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Feature Article

## THE GROCERY MARKET: COMPETITION BETWEEN THE AISLES

by **Mike Sturdivant,**  
 Paster Enterprises



Grocery shopping continues to evolve with new formats disrupting the industry. Traditional grocers are still dominant, but what people want and how they are getting it has changed dramatically over the past decade. As consumers, we now have more options in our market than ever before. Gone are the days where a grocery store is a one-stop shop for most consumers. Traditional grocers are seeing increased competition from Walmart, ALDI, Target, natural-food focused stores, dollar stores, and even convenience stores.

For instance, Kwik Trip has expanded their grocery offerings and even their grocery advertising over the past several years. With their growth in the Twin Cities, Kwik Trip is increasingly viewed as a grocery player. As a result of increasing competition, grocers will need to continue to connect with consumers and build brand loyalty.

Recent Activity

- Milwaukee-based **Roundy's Inc.** made waves this spring by officially announcing that they are leaving the Twin Cities market with the sale of 18 Rainbow Foods stores to local grocers Lund Food Holdings, Supervalu Inc. and three other independent retailers. The companies are paying \$65 million for the stores and their inventory. It has been announced they will turn 10 stores into Cub Foods, two stores into Byerly's and keep the Rainbow Foods name on six. Roundy's said in a press release that it will complete its exit by selling or closing the nine Twin Cities Rainbow Foods stores that aren't part of this deal. Roundy's has slowly been closing stores in the market for a few years while focusing on growth in Chicago.
- **Fresh Seasons Market** has closed its upscale grocery stores in Victoria and Minnetonka. Combined, the stores have about 120 employees. The Glen Lake store is about 25,000 square feet and the Victoria store is 29,000 square feet.
- It was recently reported that **Trader Joe's** is actively scouting for a site in downtown Minneapolis but does not yet have a deal in place. Two years ago, the Monrovia, Calif.-based company proposed a store in Minneapolis' Lyn-Lake neighborhood, but a city committee rejected its rezoning request. It also has explored the area near the University of Minnesota. The specialty grocer has eight stores in Minnesota. The closest to downtown Minneapolis is at Excelsior & Grand in St. Louis Park.

- Des Moines-based **Hy-Vee** recently made a large announcement with plans to expand into the Twin Cities market. Their first store is likely to be the former Kmart redevelopment in New Hope. Flying in the face of some recent trends towards smaller stores, Hy-Vee's prototypical store is around 90,000 square feet, which includes a sit-down bar and restaurant, drive-up pharmacy, sushi bar,

*continued on next page >*

Snapshot

## SHOPS AT BLUESTONE



**Location:** Duluth, MN  
**Month/Year Opened:** February 2014  
**Owner:** Shops at BlueStone, LLC  
**Managing Agent:** Summit Management, LLC  
**Real Estate Rep:** Keith Anderson or Mark Lambert 651-705-3399  
**Architect:** Architectural Consortium  
**Construction Contractor:** Doran  
**GLA:** 9,988  
**Current Occupancy:** 100% Phase I and II, Now Leasing Phase III.  
**# of Stores:** 6 currently; next phase of construction begins this summer  
**Tenants:** Qdoba Mexican Grill, Starbucks, Sports Clips, Chilly Billy's, Waxing the City, Northern Communities Credit Union, and Kat's Eye Optical  
**Market Area Served:** Duluth/University of Minnesota Duluth/College of St. Scholastica/East Hillside  
**Construction Style:** Modern Commercial  
**Project Website:** [www.shopsatbluestone.com](http://www.shopsatbluestone.com)  
**Additional Facts:** Construction for Phase III of the Shops at BlueStone will begin this summer. Phase III will include two separate retail buildings, at the corner of Woodland Avenue & Clover Street, totaling approximately 10,500 sf and a third building of 31,000 sf. Currently, the BlueStone Commons development features BlueStone Lofts, 99 units upscale housing; Phase I Retail and Phase II, Tavern on the Hill restaurant. Please refer to the [website](#) for additional information.

## The Grocery Market - continued

gelato bar, floral shop, dry cleaning, postal service, and liquor store where allowed. They have announced projects in New Hope, Maple Grove and Eagan. They are rumored to be pursuing several other locations in the Metro. They also plan to open a fourth store in Rochester.

