

The Newsletter of the Saint Paul Port Authority

From a van to a new building in a Port center: Commerfords stay close to their roots

Port Beacon: Reinvestment

It's been a long climb for a group of lifelong friends who once eked out a living by selling flowers and stuffed animals on street corners. Today they are world leaders in two niche businesses and they're building their combined headquarters in the Frogtown neighborhood.

In July, ground was broken on a \$5 million, 52,000-square-foot building that will house River of Goods and Terrybear, two entwined wholesale companies that were founded by Terry Commerford and some friends and wives.

Construction should be completed early next year.

River of Goods, which distributes a variety of unique home furnishings, is the world's largest importer of Tiffany-style lamps. Terrybear, a spin-off company in the 1990s, is the world's largest wholesaler of cremation urns and memorials.

The groundbreaking on July 22 took place near a big

party tent that had been erected on the site of the old Minnehaha Lanes bowling alley on Chatsworth Street, just south of the Pierce Butler Route. The Port Authority spent nearly \$5 million cleaning up and preparing the site for redevelopment as the Port's Chatsworth Pierce



Photo by Paula Blair

River of Goods and Terrybear employees show how they feel about the prospect of their new building in the Port Authority's newest Frogtown business center.

and financial downs, and the tenacity and faith of a community of partners. Commerford had been asked to speak for a few minutes, but he stretched his time with amusing stories about youthful business schemes and heartfelt tributes to those who are lifting his dream.

The "business," Commerford said, began in 1983 when he and his wife, Margie, along with his college

Butler Business Center. It's also the first shovel-ready project in the nation launched with the assistance of federal brownfield stimulus money.

But the ceremonial shoveling of dirt was only a picture-taking episode at a gathering that celebrated years of off-beat entrepreneurship, windfall ups

EPA visitors pleased with results Of brownfield cleanup funding

From the President



Louis Jambois

In this issue of RePort, we have a great article about a \$300,000 grant from the U.S. Environmental Protection Agency (EPA) to our workforce subsidiary, Employer Solutions, Inc. EPA Regional Administrator Susan Hedman announced the two-year grant at our Beacon Bluff Business Center.

Hedman and three members of her Chicago team traveled to Saint Paul for the ceremony.

Fortunately for us, after the event our EPA guests had a little extra time to tour some of our projects. We loaded them on a bus, where Lorrie Louder and Monte Hillman served as tour guides. For Hedman's team of long-term EPA employees, the Port Authority's history of accomplishment isn't new. But there is a large gap between getting a report from the Port about its use of EPA funds and viewing the results firsthand.

In 50 short minutes we were able to show off our developments at the Westminster, Williams Hill and Great Northern Business Centers. We were able to show her where previous EPA investments went, and describe for her how we recruited the many vibrant, successful businesses that occupy those sites.

We shared information on project costs, private investment, jobs created and retained, and the tax base that was generated. We were able to link our previous EPA brownfield cleanup efforts with the workforce grant that Hedman announced a few minutes earlier.

We illustrated how previous uses left a legacy

of contamination, blight and disinvestment, and provided her with eyewitness contrast between what was on those properties before our involvement and what is there today. We took her to our newest business center at Pierce Butler and Chatsworth – the site of a new BanBro facility that is currently under construction. Coincidentally, it was the first site in the nation cleaned up with EPA stimulus funds. (The project is also the subject of another RePort article).

To say Hedman was impressed with our success is an understatement. As gratifying (and fun) as it is to show off, there was a much more important reason to have a high level federal official visit our business centers. Hedman and the EPA, like all public organizations today must compete for very finite resources against an effectively infinite pool of uses for those resources.

Simply put, if EPA is going to receive future appropriations for brownfield – appropriations that are critical to the Port's redevelopment efforts – they must demonstrate that previous appropriations were effectively used. We provided Hedman with tangible evidence that the brownfield programs created in Washington, D.C., work exactly the way they were meant to work.

