

February 28, 2018

City of Bloomington
Attn: Planning Department
1800 W. Old Shakopee Road
Bloomington, MN 55431
RE: 9100 Bloomington Freeway, Bloomington, MN

To Whom It May Concern:

Oak Management & Development Company, the management company of Acorn Mini Storage, is seeking a conditional use permit and final development plan to convert the existing property located at 9100 Bloomington Freeway (the “**Property**”) into a self-storage facility. The proposed development project (the “**Project**”) consists of converting the existing building into temperature controlled storage space and constructing new non-temperature controlled storage space attached to the existing building for a total of up to 550 storage units in total in addition to providing approximately 17,300 SF of outdoor boat/RV storage on the property. Self-storage use is allowed under the Property’s current I-2 zoning designation within the City of Bloomington provided development conditions are met.

A self-storage facility for the Property is the highest and best use for the Property and its existing improvements for the following reasons: (a) market conditions for continued office use are unfavorable and alternative allowable industrial uses are restricted due to the Property’s unusual shape, and one-way frontage road; (b) the south Twin Cities metro area (Bloomington, Edina, Richfield) is greatly under-supplied with respect to self-storage space per capita; (c) the existing and forthcoming storage supply in the area will only contain vertical development with elevator access whereas the Project will offer single-story storage access with a greater amount of “drive up” access serving a vastly unmet market demand; and (d) the planned site improvements including landscaping, screening and a new roof on the existing building represent important and significant investments which will serve as value-add as well as functional and aesthetic enhancements to the Property.

The proposed Project will commence in two phases – Phases I and II.

PHASE I

Phase I of the Project will include the following improvements:

1. Convert of Existing Building into Temperature Controlled Storage Space:
 - a. Conduct demolition on interior of existing 44,380 SF building;
 - b. Build-out of temperature controlled self-storage units-43,525 SF (gross);
 - c. Build-out 855 SF of office space for customers/property manager near the SE corner of the existing building (see site plan);
 - d. Install a fire protection sprinkler system for the entire 44,380 SF of the existing building; and

- e. Conform to all safety and performance standards not specifically identified above.
- 2. Construct New Non-Temperature Controlled Space:
 - a. Construct 11,250 SF of non-temperature controlled storage space along the south side of the existing building (see Building “D” in site plan)
 - i. Building will include storage areas and corridors all covered with a common roof; and
 - ii. Buildings will have a fire sprinkler system and conform to all safety, design and performance standards required by code and local ordinances.
- 3. Convert approximately 17,300 SF of the existing parking area for outdoor boat/RV storage:
 - a. Per survey, total gross property area comprises 184,847 SF;
 - b. Per survey and Code requirements a total of 12,592 SF can be excluded from the total gross property area in order to compute the “land area available for development” (see Code Sec. 19.61.01(c)(4)) useable property by excluding the West 92nd Street permanent street easement and assumed ROW of 30 feet along the south property line ($419.72' \times 30' = 12,592 \text{ SF}$); and
 - c. In accordance with the City Code, any new self-storage development will need to accommodate RV/boat storage area (not including drive aisles) of at least 10% of 172,256 SF (net useable area). We are committed to providing at least 17,300 SF of boat and RV storage.
- 4. Construction of 6' & 8' Precast Screening Walls and Automatic Gates:
 - a. In accordance with the City Code, all boat/RV storage areas and building elevations featuring “drive up” roll doors shall be screened with the same exterior materials as any buildings;
 - b. We intend to erect an 6' & 8' precast concrete screening wall to screen the boat/RV storage areas, as well as the “drive-up” roll doors;
 - i. This includes an 8' screening wall along the northern boundary, and a 6' screening wall along portions of the eastern boundary and portions of the southern boundary(see site plan);
 - ii. Please note, screening walls will conform to design and performance standards as required by Code; and
 - c. During Phase I, the Property will be accessed as follows:
 - i. An automatic keypad-operated gate at the southeast entrance;
 - ii. Two additional automatic exit gates will be included at the southwest and northeast exit points of the Property.(see site plan); and
 - iii. A fourth interior automatic gate near the office area will provide access to the office parking area and the boat/RV storage area.
- 5. Parking Spaces
 - a. In accordance with the City Code 3 parking spaces are required for the office area of 855 SF, 5 parking spaces for 550 storage units (includes Phases I and II

combined), and 11 more parking spaces (1 per 50 units of parking) for a total of 19 parking spaces, all of which are accounted for in this design (see site plan).

