

Opus 2: Launch Properties

1/24/19



Welcome



Launch Properties, a private development company, has shared with the city their interest in redeveloping the parcels located at 5959 Shady Oak Rd., 10900 Red Circle Dr., and 10701 Bren Rd. E. These parcels are currently occupied by ISLA Spanish Immersion School, Transition Networks, and a multi-tenant office building totaling 16 acres adjacent to the Southwest LRT station area.

Process Overview

Given the scale and scope of the potential project, staff will be holding a series of three conversations on the subject. Following these conversations, the developer will prepare a concept for the redevelopment site and once submitted, will follow the traditional concept review process and ultimately city council review. The next meetings have been scheduled as follows:

- Conversation 2: ***Potential Redevelopment Opportunities***
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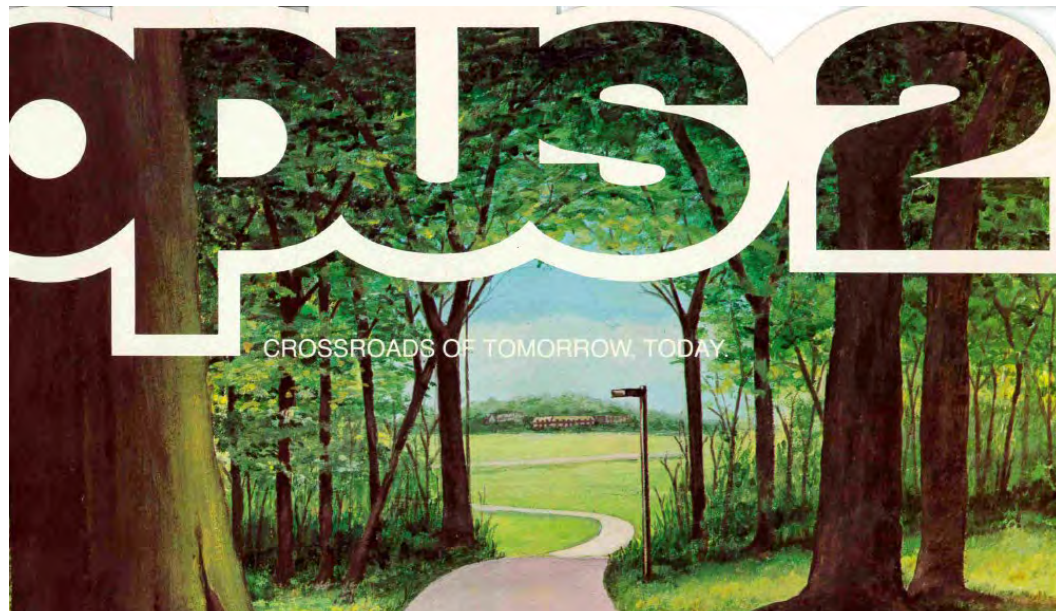


History

Vision: a singular working/living experience at the crossroad of what was, and what ought to be



Opus Group Founder, Gerry Rauenhorst



Original concept art of the Opus Community, circa 1970

1890's-1960's

- The land existed as farms growing raspberries.
- Names like Feltl, Dvorak, Bren and Smetana, early settlers who are now remembered by streets named after them, were early pioneers in the Opus area.
- Prior to development, there was a plant nursery for the city and a mobile home park.
- 1953: Gerry Rauenhorst founded Rauenhorst Construction Company
- Minnetonka incorporated in 1956



Opus area 1962

1960's-1970's

- Freeway construction spurs development in suburban Twin Cities
- 1970's: Rauenhorst Corporation, presently known as Opus Corporation, was asked to find a suitable site for Data 100 to build new corporate headquarters
- 25 acres bordered by Shady Oak Road, County Road 18 (now Highway 169), and Highway 62 were selected
- Rauenhorst notices that adjoining acreage was available and the area was perfect for the Opus 2 concept he had envisioned



Opus area 1973

1970's-1980's

- Some of the first buildings in Opus were relatively small scale, single-story office/warehouse and light manufacturing facilities.
- 1980's: Scale of projects built in Opus grew significantly, including the 10-story Opus Center building, and the 16 story Minneapolis Marriott Southwest.



Opus area 1986

1980's-Present

- 1997-1998: Pondview Terrace and Opus Corporate Headquarters built
- 2007: UnitedHealth Group develops corporate campus with construction of dual office towers
- Dramatic residential growth
 - 479 apartment units in-market as of 2018
 - 534 condominiums
 - 409 townhomes
 - 54% of new housing construction is affordable
- Opus business park effectively built out



*Left: Opus Headquarters
Bottom Left: Minnetonka Crossings Retail Center
Bottom Right: UnitedHealth Group Campus*

