



HEDRA Memorandum

To: HEDRA
From: John Hinzman, Community Development Director
Date: October 8, 2020
Item: Discuss Potential Industrial Park Sale – Simply Secure Storage (Smurawa) – Lot 3, Block 2, Hastings Industrial Park No 7 – 2030 Spiral Blvd (2.58 acres)

REQUEST:

Discuss potential sale of property. No formal action is required.

BACKGROUND:

Chad Smurawa of Simply Secure Storage seeks to acquire a 2.58 acre HEDRA owned property located at 2030 Spiral Boulevard to construct personal and business storage units.

This is the same property in which HEDRA and the Council authorized sale to Mr. Smurawa in 2019. Due to the presence of a dirt stockpile the project was moved to Lightbourn Court. The first phase on Lightbourn has been constructed with the 2nd phase under construction. The dirt stockpile along Spiral Boulevard will be fully removed in the coming week and the property is open for sale and development.

Prior to making an offer on the property HEDRA is asked to review the proposed use and development to ensure consistency with the property valuation improvement and job goals for sale of Industrial Park Property.

Development of the property will increase the taxable market value but unlikely to include job growth. In reviewing the 2019 business subsidy analysis for development on this site the project would not qualify for the full amount of credits to allow sale at a dollar an acre. HEDRA would likely receive revenue from sale of the property, but the valuation increase would be less than other sales within the Industrial Park based upon its use as a storage facility.

2019 Business Subsidy Analysis - Smurawa Rental

Property Size	2.58 acres
Property Market Value	\$173,072.59 (\$1.54 per s.f.)
Estimated Building Value	\$1,102,038.42
Construction Credit	\$110,203.84 (10% of building value)
Cash Due Upon Transfer	\$62,868.75 (market value less construction credit)

ATTACHMENTS:

- Site Location Map
- Letter from Chad Smurawa
- 2019 Concept Plan

LOCATION MAP





Simply Secure Storage 3001 Lightbourn Court Hastings Industrial Park



Invested in Hastings

- Partnered with Hastings very own legend Ron Guck to install 4 Birdhouses onsite
- Donation to expanded Hastings Family Service Food Shelf
- Certified 'Bee Friendly' onsite habitat
- Participant in 2020 City of Hastings Trick or Treat Event
- Proud Chamber of Commerce Member

What's Next?

Consideration to purchase Lot 3 in Hastings Industrial Park

- Original site approved for Simply Secure Storage
- Invest approximately \$1,400,000 in Lot 3
- Fulfill original plan to construct business storage...Lot 11 not conducive to construction of business storage
- Business units of this type do not exist in East Metro
- Business storage on Lot 3 will serve as berm between eastern zoned future apartments



Current Site Update

- 24,000 sq. ft. constructed on Lot 11
- Construct additional 12,000 sq. ft. in spring 2021 on Lot 11
- Additional \$350,000+ investment in spring 2021
- \$1,000,000+ already invested in the site with taxes payable in 2021
- We delivered on our commitments

Click Below to Take a Virtual Tour of Simply Secure Storage

(Press 'Ctrl' button click and click on picture below to launch Virtual Tour)



A Few More Things...

- Eric, Vanessa and I are hands on owners. We take pride in our projects and intend to continue to maintain a business that the neighborhood is proud of
- Warm neighborhood reception...We have gotten to know many neighbors as we work onsite. Neighbors that frequent the trails have complimented us on the aesthetics of our project/landscape...a few have asked me for shrub suggestions!
- Thank You for the warm Hastings Welcome and for giving us the opportunity to be part of the community!

SPIRAL BOULE

R=630.00

L=299.1

46' - 3.92

398.64

$\Delta = 27' 12"$

Street Sign

Secure Entrance Gate

3

General Storage
- 40' x 300' Building
- 12,000 Sq Ft
- 60 Storage Units
- Various Size Units
- Various Size Doors

General Storage
- 40' x 300' Building
- 12,000 Sq Ft
- 60 Storage Units
- Various Size Units
- Various Size Doors

General Storage
- 40' x 300' Building
- 12,000 Sq Ft
- 60 Storage Units
- Various Size Units
- Various Size Doors

Business Storage
- 40' x 300' Building
- 12,000 Sq Ft
- 21 Storage Units
- 14' x 40' Units
- 12' x 14' Doors

26'

26'

26'

51'

60'

POND

299.90