

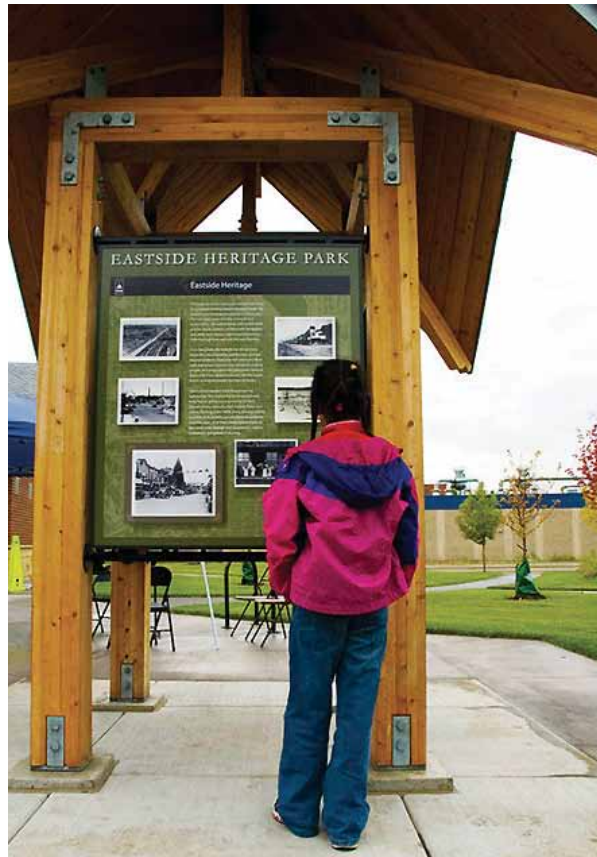
Heritage Park grounds Beacon Bluff

Port Beacon: Heritage Park

The turnout was fairly modest on a cold September Saturday for the dedication of Eastside Heritage Park – perhaps a hundred participants, including city officials. But the gathering reflected what the East Side was in the past, what it is today and what its supporters hope it is destined to become.

The celebrants included a Lakota cultural advisor, Jerry Dearly, who spoke of spiritual communion while walking the new park's pathways that wind through its serene greenway along Phalen Boulevard. Many of the longtime residents spoke of the close-knit community anchored by families connected to former East Side employers: 3M, the Hamm's Brewery and Whirlpool. One recalled the worst disaster in East Side history and another remembered the employee teams that picnicked together and competed in baseball, basketball and volleyball.

The widow of a beloved East Side booster, now an executive with a Catholic-based service group, attended the celebration – as did the former aide to her late husband who succeeded him on the Saint Paul



City Council. And warming themselves near the huge fireplace under the park's handsome, wood-trussed pavilion was the family of a 3M engineer that chose to stay on the East Side when the company moved its headquarters to Maplewood. With them was the park's youngest visitor, a tiny, 4-week-old son – the promise of the future.

In addition to being an informal gathering place for community residents, Eastside Heritage Park also represents one of the important elements of the nearby Beacon Bluff development on the old site of the 3M campus. Rather than simply erase the role of 3M and other landmark businesses in the cultural heritage of the East Side, the Port Authority and

the Beacon Bluff Community Advisory Committee is launching a project that will place interpretive panels and markers at various locations to tell the East Side story.

Eastside Heritage Park, with its array of informative markers and its structures that resemble vintage railroad buildings, is the first reflection of this culture-focused attitude. During last month's dedication ceremony, visitors were invited to tell their personal stories to historians with Summit Envirosolutions, a

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River commerce is part of City's soul

From the President



Louis Jambois

In my two years here, I've been introduced to many new people around the City, region, state and elsewhere. Upon explaining that I am the President of the Saint Paul Port Authority, the most common question that I hear is, "Port? What Port?" It seems that even after **78** years in existence few people, including many right here in Saint Paul, know that we have an

operating harbor on a working river.

