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MISSION

To act as a public economic development organization in cooperation with other public and private entities in the City of Saint Paul and the East Metro area, using creative, effective, and fiscally sound methods and ideas to expand the tax base and create quality job opportunities.

RePort

Saint Paul Port Authority
1900 Landmark Towers
345 St. Peter Street
Saint Paul, MN 55102



The newsletter of the Saint Paul Port Authority

Port Beacon

East Side redevelopment visioning sparks Explosion of community-building ideas

Thanks for the creative disagreements that have produced an explosion of ideas.

This is the spirit of the Saint Paul Port Authority's efforts to tackle one of the biggest redevelopment projects in its 75-year history: Re-imagining the 46-acre former 3M complex that once anchored St. Paul's East Side beneath a tall water tower that symbolized stable employment and neighborhood vitality.

Meetings sponsored by the Port that began shortly after most of the property was acquired last year have provided a forum for East Side residents and community councils to rub elbows with city officials and teams of creative planners. By April, themes were emerging.

At an April 2 meeting held in one of the vast rooms of the Carpenter's Union Hall in the Port's Williams Hill Business Center, Monte Hilleman, the Port's manager for the 3M project, gazed at the groups gathering around displays of color-coded concept proposals for redeveloping the site and its vast array of existing buildings. Each display also contained lists of comments made by community members who had inspected the plans at earlier meetings, along with poster-boards where members of competing teams could register their comments.

"Finding common ground – that's what this is all about," Hilleman said as he observed the vigorous debates going on around him.

"For the past few months, there have been a lot of dramatically opposed positions," Hilleman added. "But that's what we sought – a lot of thinking outside the box. We couldn't accomplish something of this scale without our community partners."

Jim Davy of BWBR Architects expressed hope that a "composite theme" would eventually emerge from the plans that were developed during a winter workshop involving community representatives and more than 40 design and development experts. BWBR was involved in coordinating the two-day workshop, which produced four different development concepts.

"The immediate goal is to take the most favorable design aspects of all four proposals and create two new themes," Davy said. "But even when we reach one composite theme, it won't be the end of the process. There will be other rounds like this one."

The concept summaries, which can be viewed in

greater detail at the Port Authority's website (www.sppa.com) were created by teams that had each been assigned a specific focus:

■ **Light Industry.** The plan envisions creating a "Historic Core Park" anchored by moving the water tower and linking it to a pedestrian bridge across the new Phalen Boulevard. Eight new buildings would be constructed, along with an "Innovation Plaza" in a primarily industrial area. Four existing buildings would be reused.

■ **Light Industry/Office.** A public "Tartan Place" open space surrounded by office buildings links this plan to Seventh Street. A new building on the south side of Seventh Street is utilized for commercial businesses, with housing units above. The plan envisions 10 new buildings, plus the turning of some existing buildings into parking facilities.

■ **Light Industry/Office/Commercial.** Original 3M headquarters becomes a job retraining center surrounded by "industrial incubator" buildings. The campus center includes a museum focusing on innovation surrounded by green space. Retail/office buildings line Seventh Street and parking is tucked under new industrial buildings. The plan envisions 12 new buildings and the reuse of four buildings.

■ **Office/Commercial/Civic-Institutional.** An open "Innovation Park" connects the campus across Seventh to Arcade Street. Light industry fronts Phalen Boulevard, while commercial and retail front Seventh, Arcade and Minnehaha streets. High-density housing sits above

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greenenergy

Port rises to “green” development challenge



One of our society's favorite exercises during recessionary periods is to speculate about business sectors and business types that may lead us to more prosperous times. Even if the future proves us speculators wrong, it's a worthwhile activity and certainly more valuable than joining the seemingly unending chorus of voices who want to tell us how bad things are. One of sectors often

undefined and yet mentioned as a path to prosperity is the “green” economy. “Green” is a favorite of public officials at all levels and, as a public agency, that means the Port Authority will be challenged to try to stimulate more green development projects.

