



BOMA's mission is to provide leadership to the commercial real estate industry through legislative and regulatory advocacy, education, research, and international networking.

New Vision for Development in St. Paul



Jonathan Sage Martinson, the new Director of Planning and Economic Development for St. Paul will join us and share his vision for the city along with an overview of 2014 development projects and a

look ahead into 2015 when several new projects come on line! He will touch on how the housing boom and the city's infrastructure will provide a great backdrop to the city's success and what the future may hold.

Appointed by the Mayor, Jonathan manages the department, an operating budget of nearly \$10 million, a program budget of over \$60 million, and a staff of 72. He also serves as the Executive Director of the City's Housing and Redevelopment Authority. His responsibilities include overall direction, management, oversight, and coordination of the City's planning, housing, and economic development functions.

Prior to his work with the City, Jonathan served as the Director of the Central Corridor Funders Collaborative, a group of 12 funders dedicated to working with others to insure

the robust and equitable development of the Green Line transit corridor in Saint Paul and Minneapolis. He has also served as Executive Director of Sparc, a neighborhood-based community development corporation, and as Associate Director of the Green Institute, a neighborhood-based environmental enterprise.

- DATE:** Monday, November 10, 2014
- TIME:** 11:40am -12:00 - Networking
12:00 - 1:30pm - Program
- LOCATION:** The Saint Paul Hotel
350 Market Street
Promenade Ballroom
- COST:** \$34.00 early member registration
\$39.00 late/walk-in registration
\$45.00 non-member

One hour of Continuing Education has been approved.

To register, call 651-291-8888 or visit www.bomastpaul.org. Cancellations must be received by Friday, November 7th by 10:00 am. Substitutions will be honored. Credit cards are accepted online and through the BOMA office.

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Events at a glance:

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- Superintendents Group..... Nov. 19th

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Chair's REPORT



We asked and you responded. Greater Saint Paul BOMA recently conducted a second survey of its members. Our goal was to measure our progress from the results of our first survey in 2012. I am pleased to announce that we have made significant progress from that last survey. The information received is being processed by the staff and will be made available to the Committee Chairs and eventually the general membership.

When the Board of Directors conducted the first survey, it was designed to set goals and ascertain if Greater Saint Paul BOMA was delivering the level of service its members had come to expect. We were fortunate to receive candid feedback that resulted in changing the direction and service to our members. This year's survey was designed to measure our progress in achieving those goals.

Measuring our staff's performance, educational programs, networking and overall satisfaction with BOMA were the main areas where we wanted feedback. While the Association performed well in 2012, we expected improvement in these areas and based on the results, our expectations were correct. Two areas that I will point out for mention are staff performance and overall satisfaction. When asked about the staff performance, 90.5% felt it was above average or excellent, an improvement from 86.2% in 2012. When asked if you would recommend BOMA to a friend, 87.5% said yes, as opposed to 83.5% in 2012. It was impressive that we were able to make progress in two important areas where we had done so well in 2012.

I am certainly appreciative to those of you who added many great comments on how we can make BOMA even better. Your suggestions and ideas will be passed along to the appropriate committees and staff. This feedback makes us a stronger Association and helps us serve you better in the future. This improvement wouldn't be possible without your participation in the survey. Thanks for taking the time to care.

Bill Thurmes, Chair
Greater Saint Paul **BOMA** Board of Directors

Medical Building Special Interest Group

Emerging Trends in Medical Real Estate

As the Affordable Care Act continues to evolve, healthcare real estate continues to be an important part of the market. With many campus and neighborhood projects underway and completed, both medical systems and private practices continue to adapt to a new healthcare landscape. This program will look at the current issues facing the medical buildings' industry including the importance of site selection, patient demographics, access to mass transit, visibility, and the collaboration of medical providers, as well as the development trends. Join us for an engaging presentation by **Jill Rasmussen**, The Davis Group; **Steve Brown**, CWN; **Dan Harrington**, Fairview Health; **Alex Young**, MSP Commercial; **Brandi Lunneborg**, Mercy Hospital (Allina); and **Jason Villar**, Park Nicollet Health Partners.

WHEN: Tuesday, November 11; 8:00 – 10:15 AM
Check-in and Continental Breakfast 7:45 AM; Program 8:15 – 10:15 AM

WHERE: Northland Center; 3600 American Blvd W in Bloomington

COST: \$35 Members; \$45 Non-Members
(Greater Saint Paul BOMA Members are eligible for the member rate.)

EDUCATION: 2 CEUs pending approval.

REGISTER: www.bomampls.org



Fred Melo, Pioneer Press moderated a panel consisting of Alicia Hinze from the Buttered Tin, and Mary Bujold from Maxfield Research, and Matt Rauenhorst and Nick Murnane from Opus.

SUPERINTENDENTS GROUP

Do's & Don'ts of Disaster Restoration

What can be done before the restoration partner arrives on your site? This meeting will give you pointers on how to evaluate the magnitude of the loss. Based on the evaluation, you can determine what preparations need to be done and whether the work can be done in house or if a restoration partner needs to be contacted. You can also determine what things to do and not to do, for example, do you need to turn off water or electricity; time tables that can be expected; and new practices, procedures and equipment being used in the industry.