- **Fresh Thyme Farmers Market** continues to scout sites in the Twin Cities. Fresh Thyme CEO Chris Sherrell recently announced the grocer's first 23 store locations, one slated in Minnesota for 2015, and 22 others around the Midwest. Construction is set to begin on the Penn & American site in

the summer of 2014. Fresh Thyme enjoys some financial backing from Michigan based Meijer's. Fresh Thyme's leadership formerly ran Sunflower Farmers Market and sold the chain to Phoenix-based Sprouts Farmers Market, which is growing aggressively in the West and the South.



- Saint Paul-based **Mississippi Market**, among other co-ops, has seen significant growth in membership over the past several years. The Co-op is currently planning its third store as it intends to buy 44,600 square feet of vacant land in Saint Paul. The store will be located off of East Seventh Street in the Dayton's Bluff neighborhood. Burnsville-based **Valley Natural Foods** is currently scouting the Southeast metro area for its second store while **Lakewinds** will soon open its third store located in Richfield on Lyndale Avenue at 64th.
- **ALDI** remains active in our market with three stores opening in 2014 in Alexandria, Monticello and Forest Lake. A fourth store is being worked on, but has not been finalized yet. ALDI plans to double that count in 2015 and 2016 with the recent addition of another Director of Real Estate, who will focus on this market.
- Ryan Companies recently broke ground with their Vintage on Selby project, a mixed use development at the intersection of Selby and Snelling in Saint Paul. Ryan will first develop a new location for Associated Bank and then begin tearing down the existing structure. A **Whole Foods** will accompany the project along with 208 market-rate apartments. Ryan recently completed a similar project at 222 Hennepin.



- **Walmart** has received approval for a second store in Blaine. Walmart is looking to build a 183,000-square-foot store at the southeast corner of Interstate 35W & Lexington Avenue. Walmart recently opened three stores: one in Roseville off of 35W & County Road C; another in Cottage Grove off of Highway 10; and one in Andover near Bunker Lake & Hanson.

- In addition to the acquisition of two Rainbow stores, **Lunds** and **Byerly's** continue to be active – not only in brick and mortar stores but also in their newly launched Lunds and Byerly's Kitchen. The 17,000-square-foot space in downtown Wayzata offers dine-in and take-out options, a station for charcuterie and internet delivery lockers for customers who purchase items online. Lund's also recently acquired the Village Market in Prior Lake, and is working on building a new store in downtown Saint Paul.
- Colorado-based **Lucky's Market** has recently made an announcement of site searches beginning in the Twin Cities. Lucky's is similar to a Trader Joe's, but also has full service bakery, meats and seafood. Lucky's Market is looking at footprints from as small as 18,000 square feet to 40,000 square feet.
- **Earth Fare**, a North Carolina-based grocer with little to no presence in the Midwest, has also announced site searches in the Twin Cities. Earth Fare is hoping for six to eight stores in Minnesota. Earth Fare is searching for stores that are roughly 23,000 square feet.
- Minnesota-based **Target** will be testing a TargetExpress, a 20,000-square-foot mini-Target, in the Minneapolis Dinkytown neighborhood at The Marshall. These smaller format stores will be Target's smallest location to date and will carry roughly 15 percent of the general merchandise a typical Target would carry. They are expecting to open their doors this summer.
- **Cub Foods** plans to open a new store in White Bear Lake near I-694 & White Bear Avenue in 2015. They are also conducting an aggressive in-store remodel program this year including stores in Maple Grove, Cottage Grove, Brooklyn Park, Savage, Northfield, St. Anthony, and others. Last year Cub downsized their existing Fridley store, reducing the footprint from 104,000 square feet to 65,000 square feet.
- **Jerry's Foods** has completed remodels of its two stores in Edina and Eden Prairie. It plans to open a new store in Woodbury, but have not yet announced what banner it will wave.



Overall our market is seeing a great deal of activity in this sector. As groceries are still highly resistant to internet retailing and drive high volumes of traffic to shopping centers, we continue to see that grocery anchored shopping centers are one of the most sought after property types in commercial real estate today and are expected to continue to be so in the future.

For more information on the grocery industry and other retail trends, check out the Spring 2014 edition of the MSCA State of Retail Real Estate Report. This most recent issue includes member-written articles on the local economy, recent investment sales and retailer activity, the push towards mixed-use development, a Mall of America update and the resurgence of downtown Minneapolis. Click [here](#) to access the full published report.

