



1245 West Highway 96
 Arden Hills, Minnesota 55112
 Telephone (651) 792-7800
 Fax (651) 634-5137
 www.cityofardenhills.org

For Office Use Only

Planning Case No.	25-
Submittal Date	
Application Completed Date	
Accepted by	
Receipt Number	
Council Decision	
Council Decision Date	

2025 LAND USE APPLICATION

Applicant Information

Applicant: HRE Arden Hills LLC

Address: 800 LaSalle Ave, #1250, Minneapolis, MN 55402

Telephone No.: 612-355-2600 Other:

Fax No.:

Email Address: bchampeau@hempelcompanies.com

Property Information

Property Owner: HRE Arden Hills LLC

Owner Address: 800 LaSalle Ave, #1250, Minneapolis, MN 55402

Owner Telephone No. 612-355-2600 Other:

Address of Property Involved: 4440 Round Lake Road, Arden Hills, MN

Legal Description: See enclosed description

Property ID No.: 21-30-23-23-0001

Type of Use: Industrial-Office/Warehouse

Zone: GB-Gateway Business District Property Acreage: 7.78 acres

Type of Request

- Comprehensive Plan Amendment (Fee: \$550 + Escrow: \$2,500)
- Conditional Use or Interim Use Permit/CUP or IUP Amendment (Fee: \$400 + Escrow: \$1,500)
- Preliminary Plat (Fee: \$500 + Escrow: \$2,500)
- Final Plat (Fee: \$450 + Escrow: \$1,000)
- Concept Plan Review (Fee: \$300 + Escrow: \$750)
- Master Planned Unit Development or Master Special Development Plan (Fee: \$600 + Escrow: \$2,500)
- Final Planned Unit Development or Final Special Development Plan (Fee: \$350 + Escrow: \$2,000)
- Planned Unit Development Amendment or Special Development Plan Amendment (Fee: \$400 + Escrow: \$1,500)
- Site Plan Review (Fee: \$450 + Escrow: \$1,500)
- Rezoning or TCAAP Regulating Plan Amendment (Fee: \$500 + Escrow: \$1,500)
- Zoning Code or TCAAP Redevelopment Code Amendment (Fee: \$400 + Escrow: \$1,500)
- City Code Amendment (Fee: \$350 + Escrow: \$1,500)
- Lot Split/Minor Subdivision (R-1 and R-2 Districts Only) (Fee: \$350 + Escrow: \$1,500)
- Variance or Permitted Adjustment (Fee: \$350 + Escrow: \$1,000)
- Vacation of Easement or Right-of-Way (Fee: \$150 + Escrow: \$1,000)
- Appeal of Administrative Decision (Fee: \$150 + Escrow: \$1,000)
- Land Use Requests – Not Already Specified (Fee: \$150 + Escrow: \$1,000)

Brief Description of Request (please also include a typed, detailed letter explaining the project):

See enclosed description

IMPORTANT

- Certain applications are subject to review and approval by the Rice Creek Watershed District. Contact RCWD directly at 763-398-3070 for additional information.
- The land use application fees do not cover building, sign, or other permit fees that may be required upon approval of a land use application.
- All applications will be subject to additional fees for reimbursement of consultant costs associated with filing, reviewing, and processing of application in the form of an escrow to the City.

Filing & Information Requirements

The City requests that you make a pre-application meeting with the Community Development Director to discuss the application process, requirements, and deadlines. Unless waived by the Community Development Director or Planning Commission, a certified survey of the property is required for all applications. A checklist with additional application requirements can be found at www.cityofardenhills.org/landuseapplications.

Complete/Incomplete Applications

Under Minnesota Statute, Chapter 15.99, cities have 15 business days to review all plans and application materials to ensure they satisfy City requirements. During the 15 day review period, planning staff will provide written comments on the application and may request plan revisions. If the application is determined to be complete, Minnesota State Statute then requires the City to approve or deny the application within 60 days, up to 120 days. If not complete, the City may require plan revisions and/or additional information before the application is scheduled for Planning Commission review and/or City Council action. Project will not be scheduled for any meeting until the application submittal is found to be complete by the Community Development Director.

Payment of Fees and Escrows

The undersigned acknowledges that she/he understands that before a land use application can be deemed complete, all required fees and escrows must be paid to the City. The applicant is responsible for all costs incurred by the City related to the processing of this application. Each separate land use request shall be charged a separate administrative fee and escrow even if submitted on the same application. Costs expended in reviewing and processing an application will be charged against the cash escrow and credited to the City. Charges to the escrow may include planning and engineering staff time, City Attorney and consulting fees, and mailing costs. If, at any time, a required cash escrow is depleted to less than 20 percent of its original amount, the applicant shall deposit additional funds in the cash escrow account as determined by the City. The City may withhold final action on a land use application, withhold building permits, and/or rescind prior action until all fees have been paid. Unused portions of an escrow are returned to the applicant upon successful implementation of an approved plan. The escrow may be reduced or increased by the Community Development Director on a project by project basis.

Notice of Meeting Attendance

In order for the Planning Commission and the City Council to consider any application, the applicant or a designated representative must be present at the scheduled meeting. If not, the matter may be tabled until the next available agenda.

