

**MALKERSON GUNN MARTIN LLP**

1900 U.S. BANK PLAZA SOUTH TOWER  
220 SOUTH SIXTH STREET  
MINNEAPOLIS, MINNESOTA 55402  
TELEPHONE 612-344-1111  
FACSIMILE 612-344-1414

**Bruce D. Malkerson, Esq.**  
**Direct Dial No. 612.344.1699**  
**bdm@mgmlp.com**

July 24, 2019

**BY PERSONAL DELIVERY**

Glen Markegard  
Planning Director  
City of Bloomington  
1800 W. Old Shakopee Road  
Bloomington, MN 55431

RE: Park No Go Interim Use Permit Application  
Property Located at 7901 International Drive, Bloomington MN  
Our File No. 3380.001

Dear Mr. Markegard:

We represent Airport Construction of MN, Inc. and Park 'N Go of Minnesota, LLC (together, "Park N Go"), the owner and operator of the Park N Go remote airport parking facility located at 7901 International Drive, Bloomington, MN (the "Property"). Please accept this letter and the attached materials as a formal application for an interim use permit ("IUP") to permit remote airport parking at the Property for a new term of five years.

On October 13, 2014, the City Council approved a five-year IUP for remote airport parking at the Property. That IUP is set to expire on or about October 13, 2019. With this application, Park N Go respectfully requests a new five-year IUP term to run from October 13, 2019 to October 13, 2024.

The Property is zoned HX-R: High Intensity Mixed Use with Residential. The City first approved Park N Go's application to open a remote airport parking facility at the Property in 1991. Pursuant to that approval, Park N Go opened its facility at the Property in 1992.<sup>1</sup> Since that time, Park N Go has provided secure storage of customer vehicles and shuttle service to and from both terminals of the Minneapolis-St. Paul International Airport. Park N Go provides these services 24 hours a day and 365 days a year. It staffs its facility at the Property 24 hours a day, every day. At peak

<sup>1</sup> At the time it opened in 1992, Park N Go did not use the entire Property for remote airport parking. Park N Go provided approximately half of the Property for use by the Mall of America as customer parking to mitigate the parking shortage Mall of America was experiencing at that time.

Glen Markegard  
City of Bloomington  
July 24, 2019  
Page 2

times, Park N Go employs approximately 50 employees at the Property. There are currently 1,281 parking spaces located on the Property.

In this application, Park N Go proposes milestones for redevelopment of a portion of the Property as market conditions allow. These milestones are attached to this letter and represent Park N Go's commitment to continue planning for redevelopment of the Property upon approval of the requested IUP. As you know from your interactions with Park N Go and its consultants, this planning has already been underway for some time.

Park N Go's application meets the findings required under City Code Section 21.501.05.05(c) necessary for the approval of an interim use permit as follows:

**1. The proposed use will not delay permanent development of the site.**

The proposed use of the Property will not delay permanent development of the Property under market conditions that would accommodate such development within the term of the new IUP. Park N Go is committed to undertaking redevelopment of the Property using a phased approach as market conditions allow.

**2. The proposed use will not adversely impact implementation of the Comprehensive Plan or adopted district plan for the area.**

Park N Go's application will not adversely impact implementation of the City's Comprehensive Plan or of the South Loop District Plan. The future land use designation for the Property in the City's proposed 2040 Comprehensive Plan is "South Loop Mixed Use." The City's Comprehensive Plan and South Loop District Plan both call for phased development of land within the South Loop District. This is Park N Go's proposed approach for the Property. Park N Go's application is consistent with the guidance provided by the Comprehensive Plan in that it will not preclude redevelopment of the Property but will rather allow Park N Go to phase redevelopment of the Property based on market conditions.

**3. The proposed use will not be in conflict with any provisions of the city code on an ongoing basis.**

As it has as in the past, Park N Go will continue to operate at the Property in a manner consistent with the applicable provisions of the City Code on an ongoing basis.

**4. The proposed use will not be injurious to the surrounding neighborhood or otherwise harm the public health, safety and welfare.**

Park N Go's proposed use of the Property will not be injurious to the surrounding neighborhood

Glen Markegard  
City of Bloomington  
July 24, 2019  
Page 3

or otherwise harm the public health, safety, or welfare. Park N Go's existing use of the Property for remote airport parking has been in operation since 1992. During this time, Park N Go's use of the Property has benefited the City, the surrounding area and the Twin Cities area by providing a needed service to travelers using the Minneapolis-St. Paul International Airport. Park N Go will continue this use during the term of the requested IUP. By approving the IUP, the City will ensure the ongoing upkeep of the Property and will ensure the availability of the resources needed for redevelopment of the Property as market conditions allow.