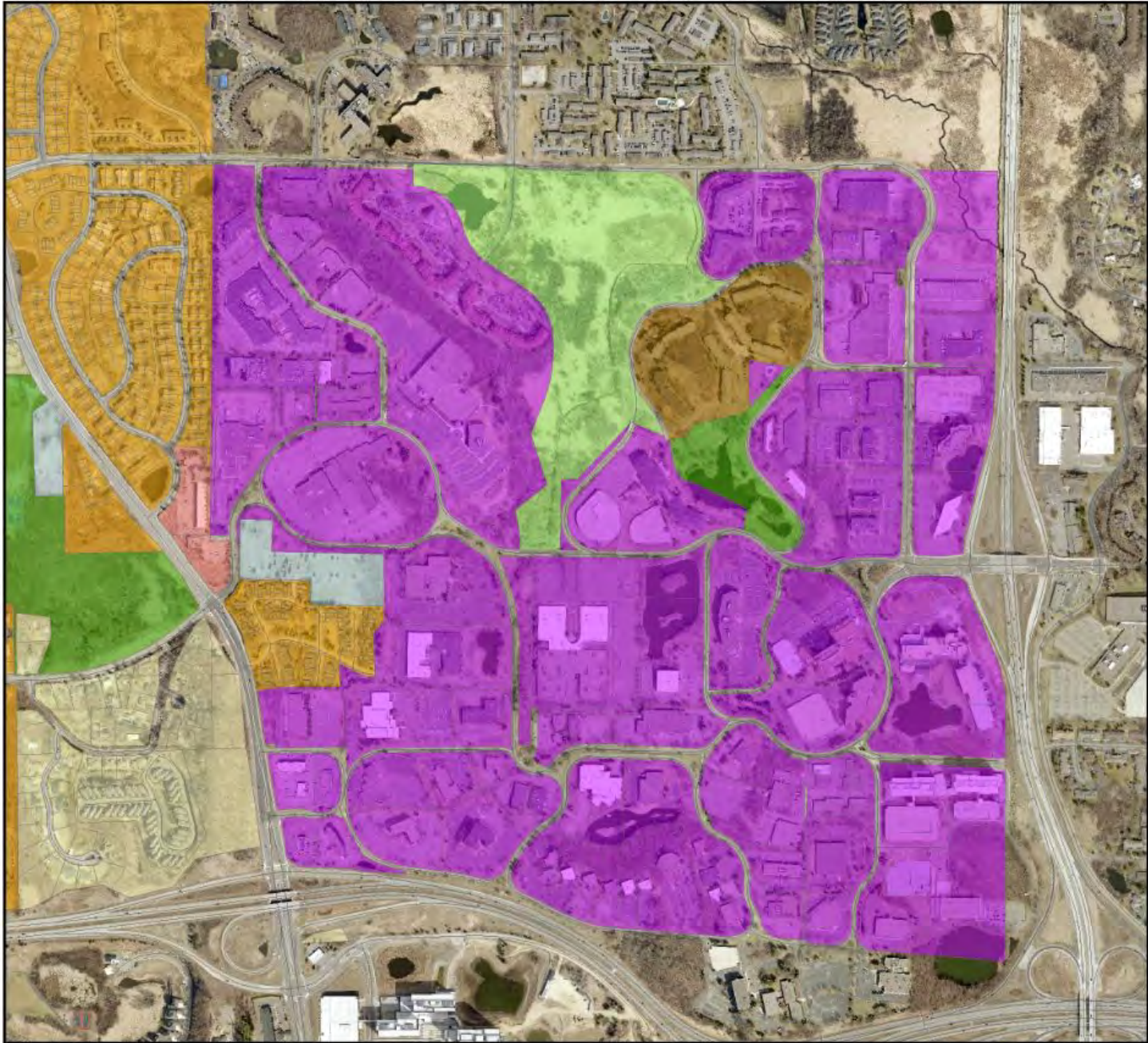


Opus Future

- Southwest Light Rail construction to begin in 2019, rail service to begin in 2023
- Transition away from office/manufacturing into more of a mixed use community
- 1,000+ residential units planned or under construction. Mix of affordable and market rate
- 2040 Comprehensive Plan: Calls for adding 1,378 housing units, and 4,183 jobs by 2040