We know that when Hedman travels to Washington to promote future brownfield appropriations, she will be armed, not just with the usual reports and statistics about how effective the EPA programs are, but with her own observations, as well. She will have a great story to tell.

Once again, the Saint Paul Port Authority put on a first-class show for a very important person. That show is bound to help the EPA's programs compete for appropriations, and it also bodes well for future Port grant and loan applications.

EPA environmental job-training Grant to affect dislocated workers

In the coming months, 90 Saint Paul residents – all of them dislocated workers or veterans – will be recruited for a new job-training program and the majority of those who complete it will have jobs waiting for them.

That's the goal of a \$300,000 grant that has been awarded to the Saint Paul Port Authority by the U.S. Environmental Protection Agency. It funds a training program for environmental jobs that was organized by Employer Solutions, the Port Authority's workforce development subsidiary.

"Honestly, when we put the proposal together I didn't realize how much competition there was for the grant," said Employer Solutions CEO Janet Ludden.

"The two most important things that I think made our proposal competitive was the up-front

collaboration of employers with the design of the training and the long-term relationship that Employer Solutions has with workforce providers," Ludden said.

"They earned it," said Mike Gifford, acting section chief for the EPA's brownfields reclamation program in Chicago. "We don't just hand out these grants."

Saint Paul Mayor Chris Coleman said environmental cleanup projects initiated by the Port Authority were vital to job expansion in the city.

"If we didn't have the opportunity to do brownfield remediation, we wouldn't have the opportunity to expand our job base," Coleman said, adding, "In this tough economic climate, these kinds of training and placement programs are essential." Actually, the job-training grant continues a long series of projects

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Port-City strike deal on river-shipping and park space



Kelly Jameson

It's all too rare, but sometimes a deal is struck and everyone comes out a winner.

Such is an agreement that preserves and improves Barge Terminal 2 (BT-2) under the Lafayette Bridge while creating public parkland that will enhance continuing efforts to make the Mississippi River a

community focal point in Saint Paul.

"Everyone seems to be pretty happy," said Kelly Jameson, the Port Authority's Vice President of Property Development.

As part of a new 20-year lease, Upper River Services, will redevelop the BT-2 site to agreed specifications, including consolidation of buildings,

stormwater management and appropriate landscaping. Interpretive features would also be included to tell the story of the working river. The new Southport dock wall will be leased to a river shipper to increase tonnage in the harbor, thereby increasing overall revenues from the working river.

In exchange for the roughly three acres of land used by the BT-2 site, the Port Authority will donate about 16 acres of land to the Saint Paul Parks and Recreation Department. This is in addition to some 11 acres that were slated for donation for parks under the 2007 redevelopment plan.

The donated land will enhance the city's Great River Passage plan for utilizing the 17 miles of riverfront in Saint Paul. It includes the goal of connecting all parklands with trails.

The plan was endorsed by Friends of the Mississippi River, the West Side Citizens Organization, and the Saint Paul City Council.

Port makes most of its charge to nurture River commerce along Mississippi River



Eric Larson

The Port Authority of the City of Saint Paul possesses a marvelous historical record book with the following cover title: Property of the Port Authority, City of Saint Paul, Minnesota 1938, prepared by the City Planning Survey, Works Progress Administration, Official Project No. 466-71-3-86. The cover title belies the richness of the story contained within this book.

This City Property Record beautifully describes in 16 pages how Mississippi River commerce built the City of Saint Paul into one of the key economic hubs of not only the State of Minnesota but the Midwest region. Here is a condensed version of the story told.

From Saint Paul down to New Orleans, the Mighty Mississippi River covers 1,900 miles of territory connecting the Midwest to the Gulf of Mexico. Settlers used the Mississippi River to transport goods and the City of Saint Paul arose off the banks of the Mississippi River as the uppermost terminal point. By 1855 there were not enough stores or warehouses in Saint Paul to hold half of the goods and merchandise carried by the number of barges arriving daily into the City. By 1890, at the height of the lumber industry, there were 90 steamboats towing lumber and logs between Saint Paul and St. Louis. "Saint Paul had become the leading commercial center of the Northwest."