Meeting Schedule

Planning Commission meetings are typically held on the first Wednesday after the first Monday of each month at 6:30 PM, though please contact City Hall to verify the meeting date and time. City Council meetings are held typically the last Monday of the same month at 7:00 PM. Meetings are held in the Council Chambers at the City of Arden Hills, 1245 West Highway 96, Arden Hills, Minnesota 55112, unless otherwise stated. The schedules below are for reference purposes only. Project will not be scheduled for any meeting until the application submittal is found to be complete by the Community Development Director.

2025 Planning Commission and City Council Schedule (*subject to change)

TENTATIVE PLANNING COMMISSION MEETING DATE* (Generally held on the first Wednesday after the first Monday at 6:30 p.m.)	TENTATIVE CITY COUNCIL MEETING DATE* (Generally held on the fourth Monday at 7:00 p.m.)	DEADLINE FOR LAND USE APPLICATION SUBMISSION (1 st day of the preceding month)
January 8	February 10	December 1 (2024)
February 5	March 10	January 2
March 5	April 14	February 3
April 9	April 28	March 3
May 7	May 26*	April 1
June 4	June 23	May 1
July 9	July 28	June 2
August 6	August 25	July 1
September 3	September 22	August 1
October 8	October 27	September 1
November 5	November 24	October 1
December 3	January 12 (2026)	November 3

Acknowledgement and Signature

I hereby apply for the above consideration and declare that the information and materials submitted with this application are complete and accurate per city code and ordinance requirements. I fully understand that I am responsible for all costs incurred by the City related to the processing of this application.



Property Owner Signature (Required)

11/3/25

Date

Applicant Signature (If different than the property owner)

Date

Please contact the Community Development Director at 651-792-7800 if you have any questions regarding this application.

Additional copies of this application form are available on the City's website: www.cityofardenhills.org/landuseapplications

Conditional Use Permit Application Narrative

Date: November 3, 2025

Property: Arden Hills Business Center – 4440 Round Lake Road W, Arden Hills, MN

Applicant: HRE Arden Hills LLC

Proposed Use: Licensed THC Wholesale/Distribution Tenants

Brief Description of Request

Hempel, as landlord, seeks a property-level Conditional Use Permit authorizing up to 57,000 SF (≈50% of building area) to be leased to licensed THC wholesale/distribution tenants. If granted, the CUP would let us lease any or all of the site's current ≈52,000 SF vacancy and also allow our anchor tenant, Portal, to sublease space within its ≈61,000 SF footprint for the same use. Based on recent inquiries, we expect 5–15 small businesses interested in warehousing prepackaged THC product only. Because this use requires a CUP in the GB District, this application is intended to pre-approve the building for that use (with conditions) so individual businesses can occupy suites under the CUP rather than filing separate land-use requests—while still maintaining all state licensure requirements. This is business-to-business distribution only: no retail, no walk-in sales, no on-site consumption, no exterior storage, and all operations occur indoors at typical warehouse/logistics intensity.

To ensure compatibility and protect public welfare, the Applicant proactively offers CUP conditions, including:

- Wholesale distribution only; no retail or public access.
- Valid Minnesota licensure for each tenant, with automatic suspension of operations upon any lapse or revocation, and annual license-status reporting to City staff.
- A security plan (controlled access, cameras/alarms, secure loading/unloading).
- Odor containment (sealed product handling and HVAC filtration as needed).
- Truck and parking management consistent with historical/approved levels and standard business-hour operations.
- No exterior signage that references cannabis/THC.

This CUP advances GB District goals by supporting employment and stabilizing a key tax-producing asset without exterior changes. The requested approval formalizes a controlled, professional, non-

retail industrial use and embeds clear safeguards addressing security, traffic, parking, and neighborhood compatibility.

Site & Zoning Background

- **Property:** 113,387 SF building on 7.76 acres
- **Zoning:** GB (Gateway Business District) with Round Lake Shoreland Overlay
- **Current Status:**
 - Legally nonconforming warehouse use; CUP required for new or expanded warehousing/distribution.
 - Historical limit: ~10% office / 90% warehouse tied to parking capacity.
 - 2022 site plan approval (PC 22-007) affirmed industrial use subject to nonconforming restrictions.
 - Portal Warehousing operates in ≈61,000 SF, offering co-warehousing spaces and services to dozens of small and growing businesses.

Description of Proposed Use

- **Nature of Operations:** State-licensed wholesale/distribution only (no retail, no on-site sales, no public traffic).
- **Building Fit:** Occupancy of individual suites or demised areas within the existing warehouse footprint.
- **Employment:** Each distributor expected to employ 5–15 staff in logistics, quality control, and compliance roles.
- **Traffic/Parking:** Similar to or less than traditional warehouse uses; no additional burden beyond the approved parking stalls.
- **Compliance:** All tenants will hold valid Minnesota THC distribution licenses and remain subject to state inspection and oversight.

Alignment with Gateway Business District Goals

The GB District's stated purpose is to foster high-quality business activity compatible with adjacent uses. This use aligns because:

- **Economic Vitality:** Brings stable employment, long-term leases, and a reliable tax base.
- **Regulated, Professional Tenants:** THC distributors are subject to stricter oversight and permitting than typical warehouse users, reducing city risk.
- **Controlled & Internalized Operations:** All activities occur indoors, with no exterior storage, sales, or nuisances.
- **Compatibility with Existing Uses:** Comparable in function and intensity to current tenant (Portal Warehousing) and Portal's subtenants.