Opus Area 2040 Land Use Plan

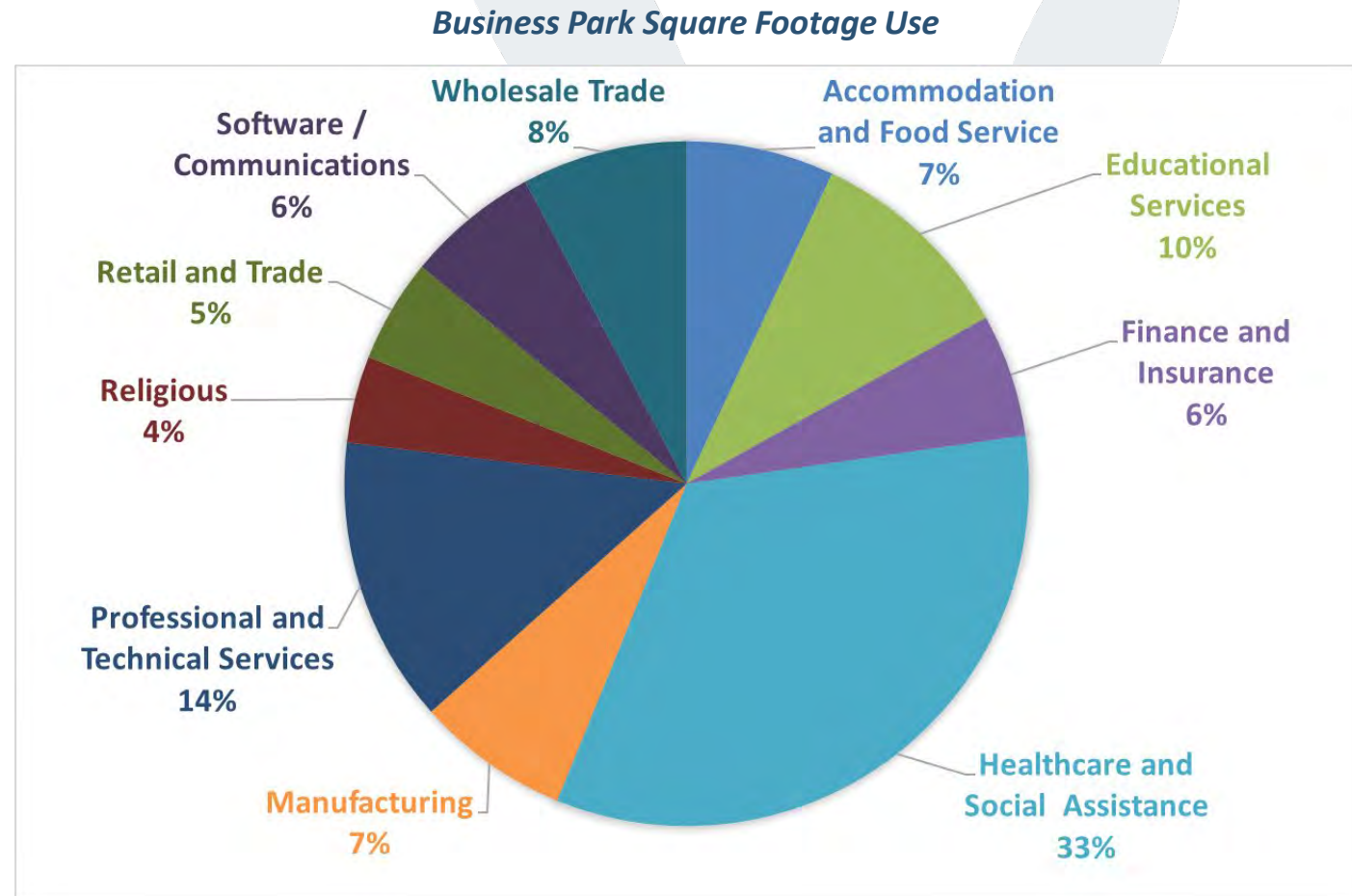


2040 Land Use Plan

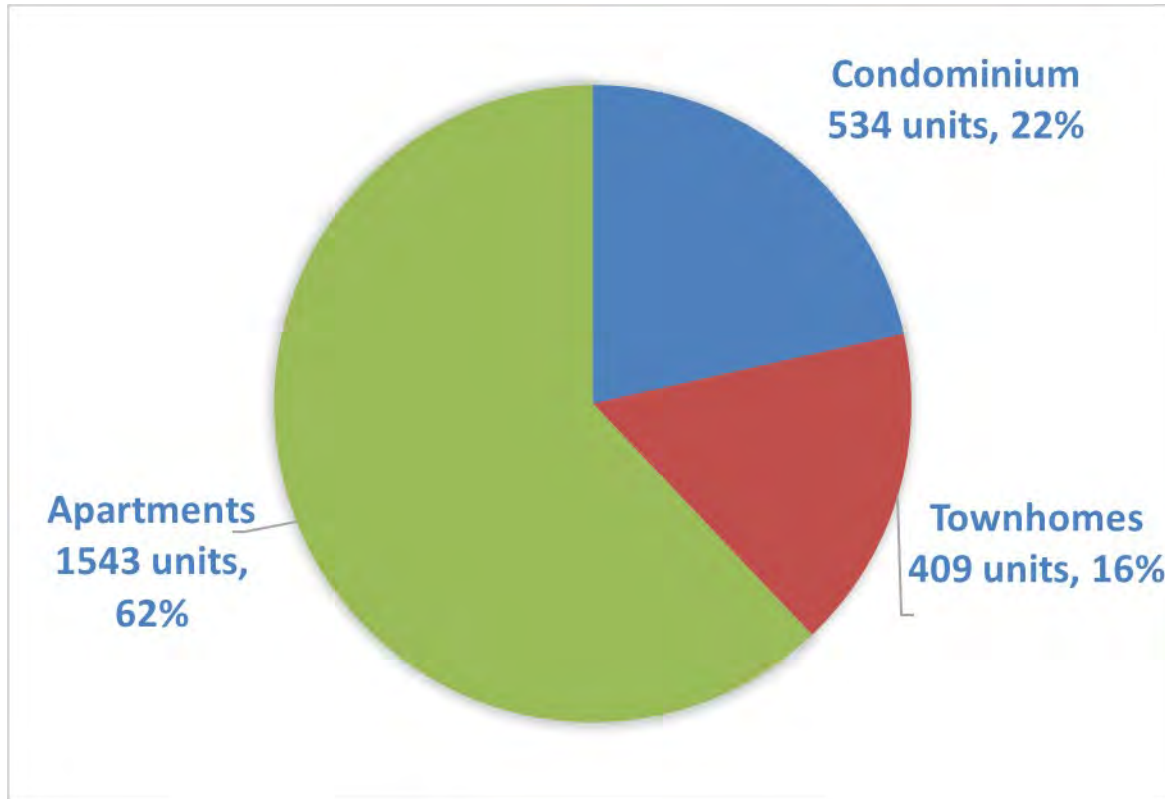
- Low Density Residential
- Medium Density Residential
- High Density Residential
- Commercial
- Service Commercial
- Office
- Mixed Use
- Industrial
- Institutional
- Open Space
- Parks
- Water

