



HEDRA Memorandum

To: HEDRA

From: Morgan Hill, Economic Development Coordinator

Date: July 13, 2017

Item: Preliminary Land Credit Sale and Concept Plan – Lightbourn Properties LLC – Lot 9, Block 2, Hastings Industrial Park No 7 – 2950 Lightbourn Court

REQUEST:

Chad Pechacek (President), Eric Chapman (vice President) and Jeff Tait (Treasurer) of Lightbourn Properties LLC are seeking to acquire Lot 9, Block 2, Hastings Industrial Park No. 7. The 1.36 acre property is located at 2950 Lightbourn Court. The following actions are requested:

- 1) Preliminary approval of a land credit for property acquisition.** Land credits would exceed the cost of the property, allowing the land to be sold for one dollar. Preliminary approval will set the property aside while complete plans and a formal development agreement are drafted and submitted for final approval.
- 2) Concept plan review to construct a +/- 10,508 sqft retail service/warehouse building.** Preliminary floor plans have been provided. Final Site Plan approval will be necessary prior to execution of the land credit agreement.

RECOMMENDATION:

Approval of the land credit application and concept plan is recommended. Final action will be presented at the July 24, 2017 City Council meeting.

BACKGROUND INFORMATION:

Tenants of the building will be **CrossFitHSC** and **Solid Staging and Trucking**.

CrossFitHSC is a fitness company focused on providing a core strength and conditioning programs to its members. Jeff Tait and Eric Chapman, co-owners of CrossFitHSC, have been in business for four years and have experience gradual, sustainable growth. Currently located in Hastings, at 2911 Enterprise Ave, Suite C, they are looking to expand their footprint and member base. CrossFitHSC will occupy 66.9% of the new space. For additional information, please visit their website at <http://www.crossfithsc.com/>.

Solid Staging and Trucking specializes in general freight for production companies, as well as general freight. Additionally, they provide rentals of lighting equipment for concerts and corporate events. Beginning in 2005 Solid Staging and Trucking has experienced solid growth driven by customer demand. Chad Pechacek and Joyce Pechacek, owners, are looking to expand in order to meet large inventory growth and demand within the industry. Solid Staging and Trucking will occupy 33% of the new space.

Comprehensive Plan Classification:

The property is guided for Industrial Use per the 2030 Comprehensive Plan. The proposed use as a fitness facility and storage facility is consistent with the Comprehensive Plan.

Zoning Classification:

The property is zoned I-1 – Industrial Park. Warehouse and storage uses are permitted uses within the I-1 District. Fitness facilities are classified as a retail and service use allowed via a Special Use Permit. On June 5, 2017 the City Council approved a Special Use Permit to allow operation.

Adjacent Zoning and Land Use:

The following land uses about the property:

Direction	Existing Use	Zoning	Comp Plan
North	Vacant – Stormwater Pond	I-1 – Industrial Park	Industrial
East	Vacant – Future Industrial Lot	I-1 – Industrial Park	Industrial
South	Vacant – Future Industrial Lot	I-1 – Industrial Park	Industrial
West	Industrial Warehouse Building	I-1 – Industrial Park	Industrial

Existing Condition:

The existing site is flat and treeless. The lot was rough graded for development as part of the Lightbourn Court improvements in 2006.

BUSINESS SUBSIDY ANALYSIS:

Summary:

Land Credit for 1.36 acres valued at \$81,000 to construct a 10,508 sqft retail service/warehouse building at a cost of \$610,000 and create four jobs at no less than \$13.00 per hour. Market price of land is \$97,748.64 (1.36 acres (59,241.6 sq ft) x \$1.65/sqft). Land could be sold for one dollar subject to meeting land credit requirements within five years.

Justification for Subsidy:

- Increase tax base by selling currently tax exempt property owned by the City to a private entity.

- Creation of 4 new living wage jobs.
- With our last industrial park land sale in 2009, this development has the potential to spur additional development interest in the park.