Indeed, the Port was created in response to Depression-era public works spending that included the construction of locks and dams on the Upper Mississippi River – making the Mississippi reliably navigable for the first time. The State of Minnesota created the Port Authority, and the City of Saint Paul deeded its waterfront property and some existing infrastructure to the Port. Our job then was to develop a "Harbor" – a series of dock walls along the waterfront, where goods could be loaded and off-loaded. Through the presence of these dock walls, the Port created land that could be leased to private businesses that had an economic interest in river shipping.

Today, of the 26 miles of riverfront in Saint Paul, we control 6 miles for river commerce. There are **12** businesses that lease property along our dock walls. In 2009, those businesses shipped about **5.3 million** tons of commodities in and out of the Saint Paul Harbor. In the spring, the predominant commodity includes agricultural inputs such as fertilizer. In the fall agricultural products such as corn or soybeans dominate. But other products come and go, as well.

The road salt that keeps our highways safe in the winter arrives by barge in Saint Paul. Aggregate for construction projects is another routine passenger on the River. Interestingly, at a time when most sectors in our economy are doing poorly, shipping on the Mississippi River is doing quite well. Crop failures in

Eastern Europe, Russia and elsewhere have created markets for foreign grain, and a good share of the Midwest's bumper corn and soybean crops will be heading down river and shipped to the corners of the globe. Economists like to talk about the value of economic diversity in times of economic distress. Shipping is an important element in Saint Paul's economic diversity.

River shipping is also remarkably green. One 15-barge tow moves an equivalent load of material as 1,050 tractor trailers and 216 jumbo hopper rail cars. Imagine putting that many more trucks on the road. A gallon of fuel moves a ton of material 576 miles by barge, vs. 413 miles by rail and 155 miles by truck. The fuel savings by river shipping is enormous and reduction in our carbon footprint is impressive.

At the same time, the Mississippi River is an important recreational and aesthetic asset to the City. That means barges must share the River with recreational boaters and commercial excursion craft. Citizens want access to the waterfront for a variety of activities, and the City wants to host events that celebrate the River and draw residents and visitors alike to its banks. (Remember the **Flutag in July**? The makeshift glider event attracted **90,000** spectators to Saint Paul, along with some great video!). The Port has done more than recognize the river's importance as a recreational and aesthetic asset. It has donated nearly 1,800 acres – almost three square miles – of Mississippi River property for public recreation and open space purposes.

Romanticists will tell us that the Mississippi River is the heart and soul of Saint Paul. While I don't remember anyone ever calling me a romanticist (and I've been called lots of things), I couldn't agree more. Saint Paul exists because of the River. It is central to the City's history, culture and heritage – and future. And commerce is central to the River.

Diversity celebrated in dedication of Heritage Park



Port Beacon Continued from 1

Saint Paul-based firm that is handling the Port's efforts to preserve and celebrate the neighborhood's cultural legacy.

Among those who talked to the historians was George Davis, a retired 3M employee who recounted one of the most horrific events in East Side history: A 1951 explosion that killed 15 3M employees and injured some 55 others.

"It was a terrible thing for all of us," recalled Davis, who was among some 4,000 3M employees who had just reported for the 8 a.m. shift on Feb. 8, 1951 when the blast occurred. The site of the disaster was Building 12, a six-story concrete structure called the "mineral building" because it was where minerals were crushed and cooked in giant ovens to provide the grit for sandpaper manufacturing. About 30 employees were in the building when the blast occurred.

Butane used to fuel the ovens provided the force for the explosion that resembled a direct hit by a megaton bomb.

"I was on the top floor of the tape-making plant – Building 14," Davis recalled. "The force of the blast went through all the tunnels that connected to other buildings. On our floor, all of us got up to the windows and the view was horrible – all the windows of the mineral building were blown out and the floors collapsed.

"It was a terrible thing for all of us," Davis continued. "But everyone was united together for dealing with it and helping the survivors."