Opus At A Glance

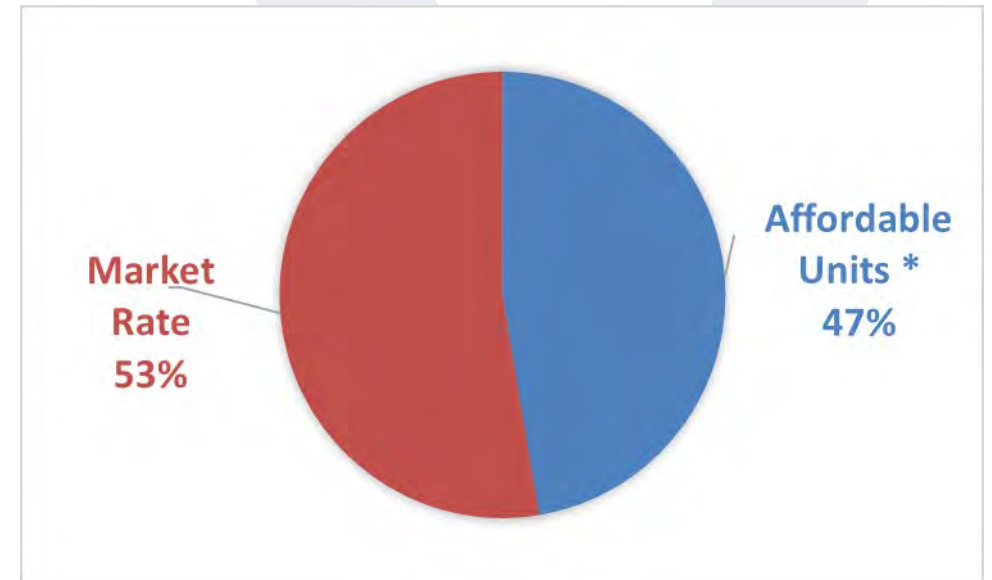
- Physical borders: Shady Oak Rd. (West)
Smetana Rd. (North), Hwy 169 (East), Hwy 62 (South)
- 640 acres
- 12,000+ jobs
- 2,000+ residents
- 1,393 existing residential units, 1,063 units planned or under construction
- 523 or 12.5% of the population is school age children
- 6+ miles of trails
- 136 businesses
- Over 4.2 million sq/ft of commercial/industrial space
- Total Market Value of Park: \$714,292,600
- Major employers: UnitedHealth Group, Boston Scientific, Digital River, Opportunity Partners



Opus At A Glance



Residential Unit Breakdown (Includes projects approved or under construction)



*Market Rate Rental Units vs Affordable Rental Units
Affordability is based on affordability at 80% AMI (\$1,697 for 2 bedroom unit)

Maps



Business Mix

Opus Study Area

Legend

-  SWLRT Corridor
-  Trails / Sidewalks
-  SWLRT Station Platform

Business Classification:

By Percentage of Total Building Space

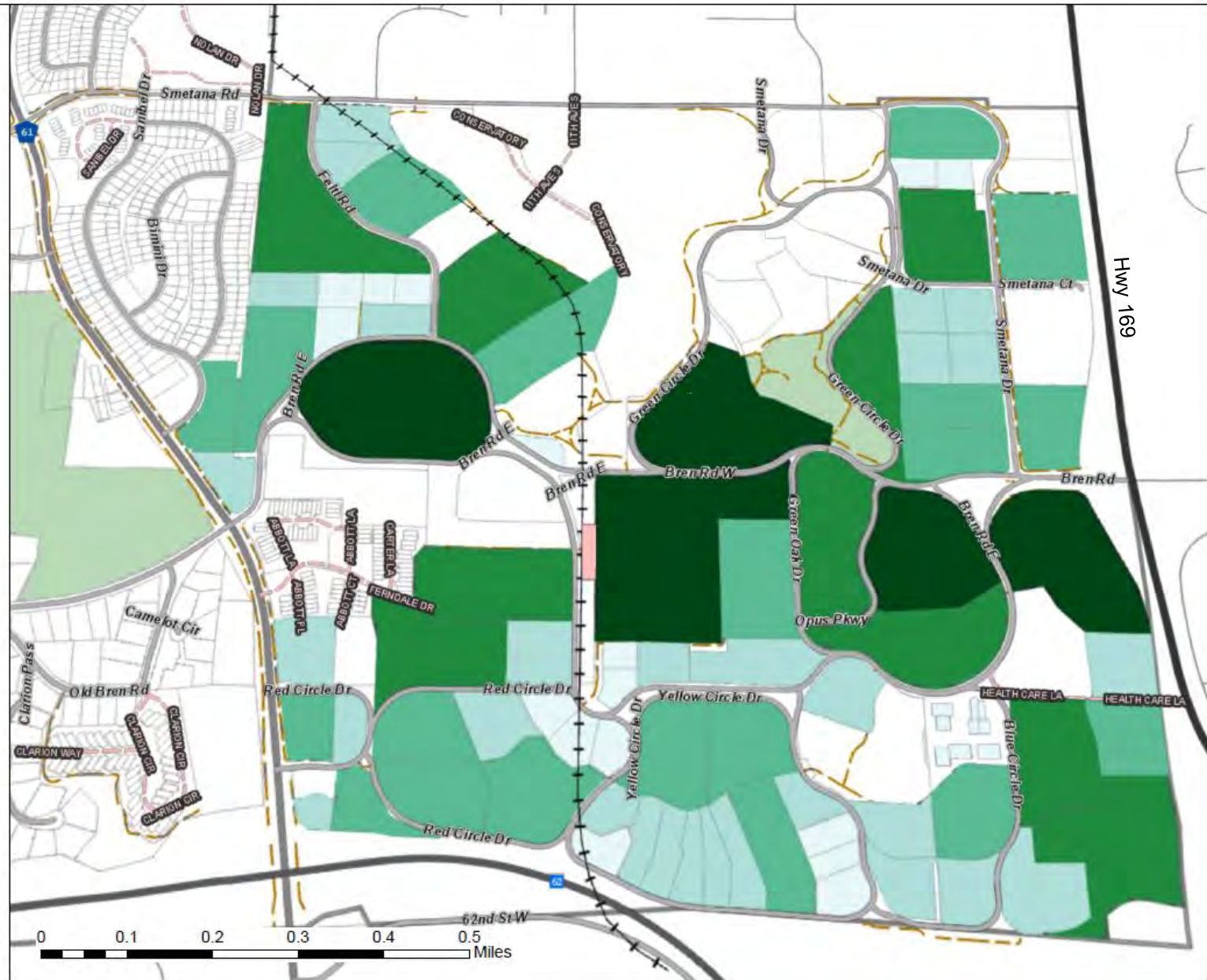
-  Accommodation and Food Service: 7%
-  Educational Services: 10%
-  Finance and Insurance: 6%
-  Healthcare and Social Assistance: 33%
-  Manufacturing: 7%
-  Professional and Technical Service: 14%
-  Religious: 4%
-  Retail and Trade: 5%
-  Software / Communications: 6%
-  Wholesale Trade: 8%
-  Residential