# CARIBOU COFFEE

One of the newest neighborhood gathering places is familiar to us all. Caribou Coffee is in a refresh mode with exciting changes taking place that remain true to the "Do Good" values of the 20-year-old establishment. Existing stores are being smartly remodeled, newly-designed stores are being opened, and co-brand relationships are being created at certain stores. These investments in the brand are happening on the heels of the purchase of Caribou Coffee by the Joh. A. Benckiser Group in late 2012.

Walk into a newer designed location such as the endcap drive-thru store located near Highway 7 & Highway 101 in Minnetonka or the single-tenant store located at the corner of Main Street & Ferry Street in Anoka, and you will immediately notice a difference. The new design emphasizes community and incorporates sustainable store design concepts. The large community table and benches at the Minnetonka store immediately set the tone as a community gathering place. A larger footprint with more and varied seating options invites people to stay. The separate community room at the Minnetonka store underscores the commitment to community. Dark wood accents, open ceiling, wood and carpeted floors, and modern lighting create a sophisticated venue. While the fireplace feature surrounded by a lowered ceiling design complements with a comfortable and cozy feel. Sustainability comes from reusing materials in remodels, using used or reclaimed materials in improvements and furniture, LED



by **Greg Brenny,**  
Fafinski Mark & Johnson, P.A.

energy efficient lighting, energy efficient appliances and VOC (Volatile Organic Compound) free colors. Outdoor areas where possible provide another place to relax and enjoy a beautiful day.

Co-branding with Brueggers in several stores expands the food and beverages options available to the guest and brings the best of both brands together for greater convenience. Co-branded stores include Har Mar, Waconia and soon to be opened Dunkirk Square in Maple Grove. This co-branding is an evolution of the next door real estate relationship the two companies have enjoyed at several locations.

Caribou Coffee is focused on continuing its expansion in the upper Midwest. One unique store in the process of being opened in 2014 is Target Field Station located in the plaza being constructed just west of Target Field and near the light rail station along 5th Street North near the intersection with 5th Avenue North. This store will be in the heart of all the plaza action for Twins games and other events at Target Field, and will also serve the businesses and residents in this rapidly redeveloping area. The goal is to open before the Major League Baseball All-Star Game in July.

I encourage you to explore what is new at the hometown coffee house. When you visit, try to miss the drive-thru and stop in, slowdown and experience the changes. After all, remember: "Life is Short. Stay Awake for it."

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**Northstar Lacrosse**, based out of Hopkins, recently opened their second and third retail locations in Bloomington at The Point at 3810 West Old Shakopee Road and in Roseville at 1789 Lexington Avenue South.

The Maplewood **Autozone Retail Center**, a 9,600-sf retail property located at 2420 White Bear Avenue in Maplewood recently sold for \$1,625,000.

**H&M** will open a store at Burnsville Center this fall. The Burnsville location will be the Swedish retailer's seventh store in Minnesota, where it opened at Ridgedale Center in Minnetonka last year and at Calhoun Square in Minneapolis in 2012. The 18,000-sf store will carry men's, women's and children's apparel.

**Farrell's eXtreme Bodyshaping** will open a 7,000-sf studio at 5801 Neal Avenue North in Oak Park Heights in July.

After more than 40 years on Lyndale, the Volvo dealership will close in mid-June to make way for a new **Walgreens** and surface parking. Construction would potentially start in mid-June, with the store launch around Thanksgiving.

**Tin Whiskers** opened its taproom doors in downtown St. Paul. The brewery, founded by three electrical engineers, will be serving up beers with electrical

engineering themed names including a Short Circuit Stout and Flip Switch IPA. The 3,700-sf taproom is located in St. Paul's Rossmor building, which is also home to restaurants Black Sheep Pizza, Sawatdee, and Key's Cafe.

**The Lynn on Bryant** closed its doors after a year-and-a-half in business with a farewell dinner in late May.

**Total Wine & More** plans to open a store in Woodbury, its fourth site in the Twin Cities area. The big-box liquor chain has submitted an application to the city of Woodbury for an off-sale liquor license at 7020 Valley Creek Plaza. The Potomac, Md.-based retailer opened its first Minnesota store in Roseville in March.

