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## Best in Real Estate

# Best in Real Estate: Flux

## Multifamily Development or Redevelopment — Market Rate

Premium content from Minneapolis / St. Paul Business Journal - by Rachel Keranen, Staff Writer

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The Flux apartment complex was designed for a demographic on the move, but a tough economy kept the Uptown development in stasis from 2008 to 2010.

Minneapolis-based Greco bought the property along the Midtown Greenway, between Fremont and Girard avenues, in 2007. By fall 2008, the economy stalled and almost all development stalled with it.

"The fact that this is such a one-of-a-kind great location enabled us to get the project going and financed in 2010 as one of the first and only new development projects to come out of the ground since the economic meltdown," said **Brent Rogers**, Greco's vice president of development. Flux is the largest housing project in Minneapolis since Greco's 242-unit Blue Uptown apartment complex back in 2007.

Flux's site, chosen for its proximity to Uptown's bars, restaurants, lakes and transit station, borders the Greenway to the south and a residential area to the north. That neighborhood became an important voice in the design process.

While waiting for an economic rebound to secure financing, the developers and architects worked closely with the Lowry Hill East Neighborhood Association (LHENA). The team wanted to make sure that the proposed development could integrate into the neighborhood at its back door.

LHENA was nervous about the density in the apartment complex's original design. Plans for eight stories loomed large over the two- and three-story residences. The architects scaled the project down to six stories, with the highest density fronting the Greenway.

The building's north side steps down to a more modest three stories with bay windows and smaller features to complete the transition from urban to residential.

To further alleviate the development's imposition into the neighborhood, 50 percent green space keeps the site open. The features within that space contribute to Flux's appeal.

"Two of the things that really set this project apart from others are the dog run and garden area," said **Tom Melchior**, director of market research at [LarsonAllen](#) in Minneapolis. Located across the alley to the north, the community gardens and dog run are unusual and attractive spaces for tenant use. Other green spaces will be open to the public as well.

A public walkway bisecting the property from east to west allows access to the site and a ramp down to the Greenway. An 8-foot promenade along the Greenway also is designated as public space and will eventually connect, via a pedestrian bridge, to the Greenway's south bank.

Flux's position along the Greenway, a path for bike commuters and fitness enthusiasts, reflects the development's orientation toward recreation, health and fitness.

"It's not just a place that you rent and sleep there, it's creating a lifestyle," said **Michael Krych**, partner at the Minneapolis-based [BKV Group](#), architects for the project.

Aimed at young, active urbanites, the site has a patio with a pool, fire pits and lawn bowling court. Inside, an exercise room, yoga studio, Internet cafe and club room face out over the courtyard terrace, visually integrating the social spaces of the project's resort-like design.

"[We] really recognized what the target market is," Rogers said. "It's this group of young professionals that are successful people, successful in their careers, that work hard and like to play hard."

The project's strong niche identity and strategic placement make a winning combination.

"In order for a project like this to be successful, it takes great vision," Krych said. "The owner had that."

## Stats

Value: \$38 million

Location: 2838 Fremont Ave. S., Minneapolis

Size: 194,000 finished square feet

Residential units: 216

Average rental rates: \$1,500

Ground breaking: Nov. 1, 2010

Expected completion: March 1, 2012

## **Players**

**Owner of building: BIT Uptown Apartments**

**Leasing agent: Greco**

**Developer: Greco**

**General contractor: Frana Cos.**

**Architect: BKV Group**

**Interior designer: BKV Group**

**Landscape architect: BKV Group**

**Engineer: RLK Engineers**

**Legal representation: Mulligan and Bjornnes**

**Finance providers: NorthMarq and PNC Realty Investors**

**Title company: Commercial Partners**

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