one to two additional buildings at this site which will then be built to capacity.

Mr. Dotty's son, John, owns Dotty Brothers Construction.

### **Timeline:**

The project timeline is proposed as follows:

July 16, 2019 – PL EDC review Joe's preliminary vision, and consider providing Mr. Joe Dotty time to fine-tune his project, and present in person to the PL Economic Development Commission on September 17, 2019 at 8am for consideration.

Joe desires to have the opportunity to present his project to the PL EDC and PL City Council, for consideration in advance of any other prospects; therefore, Mr. Dotty is requesting the City provide him with time to continue planning his project and present it in person.

### **Purchase Price:**

Dotty Holdings proposes to offer \$55,500 which is full price.



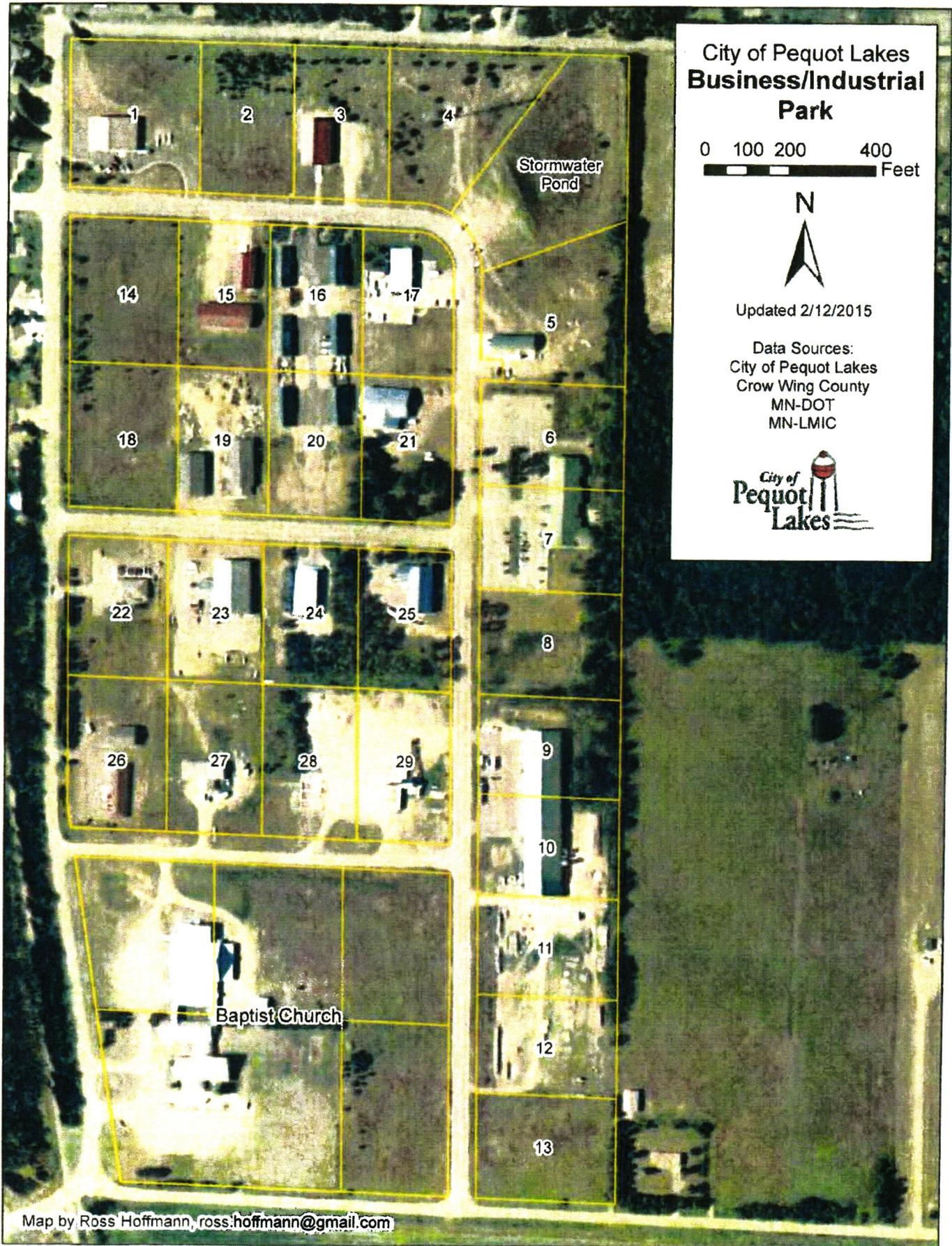
**Sheila Haverkamp, Executive Director**  
**Brainerd Lakes Area Economic Development Corporation**