Land Credit Calculation:

Credits are determined as follows:

- Amount of Subsidy: **\$97,747.64** (value of 1.36 acres less \$1.00)
- Estimated Building Credit in Five Years: **\$61,000** = (\$610,000 * 10%)
- Estimated Payroll Credit in Five Years: **\$20,000** = (100,000 payroll/\$27,000 * \$5,400)
- Total Estimated Credits: **\$81,000** = (\$61,000 + \$20,000)
- Estimated Balance Due in 5 years: **\$16,747.64**

Land Credit Requirements:

1. Complete a 10,508 sqft building with an estimated cost of at least \$\$\$ within one year of executed agreement.
2. Create 4 new jobs at no less than \$13.00 per hour within five years of receiving a certificate of occupancy for the building.
3. Remain in business in Hastings for at least five years from the date of occupation.
4. **If the above requirements are not met, the owner must repay the City a prorated share of the subsidy.**

CONCEPTUAL SITE PLAN REVIEW:

Lightbourn Properties LLC has submitted a conceptual site plan and architectural elevations for review. The following comments serve to guide future site plan development and are based on the information received and property characteristics.

Site Plan Approval

Site Plan approval through the Planning Commission and City Council will be necessary prior to executing of the Land Credit Agreement.

Use:

Construction of a +/- 10,508 sqft retail service/warehouse facility for a fitness center/gym and staging rentals and trucking. A Special Use Permit for operation of the fitness center was approved by the City Council on June 5, 2017. A future addition to the proposed building and associated parking has also been detailed on the concept plan.

Zoning Setbacks:

Setbacks in the I-1 District are not specified. It appears the lot provides adequate room for construction of the proposed building and associated parking consistent with adjacent setbacks.

Access and Circulation:

Access and circulation are acceptable. A single entrance is provided to Lightbourn Court.

Parking:

Parking has been calculated as follows:

Crossfit Gym – 7,030 s.f	23.4 spaces (7,030/300)
Storage – 3,478 s.f	3.5 spaces (3,478/1000)
Total Parking Required	27 spaces
Total Parking Provided	30 spaces

Architectural Building Elevations:

Architectural Elevations will need further review to ensure that they are consistent with the Zoning Code. The proposed building is primarily clad in steel siding, with a brick wainscot along the bottom of the front elevation.

Landscape Plan

A Landscape Plan will need to be submitted.

Grading, Drainage and Utility Plans

Grading, Drainage and Utility Plans will be reviewed by the Public Works Department.

ATTACHMENTS:

- Concept Plan

GOVERNING SPECIFICATIONS

THE 2014 EDITION OF THE MINNESOTA DEPARTMENT OF TRANSPORTATION "STANDARD SPECIFICATIONS FOR CONSTRUCTION", SUBJECT TO ANY AMENDMENTS & THE 1999 EDITION OF THE "STANDARD UTILITIES SPECIFICATIONS" AS PER THE CITY ENGINEER'S ASSOCIATION OF MINNESOTA AND THE CURRENT CITY OF HASTINGS STANDARD SPECIFICATIONS SHALL GOVERN. ALONG WITH THE CURRENT MMUTCD MINNESOTA MANUAL ON UNIFORM TRAFFIC CONTROL DEVICES.

PROCESS TO FINAL STABILIZATION:

THE CONTRACTOR SHALL SEED AND/OR SOD MULCH WITH APPROVED PRODUCTS AS SOON AS POSSIBLE IN ORDER TO ESTABLISH VEGETATION. THE CONTRACTOR SHALL MAINTAIN ALL EROSION CONTROL UNTIL THE VEGETATION IS FULLY ESTABLISHED AND ALL EVIDENCE OF EROSION IS ADDRESSED.

IMPLEMENTATION AND INSPECTIONS

IMPLEMENTATION:
THE IMPLEMENTATION OF THIS PLAN SHALL BE OVERSEEN BY THE OWNER AND THE CONTRACTOR.

INSPECTIONS:
THE CONTRACTOR SHALL COMPLY WITH ALL THE REQUIREMENTS OF THE NPDES PERMIT AND SHALL BE RESPONSIBLE FOR FILLING OUT INSPECTION REPORTS A MINIMUM OF ONCE EVERY 7 DAYS DURING ACTIVE CONSTRUCTION AND WITHIN 24 HOURS AFTER A RAINFALL GREATER THAN 0.5 INCHES IN 24 HOURS. ALL REPORTS SHALL BE KEPT ON FILE AND RETAINED WITH THE SWPPP.