The good news is that the Port Authority was “green” long before “green” became much more than a simple descriptive adjective. In the 1980's, the Port Authority developed a district heating and cooling system, powered by natural gas, to efficiently heat and cool 2.2 million square feet of commercial and industrial buildings in our Energy Park Business Center. The result was less energy usage overall and cheaper energy for our customers.

Of course the Port still is well known and highly regarded as a recycler of brownfields – sites that were developed and contaminated before our society understood the impacts that the business practices of the time would have on our environment. In partnership with federal, state and regional environmental and development agencies, the Port purchases, cleans up and sells the properties for new industrial uses. Clearing, cleaning up, and recycling previously developed land not only eliminates environmental and health threats, it also allows new businesses to utilize existing public infrastructure and public transit. Redeveloped brownfield sites are also close to existing workforce, thus reducing commuting distances. No matter how you look at it, converting brownfields to new clean and productive uses is as “green” as it gets.

The Port took those efforts a step further by creating a green building process for new development projects. With our technical assistance, businesses select among a wide range of green improvements including enhanced storm water management, interior and exterior energy efficiency, indoor air quality and durable, renewable materials. Ultimately, our business customers decide for themselves how many green features to incorporate into their structures, but virtually all do something.

Our next-generation “green” initiative, now before the Minnesota Legislature, is a natural outgrowth of our long history with those and other Earth-friendly programs. With Legislative approval, Xcel Energy support, and a nice injection of federal economic stimulus money, we hope this year to kick-off our Trillion Btu program.

The program targets existing large industrial businesses for off-the-shelf energy conservation improvements. Program funds, provided as a loan to qualifying building owners, will leverage Xcel's Conservation Improvement Program (CIP) efforts. The loans will be repaid from a portion of the energy savings associated with the improvements. The rest of the money/energy savings will go directly to the business' bottom line. Trillion Btu has not yet passed the Legislature and there are no guarantees that it will. But if it does, we are confident that we can deliver a program that will become a national model for financing commercial/industrial energy conservation.

Much of this emerging “green” economy will require techniques and resources that fall outside our traditional role as a value-added real estate development organization. The dual challenge facing most emerging green businesses is to develop technology and penetrate their target markets while simultaneously making payroll and paying suppliers. The assistance they really need is patient, low-cost capital. Access to venture capital, angel investment networks and loan guarantees is crucial. We don't have that type of capital – at least not at this time. But, because of our depth and breadth of business location and finance knowledge, we can and do provide much-needed advice and technical assistance.

There are several initiatives being floated that might provide financial resources to incent additional “green” business development. If these initiatives put those resources into the hands of local development agencies in the manner that the contamination cleanup programs from the '90's did, the Port will expand its business assistance efforts. In the meantime, when asked to assist a specific “green” project, our job will be to carefully identify the particular business need and match it to the resources that we have available. When we have a match, great. When we don't, we'll continue to steer those businesses to agencies and organizations that can assist them.

This has been the nature and mission of the Port's “green” business for more than 75 years.

A handwritten signature in black ink, appearing to read "Louis F. Jambois".

Louis F. Jambois
President

Green honor and harbor renewal



Port Photo by Andy Hardman

Saint Paul Mayor Chris Coleman honored the Port Authority with a Sustainable Saint Paul award for its role in helping provide cleaner, renewable energy to the Rock-Tenn Co.'s paper-recycling plant in the Midway. The Port partnered with the community to produce the plan. Pictured above (left to right) are City Council Member Russ Stark, Mayor Coleman, the Port's Lorrie Louder and Pete Klein, Nina Axelson, who worked closely with the community during this process, and Port President Louis Jambois. Pictured below, a tug on the Mississippi River is the quintessential symbol of the beginning each spring of the commercial navigation season in the Saint Paul harbor.