**The Corner Door**, a home furnishings and consignment shop located in the Wayzata Home Center, closed this past month after 47 years in the business. The Corner Door focused on gently-used home furnishings, including furniture, artwork, dishes, kitchen items, lamps and pillows, as well as other items.

**Caribou Coffee Co.** is building a shop in the middle of the Interchange project, where light-rail trains will converge on the north end of Target Field. The 2,400-sf shop is aiming to open before the MLB All-Star game July 15.

**Pacific Dental Services** has leased a 5,000-sf space at Chaska Commons, which is located at the intersection of Highway 41 and Pioneer Trail in Chaska and is anchored by Rainbow Foods, Petco and Home Depot.

St. Paul's **Red Cow** restaurant opening is set for June 17 and owner Luke Shimp said he's closing in on Minneapolis' North Loop neighborhood for a third location. The St. Paul restaurant is located in the former Costello's Bar & Grill space in the Cathedral Hill neighborhood. It has been gutted and will be remodeled.

**PizzaRev**, the California-based build-your-own pizza concept that is backed by Buffalo Wild Wings Inc., opened its first Minnesota location in Hopkins in the Knollwood Crossing Center at 525 North Blake Road. PizzaRev is a fast-casual concept similar to the Chipotle model. Customers order regular or gluten-free crust and pick out cheese, sauce and unlimited toppings on their pizzas, which are baked for 3 minutes in a 900-degree stone-hearth oven.

**Vom Fass**, a shop where customers can buy wine, spirits, oil and vinegar straight out of casks, opened at Mall of America. The Vom Fass concept originated in Germany with U.S. headquarters in Madison, Wisc. and has been growing with 17 locations in the U.S.



Local restaurateur Kim Bartmann is trying to open a new eatery called **Bauhaus** in the former Café Maude location at 1612 Harmon Place. Bartmann owns seven restaurants in the Twin Cities: Red Stag, Pat's Tap Bryant Lake Bowl, Bread and Pickle, Kyatchi and Tiny Diner.

Downtown St. Paul got its first full-service grocery store on May 15 thanks to the opening of the new **Lunds** in the city-developed Penfield apartments. The 27,000-sf store has traditional grocery aisles, but also a large deli, Caribou Coffee, Bachman's floral, dry cleaner St. Croix Cleaners, Big Bowl Chinese Express, fresh-rolled sushi, and a cafe with a seating area.

Rochester-based **Think Mutual Bank** hosted a groundbreaking for its new branch office in Edina. The 9,000-sf branch will be built next to Lund Food Holdings Inc.'s redeveloped **Byerly's** grocery store at France Avenue & Hazelton Road.

## Outstate Round-up

A Duluth developer has lined up tenants and is seeking local approvals to build a \$5.5 million strip mall across from Miller Hill Mall called Platinum Plaza, a 24,200-sf retail center that will sit along Miller Trunk Highway. Stevie Paulson and partners are seeking approval from the Duluth Planning Commission for the project and has letters of intent from three businesses and is working on a fourth.

**Duluth Trading Co.** marked the opening of the company's fifth and newest location in the Woodrush Building at 300 East Superior Street (across from the Sheraton Hotel) in downtown Duluth.



The **Hy-Vee** grocery chain plans to upgrade the in-store restaurants in its three Rochester stores to Hy-Vee's Market Café, its full sit-down model, which serves beer and wine. Remodeling could begin as soon as June and could be ready to open by August.



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**Karla Keller Torp**  
 (P) 952-888-3490 (C) 952-292-2414

**Associate Director**  
**Ryan Hericks**  
 (P) 952-888-3491 (C) 952-292-2416

**Layout Design**  
**Andrea Komschlies**  
 (C) 612-327-0140

Minnesota Shopping Center Association  
 8120 Penn Avenue South, Suite 464 | Bloomington, MN 55431  
[www.msca-online.com](http://www.msca-online.com)  
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 suggestions or article  
 ideas.

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## MSCA Events

# 2014 CALENDAR

### JUNE 2014

SUN	MON	TUES	WED	THUR	FRI	SAT
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

Note  
 Bloomington  
 location

- Monthly Program
- Third Thursdays
- Learning Session
- Golf Tournament

For more information and  
 registration, go to  
[www.msca-online.com](http://www.msca-online.com)

Click on date within  
 current month for details  
 and registration link for that  
 meeting.