THEY SHALL INCLUDE:

- A. DATE AND TIME
- B. NAME OF PERSON CONDUCTING INSPECTION
- C. FINDING OF INSPECTION, INCLUDING RECOMMENDATION FOR CORRECTIVE ACTIONS.
- D. DATE AND TIME OF RAINFALL EVENTS GREATER THAN 0.5 INCHES IN 24 HOURS
- F. DOCUMENTATION OF CHANGES MADE TO THE SWPPP

THE CONTRACTOR'S WORK SHALL INCLUDE MAKING ADJUSTMENTS IN THE FIELD IN ORDER TO MINIMIZE EROSION AND MAXIMIZE THE CONTROL OF SEDIMENT.

WHEN ALL CONSTRUCTION ACTIVITY IS COMPLETE AND THE SITE IS STABILIZED, REMOVE ANY TEMPORARY EROSION STRUCTURES. RESEED OR SOD ANY AREAS DISTURBED BY THE REMOVAL OF THE TEMPORARY EROSION STRUCTURES.

EROSION CONTROL NOTES:

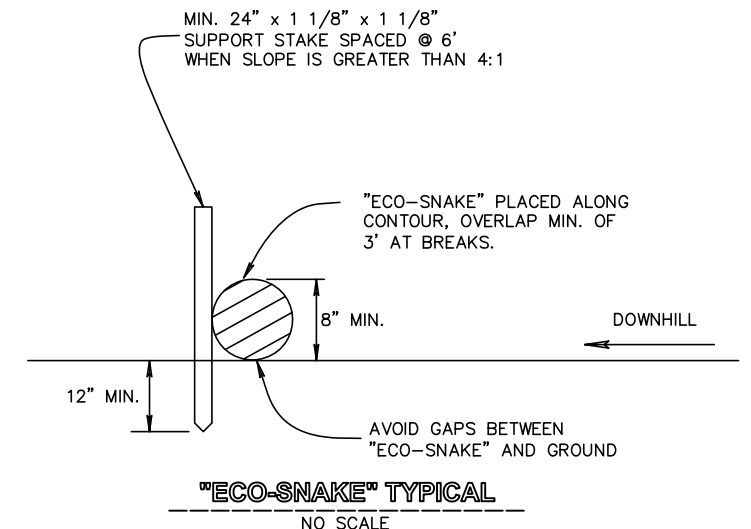
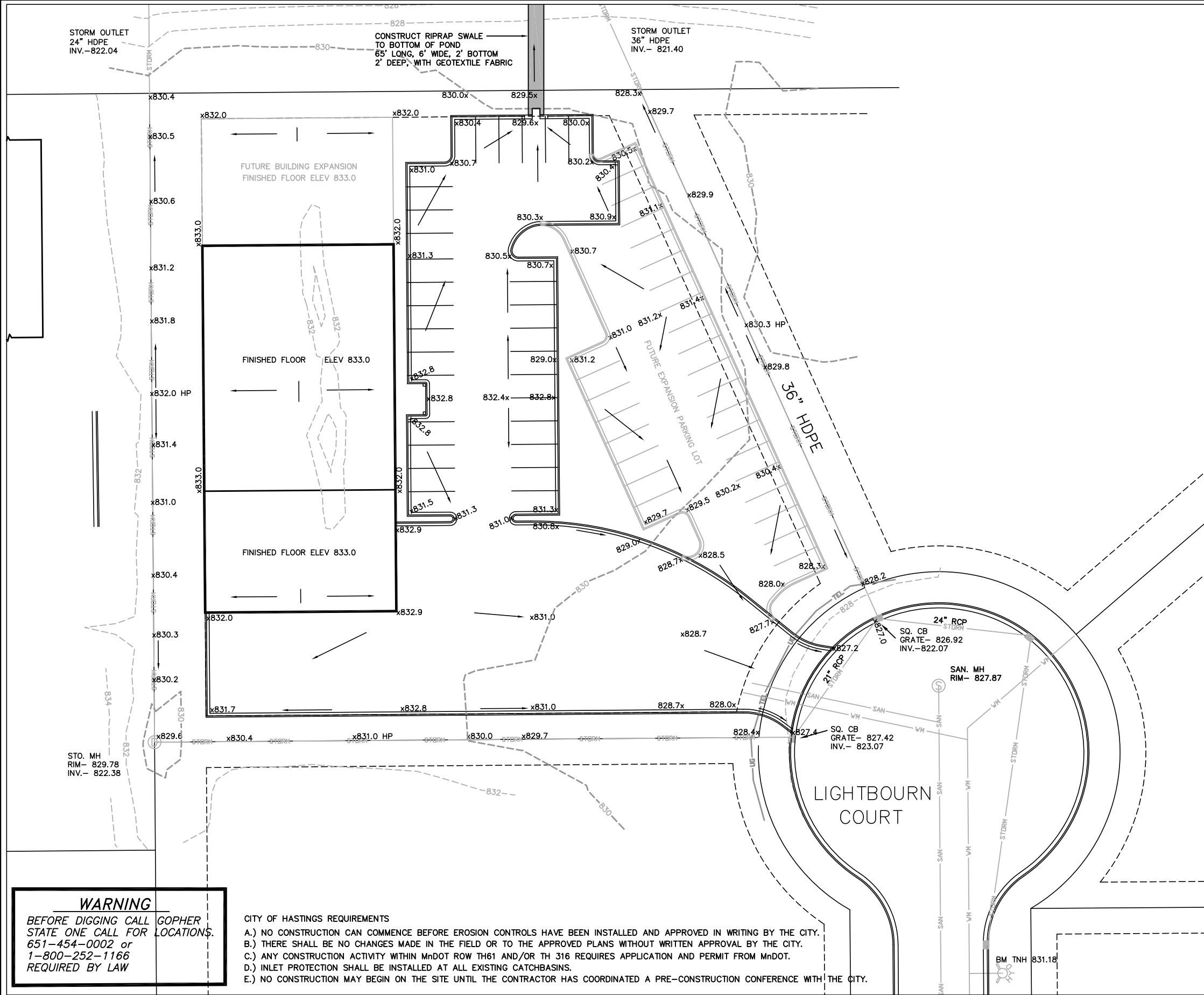
- 1.) PLACE EROSION CONTROL PROTECTION AT ALL STORM SEWER INLETS AND WHERE DIRECTED BY THE ENGINEER.
- 2.) PLACE SILT FENCE OR ECO-SNAKE WHERE SHOWN ON PLANS AND AS DIRECTED BY THE ENGINEER.
- 3.) SEED, FERTILIZE AND MULCH OR SOD ALL DISTURBED AREAS EXCEPT BUILDING AND PARKING AREAS.
 - A.) TEMPORARY SEED MIXTURE SHALL BE WHEAT, RYE, OATS OR GREEN AT 100 LBS/ACRE.
 - B.) PERMANENT SEED MIXTURE SHALL BE #340 AT 100 LBS/ACRE.
 - C.) MULCH SHALL BE MNDOT TYPE 1 MULCH AT 2 TONS/ACRE.
 - C.) FERTILIZER SHALL BE 17-10-07 AT 150 LBS/ACRE.
- 4.) MPCA STORM WATER PERMIT IS NOT REQUIRED FOR THIS PROJECT.
- 5.) EROSION CONTROL IS TO BE PROVIDED AS SHOWN ON THE PLANS AND AS DIRECTED BY THE ENGINEER.
- 6.) SILT FENCE, ECO-SNAKE, CONSTRUCTION ENTRANCE, PONDING, DRAINAGE SWALES ARE TO BE CONSTRUCTED FIRST.
- 7.) ADDITIONAL EROSION CONTROL MEASURES SHALL BE REQUIRED IN AREAS, IF AN EROSION PATTERN OCCURS.
- 8.) APPLY WATER AS NEEDED AND AS DIRECTED BY THE ENGINEER TO CONTROL DUST.
- 9.) ALL AREAS DISTURBED DURING CONSTRUCTION SHALL BE RESTORED AS SOON AS POSSIBLE. AREAS THAT HAVE BEEN DISTURBED OR ARE AT FINISHED GRADE, BUT HAVE NO ACTIVE GRADING, SHALL BE SEED AND MULCHED OR SODDED WITHIN 14 DAYS, EXCEPT ON SLOPES STEEPER THAN 4H:1V. SLOPES 3H:1V OR STEEPER SHALL BE SEED AND COVERED WITH AN EROSION CONTROL BLANKET OR SEED AND MULCHED WITH A TACKIFYING AGENT (GLUE IMPREGNATED PAPER MULCH SHALL NOT BE USED) OR SODDED.
- 10.) ALL TEMPORARY STAGING STOCKPILE, AND/OR BORROW MATERIAL SHALL BE MAINTAINED AND CONTROLLED.