Port scholars hope to give back to Saint Paul

Two of the Saint Paul Port Authority's 2009 scholars are deeply committed to improving our environment, while the third has a passion for computer technology.

Xao Lee, of Saint Paul Central High School; Spencer Uttley, of Mahtomedi High School; and Sou Yang, of Saint Paul Harding High School, are the Port's 2009 Career Investment Scholarship winners. Each will receive \$1,000 toward the cost of the college of their choice. They will be honored during a May 19 Saint Paul Area Chamber of Commerce ceremony at the Travelers, 375 Washington St., Saint Paul.

"We are honored to support the higher education goals of these three outstanding students," Port President

Louis Jambois said. The Port annually provides scholarships to promising students who are engaged in their communities and want to make them better places to live and work.

Xao Lee is one such student. "I want to help out the environment within the community. As the saying goes, 'We only borrow the Earth from our children,'" he said.

Lee is well on his way toward achieving his goals. He interned in Saint Paul's Community Design Center and hopes to continue his education in environmental studies in the Twin Cities after graduation. He plans to attend either Hamline or Concordia Universities next fall.

"Xao has a strong love of the environment and a commitment to continue working to improve the health of the planet," said Ben Pierson, Admission Possible Senior Coach at Central High School.

Spencer Uttley has taken his passion for the environment one step further. He has applied for a provisional patent for a multi-media digital advertising project.

"I hope to be on the cutting edge of innovation and to be a true leader in inventing more

sustainable technologies," he said. "I am very interested in creating technology that will make people's lives better."

Uttley hopes to study mechanical engineering to further his "dream of becoming an inventor." He is considering either the University of Minnesota or University of Wisconsin – Madison.

"I have worked with Spencer in developing a plan to protect intellectual property," said attorney Nick Baumann. "I believe Spencer has a gift in understanding difficult technical topics and is able to translate and apply his understanding to other fields."

Yang's goals are to expand his knowledge of computer technology to help his own community in navigating Saint Paul's service sectors.

"I want to find a college that prepares me for my career and expand my knowledge to a higher level," said Yang, who is considering attending St. Paul College or Hamline University in the fall. "I will be the first one in my family to actually attend college. My father passed away and my mother is still in Thailand. I live with an older brother now."

"Sou is intensely academically curious. He has a natural aptitude for math and began taking rigorous International Baccalaureate courses in

this subject during his sophomore year, when he was still in English language courses," said Joel McFarland, Admission Possible Coach at Harding High School. "He is, without a doubt, one of the most intelligent, hard-working students in my cohort."

The Port is proud to honor these stellar scholars and looks forward to adding them to our ever-growing group of partners, united in helping Saint Paul grow and prosper. 🤝



Xao Lee



Spencer Uttley



Sou Yang

Four development scenarios developed for East Side site



Photos by Andy Hardman

The Saint Paul Port Authority and its consultants teamed up with the East Side community to plan the redevelopment of 35 acres that once comprised the 3M Co.'s Saint Paul Campus. The process is expected to be ongoing throughout this year as various development scenarios are explored.

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commercial buildings on Seventh Street. Six existing buildings are reused.

Aspects of the redevelopment proposals that seemed to generate the most comment and debate involved environmental concerns, historic preservation, housing needs and the best way to develop a site that creates jobs while enhancing the existing neighborhood.

Some suggested, for example, that the East Side does not have a pressing need for new housing, especially high-density housing.

"We already have plenty of vacant and available homes waiting for home owners," said Jennifer Herman, an East Side resident. "If we're going to attract new residents, I'd like to put them in existing properties."

It was suggested, on the other hand, that apartments might be included in the redevelopment plan to provide housing for students attending nearby Metro State University – a targeted use of housing, in other words.

Debate about the historic value of the buildings on the site, some constructed at the turn of the century, while others were built in the 50's, also included concerns about the environmental cost of replacing them.