The rise of the railroad industry though started a decline of river commerce on the Mississippi, a decline that continued well into the early 1900s. The Mississippi River was only available from spring through early winter and lacked a dependable navigation channel and lock and dam system. The Mississippi River was a challenging, non-dependable means of transport. In contrast, railroads provided a dependable year round method of moving merchandise.

With the opening of the Panama Canal in August of 1914 commercial traffic between the east and west coasts of the United States was greatly enhanced. The

Panama Canal did not immediately benefit the Midwest. But we did have the Mississippi River.

In 1930, the United States Congress authorized the Army Engineers to complete a nine-foot navigation channel and 26 lock and dams along 1900 miles of the Mississippi River from New Orleans to Saint Paul.

Here, the genesis of the Port Authority begins:

The possibility of restoring navigation upon the upper Mississippi River as a major source of economic activity so deeply interested the State of Minnesota that in 1931 the Legislature amended a prior act providing for an independent municipal commission to administer the affairs of the Port of Duluth so as to authorize the creation of similar bodies in St. Paul and Minneapolis. It was hoped that such an agency, created especially to promote the general welfare of the land and levees of the river port, would improve this property with adequate docks, railroad and terminal facilities and would develop and regulate the Port District so that the volume of commerce on the river would be increased and it would again become a major source of commercial welfare.

In August 1932, the City created the Port Authority of Saint Paul. And on April 4, 1934, the City executed and recorded a Quitclaim deed of the City's real and personal property on the River, at which point the Port Authority took control of Saint Paul's river commerce.

What was true then remains true today, "the function of the Port Authority is to promote the commercial welfare of the City by improving the riverfront property for river transportation purposes and by finding ways and means of developing river traffic." Any person familiar with the work of the Port Authority knows that we do just that.

New EPA job-training grant is direct tie With Port's brownfield cleanup work



Port Photo by Tonya Bauer

U.S. EPA Region 5 Administrator Susan Hedman (center) is joined by Saint Paul Mayor Chris Coleman (left of Hedman) and our federal, state and local partners in announcing a \$300,000, two-year brownfield job-training grant to the Port's workforce development subsidiary, Employer Solutions Inc.

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involving the Port Authority and the EPA. On Aug. 24, the region 5 head of the EPA, Susan Hedman, spoke to a gathering of local officials who had donned reflector vests and hard hats to attend the announcement event in front of the former world headquarters of 3M Co. on Saint Paul's East Side – now the heart of Beacon Bluff redevelopment area.

Hedman noted that the new environmental jobs training program is the most recent recipient of EPA funding for Port Authority projects, which have totaled about \$9.4 million since 1997. In those years, the federal funding, along with tens of millions in leveraged funds, has fueled the Port's reclamation of 17 separate brownfields for developments in various parts of the city. In all, the Port has transformed 21 brownfields into business centers since the early 1970s.

Equally important, the cleanup projects have created thousands of new jobs – "and that is great work," Hedman said. The training program is unique, she

added, "because there is a direct connection between this training and real jobs."

In developing the proposal for the EPA jobs grant, Ludden brought together a number of supporting partners, including state workforce officials, training program professionals and potential employers. As a result, the program's curriculum is aimed at qualifying participants for a variety of environmental occupations – plus it will provide the specific training that participating employers need.

The employers include Bay West, Landwehr Construction, Frattalone Co., American Engineering Testing, Liesch, Barr Engineering, and Veit.

The new environmental job-training program illustrates the Port Authority's commitment to establishing partnerships with specific groups of stakeholders for the benefit of all, said Port President Louis Jambois. Creative partnerships are the key.