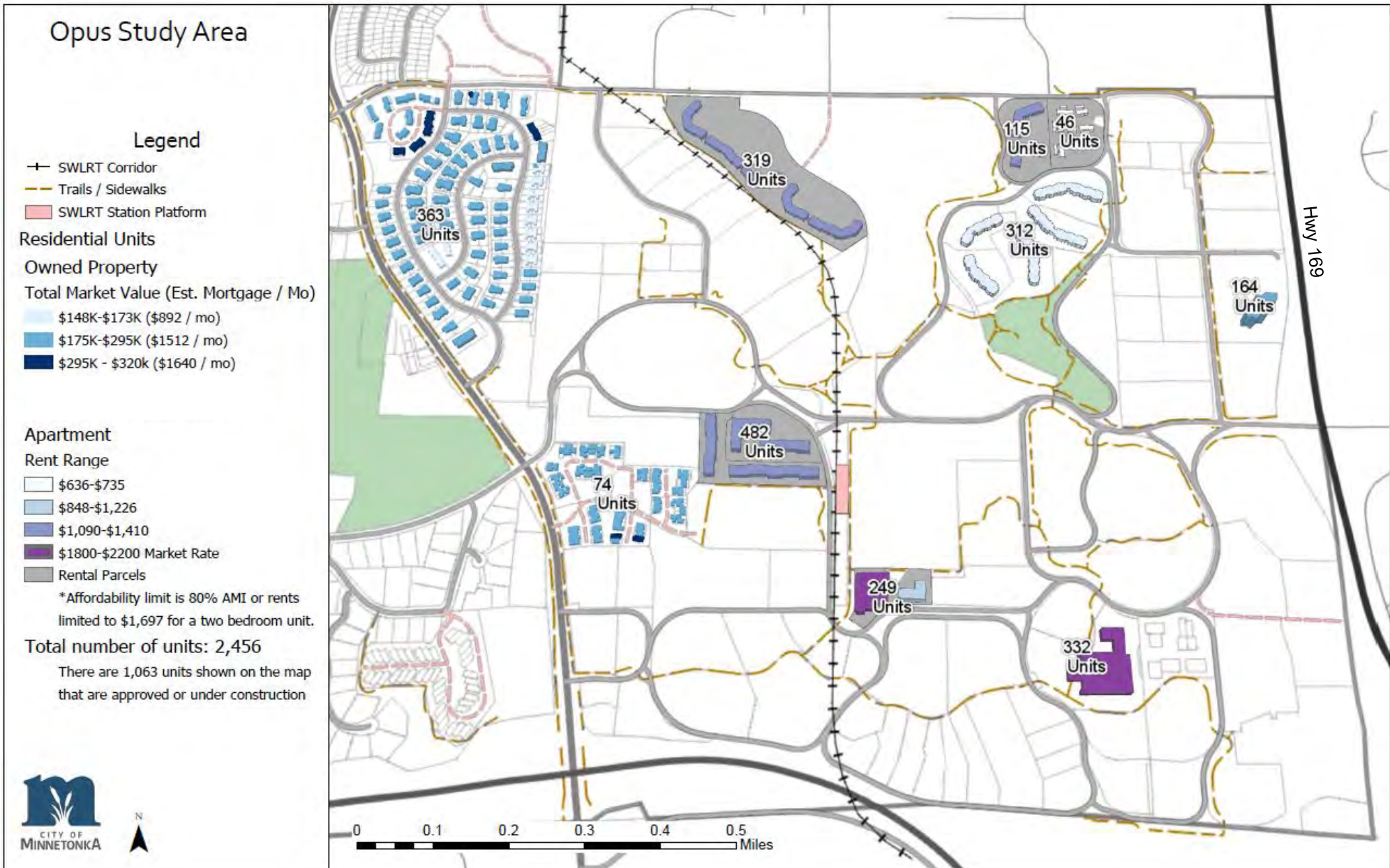
Commercial/Industrial Land (Only) Values