**City of Pequot Lakes  
Business/Industrial  
Park**



Updated 2/12/2015

Data Sources:  
City of Pequot Lakes  
Crow Wing County  
MN-DOT  
MN-LMIC



## DRAFT ZONING STANDARDS HEART OF THE GOOD LIFE DEVELOPMENT

### Section 17-5.16

1. Purpose and Intent: To support and facilitate public or private development of this area by creating recreational, commercial and industrial opportunities to enhance the value and quality of life within our community.
2. Compatibility: The Heart of the Good Life zone is established on an 85 acre parcel located in the City of Pequot Lakes adjacent to four-lane Highway 371 and the Paul Bunyan State Trail.
3. Lot, Use and Density Requirements:

	<b>HOTGL</b>
Lot width– feet, minimum	50
Buildable lot area – square feet, minimum	10,000
Setback, right of way, City road- feet, minimum	30
Setback, right of way, County or State road, feet, minimum	30
Setback, between buildings – feet, minimum	10
Setback, side yard – feet, minimum	10
Setback, rear – feet, minimum	10
Setback, sign – feet, minimum	1
Setback, parking from building or lot line – feet, minimum	10
Impervious Coverage – percent, maximum	75
Building height – feet, maximum, principal structure – feet, maximum	35
Building height, non-occupied accessory structure – feet, maximum	?
Building above highest groundwater level – feet, minimum	3

4. Performance Standards. The following performance standards apply to all development in this zone:
  - A. Compatibility of Use. Use shall be compatible with the surrounding neighborhood. Uses shall not present noise, odor, light nuisances or any other nuisances.
  - B. Parking. Off-street parking shall be provided as per Section 7.10. On-street parking is not allowed under any circumstances. To reduce the visual impacts and amount of surface parking, shared parking and surface parking shall be located behind or to the side of a building. Additionally, suitable trees and shrubs shall be planted between parking lots and all adjacent sidewalks, roads, lots and buildings.

- C. Screening. A landscaping and screening plan must be submitted and approved by the Planning Commission.
- D. Lighting.
  - (1) All lighting shall be installed in accordance with the following provisions:
    - a) The luminaire shall contain a full cut off fixture which directs and cuts off light at an angle of ninety (90) degrees or less.
    - b) Any light or combination of lights used for exterior illumination that case light on a public street or adjacent property shall not exceed one (1) foot-candle (meter reading) as measured from the centerline of said street or at the property line.
    - c) Architectural/historical lights that include fixtures that are not shielded or lighting of entire facades or architectural features of a building are permitted. In no case shall the light affect adjacent property in excess of one (1) foot-candle (meter reading) as measured from the centerline of said street or at the property line.
    - d) The maximum height of the fixture, pole and base above the ground grade permitted for light sources is thirty (30) feet. A light source mounted on a building shall not exceed the height of the building. In no case shall the height of a light source mounted on a pole or on a building exceed the height limits of this zone, unless allowed by Conditional Use Permit.
  - (2) Location:
    - a) The light source of an outdoor light fixture shall be set back a minimum of three (3) feet from a street right-of-way and three (3) feet from any other property line.
    - b) No light source shall be located on the roof unless said light enhances the architectural features of the building and is approved by the Architectural Review Committee or Planning Commission.
  - (3) Direct or reflected light from high temperature processes such as combustion or welding shall not be visible from any adjoining property.
  - (4) Outdoor Recreation. Outdoor commercial or public recreational uses such as, but not limited to, baseball fields, football fields, hockey rinks, and tennis courts have special requirements for night time lighting. In such cases, a lighting plan shall be submitted and shall include the following:
    - a) No outdoor recreation facility shall be illuminated after 12:00 a.m. except for security lighting. Exceptions may be granted by the City Administrator for special events.
- E. Fire Lanes. Fire lanes shall remain unobstructed at all times.
- F. Fences. Fences not exceeding 84 inches in height may be constructed. Under no circumstances shall a fence be constructed closer than 10 feet

from the surface of a public road and in all cases not within the public right-of-way. Materials shall consist of usual fencing materials with posts and fence of metal or wood. Barbed or electrified wire is prohibited, except where specific approval has been given by the Planning Commission through Conditional Use Permit.

