

May 10, 2019

AMENDED SUPPLEMENT TO DEVELOPMENT APPLICATION

Planning Division
City of Bloomington
1800 West Old Shakopee Road
Bloomington, MN 55431-3027

Re: Great Wolf Resorts Development Application Submission
Project No. PL201900054

To Whom It May Concern:

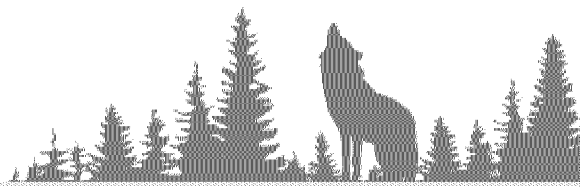
This letter serves as an amended supplement to the April 3, 2019 Development Application of GWR Minnesota Property Owner LLC ("Great Wolf"), to more fully outline Great Wolf's request and proposal to sell day-use waterpark passes to non-overnight hotel guests of the Great Wolf Lodge, located at 1700 American Boulevard East. In its Development Application, Great Wolf requested the following:

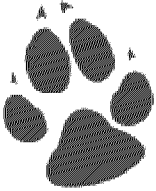
- An amendment to City Council condition of approval #14 to allow use of the waterpark by non-overnight hotel guests;
- A conditional use permit to establish an indoor waterpark use at Great Wolf Lodge as a conditional limited use, rather than as an accessory use to the hotel; and
- A major revision to final development plans to allow a deviation from minimum parking requirements based on the results of the Parking Study.

We appreciate the opportunity to discuss our proposal with City staff. Pursuant to those discussions, attached to this supplement is proposed language amending City Council condition of approval #14.

Background

Great Wolf Lodge is a 404-room hotel with a large indoor waterpark and various other entertainment, restaurant, retail, and meeting room spaces. Shortly after acquiring the property in 2017, Great Wolf received a conditional use permit and major revision to final development plans authorizing renovations, including adding a single hotel room and various amenities. In approving the conditional use permit, the City Council included a condition





(“Condition #14”) providing that “use of the waterpark and other entertainment venues is limited to hotel guests only.”

In response to consumer demand, public statements lamenting the fact that the property no longer offers the community a day pass waterpark option, and in an effort to avoid any misunderstanding with respect to interpretation of Condition #14, Great Wolf now seeks an amendment to Condition #14 to clearly open the waterpark at Great Wolf Lodge to day-use visitors who are not overnight guests at the hotel, in addition to its overnight hotel guests. All other features of the hotel will remain the same, and no construction or physical changes at the site are planned as part of this proposal. Great Wolf closely monitors and adjusts operations and staffing levels as necessary to offer a great guest experience and would similarly monitor the impact of increased day use visitation as a factor in determining any such adjustments.

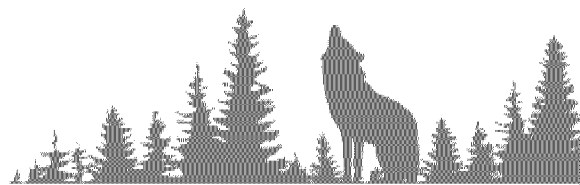
At the direction of City Staff, Alliant Engineering prepared a Parking Study to identify the existing parking supply at Great Wolf Lodge as well as the amount of surplus parking that could be used by day-use visitors. The study observed a fluctuation in parking demand based upon (i) the occupancy rate of the hotel, and (ii) day of the week. Ultimately, the study found that when the hotel is fully occupied, available parking capacity for non-overnight hotel guests would be 54 parking spaces on weekdays and 223 parking spaces on weekends. When the hotel is 50 percent occupied, Alliant found that 231 parking spaces would be available on weekdays and 458 spaces would be available on weekends to non-overnight hotel guests.

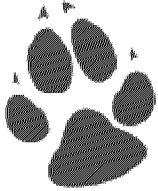
The Parking Study also noted that Great Wolf Lodge has contracted with its neighboring property to secure additional parking spaces. Per the Parking Lease, Great Wolf can utilize up to 183 parking spaces (“Leased Parking”) on weekday evenings as well as on Fridays, Saturdays, and Sundays, which serves to further increase the capacity Great Wolf has to accommodate additional guests.

Proposal

Great Wolf proposes to allow use of its indoor waterpark by visitors who are not overnight hotel guests, which visitors would be either purchasers of a limited inventory of day passes or members of group events contracted in advance (e.g., birthday party or similar events that do not require reserving a hotel room). Through the use of parking passes, valet parking, advance reservation tools, and other measures described below, Great Wolf will limit the amount of non-overnight visitors to the property to ensure that the facility will not exceed its available parking capacity.

It is important to note that Great Wolf prioritizes its guest experience and fully appreciates the negative impact overcrowding and congestion can have on that experience, whether in its waterpark, public spaces or parking areas. For this reason above all others,





Great Wolf is completely aligned with the City's interest in ensuring that the property does not experience traffic beyond its constraints. Additionally, we are confident that the proposed amended Condition #14 attached hereto will provide the City with enforceable standards to ensure that Great Wolf is complying with all parking requirements.