To view MSCA program  
 presentations, [click here](#).

### JULY 2014

SUN	MON	TUES	WED	THUR	FRI	SAT
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

## MEMBER NEWS

**Jeff Orosz** has joined MFRA, Inc. as Business Development  
 Manager. The Opus Group added **Christy Lewis** as their  
 Director of Business Development. KW Commercial has  
 added **Ole Froystad** as their Director of Retail Services.

## NEW MSCA MEMBERS

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**Sargent Johnson**, Hines – Galleria



## THIRD THURSDAYS

Next Meeting: **Thursday, June 19**

**Time:** 8:30 – 10:00 am

**Where:** Dunn Bros. - Plymouth

**Greeters:** Steve Day, JL Sullivan and

David Eddy, Prescription Landscape

**What:** Casual networking hosted by MSCA members

**Why:** Create synergy in the commercial real estate industry—  
 share ideas and stories and make new effective relationships.  
 RSVP to [Ryan](#) is preferred, but not required.

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## Legislative News

# LEGISLATIVE WRAP UP

by [Sonnie Elliott](#) and  
[Rich Forschler](#),  
**Faegre Baker Daniels LLP**



The 2014 Minnesota Legislative Session adjourned on Friday, May 16, 2014. MSCA's top priority in 2014 was to repeal the business to business sales-tax expansion approved in 2013, and oppose any increases in commercial/industrial property taxes.

In 2013, the legislature expanded sales taxes to three new areas of business services, including warehousing services. These changes drew strong opposition from the business community and real estate industry. Working with our coalition partners, MSCA successfully advocated repealing these taxes as a part of the first omnibus tax bill of the 2014 session.

The second tax bill contained a house provision that would have exempted the first \$150,000 of market value from the statewide business property tax. This change would have resulted in a \$77 million shift in property tax burden between businesses, creating winners and losers, with a breakeven point at \$1.1 million in market value.

These victories protected the shopping center industry from property tax hikes and removed a potentially harmful new tax on the business community.

Although there was much debate, there was no major funding package approved this year. Depending on the makeup of the legislature and who is the next Governor, there is the potential for significant funding reform in the next session.

Finally, the legislature passed several new labor requirements during the session. The minimum wage was increased to \$9.50 for large employers and \$7.75 for small employers over a three year period. The legislature also adopted changes meant to improve working conditions for women: increasing maternity leave, expanding sick leave and imposing pay equity on those entities that contract with government.

MSCA will continue to work with our business partners, during the interim and into the 2015 Legislative Session, to promote a better business climate for the shopping center industry in Minnesota.

Click [here](#) go to the MSCA Legislative Update webpage for a more in depth session recap.

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# SURVIVING THE WINTER OF OUR DISCONTENT



by **Brandon O'Connell**,  
Mid-America Real Estate – Minnesota, LLC

It is safe to say that spring time in Minnesota has finally arrived. With that brings rising temperatures, monsoon like conditions and the Minnesota Twins fighting to stay at .500. Spring also brings a great time to perform maintenance on the various building systems present at your property that were subjected to the extreme elements of the winter. Performing maintenance on a regular basis can directly increase a building system's useful life and consequently create more capital in owners' pockets as well as room in a property's budget. This article will touch on a few tips for maintenance on mechanical equipment, roof systems and asphalt maintenance, which are typically the largest expenditures for repair and replacement. Hopefully this article will prove that "an ounce of prevention is worth a pound of cure."

It is recommended that a roof top HVAC unit for an occupied space has preventative maintenance performed quarterly throughout a year to ensure proper operation. Vacancies can typically last six months between inspections with the reduced amount of use and stress placed on the unit. Spring maintenance on an HVAC unit includes: season start-up and observation of cooling mode, grease and oil of fan and motor bearings, replacement of filters and tightening of all belts. The most important element of the inspection is changing out air filters, which can greatly influence a system's operation and energy efficiency. Timely and proper preventative maintenance could potentially add four to eight years of useful life onto the unit. Another area of concern coming out of the winter is a unit's ability to withstand rain and stay watertight. The extreme Minnesota temperatures can cause sealant and caulking to break down, which plays a vital role in water intrusion of a unit. The unit's curb, which is the platform the unit is mounted on, also needs to be inspected to ensure it is water tight. Any breakdown in a seal of the unit or curb can cause a water leak into the building.