6. Landscaping

- a. In accordance with the City Code, 69 trees (1 per 2500 SF of land area available for development [$17,300 \text{ SF} / 250 = 69$]) will be planted, mostly around the perimeter of the Property. Please note, some trees will be added to the islands abutting the parking areas, as required by the Code.
- b. Similarly, approximately 172 bushes will also be planted around the Property per code.

PHASE II

Phase II of the Project will commence within approximately two years of the completion of Phase I and will include the following improvements:

1. Infill the existing “courtyard” area comprising 10,431 SF (gross) of area and convert into temperature controlled self-storage space (see Building B on site plan).
 - a. Space will be accessed through existing interior storage area.
2. Construct 6,000 SF of non-temperature controlled storage space along the south side of the existing building (see Building “C” in site plan)
 - a. Building C will include storage areas and corridors all covered with a common roof.
 - b. Building C will have a fire sprinkler system and conform to all safety and performance standards required by code and City ordinances.

ACCESS AND SECURITY FEATURES

Acorn Mini Storage offers some of the most sophisticated and comprehensive security measures among self-storage providers in the Twin Cities area. Below, please see an outline of our planned security features for the Project.

1. Access

a. Gates/Key Codes

- i. All Acorn customers and employees have their own unique access key code.
- ii. Vehicle access to the Property will be restricted with a key-in/ key-out electric lift gate along the southeast side of the Property.
- iii. Exit gates will be located at the northeast and southwest corners of the Property.
- iv. Doors - similar to the access gate, all doors leading into the temperature controlled building will operate on a key-in electric strike system.
- v. Data Storage - All key pad activity for gates and doors creates a log. This data is stored on site through our Digitech software system and is archived every six months.

b. Fencing

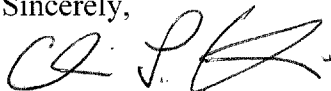
- i. Access to the remainder of the Property will be restricted by perimeter fencing surrounding the Property.
- c. Law Enforcements/Emergency Response
 - i. We typically make arrangements with area law enforcement and emergency responders to provide dedicated access codes in the event these responders need access during non-office hours.
- 2. Staffing
 - a. Property managers are on site seven days per week. We anticipate one full time property manager and one half-time manager at this location.
 - b. Acorn office hours are Monday-Friday 9:30 a.m.-6:00 p.m.; Saturday 8:30 a.m.-4:00 p.m.; Sunday 9:00 a.m. -3:00 p.m.
 - c. Gate access hours will comply with municipal regulations.
- 3. Video Monitoring
 - a. The key panel at the gate will include a digital pin-hole camera which will capture facial images of anyone using the keypad;
 - b. A digital camera will be mounted near the entry/exit gate which will be set to capture license plate images for all vehicles which pass through the gate.
 - c. All drive aisles will be monitored with digital cameras;
 - d. All interior doorways and hallways will be monitored with digital cameras.
 - e. The office area will be monitored with a digital camera; and
 - f. All video data will be stored on site on a secure hard drive located on site. Data will be stored and saved for 30 days.

COMPANY OVERVIEW

Acorn Mini Storage is a family owned self-storage company based in the Twin Cities. Since its founding in 1987, Acorn has grown to become the second largest self-storage owner/operator in Minnesota with 13 self-storage facilities located in the Twin Cities area. Since its inception, Acorn has also established itself as the preeminent local industry leader in terms of management practices, security, technology and community relations.

All of the stakeholders at Acorn are very enthusiastic about the value proposition we can bring to this Property. We are also very excited about the opportunity to invest in this community. We look forward to working together with our partners at the City of Bloomington to bring this Project online.

Sincerely,



Chris Kirwan

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