**5. The date or event that will terminate the use has been identified with certainty.**

Park N Go is requesting an IUP term to run from October 13, 2019 to October 12, 2024.

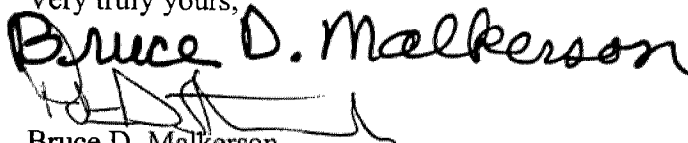
**6. The property on which the use is situated has no open enforcement orders and there are no nuisance characteristics associated with the property or its current use.**

There are no open enforcement orders or nuisance characteristics associated with the Property or its current use.

Based on the foregoing, Park N Go's application meets the findings required by the City Code. Enclosed with this letter is a draft of a site development agreement to memorialize an agreement between the City and Park N Go concerning Park N Go's compliance with the conditions of the requested IUP. I note that, by necessity, this draft is preliminary in nature because the site development agreement will relate to conditions of IUP approval which have not yet been imposed by the City Council. Park N Go reserves the right to propose modifications to this draft site development agreement as necessary to address, among other things, conditions of IUP approval that are not known to Park N Go as of the date of this letter.

If you have any questions about this letter or about Park N Go's application, please contact either one of us at 612.344.1111.

Very truly yours,



Bruce D. Malkerson  
Patrick B. Steinhoff

BDM/PBS:ts  
Enclosure

cc: Melissa Manderschied, City Attorney (By United States Mail)  
Client

Glen Markegard  
 City of Bloomington  
 July 24, 2019  
 Page 4

**PROJECT MILESTONES**

<u>Milestone</u>	<u>Description</u>	<u>Due</u>
Identify Phase I Project Site	Applicant will submit to the City the approximate boundaries of a Phase I development site within the Property.	February 1, 2020
Amend Alternative Urban Areawide Review (AUAR)	Applicant and City will amend existing AUAR as needed to include the Project within the AUAR	Concurrent with the City's five-year AUAR updated due in 2022
Concept Master Plan	Applicant will submit a concept master plan for entire site that identifies the proposed major uses, the development square footage projected, phasing, public and private infrastructure and location of structured parking.	May 1, 2020
Project Pro Forma	Applicant will submit a development pro forma for the Phase I Project that identifies sources and uses of public and private funds and the need for public support of the Project.	May 1, 2020
Application for Public Financial Assistance	If public financial assistance is desired, Applicant will submit to the City, Port Authority and/or the Housing and Redevelopment Authority, as applicable, a written request for tax increment financing or other public subsidies requested for the Phase I Project.	May 1, 2020
Revised Preliminary and Final Development Plans	Applicant will submit to the City a complete application for major revision to the Preliminary Development Plans for the Property and Final Development Plans for the Phase I Project.	July 1, 2020
Preliminary and Final Plat	Applicant will submit an application for preliminary and final plat to subdivide the parcels for phased development of the Project and for continued use of the remnant Property for remote airport parking in the	October 1, 2020

Glen Markegard  
City of Bloomington  
July 24, 2019  
Page 5

	interim or some other approved use. The application may be accompanied by a platting variance request to defer park dedication for future development phases.	
Building Permit	Applicant will submit a complete application for a building permit for the Phase I Project.	April 1, 2021
Construction Start	Applicant will commence construction of the Phase I Project	September 1, 2021
Development Concept Plan: Phase II	Applicant will submit a development concept plan for Phase II with projected uses, development schedules, projected cost and support requirements from the City	October 13, 2023

**PL201900134**  
**PL2019-134**

**SITE DEVELOPMENT AGREEMENT**

THIS AGREEMENT is made effective as of this \_\_\_\_ day of \_\_\_\_\_, 2019, by and between the City of Bloomington, a Minnesota municipal corporation, 1800 West Old Shakopee Road, Bloomington, Minnesota 55431 ("City") and Airport Construction of Minnesota, Inc., a Minnesota corporation with offices at 7901 International Drive, Bloomington, MN 55425.