CONCRETE WASH DOWN NOTES:

ALL CONCRETE TRUCKS SHALL PROPERLY DISPOSE OF EXCESS CONCRETE AS PER MPCA REQUIREMENTS. TRUCK SHALL WASH DOWN AT THEIR OWN FACILITY AND BE EQUIPPED WITH SELF CONTAINMENT BOOTS.

CONSTRUCTION NOTES:

- 1.) YARD AREAS SHALL BE SEED, TYPE YARD OR SOD.



WARNING
BEFORE DIGGING CALL Gopher State One Call for Locations. 651-454-0002 or 1-800-252-1166 REQUIRED BY LAW

CITY OF HASTINGS REQUIREMENTS
A.) NO CONSTRUCTION CAN COMMENCE BEFORE EROSION CONTROLS HAVE BEEN INSTALLED AND APPROVED IN WRITING BY THE CITY.
B.) THERE SHALL BE NO CHANGES MADE IN THE FIELD OR TO THE APPROVED PLANS WITHOUT WRITTEN APPROVAL BY THE CITY.
C.) ANY CONSTRUCTION ACTIVITY WITHIN MNDOT ROW TH61 AND/OR TH 316 REQUIRES APPLICATION AND PERMIT FROM MNDOT.
D.) INLET PROTECTION SHALL BE INSTALLED AT ALL EXISTING CATCHBASINS.
E.) NO CONSTRUCTION MAY BEGIN ON THE SITE UNTIL THE CONTRACTOR HAS COORDINATED A PRE-CONSTRUCTION CONFERENCE WITH THE CITY.