CUP Criteria & Mitigation Commitments

The Applicant proactively proposes conditions to address potential city concerns:

1. **Security**
 - 24/7 surveillance cameras and alarm systems.
 - Limited-access entry points.
 - Secure loading/unloading procedures.
2. **Operations**
 - No retail or walk-in sales.
 - Distribution only to licensed retailers.
 - Normal business hours.
3. **Environmental Controls**
 - Odor containment measures (sealed packaging, HVAC filtration).
 - Strict compliance with Minnesota Dept. of Health/Office of Cannabis Mgmt. regulations.
4. **Traffic & Parking**
 - Operations generate limited daily traffic, consistent with industrial use.
 - Parking demand well below historical 10% office allocation.

Precedent & Community Benefit

- The City has previously approved innovative industrial tenants at this site, including Saltbox and Portal Warehousing.
- Market data shows strong industrial demand and low vacancy (3.9% metro, 2.9% northeast submarket)—flexibility is key to keeping the site occupied and contributing to tax revenue.
- Without tenant flexibility, the property risks prolonged vacancy, undermining both city goals and district vitality.

Conclusion

The Applicant respectfully requests CUP approval for up to 50% of the Arden Hills Business Center’s rentable area to be leased or subleased to licensed THC distributors. This CUP formalizes a **controlled, professional, non-retail industrial use** that is consistent with the District’s business/employment character while incorporating clear safeguards to address security, traffic, parking, and neighborhood compatibility. This use:

- Meets the intent of the GB District by supporting economic vitality with controlled, professional operations.
- It imposes no greater impact than existing warehousing tenants.
- Provides regulatory, security, and operational assurances to protect city interests.



800 LaSalle Avenue, Suite 1250
Minneapolis, MN 55402

We look forward to the discussion and to working collaboratively with staff, the Planning Commission, and City Council, to ensure this project contributes positively to the City of Arden Hills.

Sincerely,

A handwritten signature in black ink, appearing to read 'Brandon Champeau', written in a cursive style.

Brandon Champeau
Executive Vice President
Hempel Real Estate



Portal Warehousing: An Engine for Business Growth in Arden Hills

Our Mission: To provide the physical infrastructure and operational support that empowers local entrepreneurs, small businesses and enterprises to scale, innovate, and thrive.

Portal Warehousing is a co-warehousing community offering flexible, all-inclusive warehouse and office space designed for the modern business. We eliminate the barriers of long-term leases and high upfront costs, providing a move-in-ready solution that allows companies to focus on what they do best: growing their business. By fostering a dynamic ecosystem of entrepreneurs, we serve as a vital asset to the local economy.

What We Offer Small Businesses

We provide a comprehensive, turn-key solution that combines private space with shared, enterprise-level amenities.

- **Flexible Private Spaces:** Secure, private warehouse units from 250 to 4,000+ sq ft, with the flexibility to scale space up or down as business needs change.
 - **All-Inclusive Amenities:** One simple monthly payment includes:
 - High-speed Wi-Fi and all utilities.
 - Access to loading docks, forklifts, and pallet jacks.
 - On-site packing stations and a product photo studio.
 - Shared office space, conference rooms, and kitchenettes.
 - **Embedded Logistics:** Daily pickups from all major carriers (FedEx, UPS, USPS), a commercial shipping address, and professional receiving services.
 - **Vibrant Community:** A collaborative environment of diverse businesses, from e-commerce brands and local makers to CPG companies and third-party logistics (3PL) providers.
-

Enterprise-Grade Security & Peace of Mind

We ensure our members' inventory and operations are protected through a multi-layered security protocol.

- **24/7 Video Surveillance:** The entire facility is monitored by a comprehensive CCTV system.
- **Controlled Access:** Secure keycard/fob entry ensures only authorized members and staff can access the building.
- **On-Site Management:** A dedicated Property Manager is on-site Monday through Friday to oversee operations and provide support.
- **Secure Package Handling:** All inbound packages are processed through a digital scanning system and securely received by our on-site manager, guaranteeing a safe chain of custody.
- **Private, Secure Units:** Each individual warehouse unit is equipped with its own secure locking system, giving businesses exclusive control over their space.



Ease of Use: Simplified Operations for Entrepreneurs

Our model is built on simplicity and efficiency, removing operational friction for business owners.

- **Flexible Agreements:** Members benefit from short-term agreements that eliminate the risk and complexity of traditional 5-10 year commercial leases.
 - **Centralized Member Portal:** Our technology platform allows members to easily manage payments, book conference rooms, and connect with the community from any device.
 - **Move-In-Ready:** New members can be operational in a matter of hours, not months, thanks to our turn-key spaces.
-

A Partnership for a Stronger Arden Hills Economy

Portal Warehousing is more than a building; we are a platform for economic development.