The opening-day participants weren't limited to old-timers like Davis. Chris Schweitzer, president of IT4U, a computer technical-support company, stood under the pavilion and handed out business cards to anyone

passing by.

"We moved to the East Side just a year and a half ago," Schweitzer explained. "It's encouraging for us to see this sort of park, which is what the neighborhood needs. Many of our clients are running their own businesses in this area and a lot of them have opened even in the midst of the recession. It's becoming a beautiful neighborhood."

Cale and Anna Schwalm were smiling as they pushed a buggy holding their four-week-old son, Leif. Cale said he went to work for 3M as an engineer 13 years ago, straight out of college.

"I was from New Brighton and she was from San Francisco," Cale said, referring to his wife. They moved to the East Side to be close to his employment, but when 3M moved his job to Maplewood, they decided that they wanted to live on the East Side and commute.

"Any park on the East Side is a welcome feature, but this one is special," Cale said. "I watched the Phalen Corridor when it was under construction, then the bike trails and now this park. It's a great finishing touch."

"We've already seen things like wedding photography taking place under this pavilion," Anna added. "The park is new, but it's already getting a lot of action."

For Joanne Tromiczak-Neid, widow of beloved East Sider Karl Neid, the park is a new refuge.

"There is so much to love about it – all the great space, the gardens, the little picnic areas," she said, smiling broadly. "And the kiosks that give you the history of the people, the international groups who have made a home here, and the industry that was here.

"Everybody who comes to this park is creating a heritage for the next group," Tromiczak-Neid added. "It's for the people we don't know, have yet to meet or will never meet. It's for the people who will live here someday. It's a wonderful place."



Multiple partners help J&J project to fur

It was cold and windy on the Friday before Labor Day. But the weather was matched by warm and sometimes breezy humor as dignitaries crowded together on a tent-sheltered platform in a parking lot to mark the start of a major energy-saving and job-creating expansion by J&J Distributing to its Rice Street facility. The company supplies fruit and vegetables to most of the grocery retailers in the region.

Saint Paul Mayor Chris Coleman kidded U.S. Sen. Al Franken about being Minnesota's "Junior Senator," and Franken fired back that Coleman was the "Junior Mayor" (ouch!) of the Twin Cities. Amy Klobuchar, the state's "Senior Senator," made puns about fruit, while Fourth District Rep. Betty McCollum tried to sound rueful about the challenge of exchanging quips at an assembly of gifted quipsters.

Celebratory words were exchanged as well. When they were finished, the lawmakers and others officially launched the project by deftly slicing wedges of watermelon with oversized chef knives. Cutting fruit instead of ribbons seemed appropriate.

"We could have used pineapples, but that would have taken them an hour," said J&J President/CEO Jim Hannigan, who plans to spend \$8.5 million on a multiphase green-energy project.

Not lost during the ceremony was an acknowledgement of the kind of enthusiastic collaboration that Klobuchar said was all too rare in public life these days. The players included federal, state and local governments, along with private enterprises.

"People who believe the public and private sectors won't work together to get things done need to study this model," said Saint Paul Port Authority President Louis Jambois, who also participated in the official fruit-cutting. J&J's project is in three phases. Phase one, now underway,

uses a \$1.3 million energy-conservation loan authorized by the Port Authority from its "Trillion BTU Fund" to install energy-efficient lighting and replace 44 rooftop refrigeration units with three high-tech climate systems. J&J expects to save nearly \$175,000 a year in energy costs from the new climate systems and by retrofitting 160 lighting units in its 100,000-square-foot facility. During post-ceremony tours of the distribution



J&J Distributing's decision to expand its North End fresh produce operation and make itself greener in the process is paying dividends and drawing attention from a host of dignitaries. Attending a "fruit-cutting" celebration recently at J&J were (left to right)

center, a J&J spokeswoman pointed out some of the new lighting fixtures that had already been installed and noted that the energy-efficient lights actually illuminated the plant floor better than the old fixtures.