Speaking of water leaks into a building, another important maintenance concern following the winter is roof deficiencies. Depending on type, it is recommended that the roof be inspected annually following the winter season.

This inspection by a licensed roof vendor includes: inspection of penetrations in the roof system and verifying they are water tight, checking sealant and caulking, and checking any flashings. Once the inspection is complete, the vendor should provide an inspection report that will cover current condition, age of the roof, expected life span and remedial and emergency repairs to be completed. Proper annual maintenance could potentially add 30% of useful life to a roof system. The roof system is one of, if not the, largest capital item of a development so adding 30% of life can be a huge accomplishment.

Depending on the size of development and the building, the parking lot could be the largest expenditure an owner will face. Proper preventative maintenance is imperative in extending the useful life of the parking lot. Depending on a number of variables such as traffic loads, weather conditions and soil conditions, a new parking lot that has not received any maintenance will last around five to ten years before needing complete replacement. Crack-sealing and patching is typically recommended annually to prevent water intrusion, which is extremely detrimental to life span. With proper maintenance, the life span of a typical parking lot could reach 20 plus years. Once the useful life has been exhausted, a chip seal or seal coat may be used to extend life by five to eight years. As anyone who drives on the roads has seen, a chip seal is embedding aggregate into emulsified oil and then compacting it with a roller. Another option to extend life is to apply parking lot overlay. An overlay is exactly how the word sounds, another layer of asphalt over the existing asphalt which typically runs one to two inches. This approach can add up to ten years of life to the parking lot.

As you can see, preventative maintenance is everything in maintaining building systems. It is important to remember that a building's maintenance is only as strong as the vendor performing the work. Having professional vendors complete timely maintenance can and will save tenants and owners alike significant money through the lifespan of the development.

## Member Profiles

**Sara Martin**

Colliers/Welsh Companies

**What is your primary career focus?**

Retail leasing

**What is your favorite Disney movie?** *Up*

**What junk food is your weakness?**

Chips and salsa

**What makes you feel old?** My 10-year-old son Riley

**What is something you have always wanted to try?** Skydiving

**If you could hire out one household chore, what would it be?**

Cleaning the bathroom

**What is your favorite board game?** Monopoly

**What is your favorite alcoholic drink?** Beer of any kind

**What was your favorite toy as a kid?** Bike

**What is something you said you would never do, but did anyway?** Move to the 'burbs and live in soccer mom central

**How long have you been an MSCA member?** 10 years



**Michael Gross**

The Ackerberg Group

**What is your primary career focus?**

Property Management

**What is your favorite Disney movie?** *The Jungle Book*, first Disney movie I saw with hip music.

**What junk food is your weakness?** Taco Bell

**What makes you feel old?** Having my 7-year-old show me how to work my iPhone

**What is something you have always wanted to try?** Professional football

**If you could hire out one household chore, what would it be?**

Cleaning the bathroom

**What is your favorite board game?** Risk

**What is your favorite alcoholic drink?** Beer

**What was your favorite toy as a kid?** Legos and still is!

**What is something you said you would never do, but did anyway?** Run a half marathon

**How long have you been an MSCA member?** 10+ years



## Program Recap

# SHARK TANK: WIN MY \$2 MILLION DOLLARS

by **Lindsay Gardenhire,**  
**Jones Lang LaSalle**



### May Program Speakers (l to r)

Jeff Budish, CBRE (moderator),  
Dave Carland, Venture Pass Partners  
Whitney Peyton  
Keith Ulstad, United Properties  
Drew Johnson, CSM Corporation  
Mark Nordland, Launch Properties

The May MSCA program turned up the heat and took a page from the popular TV show, *Shark Tank*, as two local real estate developers presented their business plans to three industry veterans. With the help of moderator Jeff Budish, Private Capital Investment Group for CBRE, the two developers, Drew Johnson, Commercial Development Manager at CSM Corporation and Mark Nordland, Principal at Launch Properties, went head to head to pitch their ideas to the sharks in hopes that their's would be picked to receive the hypothetical \$2 million. The industry veterans or "sharks" rather, included Dave Carland, President of Venture Pass Partners, Keith Ulstad, Senior Vice President of United Properties and Whit Peyton.



