

Port strives to reach essence Of sustainable building design

Port Beacon: Sustainable Development

What is the greatest single consumer of energy and the biggest source of climate-changing emissions?

The answer may surprise you.

"The building sector consumes nearly 50 percent of the energy in the United States and the construction and operation of buildings creates almost half of the CO2 emissions," says Monte Hilleman, the Port Authority's Vice President for Redevelopment.

Don't take Hilleman's word for it. According to data published by the U.S. Energy Information Administration, buildings account for 49 percent of U.S. energy consumption, compared to 23 percent consumed by industry and 28 percent consumed by transportation. Buildings also account for nearly 47 percent of the nation's carbon-dioxide emissions, compared to 20 percent released into the atmosphere by industries and 33 percent produced by transportation.

Reflecting that alarming data, the Port Authority has been emphasizing "green building" technology

in its new-building redevelopment projects for most of the past decade. For those efforts, the Port recently won the 2011 Environmental Initiative Sustainable Communities Award for its work on the Beacon Bluff Business Center. **Photo Left.**



"Since 2003, the Port has brought customers through whole building advanced energy modeling, which means that before the building is built, an advanced team of energy experts look at the structure holistically and create an energy model for it and optimize the design," Hilleman said.

The purpose reflects more than environmental altruism, Hilleman adds. Given the inevitable rise in energy costs and the growing concerns about climate change, there's little doubt that "green" buildings will retain their value as properties.

"Needless to say, we want people to build buildings that will hold their value over time," Hilleman explained. "That means high-

Port projects plow through Malaise of Great Recession



Louis Jambois
Port President

It's hard for me to imagine that 2011 is half over, but it's a fact, I'm afraid. So what has your Port Authority been up to for six months?

Well, plenty, as it turns out. As a state and nation, we may be ever-so-slowly climbing out of the Great Recession, but at the Port we're acting as if the recession is long gone.

Through our Trillion BTU building energy retrofit program, we've awarded 11 loans and obligated our entire \$5 million federal stimulus allocation. The Minnesota Department of Commerce just awarded us an additional \$3.1 million to keep the program going. Our success with Trillion BTU caught the attention of the Economic Development Association of Minnesota, which awarded us their 2011 Partnership Award.

Speaking of awards, in June our Next Generation stormwater treatment system at Beacon Bluff won the Sustainable Community award from Environmental Initiative for its groundbreaking methods to both treat stormwater and provide on-going data to measure the system's environmental impact. On a rainy Saturday, Great River Greening organized 70 volunteers and planted the football field-sized facility with a variety of native plants. The bad news was the volunteers worked in the mud. The good news was they were able to watch this system operate. Our thanks go out to Great River Greening and those wonderful volunteers.

In late June, we broke ground on a new 60,000 square foot, \$3 million building at our River Bend Business Center. The project is a cooperative effort with Wellington Management and represents the third building project at River Bend between the Port and Wellington. The first two buildings are home to Internet Broadcasting Systems, the Minnesota Nurses Association, and Service Employees International Union Local 113.

Also in late June, we closed the sale of our
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Chatsworth Business Center (the former Minnehaha Lanes site) with BanBro, a company that sells a variety of products primarily through the Internet. Construction of a 52,000 square foot, \$5 million building will begin later this year. The building will have a nice impact on the surrounding neighborhood. BanBro will employ 45 people to start, and the company expects to grow that number in the near future. We have a groundbreaking ceremony planned for July 22.

The Port is also assisting a company called, Total Tool, with a 12,000-square-foot expansion project adjacent to their current site on Pierce Street. The company wanted to expand their business, but was overwhelmed by the contaminants left from a previous user of the property. (They're a tool supply/distribution company, not professional redevelopers, after all). If the site issues were not resolved, the company would have been forced to consider relocation options. Port staff prepared an \$800,000+ contamination cleanup application, and we are working with the company to remediate the contamination and construct a \$1.7 million building. Twenty two jobs will be created, and 47 existing jobs will be retained. Construction will begin this summer.

So, while the Great Recession continues to affect our state and nation, the Port isn't standing still. We're moving forward with additional demolition, infrastructure upgrades and site preparation at Beacon Bluff, where we continue to generate development interest. We still are working to replace our two-pipe Energy Park heating and cooling system with a 21st Century four-pipe system. We continue to work with our partners at City Hall, including Planning and Economic Development, Parks and Recreation, Public Works and others, to create an economically and environmentally viable Saint Paul.