Opus Study Area

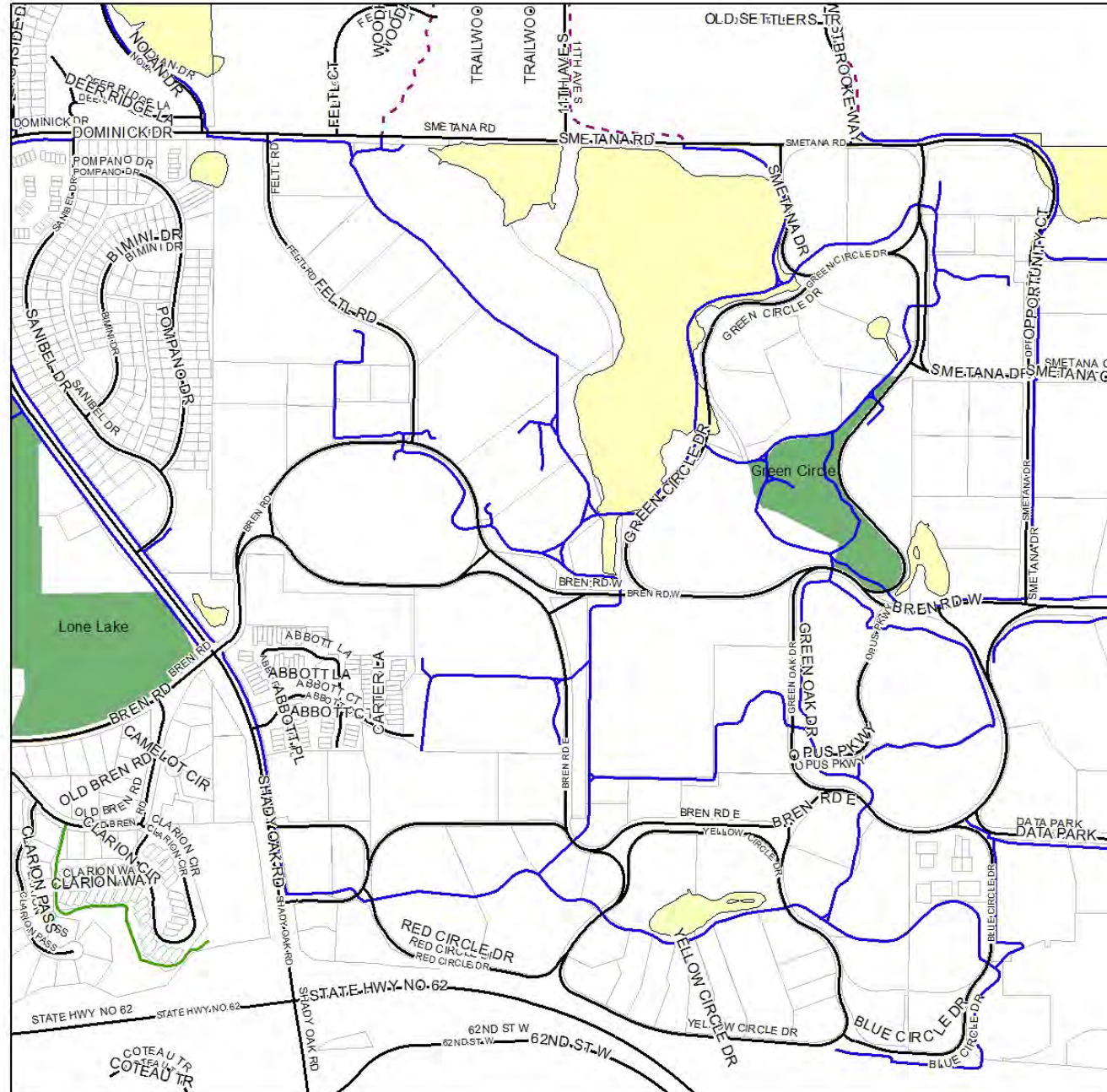
- Legend**
- +— SWLRT Corridor
 - Trails / Sidewalks
 - SWLRT Station Platform
 - Land Value - Commercial
 - ≤ \$0.451 million
 - \$0.451 - \$1.131 million
 - \$1.131 - \$2.129 million
 - \$2.129 - \$4.061 million
 - \$4.061 - \$6.746 million