Join us as Mike Soukup a veteran in the disaster recovery management field covers this information in more detail. Mike joined ServiceMaster's large loss group in 2009, ServiceMaster Recovery Management (SRM). He became Director of Sales and Marketing in 2011 and was chosen to lead their National Response Team the same year. In 2014, Mike became the VP of Sales & Marketing and continues to be an active part of the SRM efforts.

Catastrophe events have taken Mike and his team throughout North America and overseas to Thailand to respond to customer's needs. They have performed response and mitigation efforts related to Hurricanes Irene (2011), Isaac (2012), Sandy (2012) - Flooding events in Nashville-TN (2010), Minot-ND (2011), Duluth-MN (2012), Chicago and Northern Illinois (2013) and Calgary Alberta Canada (2013) – Tornados in Joplin (2011), St Louis (2011) and Moore Oklahoma (2013).

DATE: Wednesday, November 19th
TIME: 11:30am – 12:45pm
LOCATION: Wells Fargo Place
30 East 7th Street, Conference Room
COST: \$15.50 pre-registered, \$17.50 walk-in
EDUCATION: SMA/SMT/RPA/FMA CPD's Available

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Crisis: Lessons Learned

Presented by: Greater Saint Paul BOMA & BOMA Greater Minneapolis

Commercial Real Estate Professionals who own or manage office buildings have a responsibility to their tenants to be prepared to respond appropriately to a crisis. Lives depend on it, businesses depend on it, property values depend on it. We need to be prepared!

In June 2014, police, fire and SWAT teams came together in various exercises to practice their joint response to crisis scenarios. BOMA members in Minneapolis and St. Paul took part in these exercises to observe potential crisis situations in a live setting. They want to share both the experience and lessons learned with YOU. BOMA Greater Minneapolis and St. Paul BOMA are pleased to present this joint seminar – Crisis: Lessons Learned. Together, let's strengthen the partnership between BOMA members and responding agencies in order to save lives, businesses, and our properties.

- DATE:** Thursday, October 30th
TIME: 8:30am-11:00am
LOCATION: University of St. Thomas
(Terrence Murphy Hall Auditorium),
1000 LaSalle Ave, Minneapolis, MN
COST: \$70.00 Saint Paul & Minneapolis BOMA members
\$95.00 non-member

If you need to add or cancel a reservation, please email office@bomastpaul.org or call 651-291-8888. All cancellations must be received by the 10:00 a.m. Monday, October 27th. Substitutions will be honored. Credit cards are accepted online and through the BOMA Office.

What is DataSource?

DataSource (www.spdatasource.org) is the newest BOMA website. It was officially launched at the October membership meeting. It is the region's first integrated, downtown development-centric website. It is the product of extensive planning and work by BOMA's Marketing & Leasing Committee.

Pat Wolf, Co-chair of the committee, who helped to lead this project, made these comments about DataSource. "BOMA is committed to continuing our decades-long effort in providing great downtown St. Paul office market data through the Market Report. After 19 years of printing the report, we knew it had to change to a digital format, so we moved this publication to a website. In the process of doing this, the Marketing & Leasing Committee was very thoughtful in their approach, and recognized a larger opportunity for BOMA to take a leadership role in delivering important information about the downtown St. Paul market, beyond what we had previously achieved with the Market Report. Simultaneously, this new site could also act as a measuring stick for the initiatives of the SPda in driving growth in the CBD. The result of our process was DataSource."

The Marketing & Leasing Committee will remain focused on continuing to make enhancements to the site and extending the data being measured. The committee encourages you to visit the site and contact any of the committee members with any feedback or suggestions for improvements.



Pat Wolf who has overseen the market reports for the last 20 years displays "DataSource."

20th Anniversary of the Market Report

BOMA Meeting Discusses DataSource & Downtown St. Paul Growth

On October 6th, Greater Saint Paul BOMA's membership meeting recognized the 20th anniversary of the Market Report by sharing results from the office market survey and discussing some of the growth dynamics of downtown St. Paul. At the meeting, BOMA also announced the launch of the new website, Downtown Saint Paul DataSource (www.spdatasource.org).

This new site provides a digital format for the data previously published in the Market Report. To support the Spda, DataSource also tracks other important market related measures of downtown growth, such as residential population, retail, and will soon be reporting employment and active development sites. Taken together, DataSource provides a centralized resource for current stakeholders and investors to better understand where the downtown St. Paul market is heading.

BOMA also hosted a panel discussion at the meeting. The panel was moderated by **Fred Melo** from the Pioneer Press, and included, **Matt Rauenhorst** and **Nick Murnane** from Opus, **Mary Bujold** from Maxfield Research, and **Alicia Hinze** from the Buttered Tin. The panelists discussed a variety of topics related to downtown St. Paul development.