I expect that when 2011 comes to a close, we will have more to report. That's because creating quality job opportunities, improving the City's tax base and fostering sustainable development aren't just words on the back of our business cards. It's our mission and our passion. And we work it every day.

Metrics show green buildings save energy

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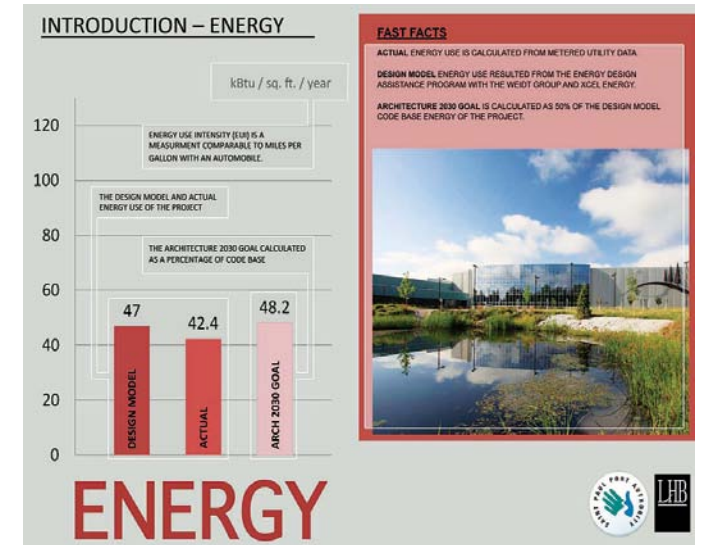
performance, energy-efficient buildings are going to be worth more after 20 years. And, of course, by investing a little more up front, businesses start saving money in operational costs right away."

The Port's effort fits into a national initiative called "Architecture 2030" that is aimed at reaching a "carbon neutral" building environment by the start of the century's fourth decade. That involves moving away from fossil fuels – coal, oil, gas – as primary sources of energy and also improving the efficiencies of all activities that depend on energy, including buildings.

But the latest development in the Port's "green building" program is an effort begun last year to measure how newer energy-efficient buildings have been performing. Since 2010, Hilleman says a number of businesses involved in Port-backed development projects have been providing utility data on the performance of their buildings during the past five or six years.

That information is being compiled and will be shared with each participating business in the coming months, Hilleman said.

"We know we're the first economic development organization to use energy metrics like this as an economic development tool," he said. "But the data isn't the end point. It's the starting point of a



Sustainability in Building Design: With the matrix above, we now are able to report to our local, state and federal funders the actual energy/carbon performance of new buildings placed on our redeveloped sites. It factors in gas and electric usage by these developments and was derived from metered utility data. We received permission from the building's owners to gather this data in 2004; now the data is a requirement for new developments at Beacon Bluff Business Center. The example depicted in the graph above, shows the expected energy usage of a new building, the building's actual energy usage, and the energy usage goals for that building by 2030. As you can see, this particular building's energy output is lower than designed and the Architecture 2030 goal for that building.

conversation about how we know the buildings are using energy and about ways to meet the energy challenges of the decades to come."



Great River Greening Photo

Beacon Bluff: Great River Greening and the Saint Paul Port Authority teamed up in June to plant trees, shrubs and grasses to help ensure proper stormwater management at the Beacon Bluff Business Center. The U.S. Environmental Protection Agency, among other organizations, recently honored Beacon Bluff. The Port recently installed a Next Generation stormwater treatment and testing system at Beacon Bluff that is one of the first in the nation to test water quality below a utility scale stormwater infiltration system. Water quality data will test the effectiveness of the Port's stormwater treatment system, which treats stormwater runoff from previously untreated 163 acres surrounding Beacon Bluff.

Employer Solutions Inc. and GreenPOWER Help manufacturers go from lean to green



Janet Ludden

In keeping with the Port's commitment to sustainable development, its workforce development arm, Employer Solutions, Inc. (ESI) has been working with local manufacturers to add a green focus to their already lean practices.