G-Cubed Inc.
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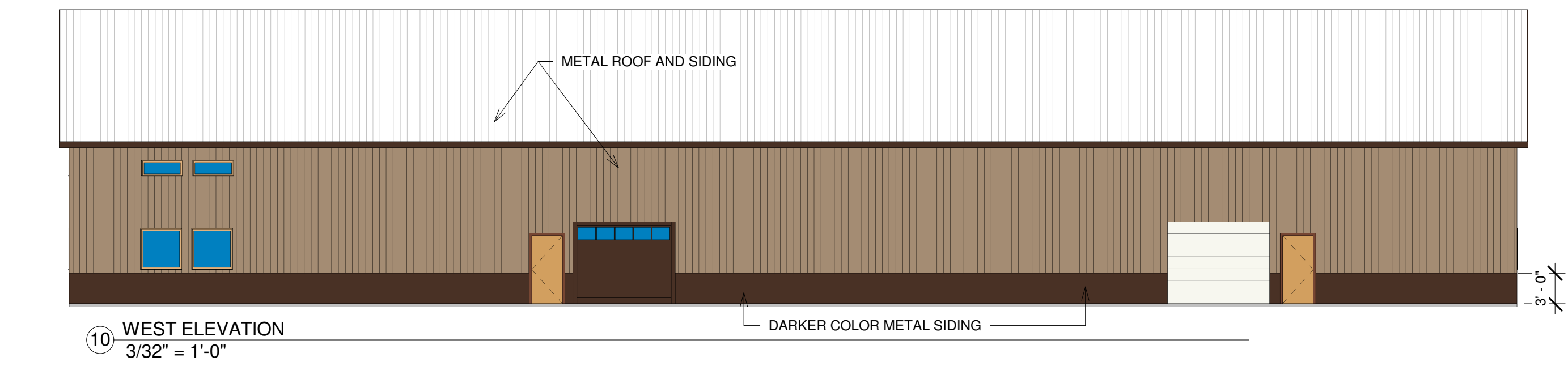
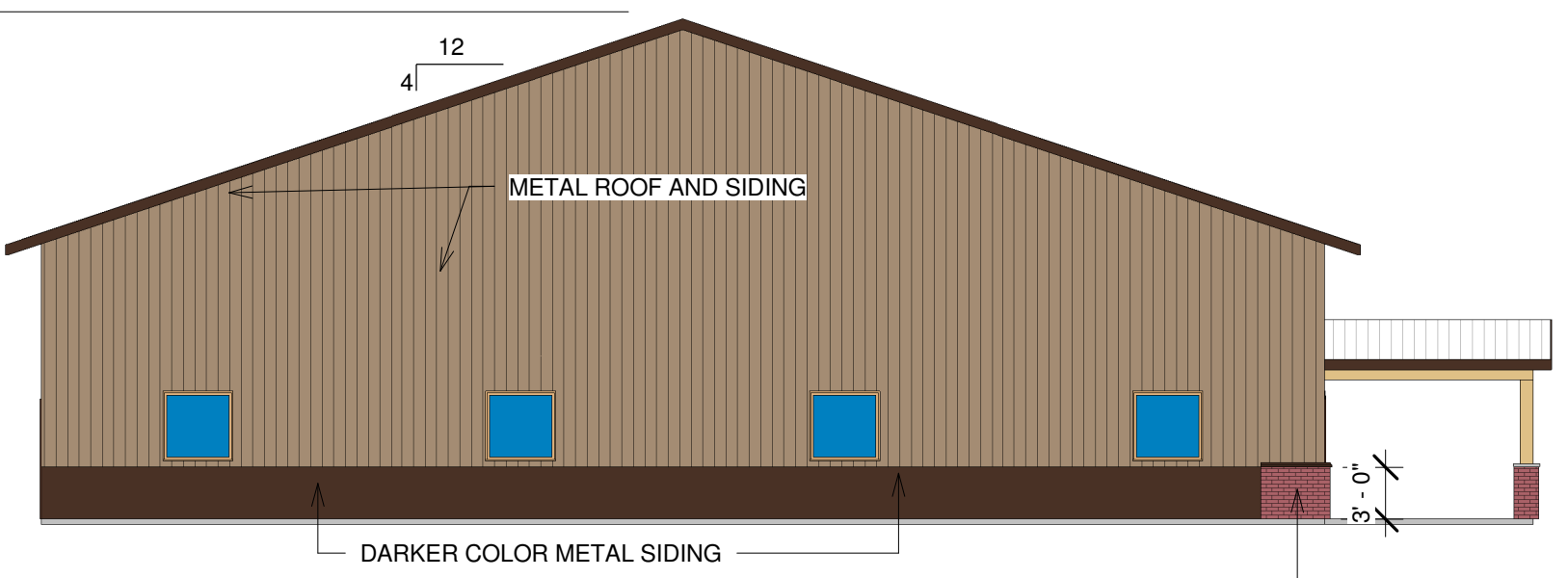
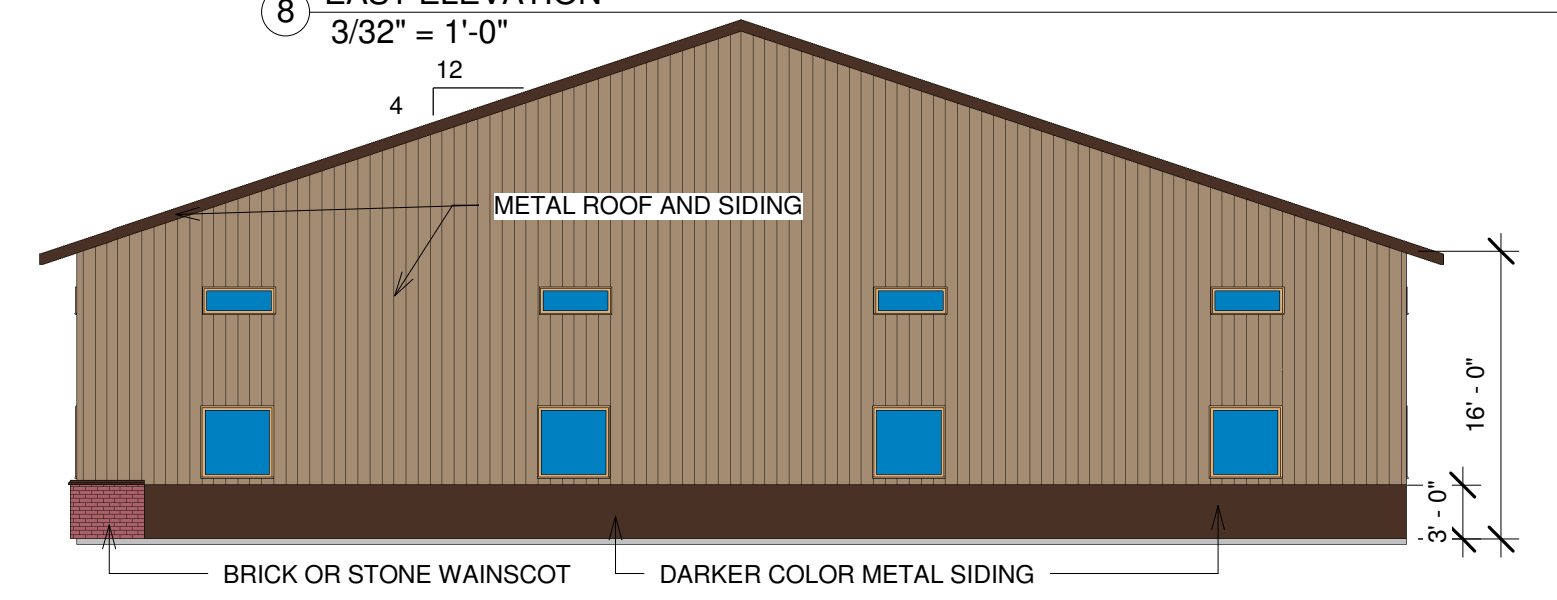