"I think they should save a lot of them," said Mark Bradley, a factory worker at 3M for 28 years. "I know what the buildings are like and how structurally strong they are because I had to work in them."

But Gary Unger, an East Sider who worked at 3M for 35 years, said most of the existing buildings were obsolete. "A lot of innovation happened in these buildings, but today we have the opportunity to put up what the next innovators are going to use," Unger said.

Chris Newton, another East Side resident, said there

are other reasons for preserving the existing buildings. "I'm definitely in favor of building reuse, because demolition is pretty toxic to the environment," Newton said. "The greenest building is the one still standing."

And there were some like Bill Sajeck, a 35-year employee of 3M. "What is it with the nostalgia for all those old buildings?" Sajeck asked. "I'd tear down any building on this site if somebody said it would bring in 300 good-paying jobs that could support a family."

The subject of historic preservation versus job-creation brought a cautionary comment from Barbara Raye, executive director of the Center for Policy, Planning and Performance, and a facilitator of the community meetings.

"I don't think you want to create a false tension between job creation and historic preservation," Raye told participants at the April meeting. "You don't have to sacrifice one for the other."

By the end of the meeting, teams that had created seemingly opposing concepts were jotting down ideas proposed by other teams.

Hilleman urged everyone to check the Port Authority's website for the next meeting – and the upcoming schedule.

"Everything gets put back in the hopper," he said, gesturing at the concept displays. "What you see in May and later likely won't look like any of these plans -- and hopefully it will be something you love." 🤝

Trillion Btu energy-savings program Good for business/environment



Pete Klein

Strong partners, and a lot of them, are key to everything we do at the Port Authority. They came together over a year ago to help solve the energy needs – and by extension to keep the good-paying jobs – at Rock-Tenn’s Midway paper recycling plant. Then without breaking stride, they joined us on a project that could help large commercial and

industrial plants cut energy costs.

With their help, our “Trillion Btu Energy Efficiency Improvement Program” made it from conception to the Minnesota Legislature in record time. Sure, the timing of such a proposal was perfect. Energy savings and “green” projects have center stage now at the Legislature. Sen. Ellen Anderson, DFL-St. Paul, said that our proposal and other like-minded projects to conserve energy in an environmentally friendly way really have no downside. After all, what’s not to like about helping companies cut energy costs to make them more competitive in today’s marketplace?

Regardless of the outcome (the Legislature has yet to vote on funding for this project), the process was extremely gratifying for me and, I believe, for all of our partners in this effort. The list, which is extensive, includes Sen. Anderson and Rep. Sheldon Johnson; Xcel Energy Co., the cities of Saint Paul and Minneapolis; Ramsey County; private energy consultants, such as the Center for Energy and the Environment and Campbell Consulting; environmental groups like Fresh Energy and the Izaak Walton League of America; the Minnesota Office of Energy Security; labor; interested community advocates, and, of course, companies that would benefit by this project.

Here’s how the program would work: Businesses voluntarily would agree to energy audits paid for entirely from Xcel’s Conservation Improvement Program (CIP) funds. Engineering studies would follow to provide a blueprint to

specific improvements that would reduce a business’ energy usage.

The businesses in the program would pay about a quarter of the cost of these studies. A combination of federal stimulus and CIP funds would finance installation of the necessary improvements.

Energy savings resulting from the improvements would repay program expenses – meaning the businesses would not have to invest large amounts of their own capital to improve their bottom lines. Based on initial interest, we expect companies will be lining up to take advantage of this unique program in the coming year.

Conservatively, the Port estimates that a trillion British thermal units (Btus) of energy would be saved annually through such a program. That’s the equivalent to the annual energy consumption now of half of the buildings in downtown Saint Paul.

Sen. Anderson, who is an author of our funding bill in the Legislature, put it this way: The bill meets two of the goals set for the federal stimulus bill – protecting the environment and creating jobs.