Under a contract with the BlueGreen Alliance Foundation, ESI brings free customized GreenPOWER

training together with additional hard skills training to area businesses. Under a Federal Department of Labor AARA Grant, GreenPOWER training was developed to 'green-up' manufacturing processes and practices, and develop a workforce of green-savvy employees.

Many already lean practices can be 'greened-up' with awareness of more environmentally sustainable options. For instance, a lean process might be 'greened-up' by using safer, less harmful chemicals. From supply chain to waste stream, businesses can reduce their carbon footprint and save money in the process. From lighting to more efficient uses of waste and by-products, businesses are finding bottom-line results from simple changes in practices.

I brought GreenPOWER to Viking Drill and Tool, a respected manufacturer of a variety of drills and cutting tools. Viking's business is growing and creating new jobs. With a need for new employees, Viking needed to train incumbent workers to higher skilled positions to make room for new entry-level workers. I worked with Viking to identify the specific skills training needed, and chose Dunwoody College as the training partner. The result was a customized package of green training coupled with hard skills training designed to meet the immediate need at Viking.

All of it free.

GreenPOWER training offers two options for students. One, the Green Generalist, is a one-day workshop focusing on education, awareness, and

methods beneficial to manufacturers at every level of the organization. From the CEO to machine operators, this course produces awareness of each of the WASTE topics – water, air, solids, toxins and energy efficiency.

The Green Specialist option is a six-day series of in-depth workshops covering each of those topics as well as the importance of a sustainability plan for the business. Each workshop includes a lab experience in which students participate in simulations of real manufacturing processes. They learn how to apply the green concepts to the actual work they do.

Employees learning these concepts and how to apply them, become an internal cadre of watchdogs, looking for ways to improve operations. Having those closest to the operation identify ways to save money and resources has proven to have a significant impact to the bottom line.

Viking Drill and Tool has saved many thousands of dollars from improvements suggested by a GreenPOWER trained employee. Viking has invested in equipment to pull oil from their scrap metal, increasing its value as a by-product and reusing the oil several times over.

Viking, like many other manufacturers, bales scrap cardboard. Inspired by GreenPOWER, Viking purchased a machine that uses scrap cardboard to produce a woven mat that is used in packaging the finished product. Now they don't have bales of cardboard sitting out by the dumpsters, and are not purchasing packing materials for shipping their products. The savings will have paid for the machinery within a year.

ESI's work with Viking Drill became the 'poster child' project for GreenPOWER. With its success, Federal Department of Labor Secretary Heidi Solis chose Minnesota as one of three states to visit to see the results of the DOL grant investments.

Secretary Solis visited Viking Drill and Tool, and has since brought GreenPOWER to the attention of other federal departments; a great reflection on Minnesota, Saint Paul, and the value of investing in manufacturing.

For more information about GreenPOWER, visit www.mngreenpowertraining.org.

Crystal D's "value champions" touted For their commitment to customers

Crystal D specializes in making recognition awards – those luminous objects of etched glass-like art that companies present to employees for loyal service and exemplary work. So it should come as no surprise that the Saint Paul company places great emphasis on encouraging the same qualities among its own employees.

"We call it internal marketing, and it's an essential part of our management tool kit," says Chuck Dahlgren, who founded the company 17 years ago.

"We do it because, first and foremost, it's the right thing to do, an acknowledgement of the qualities and accomplishments of our people," Dahlgren says. "But we also believe what we tell our customers – that unless you have a strong internal culture, your employees are not going to represent your company well. Things like loyalty, productivity and quality among your own folks ultimately transfer to happy customers."

Crystal D moved its expanding business into the Port Authority's Great Northern Business Center North nearly seven years ago. It has since grown into one of the nation's major award-manufacturing companies, with a catalogue of nearly 1,200 different products. To check them out, go to www.crystal-d.com

Dahlgren said his company always had a "values based" culture, but with the move to larger quarters, it needed a more formalized structure.

"To codify our purpose we laid out five core values – integrity, respect, quality, commitment and passion," Dahlgren explains, adding that an upper-level management person was put in charge of making sure those values are part of day-to-day activities.

