

PROJECT NARRATIVE

City of Bloomington Development Review Committee

3901 MINNESOTA DRIVE
BLOOMINGTON, MINNESOTA

January 18, 2023

DEVELOPMENT TEAM:

Owner/Developer

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We are pleased to submit this package of information providing an overview and description of a unique medical office/professional office development at the intersection of Minnesota Drive and France Avenue in Bloomington.

BRIEF PROJECT OVERVIEW

The development plan incorporates an approximately 55,000 square foot two-story medical office/professional office building with 235 on-site surface parking spaces. The building will be occupied by multiple building tenants starting with two lead users comprising a medical office/clinic practice of approximately 30-35,000 square feet and a financial services office comprising approximately 10,000 square feet. These lead users would represent over 80% pre-leased commitments and permit the project to move forward with appropriate financing and capital requirements being met.

The 3.85 acre site has a complex environmental and soils condition history, with the site having formally been part of an aggregate mining operation and landfill until the mid-1960's and a drive-in theatre from the mid-1960's to the mid-1980's and undeveloped (with use as an ancillary surface parking lot) since. In 2017, the property was acquired by Drury for a hotel development. Drury proceeded with partial site preparation/environmental remediation before abandoning the project due to economic and market factors.

SITE AND BUILDING DESIGN

The building will be positioned on the France Avenue frontage giving the structure a prominent presence and proximity to pedestrian connections along France Avenue and Minnesota Drive.

The building will be designed as a Class A medical office/professional office building presenting the newest building technologies and quality aspects available in the market. Designed for multi-tenant occupancy, larger column spacing,

daylighting and efficient major building systems and core functionality will be intentionally designed to have longer life-cycle durations

The site is presently guided office and zoned C-4. The proposed uses are consistent with the comprehensive plan and zoning district.

The complexity of the sites physical condition and economic and private development constraints (easements and covenants with Minnesota Center office building) require the building to be sized and built to be served entirely by surface parking to remain viable. As such, the total gross square footage of the building provides a .33 FAR, with a code FAR of .40. We look forward to further discussion on a viable response to the .07 FAR variance, given the many development challenges to this site.

COMMUNITY IMPACT

The project will bring new economic life and vitality to this important “gateway” bordering the cities of Bloomington and Edina. The France Avenue corridor has a long and rich history as a “health and wellness” and “financial services” corridor, and these uses will be both well received and compatible with the area and service to Bloomington’s residents.

The project would represent more than \$40 million in private investment into land, building, improvements, furnishings and equipment for the proposed development. Additionally, the project will bring new jobs to the site including medical physicians, practitioners and staff and financial service, administrative and support functions. Annual property taxes would increase exponentially from the current annual property taxes generated by this parcel.

Additionally, the team is working to incorporate a variety of sustainability features into the project from stormwater management, reclamation and recycling design, energy savings and carbon mitigation strategies and other opportunities that align with the community mission while maintaining project viability. Implementing a full Development Response Action Plan (DRAP) for environmental remediation of the site will also be an important step forward as an environmental objective of the project. Grant sources from the State, Metropolitan Council and Hennepin County, with the support of the City of Bloomington would be pursued to address these challenges.

SUMMARY

We are eager to bring new life and vitality to what has been an underutilized parcel for decades. The site and its many complicating environmental and soil condition factors can be overcome with the scale of the proposed development, and a surface parking solution in coordination with Minnesota Center.

The project is driven by both medical and professional office tenants that have a present need and desire for a viable location and position such as this at a prominent intersection of France Avenue.

Upon approval, the project would aim to complete permitting and begin construction in 3rd quarter 2023 and be completed in the 3rd quarter of 2024.

Enclosures:

- Development Plan Concept Package