G. Rooftop Equipment.

(1) Screening. Rooftop equipment, including rooftop structures related to elevators, shall be completely screened from eye level view from contiguous properties and adjacent streets. Such equipment shall be screened with parapets or other materials similar to and compatible with exterior materials and architectural treatment on the structure being served. Horizontal or vertical slats of wood materials shall not be utilized for this purpose. Screening of rooftop equipment shall not be considered part of the building height.

(2) Solar Energy. Equipment for the capture and transfer of solar energy shall be exempted from (1) of this section, provided that the equipment is designed and located to blend with the overall design of the structure.

H. Outdoor Recreation (Ball Fields and Play Fields):

- (1) Site plan submittal shall include the following:
- a) Access to a major collector road;
  - b) Proposed play fields;
  - c) Proposed accessory structures, concession buildings and bleachers;
  - d) Municipal water/wastewater availability or Subsurface Sewage Treatment System Design and water well;
  - e) Refuse containment and collection plan.

I. Landscaping.

- (1) A landscaping plan shall be submitted at the time of site plan and shall include the following requirements:
- a) Detailed natural land analysis, including vegetation, soil types and slopes.
  - b) Man-made features.
  - c) Details of all proposed vegetative landscaping materials, including placement, Latin name, common name, caliper/height, and quantity.
  - d) Details of all proposed non-vegetative land landscaping and screening materials, including lighting.
  - e) Where landscape or man-made materials are used to provide required screening from adjacent and neighboring properties, a cross-section shall be provided at a legible scale illustrating the prospective of the site from the neighboring property and property line elevation.

- (2) Landscaping shall provide for an appropriate mix of plantings around a minimum of fifty percent (50%) of the exterior footprint of all buildings. Landscaping shall improve the appearance of the structure and break up large unadorned building elevations.
  - a) At least thirty percent (30%) of the land area shall be sodded and landscaped with approved ground cover, shrubbery and trees.
  - b) At least eight percent (8%) of the internal parking area shall be landscaped with grass, shrubbery, trees and/or other approved ground cover. This area is counted as part of the overall required "landscape area".
- (3) Minimum size of plantings:
  - a) Over story deciduous – 2 ½ inch caliper.
  - b) Coniferous – 6 feet in height.
  - c) Shrubs – 24-inch pot.
  - d) Ornamental trees – 2 inch caliper.

Trees shall be of varying species and shall be in accordance with the minimum size of plantings.

- (4) Species:
  - a) All trees and plantings used in site developments shall be indigenous to the appropriate hardiness zone and physical characteristics of the site. Invasive plants shall not be allowed.
  - b) All deciduous trees proposed to satisfy the minimum requirements of this policy shall be long-lived hardwood species.
  - c) The complement of trees fulfilling the requirements of this section shall be not less than twenty-five percent (25%) deciduous and not less than twenty-five percent (25%) coniferous.
- (5) Method of Installation:

All deciduous and coniferous trees shall be ball and burlap and staked and guyed per National Nurseryman's Standards. Shrubs may be potted or ball and burlap.
- (6) Sodding and Ground Cover:

All open areas of any site not occupied by buildings, parking, or storage, shall be sodded or seeded over four (4) inches of topsoil. Exceptions are as follows:

  - a) Seeding over four (4) inches of topsoil of future expansion areas (areas to be built upon within eighteen (18) months) as shown on approved plans.
  - b) Areas designated as open space for future expansion area shall be properly planted and maintained with prairie grasses, wildflowers, or grass.

- (7) Slopes and Berms:
  - a) Final slope grade steeper than the ratio of 3:1 will not be permitted without special approval of treatment, such as terracing or retaining walls.
  - b) Berming used to provide required screening of parking lots and other open areas shall not have a slope to exceed 3:1.
  