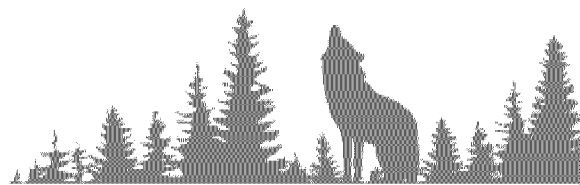
SUMMARY OF PROPOSED AMENDED CONDITION #14

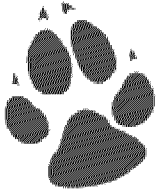
Great Wolf respectfully requests the City to remove the existing Condition #14 entirely and replace it with the proposed language of the proposed amendment attached to this letter. As detailed in the proposed amendment, Great Wolf commits to implementing a parking pass requirement for all vehicles parked in its parking lots, and will patrol during peak business hours to ensure compliance. Through the use of the same sophisticated forecasting tools it uses for room inventory and pricing, Great Wolf will limit the issuance of day-use and contracted group event water park passes based on the expected availability of parking passes on a given day.

The number of parking passes available to be issued to non-overnight hotel guests each day will be determined based on the formula in the Parking Study as set forth in proposed Condition 14(c). Additionally, Great Wolf will develop and implement a parking management plan in coordination with City staff to manage any potential site circulation or the perception of inadequate parking at the site. For purposes of the parking pass formula, the total parking supply available at the Great Wolf Lodge includes all on-site parking spaces and, during the periods in which Great Wolf offers valet parking and a Memorandum of Lease has been recorded, the Leased Parking spaces. The total number of parking spaces can fluctuate based on factors such as equipment or snow storage, and the formula will be adjusted accordingly.

Great Wolf will also install new signage and wayfinding in its parking areas to alert visitors to the new parking pass requirement and direct them to available parking. Further, if the Fire Department determines that congestion in the front entrance area is blocking fire lanes or emergency vehicle access, Great Wolf will implement a valet parking program to alleviate this congestion.

Finally, Great Wolf is committed to closely monitoring and enhancing its understanding of how increased day use visitation will impact its operations. Great Wolf anticipates conducting routine and frequent parking surveys to ensure that it is complying with Condition #14 and not exceeding its approved parking capacity. At the request of City staff, Great Wolf will provide data regarding the number of parked vehicles, the number of hotel rooms occupied, and the number of day-use water park passes issued.





Conclusion

Great Wolf thanks you for your consideration of our proposal. While our original business model was designed to offer use of our waterpark exclusively for overnight hotel guests, after having been open for nearly a year and a half we have learned there is a strong consumer demand and community sentiment for broadening access to our world class indoor waterpark and other facilities to non-overnight hotel guests. In addition, we have concluded that even when the hotel is at full occupancy there remains parking availability to accommodate additional facility guests, and we believe this conclusion is supported by the Alliant Engineering Parking Study. We are eager to offer this broader access to our facilities but only in a way that ensures an enjoyable, fun and safe experience for all of our guests.

We look forward to answering any questions that you may have during consideration of our Application at the Planning Commission and City Council meetings.

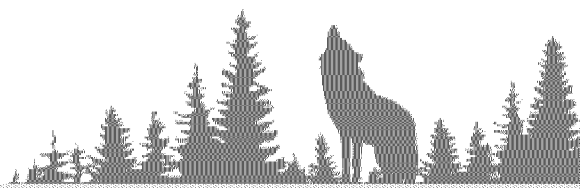
Sincerely,

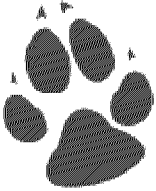
A handwritten signature in black ink, appearing to read 'Angela Reed', with a long, sweeping horizontal stroke extending to the right.

Angela Reed
General Manager
Great Wolf Lodge

Enclosure

cc: Nick Johnson
Brian Hansen
Glen Markegard





PROPOSED AMENDED CONDITION 14

14. ~~Use of the water park and other entertainment venues is limited to hotel guests only. Use of the restaurants is limited to hotel and meeting space guests only.~~

Use of the restaurants and other entertainment venues is limited only to guests of the hotel, meeting spaces, and water park. Use of the water park is limited to overnight guests of the hotel and holders of day-use water park passes, subject to the following conditions:

- a. Applicant will require all parked vehicles in its parking lot(s) to have a valid parking pass, and will patrol the parking lot(s) during peak business hours to ensure compliance with the parking pass requirement;
- b. Applicant will limit issuance of day-use and group-event (e.g. birthday parties) water park passes based on the expected number of parking spaces available for each day. If no parking passes are expected to be available for a given day, Applicant will not issue any day-use water park passes for that day. If a limited number of parking passes are expected to be available for a certain day, Applicant will sell day-use water park passes and corresponding parking passes but will stop sales once all parking passes have been issued.
- c. The amount of parking passes available to be issued to day-pass users will be determined by the following formula, as set forth in the Alliant Engineering Great Wolf Lodge Parking Study dated March 29, 2019:

$$\text{Available parking passes} = \text{Total parking supply} - (1.153 * \text{Number of occupied hotel rooms}).$$
- d. Total parking supply is Applicant's on-site parking and also includes leased parking at any time that (i) Applicant provides valet parking and (ii) a Memorandum of Lease or other similar instrument is recorded with respect to the leased parking. The total parking supply figure will be reduced if factors such as snow storage, equipment storage, or a decrease in leased parking reduce the total parking supply;
- e. In the event the property experiences congestion in the front entrance area that the Fire Department determines is blocking fire lanes or emergency vehicle access, Applicant will implement a valet parking program to the extent needed to alleviate such congestion;
- f. Applicant will install signage and wayfinding in its parking areas to alert visitors to the parking pass requirement and to direct visitors to available parking;
- g. Applicant will provide the following data for dates determined by the City on no greater than a quarterly basis when requested by City:
 - i. The number of vehicles parked on-site and on leased premises;
 - ii. The number of hotel rooms occupied; and
 - iii. The number of water park or group-event passes issued.