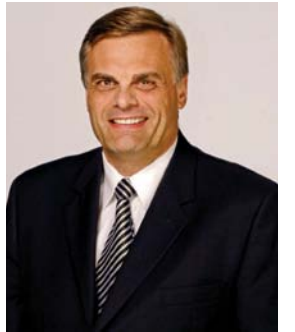
The program is not just management-down, but also peer-to-peer. Every year, employees nominate other colleagues for special recognition in each of the five core values. The company's management team reviews the nominations and "value champions" are honored at an annual event. In addition, a sixth person receives a "Grand Value Champion" award.

Dahlgren says the company also recognizes quarterly "WOW champs," along with more traditional recognitions for such things as length of service, sales records and "rookie of the year."

The value-based culture was one factor in helping Crystal D weather the recent recession that hit the award-manufacturing industry hard, depressing the overall industry's sales by 30 percent. Instead of cutting back, Crystal D increased investments in sales and marketing.

"Our sales declined by nine percent during the recession, but we took some market share from our competitors by doubling down instead of conserving," Dahlgren said. The result, he says, was a 12 percent increase in sales last year and a sales pace in 2011 that is 20 percent higher.

"What underscores that is the dedication of our people," Dahlgren said. "People want to work here. It's not just a paycheck; it's a job they're proud of."



Chuck Dahlgren



Michael Collins, (center) president of the Port Authority of Kansas City, MO, stopped into the Port Authority offices recently to learn how we do business in Minnesota. Part of the Saint Paul Port Authority team with Collins were (left to right) General Counsel Eric Larson, President Louie Jambois, Past President Ken Johnson and Director of Real Estate and Development Bill Morin. **Port Photo by Tonya Bauer**

Port calendar filled with Experts Expansions and Groundbreakings



River Bend: The Port Authority and Wellington Management Inc. broke ground in June on a third, 60,000-square-foot building in the River Bend Business Center. Celebrating the new project are (left to right) Bill Morin (Port Authority) Tanya Bell (Wellington Management), Matt Kramer (Saint Paul Area Chamber of Commerce), Katherine Blauvelt (aide to U.S. Sen. Al Franken), Rafael Ortega (Ramsey County Commissioner), Saint Paul Mayor Chris Coleman, Steve Wellington (President Wellington Management), Louie Jambois (President Port Authority), Harry Melander (President Minnesota Building and Trades Council and Port Authority Commissioner), and Jack Grotkin (President R.J. Ryan Construction Inc.).



All Photos by Tonya Bauer

Irene Quarshie, Director of Government Affairs for Target Corporation (left), and **Sue Haigh** (right), Chair of the Metropolitan Council, headlined the Port's Experts Forum program. Quarshie discussed her company's commitment to more expansion into urban centers and into Canada. Haigh, who also is president of the Twin Cities Habitat for Humanity, has twin goals of helping people find affordable housing and convenient transportation.



Automated Logic, a leader in energy management, recently expanded into the Port's Westgate Business Center. Celebrating the expansion were (left to right) Automated Logic -Twin Cities President Fred Meyers, Port President Louie Jambois, Saint Paul Mayor Chris Coleman, and Automated Logic Vice President of Sales Ken Kaufman.

Scholars honored at Chamber event



Port Photo

The Charitable Foundation of the Saint Paul Area Chamber of Commerce awarded 30 \$1,000 scholarships in May to deserving students. The number of scholarships awarded during a ceremony at the downtown Travelers' building was seven more than awarded in May 2010. As part of this program the Port Authority awards three scholarships to qualified applicants. Kaw Khu, **pictured below** between Port President Louie Jambois and Port's Marketing and Communications Director Tom Collins, will attend an area community college in the fall with a goal of being trained as an auto mechanic. Two other Port scholarship winners (**not pictured**) are Matthew Saechao and Sou Van Vang. **Above** scholarship winners pose for a group picture at the Travelers' event.



Chamber Photo

Trillion BTU Fund wins EDAM "partners" honor

The Economic Development Association of Minnesota awarded its 2011 Partnership trophy to the Port Authority in recognition of its work and that of our partners in implementing the Trillion BTU Fund revolving loan program.

The program will save Minnesota businesses money by reducing energy consumption by up to one trillion BTUs a year and be one of the first in the nation to use energy conservation as an economic development tool.

The Port used federal stimulus monies through the Minnesota Department of Commerce to create a business loan program. Installations of qualifying improvements are covered by a Port Authority loan and an Xcel Energy rebate, plus participation from local economic development agencies.

For more information on the program, go to

www.sppa.com

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

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