- **Accelerates Small Business Growth:** We provide the critical infrastructure that allows small businesses to compete and expand.
 - **Creates and Retains Local Jobs:** The businesses within our facility hire locally, contributing to job creation and economic vitality.
 - **Fosters Innovation:** Our community becomes a hub for entrepreneurship, driving innovation and collaboration within the city.
 - **Modernizes Industrial Real Estate:** We efficiently utilize and revitalize commercial properties, aligning them with the needs of the modern economy.
-

A Secure & Compliant Solution for the Cannabis Industry

Our application is driven by significant demand from licensed cannabis entrepreneurs who require secure, professional, and compliant space to operate and grow their businesses within the city.

- **Validated Market Need:** We have received a dozen inquiries from local, licensed cannabis brands—including distributors, manufacturers, and delivery services—seeking viable operational space. These businesses are often locked out of the market by the high cost of building and securing a standalone facility.
- **Commitment to Exceeding Compliance:** Portal Warehousing is committed to meeting and exceeding all city and state regulations for cannabis operations. Our existing enterprise-grade security infrastructure provides a robust foundation that can be enhanced with any specific requirements mandated for surveillance, access control, and product tracking.
- **A Responsible Partner:** By providing a centralized, professionally managed, and highly secure environment, we enable the city to support its local cannabis businesses in a controlled and responsible manner, ensuring they operate with the highest degree of safety and compliance.



PORTAL
WAREHOUSING

We are confident that Portal Warehousing provides the ideal environment for licensed cannabis businesses to thrive, create jobs, and contribute to the local tax base. We look forward to partnering with the City of Arden Hills to create a secure and prosperous future for this up and coming industry.

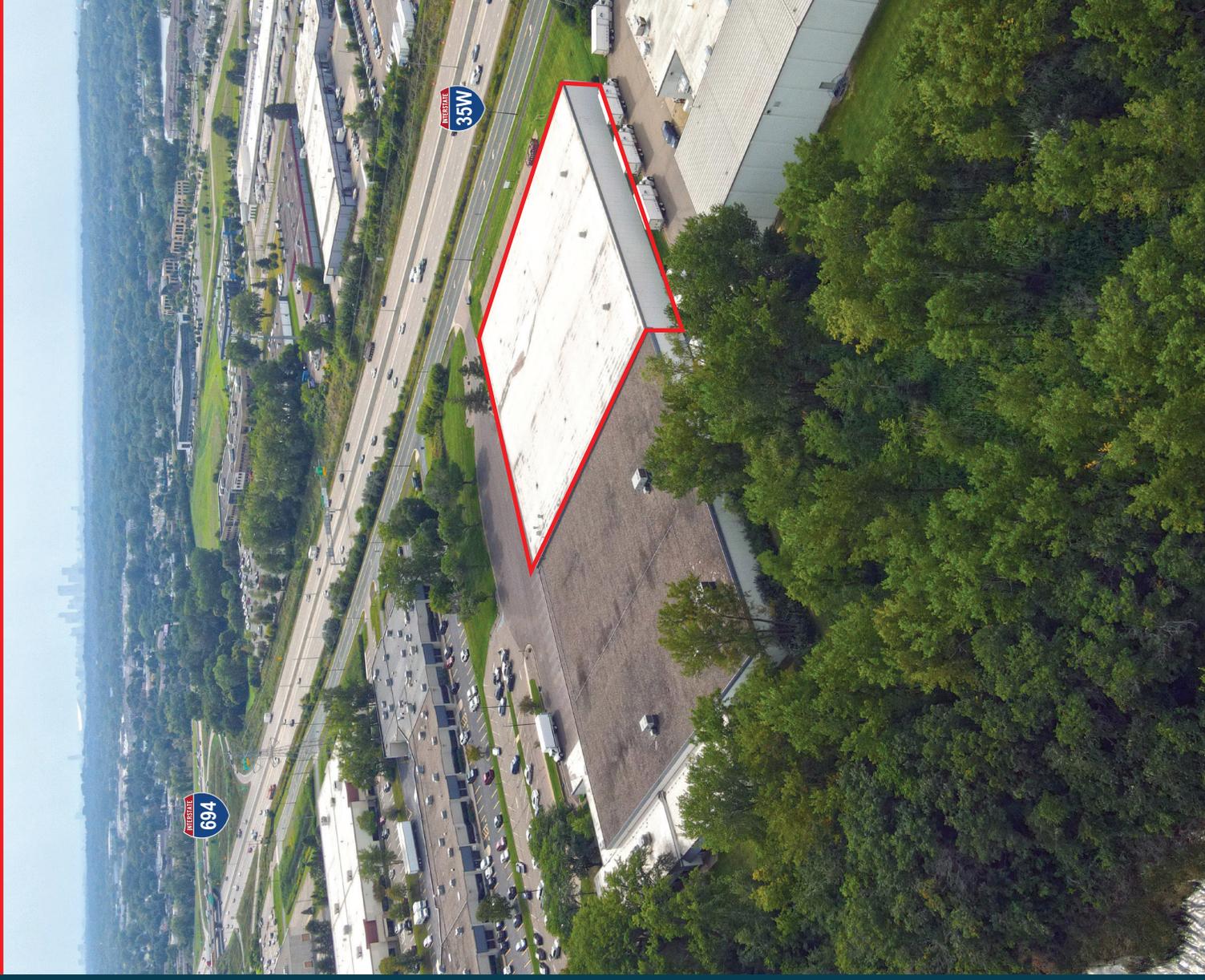
Alex Morrison

Co-Founder & CEO

alex@join-portal.com

www.join-portal.com

Newly Renovated!



