SUPERVALU INC.

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11840 Valley View Road
Eden Prairie, MN 55344
952 828 4000

To Whom it may concern:

Apple Valley Planet Fitness Narrative (8/22/2017)

Most retailers and cities prefer to reduce the "over parked" parking fields which were developed 20 years ago. This process started for the Cub parking field about five years ago, when the two out lots were developed. Adding a national, high quality Tenant alongside the newly remodeled Cub will finish this process.

Cub has "right sized" their floor plan (and extensively remodeled the inside and outside) and now have 20,000 sf of excess space on the east end which they wish to lease to Planet Fitness. The Planet Fitness elevation will also allow Cub to finish the exterior elevation (so it won't look like unfinished empty space right at the main entrance to the parking field)

Philosophically, activity begets activity, and in this hypersensitive retail market that we live, retail customers want to shop where everyone else is shopping. It's a bit counter intuitive, but retailers no longer want overly abundant, excess parking just to accommodate the two biggest shopping days of the year (before the big holidays). They would rather have smaller, fuller parking lots all year round. A fuller parking lot will attract more customers which will ultimately help the bottom line of retailer.

From an urban renewal perspective, excessive, unused parking in parking lots tends to be a blight on the City. Under used parking lots aren't appealing when they are empty and they tend to be eye sores when they aren't adequately maintained. If no one is using parts of the parking lots, there is no reason to keep them seal coted and striped. The parking lots in the area are an example of this.

Retailers do want adequate parking however, and Cub is very comfortable with the existing parking field (along with the additional striping which will occur in the rear of the building). This is a bit of a unique case since Cub is the Tenant and the LL. There isn't a third-party LL that is pushing an agenda that may not work. Cub likes the synergy being generated with the young, health conscious Planet Fitness customer, and Planet Fitness likes the synergy which will be developed with repetitive shopping nature of the grocery customer. Cross shopping customers helps everyone.

With proof of parking and the additional parking spaces in the rear, we will be very close to what code requires. With that said, we shouldn't need as many parking spaces as code requires since retail customers will be able to ride their bikes (and park in the bike racks) and the ride share ramp will also reduce the parking that is normally needed.

Sharing parking fields with Tenants that have staggered "peak" customer times is also beneficial for not just the parking requirements, but also cross customer shopping. Grocery and fitness are ideal in this sense. Fitness is the busiest Monday thru Wednesday (need to work off the excesses of the weekend) also "after" holidays (again, they need to work off the excesses of the holidays). Grocery traffic tends to be busier later in the week (stocking up for the weekend) and busy "before" the holidays. Ideal synergy.

Lastly, it is hoped that the addition of Planet Fitness to the Tenant line up in the Cub center will spur future re-development of other shopping centers in the area. Remodeling the existing façade and adding a national Tenant to the Cub center may entice other national retailers to locate in neighboring shops.

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Apple Valley Cub Rear Parking (09/12/2017)

If parking stalls are added behind Cub Foods and Planet Fitness, provisions will be made to allow employees to enter the building in back. Customers will not be allowed to park in back, it will be designated as employees only. Safety should not be a factor as the only time that these spaces would be needed would be during daytime (first shift) hours.