



Suburban Chicago-based Portillo's has been in expansion mode the last few years and will open its first store in Woodbury. (Submitted rendering)

Site acquired for first Portillo's eatery in Minnesota

By: Hank Long | December 12, 2016 5:45 pm | 0

Launch Properties has paid \$4.55 million for a Woodbury site near a Cabela's store and the former State Farm campus to build a popular Chicago eatery known for Italian beef and hot dogs.

The purchase price works out to \$1.09 million per acre for a 4.18-acre site valued at \$1.5 million by Washington County.

Roseville-based Launch Properties won Woodbury City Council approval last month to develop a 9,000-square-foot Portillo's restaurant — the first in Minnesota — at the northwest corner of Hudson Boulevard and Radio Drive. The deal for the site closed Dec. 7, according to a recent certificate of real estate value. Portillo's is based in Oak Brook, Illinois.

The seller is ILEX Inc., an entity that lists an address for Edina-based Jerry's Enterprises Inc. In August 2013, Jerry's Enterprises sold the 9.34-acre Cabela's development site to the Nebraska-based outdoor sports retailer for \$5.02 million.

While Launch Properties paid somewhat of a steep price for a single restaurant pad, the location and user are both highly desirable, said Keith Sturm, CEO of Upland Real Estate Group in Minneapolis.

"It's a great spot for this type of use, which I think will become a destination-type restaurant," Sturm said. "With Cabela's right there, and the reputation Portillo's has, they should pull traffic right off I-94."

The vacant parcel is immediately south of the 85,000-square-foot Cabela's, which opened along Radio Drive in May 2014. It's also just north of the Tamarack Hills shopping center and west of the large-scale CityPlace mixed-use redevelopment underway on the site of the former State Farm regional headquarters.

Portillo's — famous for its Italian beef and Chicago-style hot dogs — has been in expansion mode the last few years, and recently opened locations in Arizona, Florida, Southern California and eastern Wisconsin. It operates more than three dozen stores in Illinois, where it was founded in 1963 in Villa Park, according to its website.

Portillo's will be the largest fast-food style restaurant in Woodbury by a wide margin. A 5,300-square-foot Culver's along Woodbury Drive is the largest fast-food restaurant in the east metro suburb to date, according to a city planning staff report.

Because Portillo's is expecting to draw customers from all over the Twin Cities, Illinois-based Jensen & Jensen Architects designed a double drive-through lane with a capacity to stack up to 40 vehicles in line at once, according to the report.

The restaurant "anticipates a significant drive-through demand based on their experience at other facilities," said Eric Searles, a senior planner with the city of Woodbury.

During a November review of the project, several members of the Woodbury Planning Commission asked whether the restaurant will need police to control traffic in and out of the site because of its anticipated popularity.

"Given the cult following that this restaurant has, and it's the first one here, I think it's reasonable to expect it's going to be crazy like a new Krispy Kreme, or something like that, for a while," said Al Rudnickas, a Planning Commission member.

The new Woodbury restaurant is expected to open sometime next year, Wendy Hunter, a representative for Portillo's, said at that November meeting.

Neither the buyer nor seller could be reached for comment Monday.



Launch Properties will build a 9,000-square-foot Portillo's restaurant along the northwest corner of Hudson Boulevard and Radio Drive in Woodbury, immediately south of a Cabela's store that opened in 2014. (Staff photo: Bill Klotz)