For lease

Arden Hills Business Center
4440 Round Lake Road,
Arden Hills, MN

52,033 SF Available

 JLL SEE A BRIGHTER WAY

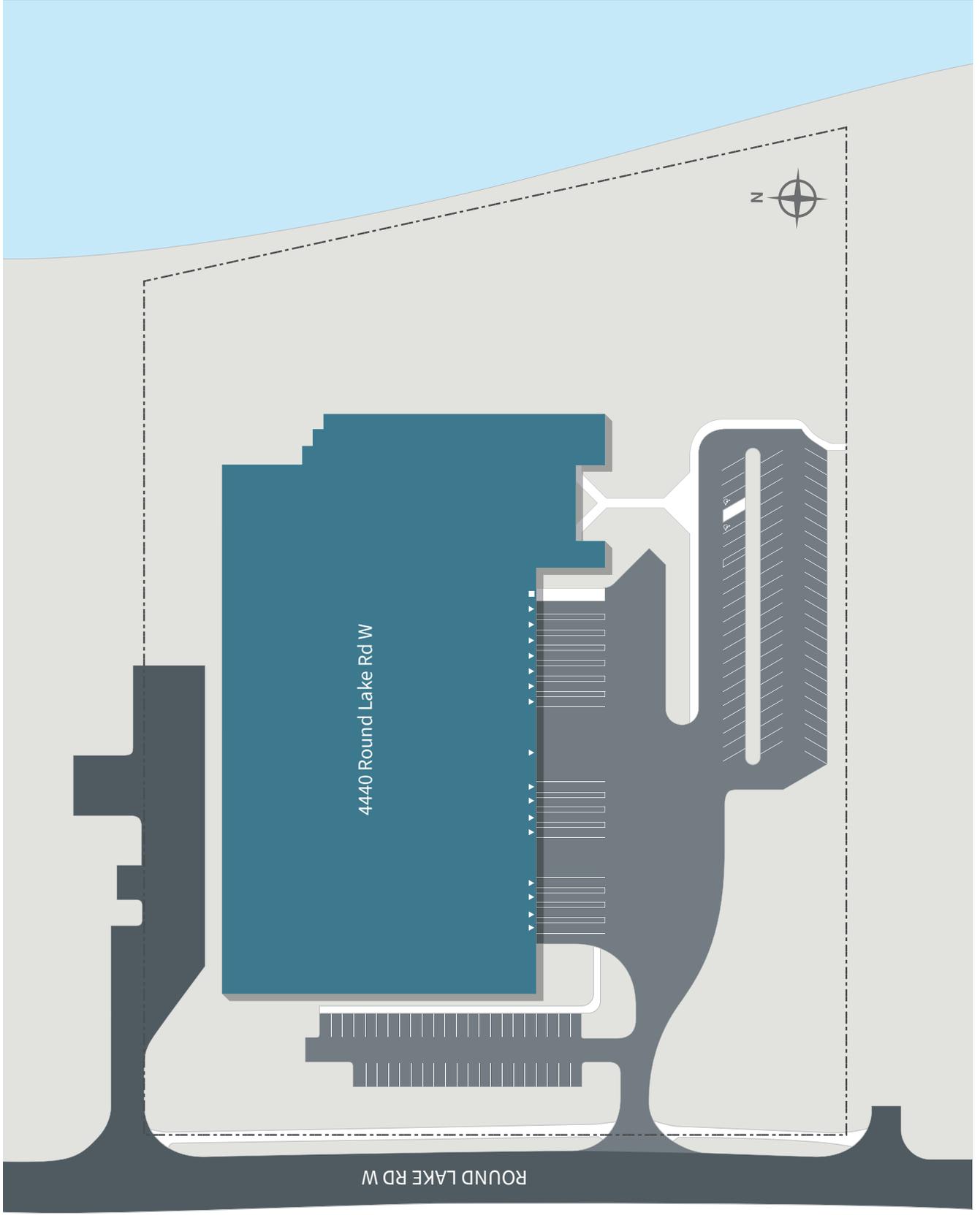
 **HEMPEL**
REAL ESTATE

Property specifications

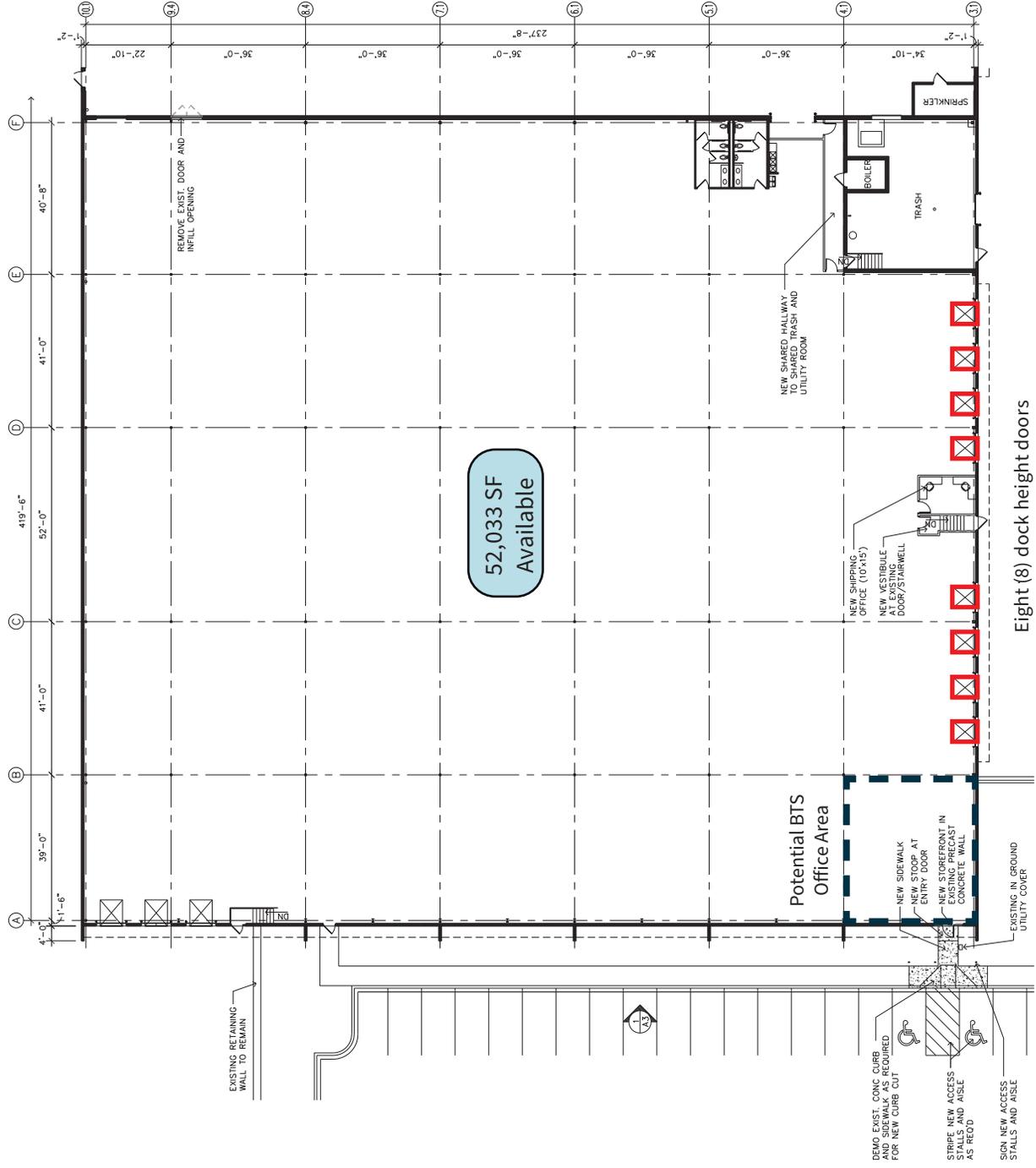
Available SF	BTS Office 52,033 SF Warehouse 52,033 SF Total* <small>*Divisible to 19,920 SF</small>	Auto Parking	43 spaces
Year Built / Renovated	1979 / 2022	Truck Court Depth	150'
Construction Type	Reinforced concrete and steel frame with tilt-up concrete wall panels	Power	1,600 amps, 480/277 volt, 3-phase
Column Spacing	Various	Interior Lighting	LED
Roof Type	TPO	Fire Prevention	Wet
Roof Age	2014, 20-year warranty expiring 11/14/2034	Zoning	GB
Clear Height	20'	Lease Rate	Negotiable
Dock High Doors	Eight (8)	2025 Tax/CAM	\$3.47
		Available	Now



