

PROJECT: 141191  
DATE: 6-15-2015



**TRANSMITTAL LETTER**

TO: Londell Pease – Senior Planner  
Community Development  
1800 West Old Shakopee Road  
Bloomington, MN 55431

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FROM: Ed Muehlberg

PROJECT NAME: SharePoint Credit Union

ENCLOSED:

COPIES	DATE	SHEET #	DESCRIPTION
1	7.15.15		Development Application
1	7.15.15		Development Application Attachment
1	7.14.15		Development Application Fee Check - \$1660.00
1	7.16.15		Conceptual Drawings

REMARKS:

Londell – here is the Development Application for the SharePoint Credit Union project at located at 5300 Hyland Greens. Please review and let us know if any additional information is needed.

Thanks!

- 3) Size and function limits will make these type of branches a service point, but not a driver of retail business.

By limiting the size and function, these branches simply service a small neighborhood following. This is not the type of facility designed to drive retail banking and move market share. In SharePoint's case we seek to service our members already in the neighborhood because our headquarters will be located in the building.

The type of financial institutions that could accept branches in B-1 zoning would be rather small in nature and typically would need to be headquartered in the location to meet the requirements. To further define "small," and separate us from the larger financial institutions that quickly come to mind, please consider the following business metrics:

- SharePoint employees 46 employees and services 18,000 members, mostly in Minnesota and concentrated in the Minneapolis / St. Paul metropolitan area.
- SharePoint completed 65 first mortgages home loans in 2014. This was done in three locations and averaged only 2 to 3 per month, per location.
- During 2014 SharePoint closed 41 small business loans in our branches. We average about 1 business loan per month, per location. Our average business loan is less than \$150,000.
- SharePoint opens roughly 100 checking accounts per month. Most of this activity takes place at full service branches. This would only average 1+ account per day.
- SharePoint closed 150 consumer loans per month throughout our network. This accounts to 2 per day per location, and many times the member is not present and this is done electronically.

We believe allowing a small financial service location in a B-1 zone will not adversely affect the traffic patterns and will simply provide a service to the neighborhood, and tenants already in the buildings. We also believe a larger financial institution building off this amendment in the future is unlikely, not feasible, and not in line with their business objectives.

Using the guidelines above, please allow a small financial institution to operate a small limited branch in the B-1 zone, providing a neighborhood service to the residents of Bloomington.

Sincerely,



Phillip A. Kopischke  
President and CEO



July 15, 2015

City of Bloomington, MN  
Planning Commission

SharePoint Credit Union is a small retail financial institution servicing the employees of the grocery store industry. SharePoint has a rich Minnesota history dating back to 1933 with its founding by the Red Owl Grocery Stores.

SharePoint will be moving its headquarters to Bloomington, MN and has found adequate space to house its administrative functions in a B-1 zoning district. A retail banking facility is currently not allowed in this zone. SharePoint would request the City of Bloomington to amend this code allowing such a retail facility under the following guidelines:

- 1) The retail banking facility cannot exceed 10% of the same retail institution's office space.

This guideline would not only require a business to occupy significant space in the same building, it limits the potential size of a branch location. In SharePoint's case this only allows roughly a 1,000 sq. ft. branch, while the administration function will occupy almost 12,000 sq. ft. This requirement alone will prevent larger financial institutions, (having significant retail market penetration), from setting up shop in other B-1 zoning. Even with the amendment, larger financial institutions would still have limited ability to accept B-1 zoning as adequate for their business needs.

This request is not significantly different from other businesses already doing limited retail business in such zones, example: Park Nicollet filling retail prescriptions, or selling retail eye glasses out of their clinic locations.

- 2) Further guidelines could be incorporated to protect the City from expansion of this zoning amendment by larger financial institutions.
  - a) No drive through banking lanes.
  - b) No safe deposit boxes.
  - c) Machine controlled cash only.

Banking has significantly changed over the past decade. Today, there are fewer and fewer trips to the bank. Technology enhancements like; Online Banking, Mobile Banking, Remote Deposit Capture, e-signatures for loans, and enhanced ATMs all limit a retail customer's need to physically be at the location. SharePoint incorporates all this technology in its operations today.