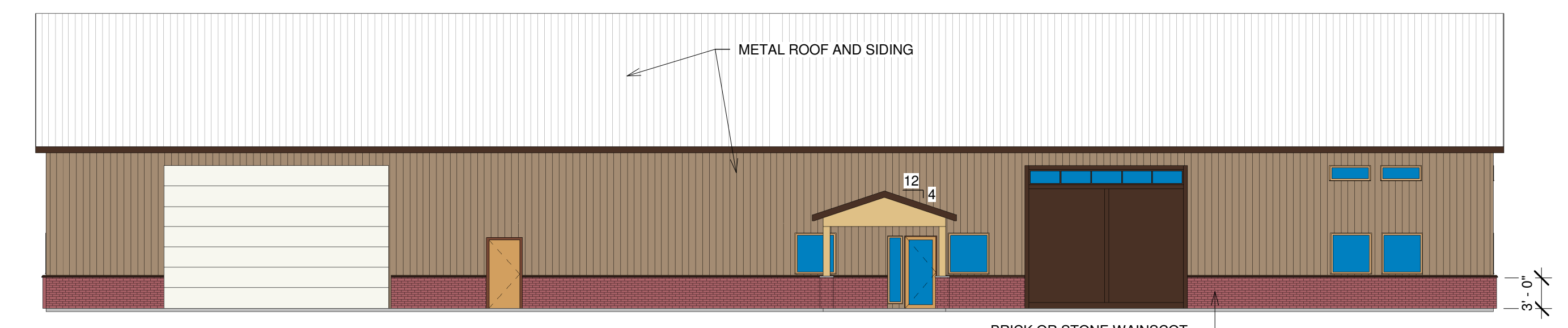
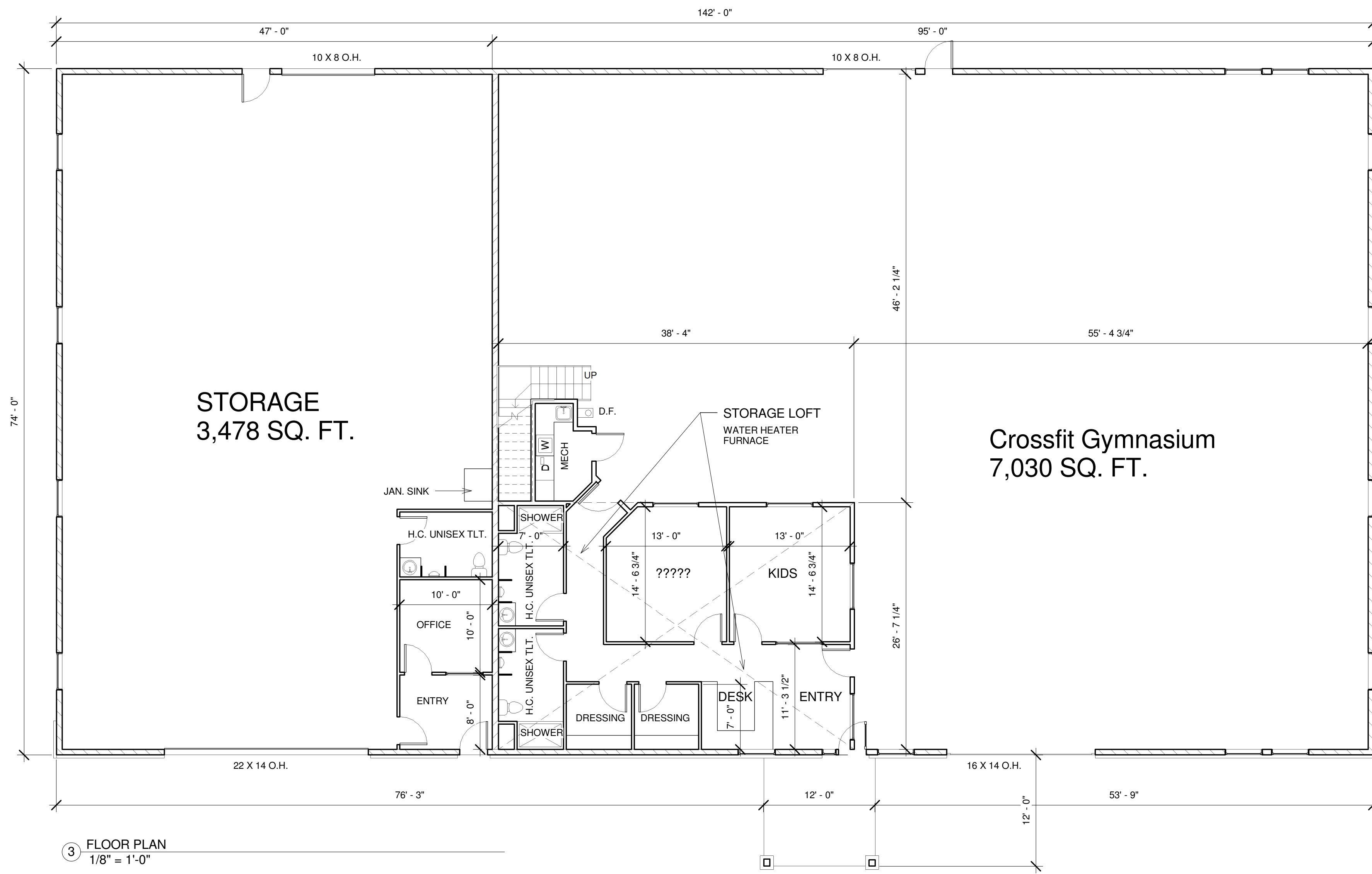
I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION, OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND I AM A DULY LICENSED PROFESSIONAL ENGINEER UNDER THE LAWS OF THE STATE OF MINNESOTA
Mark R Welch
DATE _____ REG. NO. 42736