“Those energy savings can translate into salaries for jobs,” Anderson told the Saint Paul Pioneer Press recently.

The timing again, is right for this program. Companies are struggling to compete in the world market and employees are paying the price every time they slip. So they are looking for anything that can make them more efficient. And let’s face it, after personnel costs, energy consumption is a big ticket item for companies. But they are reluctant to expend the capital to make their plants more energy efficient with better insulation, energy-efficient lighting or new heating and cooling systems.

We now understand after working through the Rock-Tenn energy project that there is a payback to businesses that invest in energy efficiency and conservation. This is bread and butter technology that just hasn’t been given the capital to work. There is no question that this project helps funnel that technology to companies that desperately need it.

Frogtown’s Minnehaha Lanes bowling alley Maintains hotspot reputation to the end

To its Frogtown neighbors, the Minnehaha Lanes building was a one-time social hotspot that had fallen on some very hard times and needed to be removed. To the Saint Paul Fire Department the now dilapidated vacant building is the perfect training site.

The Port Authority, which purchased the property last year for redevelopment, was able to satisfy both requests. For the Fire Department that means unrestricted access to the building until the Port razes it in late May.

This is not the first time the Port’s redevelopment objectives help a variety of groups. Late last year, the Port allowed the Saint Paul Police Department’s SWAT team to use one of the vacant buildings formerly owned by the 3M Co. on Saint Paul’s East Side for training purposes.

“We are pleased to help Frogtown remove a blighting influence on the neighborhood while giving the Fire Department use of the building to train,” said Kelly Warden, the Port’s project manager on the Minnehaha Lanes redevelopment project.

While Warden prepares to have the bowling alley building demolished, Jerry Deno, Fire Department Training Assistant, runs firefighters through a series of scenarios to help them battle fires in large warehouse-style buildings.

“These are the scariest buildings in the world to go in when they’re on fire,” he said. “We’re forced to go through a little door into a huge cavern.”

On a recent Thursday afternoon, a ladder truck, three engine trucks, a hazardous materials unit as well as a rescue unit converged in the parking lot in front of the bowling alley at 955 Seminary Ave. Deno, District Chiefs Stan Jadwinski and Dennis Appleton, and 16 firefighters in full gear filed into a smoky, gritty staging area just inside front door. (The Fire Department severely contained fire in the building to a small barrel in an open area to reduce the chances the building itself would ignite.)

The staging area nearby contained a long table with a variety of fire gear and Deno’s computer, which he used to display a PowerPoint training session against the concrete wall. A variety of Magic Marker safety symbols peppered all four walls, showing the results of other training sessions. Three female dispatchers – one from Saint Paul and two from Ramsey County also participated in this day’s training exercise.

“This is terrific search and rescue practice for us,” Appleton said. “We get the feel of the place



Saint Paul Fire Department Photo

Saint Paul firefighters train for emergency rescues in smoke filled buildings at the former Minnehaha Lanes. The Port Authority will raze the building in May for redevelopment.

and work on scenarios so we don’t get lost or hurt during a real fire.”

Deno is a master presenter, only occasionally referring directly to the points on the wall and then using them to site stories of how firefighters can lose control of a scene quickly and dangerously.

“When a firefighter calls ‘Mayday’ you may be 10 feet from them and you have to render first aid immediately,” Deno said. He then worked through protocols for searching and removing victims and other firefighters who may suffer distress in dark and smoke-filled rooms with little air, and ways to systematically communicate with other firefighters when an area is clear.

“Treat everything like it is real today,” Deno advised before firefighters filed through the building. “Talk to each other and other crews often. Cooperate.

“Conserve your air. Remember 75 percent of your air tank goes to Saint Paul citizens. That’s what you signed up for. Conserve the remaining 25 percent for yourself, for your wife and your children.”

The Port Authority is proud to assist in the training of these dedicated individuals who make Saint Paul a safer place to live and work. 🙌