

**City Council
Agenda Item 14.D
Meeting of May 18, 2026**



Title: 2026 Alternative Urban Areawide Review Update

Report from: Kjerstin Yager, Economic Development Coordinator

Submitted Through: Alisha Gray, EDPF, Economic Development and Housing Manager,
Julie Wischnack, FAICP, Community Development Director
Erik Nilsson, City Attorney
Mike Funk, City Manager

Presenter: Julie Wischnack, FAICP, Community Development Director

Action Requested: Motion

Form of Action: Resolution

Votes needed: 4 votes

Summary Statement

The Opus Alternative Areawide Review (AUAR) is a planning study that performs environmental analysis and projects the cumulative impacts of anticipated development in the Opus area. The Opus AUAR was finalized in 2021 and must be updated every five years. The 2026 AUAR update includes all developments to date and changes to the development scenarios.

Recommended Action

Motion to adopt the resolution adopting the final Alternative Urban Areawide Review (AUAR) update for the Opus study area.

Strategic Plan Relatability

Livable & Well-Planned Development

Continue to support Opus Area transformation as a vital and connected part of Minnetonka.

Background

An Alternative Urban Area Review (AUAR) provides a framework for guiding future planning decisions by avoiding, minimizing, or mitigating potential environmental impacts associated with development. This process makes planning reviews more efficient by eliminating the need for individual environmental reviews for projects that align with AUAR scenarios and adhere to specified mitigation strategies. An AUAR helps governments to assess the cumulative environmental and infrastructure effects of anticipated development within a designated area and recommends effective measures to address those impacts.

2021 Opus AUAR

In 2021, the city initiated an AUAR for the Opus area to evaluate two development scenarios. The first scenario, serving as a baseline, aligned with the city's 2040 Comprehensive Plan's projections. The

second, more intensive scenario envisioned development in Opus surpassing the 2040 Comprehensive Plan's projections.

This analysis found that if future development were to occur within the 2040 Comprehensive Plan projections shown in Scenario 1, major infrastructure improvements would not be needed. Scenario 1 accommodated a future population of approximately 3,550 people and about 16,500 jobs.

To support transit-oriented designs around the Opus Station, Scenario 2 increased the office and high-density residential land uses' acreages and intensities. In this scenario, the existing water and sanitary system was able to accommodate the anticipated flows. To accommodate future use, the report identified opportunities to enhance the roadway system through proposed improvements, as outlined in the city's Capital Improvement Program (CIP). Scenario 2 accommodated a future population of approximately 7,350 people and about 22,200 jobs.

2026 Opus AUAR Update

An AUAR's environmental analysis and mitigation plan must be revised every five years until all development in the study area has received final approval. Opus is continuously evolving and redeveloping to meet changing office space demands and demand from the anticipated METRO Green Line Extension. The city hired WSB to complete the 2026 AUAR update; the report is attached for review. Once adopted by the city council, the 2026 AUAR would remain valid for another five years and support future redevelopment proposals in the Opus area.

Revisions and Key Findings

The two scenarios followed the same pattern as the original AUAR, with the first serving as a baseline aligned with the 2040 Comprehensive Plan's projections and the second as a more development-intensive scenario. This update incorporates all developments since the 2021 report and addresses the two development scenarios. The LRT Opus Station and the right-of-way for the METRO Green Line Extension LRT, park/open space, open water, and road right-of-way are also updated.

Scenario 1 had no changes to potential land uses since the 2021 original AUAR report, remaining consistent with the growth planning identified in the 2040 Comprehensive Plan.

Scenario 2 intensifies the potential land uses for high-density residential and office development to maximize investment in the METRO Green Line and Opus Station within the study area. It also updated parcel changes resulting from redevelopment. Some parcels were changed to mixed use in Scenario 2. They are represented as office use because an office is a more intensive development use permitted within mixed-use. Converting more parcels to mixed-use provides greater flexibility for future development.

The following mitigation measures are new to the 2026 AUAR update:

- Soils should be evaluated for suitability for foundation construction and stormwater management with each development.
- Development will be designed to conform with the National Pollution Discharge Elimination System Construction Stormwater General Permit when applicable.
- Proposed geothermal systems will be designed to comply with local and state permits and must align with the city's energy reduction goals.
- Risks to thermal aquifer changes, aquifer contamination, and water consumption must be evaluated for city review at the time of site design.
- If projects require federal assistance or a federal permit, additional review may be required to comply with Section 106 of the National Historic Preservation Act.
- Developers will follow adaptations that are outlined in detail in the city's 2024 Climate Action Adaptation Plan.

Of the seven transportation mitigation measures identified in the original Opus AUAR, one has been

implemented: an additional left-turn lane was added on westbound Red Circle Drive North, and the lights were adjusted accordingly at Red Circle Drive North and Shady Oak Road. One other transportation mitigation measure is still likely to be necessary as redevelopment occurs, and five are no longer likely to be needed as the type of redevelopment changes from the original Scenario 2 to what is now expected.

Public Review

A dedicated [project page](#) on the city's website provides information on the Opus AUAR, and a draft of the update is also available for public review. The draft AUAR update was published in the EQB (Environmental Quality Board) Monitor on Tuesday, April 21, 2026. That began a 10-day public comment period that ended Tuesday, May 5, 2026. The notice of availability appeared in the Sun Sailor on April 30, 2026. The Planning Commission received the report on April 30, 2026.

No state or local agencies objected to the AUAR update; however, the Metropolitan Council submitted comments for consideration. These comments were technical in nature and minor changes were made to the final AUAR document. The letter from the Metropolitan Council and the responses to each item are also attached.

ATTACHMENTS:

[AUAR Report](#)
[Met Council Letter and AUAR Comments](#)
[Resolution](#)