Site plan

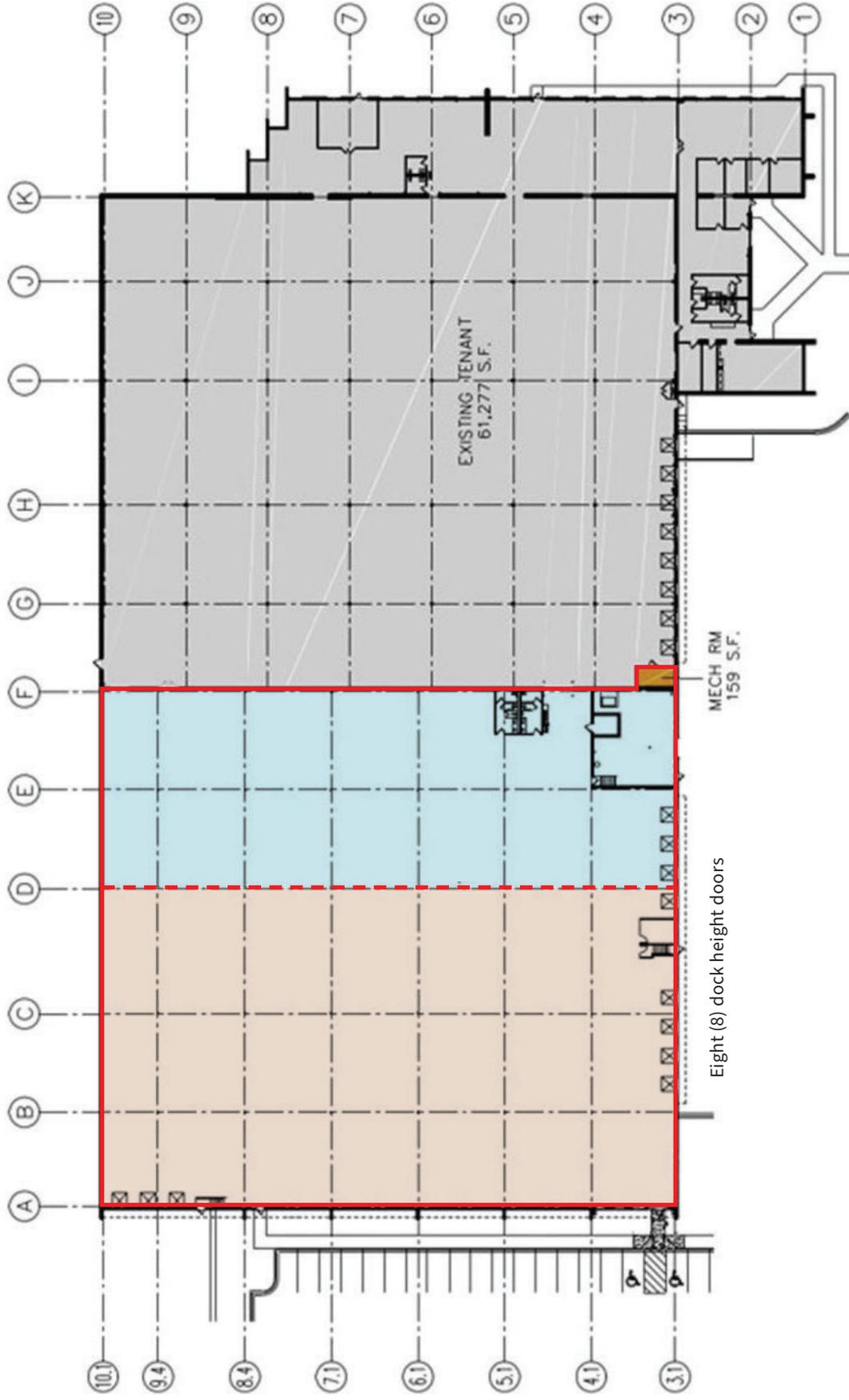


Floor plan



Eight (8) dock height doors

Floor plan - multi space options



Option 1

32,040 SF Total

Five (5) dock doors

Option 2

19,920 SF Total

Three (3) dock doors