"Without them, we wouldn't be doing anything," he said. "With them we can do anything."

Frogtown community welcomes two New businesses to the neighborhood



Terry Commerford (top left) describes what he called a “dream come true” to operate his companies, River of Goods and Terrybear Urns & Memorials out of his own building. “We’ve rented six different warehouse locations in Saint Paul as we’ve grown and boot-strapped these businesses over the last 27 years,” Commerford said. The building is being constructed on the site of the former Minnehaha Lanes.



All Photos by Matt Schmitt

Ramsey County Commissioner Janice Rettman (top right) welcomes Terry and Maggie Commerford (left) to the Frogtown neighborhood during the ground breaking for a \$5 million, 52,000-square-foot building. (Below right) Dignitaries including Saint Paul City Council Member Melvin Carter and State Rep. Rena Moran, Port Authority Chair Joan Grzywinski, Port President Louis Jambois, and District 7 Planning Council Executive Director Tait Danielson.



New headquarters a “dream come true” for owners

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roommate, Tom Wozniak, used an old van to haul goods to sell on street corners.

“We started with flowers, then stuffed animals,” Margie recalled. “Then stained glass and pictures – though we never sold velvet paintings of Elvis. We had our standards.”

Within a few years, Dale Peterson joined the Commerford’s. He was Terry Commerford’s best friend when they were attending parochial school together in South Minneapolis. As an example of ties that bind, their seventh-grade teacher, Joe Daly, showed up to join the celebration.

“They were funny and creative and I knew, even then, that they were going to be successful,” said Daly, now a professor at Hamline University School of Law.

The big break for the street-corner vendors came in 1987 – courtesy of the Minnesota Twins in their first World Series championship. Fans were hungry for Twins memorabilia and the Commerford cabal knew all the best street corners to set up shop.

“In 1986, we grossed \$200,000 for the entire year,” Commerford said. “During four weeks in 1987, we grossed \$2 million. It was wild.”

There followed years of evolution, including some tough times when market downturns pummeled the enterprise.

The expansion of River of Goods, which imports mostly from Asia, included the addition, nine years ago, of Lavina Lau, the division’s current President and CEO. Wozniak, who became intrigued after he learned that the ginger jars they were selling were being marketed as pet cremation urns, now heads Terrybear Urns & Memorials. Peterson, who handled the details of incorporating the

first business in 1986, is the company’s finance expert.

The two companies employ 45 people and Commerford said they expect to hire 30 more in the coming years.

Until they embarked on building a new joint facility, Commerford said they had rented six different

warehouses around Saint Paul for the businesses.

“The Port Authority and Anchor Bank would not let this thing die during periods of setbacks,” Commerford said. “They stuck with us to make it happen.”

Advised to form a limited liability company for the project, Commerford decided to name it BanBro, LLC, linking the title words from the hit television war series, “Band of Brothers.”

Designed by Perry Bolin Architecture, the new facility will be a certified

green building, compliant with Leadership in Energy and Environmental Design (LEED) requirements. It will include warehouse space, offices, design facilities and a showroom for retail customers. The 4.6-acre brownfield site recovered by the Port Authority will also include 100 parking spaces shared with an adjacent shopping center.

It’s an understatement that the new facility has the pulse of neighborhood activists racing. Melvin Carter, who represents Frogtown on the Saint Paul City Council, said the project reflects a revitalization of a neighborhood through “local hiring and good living-wage jobs.”

Ramsey County Board member Janice Rettman is equally enthusiastic. “It’s a quality business,” she said about Terrybear and River of Goods. “It’s a quality workplace that cares about quality products. Welcome to the neighborhood,” she added. “You’ll love it.”



Photo by Paula Blair

Terrybear and River of Goods owners Terry and Maggie Commerford are flanked by the presidents of the two companies, Tom Wozniak and Lavina Lau respectively.

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

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RePort

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