With BOMA reporting on DataSource that downtown St. Paul had seen a 62% growth in residential population since 2010, Ms. Bujold, provided some background on the demographics of this increase. "Downtown St. Paul residents, like Minneapolis, used to be made up of mostly young people looking for an urban lifestyle," she said. "But they wouldn't stay long, and thus there was a fair amount of churning in the downtown population. Today it is much more stable. Young people are putting down roots. There is also an influx of baby boomers, and together these groups make up most of the growth in the urban core."

Ms. Hinze, noted that she is a downtown resident, and this is why she decided to open the Buttered Tin. "I love breakfast and pastries, and after living here for 8 years, knew there were limited options," she said. "So I did something about it. It was a risk, but the response has been phenomenal. I knew we would be successful, but didn't expect the level of support and interest we've had so far." She noted that the downtown area has many

other niche needs for retailers to fill and is encouraging entrepreneurs to invest in this area.

The Opus development on the Seven Corners Hardware and church sites has drawn much attention. The mixed use project could include 150 – 200 residential units, a 150 room, limited service hotel, and 11,500 sq. ft. of retail space. The residential component will be highly amenitized. Demolition of existing structures will start by the end of the year with ground breaking in the spring of 2015 and the opening in 2016.

Mr. Melo asked the panel about the risk of oversaturation given all the projects that have recently entered the market and those under construction or in the planning stages. Ms. Bujold commented that the Minneapolis market is already beginning to show some signs of softening with a slight rise in vacancies, which follows a larger national trend. "St. Paul will follow suit, but it may have a three year window before it softens."

Mr. Rauenhorst added, "St. Paul hasn't built as aggressively as Minneapolis, so it may have more room for additional growth before a slow down."

Retail activity was a common theme of the meeting with pre-panel presenters, Aaron Barnard from Cushman & Wakefield/Northmarq and Rob Clapp from Summit Group/KW Commercial, discussing how retail growth will follow residential expansion, and the range of new retailers in the CBD. Mr. Murnane indicated that service retail many times will develop first and grocers tend to be early entrants to a growing area. Reflecting on the influx of new downtown residents and its impact on retail growth, Ms. Bujold said, "Densities are close to where retailers will want to take the leap."

I am thrilled that the BOMA Board made the decision to develop a comprehensive website that compiles information on downtown St. Paul in one location for a diverse group of real estate sectors including residential, office, health care, and retail. Other information will also be available that, I believe, will accomplish, the objective, to increase information flow to potential developers and investors to continue to spur activity and in the downtown area. I wish that all downtowns were thinking along these lines. Kudos!

Mary C. Bujold
President, Maxfield Research

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Proclamation

WHEREAS: The week of November 9-15, 2014, has been declared National Elevator Escalator Safety Awareness Week; and

WHEREAS: The purpose of this week is to increase public awareness of the safe and proper use of elevators, escalators, and moving walkways; and

WHEREAS: The goal of this week is to reduce avoidable accidents through education and awareness; and

WHEREAS: This endeavor is worthy of support and cooperation to benefit the citizens, the general public, and the short range vertical transportation industry.

NOW, THEREFORE, I, MARK DAYTON, Governor of Minnesota, do hereby proclaim the week of November 9-15, 2014, as

ELEVATOR ESCALATOR SAFETY AWARENESS WEEK

In the State of Minnesota.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Minnesota to be affixed at the State Capitol this 10th day of August.

Mark Dayton
GOVERNOR

Mark Petters
SECRETARY OF STATE

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BOMA BITS

BOMA Member is Finalist for Deubener

The Saint Paul Area Chamber of Commerce recently announced their Deubener Awards finalists. This award celebrates excellence in business and leadership. One of the finalists being considered for the award is BOMA member, Commercial Real Estate Services, Inc. Congratulations to **Pat Wolf** and her team for this great recognition. BOMA wishes you the best of luck.

The awards ceremony is being held on November 6th. If you are interested in registering, visit the Chamber website. (www.saintpaulchamber.com)

Attend an Open House on the Riverview Corridor

With the successful completion of the Green Line, attention has now turned to another critical transitway link for the east metro region: the Riverview Corridor. This essential transit link between downtown St. Paul and the Mall of America, via the MSP Airport, is a very important connection to help drive growth in the CBD and the larger region. Plan to attend the open house on Thursday, November 6th to learn more about the project and the process that will be used to determine the best transit alternative for the corridor. For details go to www.bomastpaul.org.

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— SAVE THE DATE —

Monday, December 8th
General Membership Meeting
Toby Madden, Regional Economist to Speak

— SAVE THE DATE —

Tuesday, December 16th
Police & Fire Appreciation Luncheon
All are welcomed!!

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CALENDAR 2014

NOVEMBER

Brokers Group..... November 5th
Membership Meeting..... November 10th
Superintendents Group..... November 19th

DECEMBER

Brokers Group..... December 3rd
Membership Meeting..... December 8th
Security Appreciation Luncheon..... December 16th
Superintendents Group..... December 17th