**RECITALS**

The Applicant is the owner of certain real property located at 7901 International Drive, in the City of Bloomington, County of Hennepin, Minnesota, which is legally described as set forth in **Exhibit A** which is attached hereto and incorporated herein by reference (the "Property").

The Applicant has operated a remote airport parking business on the Property since 1992. The Applicant filed a development application (Case \_\_\_\_\_) for the City's approval of an interim use permit for remote airport parking at the Property through October 13, 2019. That application was approved by the City Council on October 13, 2014, subject to, and contingent upon, the Applicant's satisfaction of certain conditions relating to the Property. The Applicant has now

filed a development application (Case PL \_\_\_\_\_) for the City's approval of an interim use permit for remote parking at that location through October 13, 2024.

The City and the Applicant have reached agreement to redevelop the Property as more fully set forth in this Agreement. This Agreement sets forth the obligations of the parties and the conditions that govern the development and use of the Property for redevelopment and remote airport parking pursuant to a new interim use permit. It is intended to address the parties' compliance with the conditions Council adopted with the approval of an interim use permit for the Property, dated \_\_\_\_\_, 2019 ("IUP"). This Agreement does not address other issues relating to public improvements, assessments, storm water charges, tax increment financing, subsidies or other matters regarding or affecting the Property unless specifically set forth herein or incorporated herein by reference.

**NOW THEREFORE**, in consideration of the recitals stated above and the mutual covenants stated below, the parties agree as follows:

1. Recitals. The foregoing recitals are correct and are incorporated herein.
2. Obligations of the Applicant.

(a) Compliance with Conditions of Approval for Interim Use Permit. The Applicant agrees that development of the Property shall be in strict conformance with the conditions set forth in the letter of transmittal, dated \_\_\_\_\_, 2019. These conditions are set forth in Exhibit B, which is attached hereto and incorporated herein by reference. The Applicant agrees that use and redevelopment of the Property shall be in strict conformance with the IUP, all applicable provisions of the City Code. It shall be the obligation of the Applicant to provide advance written notice to the City of any aspect of the development that varies to any material degree from the IUP. The Applicant also agrees that major or minor change to the IUP

must be approved by the City as provided in City Code Section 21.501.03, subdivisions (c) and (d).

(b) Compliance with Zoning Regulations. The Applicant agrees that the Property may not be used in a manner that is prohibited under the City's zoning regulations. The Applicant agrees to develop a concept master plan to guide future development on the Property (the "Project"). Further, the Applicant will identify a development site area on which the Applicant will pursue a multifamily or mixed use project (the "Phase I Project") consistent with the regulations of the High Intensity Mixed Use With Residential (HX-R) District pursuant to the development milestones set forth in Exhibit C of this Agreement. The City agrees to cooperate with the review of applications necessary for approval of the Phase I Project, including without limitation, applications and submittals for environmental review, zoning, building permits, structured parking, pedestrian amenities, stormwater facilities and applications for tax increment financing, livable community grants from the Metropolitan Council, as well as other state and local economic development programs and loans through the Minnesota Housing Finance Agency. In keeping with the goal of phased development on the Project site, the Applicant will provide the City with a development concept plan as described in Exhibit C (the "Phase II Project").

3. Event of Default.

(a) The term "event of default" shall mean, whenever it is used in this Agreement (unless the context provides otherwise), the failure of the Applicant to perform in any material respect the obligations set forth in paragraph 2 ("Obligations of the Applicant") of this Agreement and to commence corrective measures to cure the material default or otherwise perform the Obligations of the Applicant within sixty (60) days after receipt by the Applicant of

written notice of such default by the City, provided that such sixty (60) day cure period shall be extended if such default is not capable of cure within such period and the Applicant is proceeding in good faith with reasonable diligence and dispatch to cure such default.

4. Remedies of the City.

(a) Whenever any event of default of the Applicant occurs, the City may take whatever action at law or in equity as may appear necessary or desirable to the City to enforce performance and observance of this Agreement.

(b) A change in the IUP by the Applicant requires City Council approval in accordance with Bloomington City Code Section 21.501.05.

5. Remedies of the Applicant.

Whenever any event of default by the City occurs, the Applicant may take whatever action at law or in equity may appear necessary or desirable to the Applicant to enforce performance or observance of this Agreement.