Residential Mix



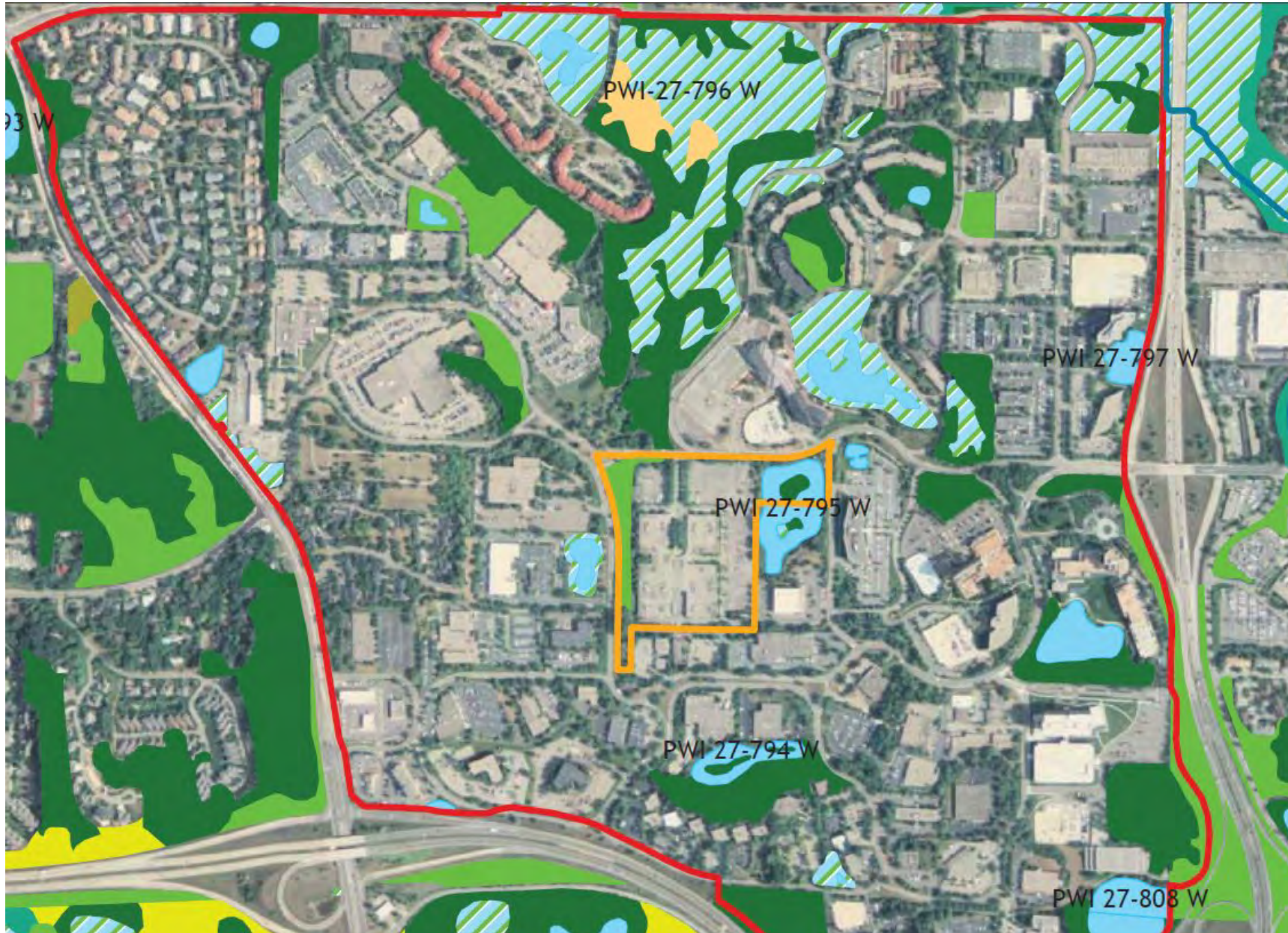
Opus Parks, Wetlands, and Trails Map



Legend

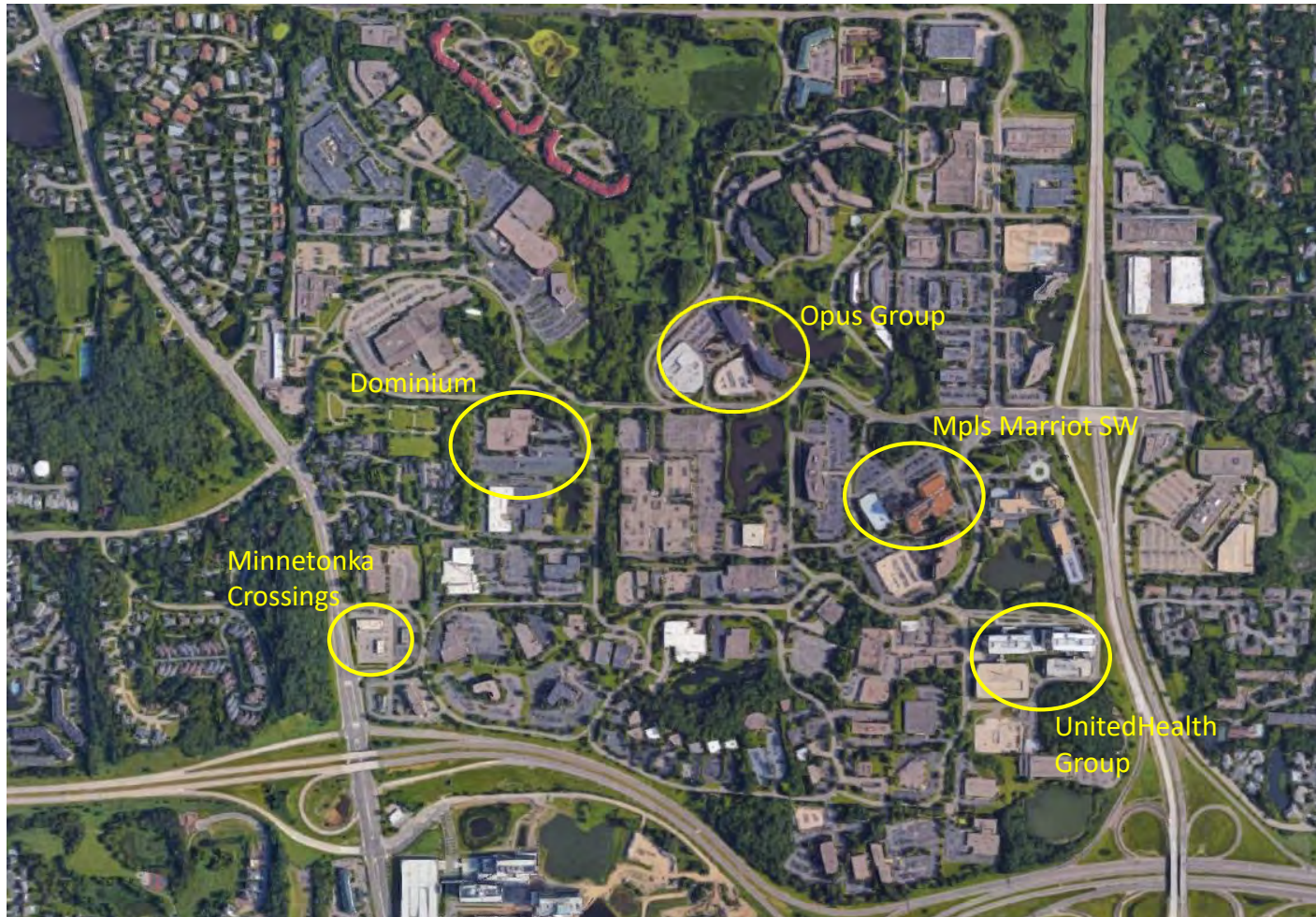
- Streets
- - - Intercity Connections
- Off Road (Paved/Concrete)
- Off Road (Rock)
- On Road
- City Parks
- Wetlands