One of the first of its kind in the nation, the Port's Trillion BTU Fund is secured by \$5.5 million

Port finance three-phase other green growth

in federal stimulus money that is used to leverage energy-saving projects with grants from local development agencies and Xcel Energy. The J&J project, for example, involved \$325,000 from the Trillion Fund, \$550,000 from the Port's Business Development Finance Loan Program, a \$325,000 grant from the City of Saint Paul as part of a block grant from the U.S. Department of Energy, plus a \$100,000 rebate from Xcel.



Port Photo by Tonya Bauer

Luke Gomes, of the U.S. Department of Energy; U.S. Rep. Betty McCollum; Sens. Al Franken and Amy Klobuchar; Saint Paul Mayor Chris Coleman; City Council Member Melvin Carter; Port President Louis Jambois; and J&J President Jim Hannigan.

J&J will use energy savings to repay and replenish the Trillion BTU funding reservoir during the next seven years.

But there's more. The City of Saint Paul will contribute \$1.5 million made possible by the state's Jobs Bill Tax Increment Financing that will



be used to construct a 20,000-square-foot expansion to the J&J facility. That space will house an expanded cutting room where workers make fruit plates for supermarket deli cases and other retail outlets. Hannigan said the expansion should result in about 150 new jobs being added to his 240-job payroll.

"This project is not just about saving energy," Klobuchar noted. "It's also about jobs."

And there's even more. In phase three of his project, J&J's founder says he plans to build an on-site greenhouse that will produce 220,000 pounds of tomatoes each year. It will be heated, in part, by energy captured from the new refrigeration units and it is being partly funded with a \$500,000 grant from the Saint Paul Community Development Block Grant Recovery Act (CDBG-R).

The project is on a fairly fast track. The energy upgrade portion is already underway and should be completed by next spring. The 20,000-square-foot expansion begins in October and construction of the greenhouse is expected to start next summer.

Taken together, Franken called the project a "win-win-win-win" enterprise, involving energy conservation, job-creation, a reduction in the carbon footprint of food distribution through local growing and, ultimately, reduced food costs to consumers .

Those sentiments were echoed by First Ward Council Member Melvin Carter, though he prompted laughter when he turned during his remarks and asked Franken: "How many 'wins' was that?"

And there was a slight misstep by Mayor Coleman, who promised the audience that the outdoor ceremony would be brief so that folks could warm up during tours of the plant.

Hannigan shook his head in disagreement. "It's colder in there than it is out here," he said.

Port urges balanced approach in new development Regulations along Mississippi River Corridor



Lorrie Louder

The Port Authority serves at the intersection of the business and public sectors. We are working with our business customers in the Mississippi River Corridor Critical Area and our economic development partners to urge the Minnesota Department of Natural Resources to

provide a balance between protecting environmental resources and accommodating commercial and industrial development. This balance would provide for the enhancement of the environmental and cultural characteristics of the Corridor, while ensuring the ability of businesses along the Corridor to continue to operate, grow, and provide jobs and tax base.

The Corridor, extending 71 miles, includes the Mississippi River and adjacent land spanning the Twin Cities Metro from Dayton in the north and southern Dakota County in the south. In 2009, the Minnesota Legislature mandated that the DNR must establish by rule new guidelines and minimum development standards for each of several districts within this Corridor. The DNR has appointed the Port, as well as representatives from cities and other interested groups to provide input on land use and zoning districts and standards, as members of DNR District Work Groups. The process must take into account existing city ordinances and development policies. The DNR has received to date a broad range of comments.

The Port is focused on maintaining the viability of our business customers in both river-shipping terminal areas and land-based industrial areas. Some of our customers who have been involved in this process include Summit Brewery and the other companies in the Port's Crosby-Lake Business Center; Gerdau Ameristeel; Aggregate Industries; J&J Recycling; Captain Ken's Foods; Johnson Brothers Liquor Company; and Ford Motor Company. We have also been working closely with the Saint Paul Area

Chamber of Commerce, Building Owners and Managers Association (BOMA), Metro Cities, the City of Saint Paul, and the Builders Association of the Twin Cities.