- (8) Use of Landscaping for Screening:

Where natural materials, such as trees or hedges are approved in lieu of required screening by means of walls or fences, density and species of planting shall be such to achieve ninety percent (90%) opaqueness year round.
  
- (10) Statuary: There shall be no statuary allowed as part of the landscape plan.
  
- (11) Maintenance Policy:
  - a) All landscaping shall be properly maintained so as to preserve planting in a live state and shall be kept free of noxious weeds and debris.
  - b) Turf grass and lawns shall not grow to a height to allow such grasses to go to seed.
  - c) All constructed or manufactured landscape elements, such as but not limited to benches, retaining walls, edging, and so forth, shall be maintained so as to be free of cracking, crumbling, dilapidation or deterioration.
  - d) Rotten, deteriorated or damaged landscape elements shall be repaired, replaced, or removed.
  
- (12) Erosion Control:

All open disturbed areas of any site shall be seeded as an erosion control measure.
  
- (13) In the event a site plan layout does not have adequate open space to accommodate plant quantities as required by this section, such quantities per species can be combined into less quantities per species, provided total regulated height or caliper is maintained.

## J. Architectural Standards.

- (1) Exterior Building Finishes:

All exterior wall finishes on any principal building shall be one of, or a combination of, the following:

  - a) Face brick;

- b) Natural or cut stone, wood, or log;
  - c) Architectural metal panels
  - d) Specially designed, precast concrete units if the surfaces have been integrally treated with an applied decorative material or texture, excluding raw concrete block, painted or unpainted;
  - e) Glass, fiberglass, or similar non-metal materials;
  - f) Stucco and other cementation coating applied in a manner so as to create a harmonious design in conjunction with the materials;
  - g) Other materials of a quality equal to or better than the materials listed in this section as may be approved by the Planning Commission as part of the architectural review process established in this section.
  - h) All principal structures shall be compatible with neighboring structures in mass, color, and exterior materials
- (2) Construction Type:  
Post/pole frame constructed buildings shall not be allowed.
- (3) Accessory Structures:  
All accessory structures shall have an exterior finish and color that matches the finishing materials and color on the principal structure.
- (4) Color:  
Colors shall be earth tone, harmonious and shall consist of muted colors with low reflectance. Bright or brilliant colors and sharply contrasting colors may be used only for accent purposes and shall be limited to a maximum of ten percent (10%) of any single building façade.
- (5) Façade Size and Articulation:
- a) Façade Size: The building façade size (height and mass) shall be in direct proportion to the surrounding structures. All building components, such as windows, doors, eaves, soffits, and parapets, shall be proportional to the building façade and shall relate well with surrounding structures.
  - b) Articulation: Articulation is required for building facades that are more than sixty feet (60') in width and faces, or is parallel to, a public or private street as follows: To avoid long unbroken expanses, building facades shall be divided into distinct modules not to exceed fifty feet (50') in length that incorporate visible changes in the façade through the use of wall plane projections, piers, columns, colonnades, arcades or similar architectural features.

K. Architectural Review Submittal:

The following is the minimum information required to be submitted to the City for review by the Planning Commission:

- (1) A completed and signed Land Use Permit application form;
- (2) A written narrative describing the proposal;
- (3) Ten (10) reduced (11 X 17) color sets and an electronic (PDF) format of the following documents:
  - a) Survey: Certified survey of the property by a registered surveyor;
  - b) Architectural Plans: Preliminary scaled architectural plans and colored elevations for the proposed building or buildings with notation of exterior finish materials;
  - c) Site Plan: Scaled site plan including landscaping, lighting, site amenities and mechanical equipment locations.
- (4) Samples of exterior finish materials.
- (5) Such other information as reasonably determined necessary by the Zoning Specialist.

L. Administration:

- (1). Land Use Permit Approval: No new construction, alteration of existing buildings and other developments regulated by this section may be initiated or issued a Land Use Permit without approval of the Architectural Review Submittal by the Planning Commission, which approval shall be granted upon determination that the application complies with this Section.
- (2) Expiration: Unless the Planning Commission specifically approves a different time period, the approval of an architectural review submittal shall expire one year from the date it was approved. Any deviation from the approved plans will require additional review.
- (3) Appeal: Any appeal of a decision shall be subject to the process described in Section 17-11.6 of the City Code.