6. Notices and Demands.

(a) A notice, demand, or other communication under this Agreement by either party to the other shall be sufficiently given if it is dispatched by registered or certified mail, postage pre-paid, return receipt requested, and addressed to the party at the addresses listed below with receipt thereof presumed on the third business day thereafter. Either party may designate another address, or attorney for receipt of notices pursuant to this Agreement by designating in writing and forwarding such writing to the other party as provided in this section.

(b) Notices, demands, or other communications to a party under this Agreement shall be sufficiently given if sent by registered or certified mail, postage pre-paid, return receipt requested, and addressed to the party as follows:

*If to the City:*

City of Bloomington  
ATTN: Director of Community  
Development 1800 West Old Shakopee  
Road Bloomington, Minnesota 55431  
[Ejohnson@bloomingtonmn.gov](mailto:Ejohnson@bloomingtonmn.gov)

*If to the Applicant:*

Airport Construction of Minnesota, Inc.  
ATTN: John Bona  
7901 International Drive  
Bloomington, MN 55425

(c) Nothing prevents a party from contemporaneously providing the same notice of demand by electronic mail.

7. Amendment/Additional Documents.

This Agreement may be amended, in writing, as the parties may mutually agree. The plans, standards, stipulations, and other information constituting the interim use permit and the conditions placed on the approval of the interim use permit as detailed in **Exhibit B** may also be amended upon application by the Applicant and approval of the City Council pursuant to Bloomington City Code Section 21.501.05. Once approved by the City Council, subsequent interim use permits and conditions relative to the Property shall become part of this Agreement and shall be fully binding upon the parties as if set forth herein. All such additional documents affecting the development and use of this Property shall be kept on file as a public record by the City of Bloomington, Director of Community Development.

8. Application of City Code Provisions, Rules, Regulations and Policies.

This Agreement shall not prevent the City, in subsequent actions applicable to the Property, from applying new City Code provisions, rules, regulations or policies that do not substantially conflict with those in force and effect on the effective date of this Agreement, nor shall this Agreement prevent the City from denying or conditionally approving any subsequent development or use application for the Property on the basis of such existing or new City Code provisions, rules, regulations or policies. No rights shall be deemed to vest in the Applicant or

any other person, under any site development agreement or approval, except as expressly set forth therein.

9. Relationship of the Parties.

No partnership or joint venture is established between the parties hereto by or under this Agreement or any agreement referenced herein.

10. Successors and Assigns.

This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns, including without limitation any and all future and present applicants, tenants, occupants, licensees, mortgagees and any other parties with any interest in the Property. The rights and responsibilities of this Agreement are intended to run with the land. Upon sale or conveyance of any portion of the Property, the transferee shall be liable for all obligations of the Applicant which relate to such portions of the Property and the transferor shall be automatically released from any further obligation, liability, right or responsibility under this Agreement relating to the transferred portion of the Property.

11. Recording of Document.

This Agreement shall run with the Property and shall be recorded in the Office of the Hennepin County Recorder or Registrar of Titles, as appropriate, by the Applicant with proof thereof provided to the City prior to \_\_\_\_\_, 2019.

12. Governing Law.

The City and Applicant agree that the laws of the State of Minnesota shall govern all questions and interpretations concerning the validity and construction of this Agreement and the legal relations between the undersigned parties and performance under it without regard to the principles of conflicts of law. The language of this Agreement is and shall be deemed the

result of negotiation among the parties and their respective legal counsel and shall not be strictly construed for or against any party. Each party agrees that any action arising out of or in connection with this Agreement shall be brought solely in the courts of the State of Minnesota, Fourth Judicial District, or the United States District Court for the District of Minnesota.

13. Entire Agreement, Superseding All Prior Agreements Related to the IUP.

This Agreement and the plans along with all attached exhibits hereto, represent the entire Agreement between the Applicant and the City, as related to the IUP.

14. Severability.

If any provision or term of this Agreement for any reason is declared invalid, illegal or unenforceable, such decision shall not affect the validity of any remaining provisions, provided that: (i) each party receives the substantial benefit of its bargain with respect to the transaction completed hereby; and (ii) the ineffectiveness of such provision would not result in such a material change as to cause completion of the transactions contemplated hereby to be unreasonable for either party. The remaining provisions shall remain in full force and effect as if this Agreement had been executed with the invalid portion thereof eliminated and it is hereby declared the intention of the parties that they would have executed the remaining portions of this Agreement without including any such part or portion which may be hereafter declared invalid.