DESIGNED	DJT	REVISD	BY	DATE	LATEST REVISION: 5/04/2017
DRAWN	DJT				Prepared For: Lightbourn Properties 32 Madison Court Hastings, Mn 55033
CHECKED	MRW				BENCHMARK: TOP NUT HYDRANT 831.18
					FILE NO.: 17-0xx DWG NAME

CITY OF HASTINGS
DAKOTA COUNTY, MINNESOTA
2017 CONSTRUCTION
BENCHMARK: TOP NUT HYDRANT 831.18

CROSS FIT HASTINGS
INDUSTRIAL PARK

GRADING AND
DRAINAGE PLAN
SHEET 2 OF 2 SHEETS



David L. Harris
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THIS DRAWING BEING AN INSTRUMENT OF SERVICE, IS AND REMAINS THE PROPERTY OF DAVID L. HARRIS, ARCHITECT. I HEREBY CERTIFY THAT THIS PLAN WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED ARCHITECT UNDER THE LAWS OF THE STATE OF MINNESOTA.

DAVID L. HARRIS REG. NO. 26561 DATE:

PROJECT NAME
NEW FACILITY FOR:
CrossFit HSC

LOCATION
LIGHTBOURN CT. HASTINGS INDUSTRIAL PARK

DATE: 4 JAN. 2017

PROJ. NO.
C-16-3065

A-1 of 1

CROSSFIT HSC
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REVISED 10 APRIL 2017