Opus Park Land Cover Types



- Maintained grasses
- Maintained trees, shrubs, vines
- Shrubland
- Grassland and forbs
- Grassland tree complex
- Oak/aspen savannah or openings
- Bottomland forest and woodland
- Upland forest & woodland
- Water
- Wetland
- Creek/Stream
- Opus Business Park

Stakeholder Panel



- **Dave Pelner** - Vice President, Design and Construction, UnitedHealth Group
- **Willy Boulay** - Development Associate, Dominion Apartments
- **Diane Reardon** – Director of Sales, Minneapolis Marriot SW
- **Dean Newins** – Senior Vice President, architecture, Opus AE Group, LLC
- **Kriss Novak**- Principal, True North Investments

Panel Questions

1. What initially attracted you to Opus?
2. How does the evolution of Opus support your business or investment?
3. What would make Opus a better place to do business?
4. What do you see as the future of Opus?



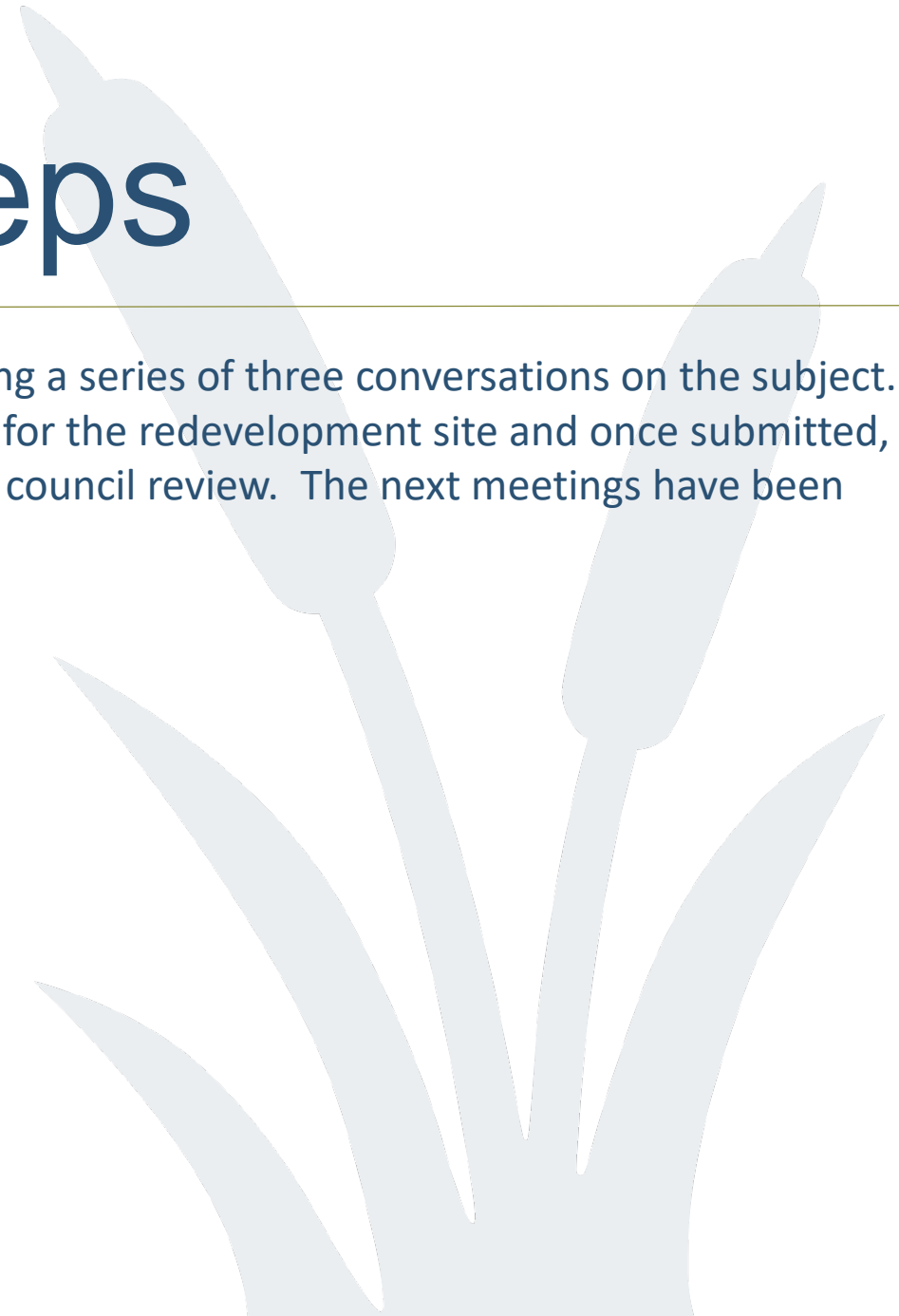
Moderator Summary



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