15. Signatures/Execution.

Each person executing this Agreement on behalf of a party hereto represents and warrants that such person is duly and validly authorized to do so on behalf of such party, with full right and authority to execute this Agreement and to bind such party with respect to all of its obligations hereunder. This Agreement may be executed in counterparts, each of which shall

be deemed an original, but all of which taken together shall constitute but one and the same instrument.

**IN WITNESS WHEREOF**, the parties hereto have executed this Site Development Agreement the day and year first above written.

*[left blank intentionally; signature pages follow]*





**EXHIBIT A TO DEVELOPMENT AGREEMENT  
BETWEEN THE CITY OF BLOOMINGTON &  
AIRPORT CONSTRUCTION OF MINNESOTA**

**LEGAL DESCRIPTION**

Lot 1, Block 1 - New B Addition - Except Highway  
City of Bloomington, County of Hennepin, State of Minnesota

**EXHIBIT B**  
**TO DEVELOPMENT AGREEMENT**  
**BETWEEN THE CITY OF BLOOMINGTON & APPLICANT**

**CONDITIONS OF APPROVAL**

1. Failure to meet the milestones identified in Exhibit C will result in termination of this interim use permit for remote airport parking provided the City makes available sufficient sewer infrastructure capacity to be available. In any event, termination of this interim use permits is subject to Applicant's right to cure an event of default or otherwise undertake corrective measures. In no case may the use of the Property for remote airport parking extend beyond October 13, 2024, unless a subsequent interim use permit is issued; and
2. The conditions attached to this approval of an Interim Use Permit for remote airport parking (Case PL \_\_\_\_\_) replace and supersede the previous conditions of approval related to the remote airport parking use on the Property; and
3. The Applicant must sign a new Site Development Agreement relating to the remote airport parking use with the City that incorporates all conditions of approval attached to Case PL \_\_\_\_\_ and confirms the interim nature of the use; and
4. The remote airport parking use is limited to 1,281 vehicles; and
5. Any physical changes to the site must follow the relevant approval process outlined in the City Code; and
6. Motor vehicles must be parked at all times in a manner that allows Fire Department access; and
7. Landscaping and required screening must be maintained in the current state during the term of the interim use permit; and
8. No maintenance or cleaning of customer or employee vehicles is allowed; and
9. All trash and recyclable materials be stored inside the principal building. (Sec. 19.51); and
10. Fire lanes be posted as approved by the Fire Marshal. (Uniform Fire Code Sec. 901.4).

**EXHIBIT C**  
**TO DEVELOPMENT AGREEMENT**  
**BETWEEN THE CITY OF BLOOMINGTON & APPLICANT**  
**PROJECT MILESTONES**

<b><u>Milestone</u></b>	<b><u>Description</u></b>	<b><u>Due</u></b>
Identify Phase I Project Site	Applicant will submit to the City the approximate boundaries of a Phase I development site within the Property.	February 1, 2020
Amend Alternative Urban Areawide Review (AUAR)	Applicant and City will amend existing AUAR as needed to include the Project within the AUAR.	Concurrent with the City's five-year AUAR updated due in 2022
Concept Master Plan	Applicant will submit a concept master plan for entire site that identifies the proposed major uses, the development square footage projected, phasing, public and private infrastructure and location of structured parking.	May 1, 2020
Project Pro Forma	Applicant will submit a development pro forma for the Phase I Project that identifies sources and uses of public and private funds and the need for public support of the Project.	May 1, 2020
Application for Public Financial Assistance	If public financial assistance is desired, Applicant will submit to the City, Port Authority and/or the Housing and Redevelopment Authority, as applicable, a written request for tax increment financing or other public subsidies requested for the Phase I Project.	May 1, 2020
Revised Preliminary and Final Development Plans	Applicant will submit to the City a complete application for major revision to the Preliminary Development Plans for the Property and Final Development Plans for the Phase I Project.	July 1, 2020
Preliminary and Final Plat	Applicant will submit an application for preliminary and final plat to subdivide the parcels for phased development of the Project and for continued use of the remnant Property for remote airport parking in the interim or some other approved use. The application may be accompanied by a platting variance request to defer park dedication for future development	October 1, 2020

	phases.	
Building Permit	Applicant will submit a complete application for a building permit for the Phase I Project.	April 1, 2021
Construction Start	Applicant will commence construction of the Phase I Project	September 1, 2021
Development Concept Plan: Phase II	Applicant will submit a development concept plan for Phase II with projected uses, development schedules, projected cost and support requirements from the City	October 13, 2023