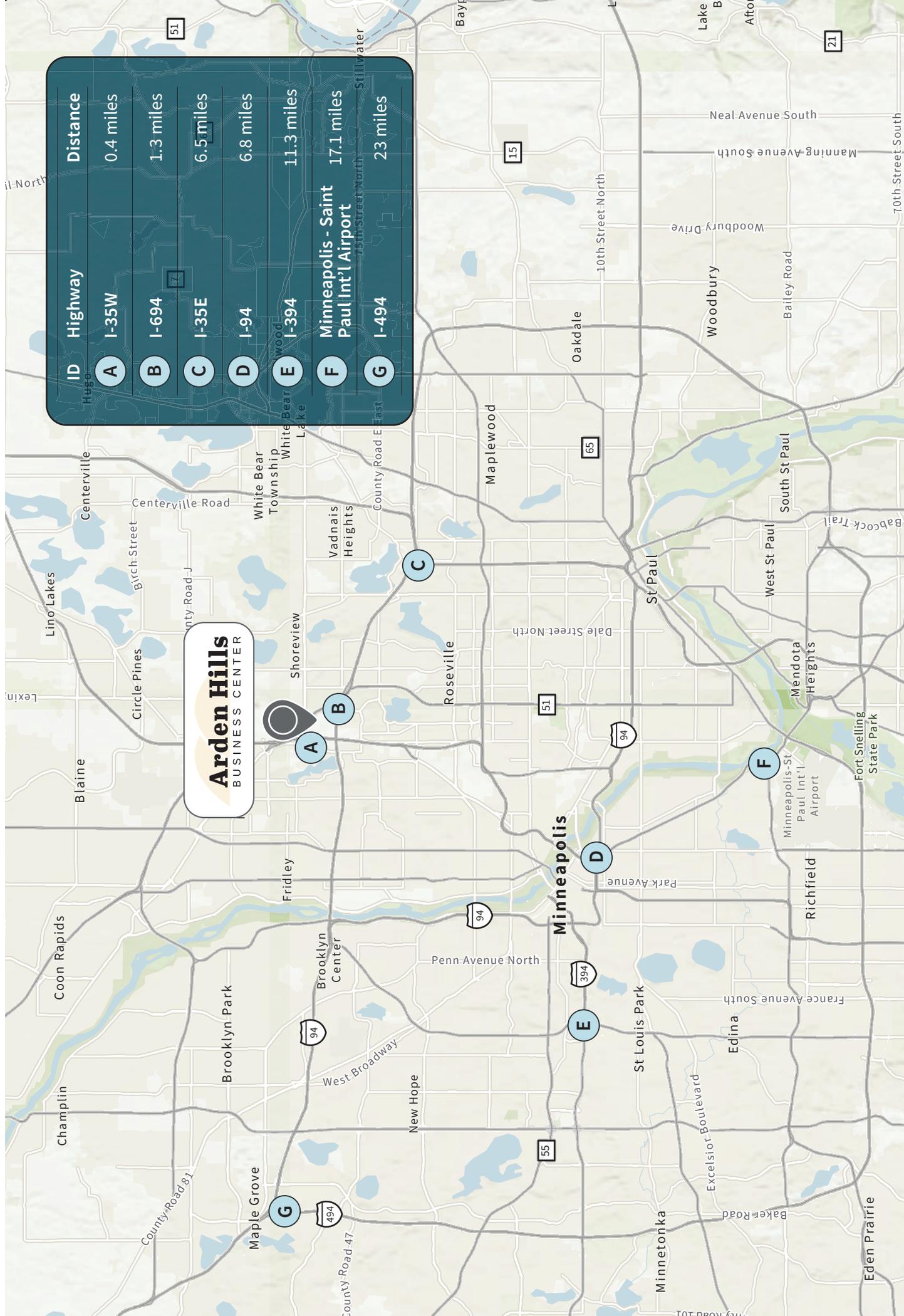
Option 3 - Full Space

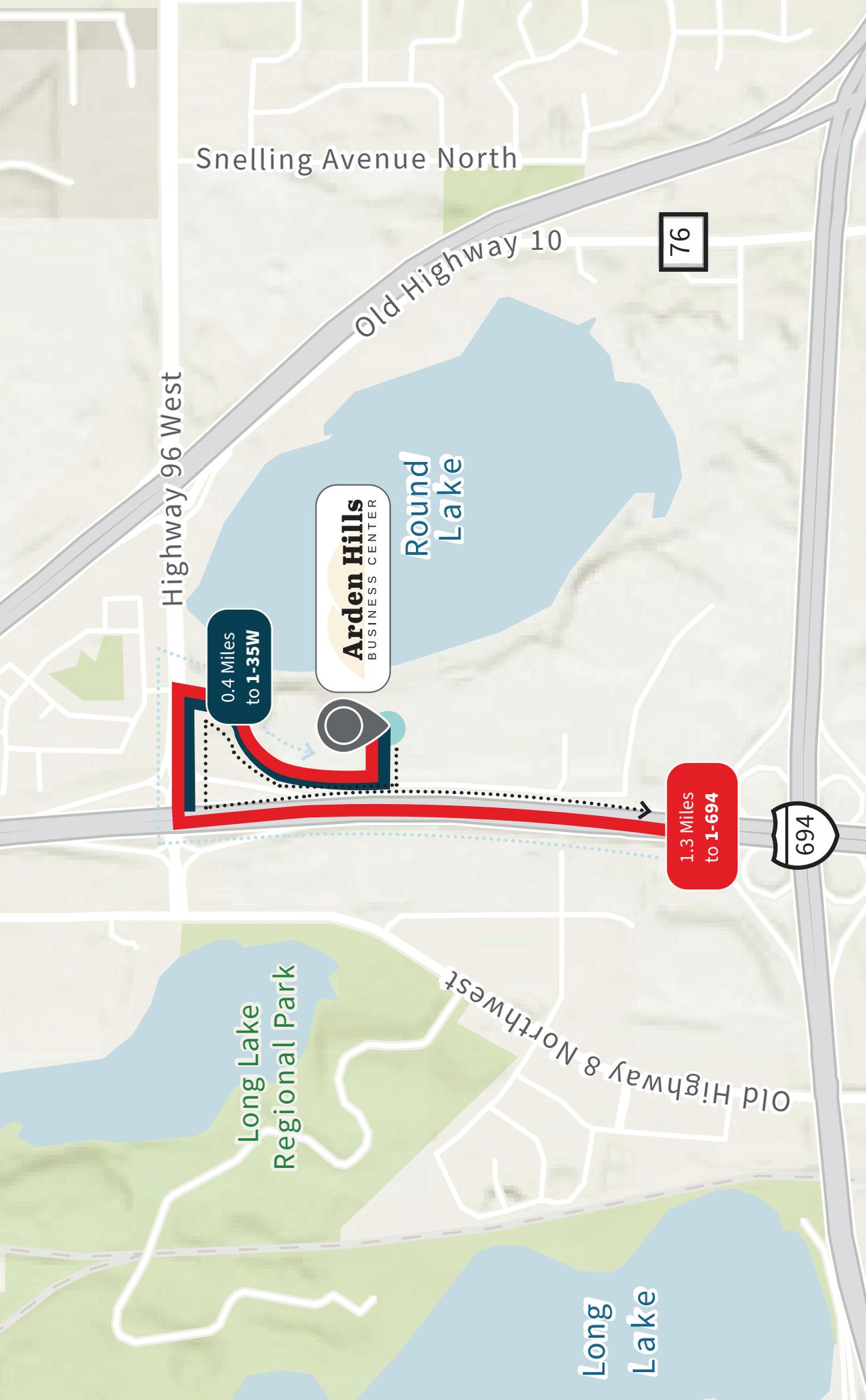
52,033 SF Total

Eight (8) dock doors



Accessible location





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