Additional regulations often stigmatize residential, commercial, and industrial properties, discourage, and even prohibit, property owners from making necessary improvements or expanding their buildings. Reduced investment in properties, lower property values, and less revenues that allow cities to pay for essential services, we believe, will result. More restrictive rules and additional requirements will work against both the public and private sector efforts that are designed to stimulate job growth, increase capital investment, and grow the local tax base.

We have urged the DNR to develop rules that recognize the multipurpose nature of the river and to respect the insight and knowledge of local units of government that have developed an effective regulatory framework for the Corridor. This will allow the DNR to strike a balance that preserves and enhances the environmental, cultural, recreational, and economic functions of the Mississippi River within the rules it promulgates.

The DNR staff, under the direction of Waters Division Director Kent Lokkesmoe has done good work in bringing the various viewpoints to the table for consideration. We applaud the DNR's efforts in this process and hope that the DNR will be able to strike this critically important balance in its new regulations.

Bob Bieraugel, Manager of Environment & Land Services at Aggregate Industries has indicated to the DNR that "people and the things we build and live in, and the places that we work and the products we produce, are as much a part of the Mississippi River Valley as are the plants, rocks, critters, and the water."

To that point, Mark Stutrud, President and CEO of Summit Brewery, said he intends to expand his business on his property in our Crosby-Lake Business Center. He hopes that the DNR will not change the development rules mid-game, so that he can expand his building, grow his operations, and add significantly to the jobs and tax base.

With these considerations in mind, the DNR process is expected to continue through at least the first half of 2011. We will keep you updated.

PORT INTERN: Next-generation Community-builder dedicated to making an impact



Andrea Long

Andrea Long would pleasantly surprise anyone who derides Gen Xers as a universally self-entitled bunch, who think they can bypass sacrifice and hard work on the road to success.

Long quit a lucrative career as a buyer for the Target Corp. to return to

school to work toward a master's degree in Urban and Regional Planning at the University of Minnesota's Humphrey Institute. She is halfway through her program, graduating in May 2011.

Long maneuvers her classes and twin internships at the Port Authority and Metro Transit on her motorized scooter. She's also developed a more than passing relationship with the metropolitan bus system.

At Target, she worked in the merchandizing and sourcing area. That meant she would obtain products for Target and place them in the company's various stores.

"After a few years I decided I wanted to do

more for my community; something that would make more of an impact," she said.

She first became acquainted with the Port Authority when Saint Paul City Council Member Kathy Lantry, who also is a Port board member, spoke to her class at the Humphrey Institute. "She talked a bit about Beacon Bluff (business center) and other general development projects in Saint Paul.

"It spurred something inside of me," Long said. "I thought the Port Authority was a place I wanted to work."

Kelly Jameson, Vice President of Property Development, involved Long in the Southport project from start to finish. She helped us apply for grants to fund the project, on the bidding and construction process.

"She picks up on things very fast," Jameson said. "She was successful in landing a first-phase grant for wetland restoration, which should open the door for more funding for that work."

"The wonderful part of this experience," said Long, a Cedar Rapids, IA-native, "is that I get to be at the forefront of the Port's innovative redevelopment work in my own backyard."



EXPERTS FORUM: State Commissioners Dan McElroy (Employment and Economic Development, left) and Ward Einess (Revenue, right) predict incremental upticks in Minnesota's economy as it recovers from the recession. The state continues to look for new and innovative ways to make Minnesota a more desirable place to live and do business, they stressed to Port staff during our monthly experts forum.

Port Photos by Tonya Bauer



The Saint Paul Port Authority creates quality job opportunities, expands the tax base and advances sustainable development

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