Nordland started it off by pitching a plan to invest \$2 million into the full development of five strip centers throughout the Twin Cities. Johnson followed, presenting an opportunity to co-invest with CSM Corporation into three existing properties, two in Minnesota and one in Colorado. Half of the money would be invested into the already stabilized properties while the other half would go towards new development at those properties.

The sharks grilled both developers on the risk, return, and loop holes of each offer. After hearing from both sides, the sharks unanimously went with Nordland's plan stating that there was less risk and it was a good investment with quick return. The audience had a chance to get involved as well, as everyone was able to vote on their favorite plan. In the end, Nordland came out on top as 75% of the audience went with his deal.

## MAY PROGRAM PROFESSIONAL SHOWCASE

### Asphalt Associates, Inc.

Asphalt Associates, Inc. is a full service asphalt & concrete contractor specializing in Total Pavement Management. They self-perform everything from New Pavement Surfaces to Milling, Patching, Crack Filling, Seal Coating, Lot Striping and more, and they develop Pavement Management Plans for commercial properties that help prepare budgets to manage property today and for years to come.



## JUNE PROGRAM PREVIEW

### MEET THE MALL MANAGERS – SHOPPING CENTER SECRETS FROM THE SOURCES!

The next MSCA monthly program will focus on the center point of our industry, shopping malls. Join us for a fast-paced, Q&A discussion with those at the heart of our industry. Our panel of experts, who represent seven of the top mall owners/developers in the country, will share their perspectives on how to run successful shopping centers in today's environment.

Our panelists will provide insight on:

- The state of shopping centers today, and how demographic, retailer, and consumer trends have impacted leasing and development
- Strategies used to attract new retailers, and retain great ones
- Creative use of the mall as a medium for net operating income (NOI)
- Vendor partner selection process Do's and Don'ts
- How centers really feel about the internet and online shopping, and what is being done about it
- What is needed to keep malls "fresh" and "new"
- And much more...

Join us on Wednesday, June 4 at the  
Bloomington Doubletree. [Register now!](#)



## MSCA SUMMER HOURS

effective Memorial Day through Labor Day

Monday-Thursday 8:00 am–5:00 pm

Fridays 8:00 am–12:00 pm

# STARR<sub>SM</sub> Awards

## CALL FOR NOMINATIONS



**Projects Completed by:** September 1, 2013 - August 31, 2014

**Deadline:** Nominations must be received via mail or fax by **July 11, 2014**.

### Categories

Please check ONE (1) box.

The annual MSCA **S**hopping Center **T**ribute **A**wards for **R**etail **R**eal Estate (STARR<sub>SM</sub>) 2014 competition recognizes outstanding projects and industry leaders of Minnesota retail real estate and development.

#### 1 Interior Design

- Restaurant/Food Service
- Retail/Non-Food Service

#### 2 New Construction

- Retail under 10,000 sf
- Retail 10,000 sf – 20,000 sf
- Retail over 20,000 sf

#### 3 Design & Aesthetics Renovation/Remodel

A retail project that was an enhancement of an existing retail structure.

- Interior Retail under 5,000 sf
- Interior Retail 5,000 sf – 15,000 sf
- Interior Retail over 15,000 sf
- Exterior Retail under 20,000 sf
- Exterior Retail over 20,000 sf

#### 4 Development Process

- Any size project with a retail component that had unique development issues, site approvals, technical and financial challenges and/or incorporating sustainable design, materials or construction techniques.

#### 5 Redevelopment

- Any size project with a retail component that had an identifiable change of use to the project.

#### 6 Mixed Use

- Any size project encompassing retail and other non-retail uses where retail has made a significant contribution.

#### Eligibility

Projects completed and occupied between September 1, 2013 - August 31, 2014 are eligible.

Entries must be within the state of Minnesota.

Any one retail project may be submitted in multiple categories (use a separate form).

**There is no fee associated with making a nomination.**

Upon qualification, projects are subject to a fee. Upon receipt of all nominations and after qualification, MSCA will mail final entry forms, guidelines, judging criteria and fee information to the submittal contact.

Awards will be presented at the STARR<sub>SM</sub> Awards holiday party on **Tuesday, December 2, at Golden Valley Country Club** in Golden Valley.

Name of Nominated Project \_\_\_\_\_

Award Category \_\_\_\_\_

Project Address \_\_\_\_\_ City \_\_\_\_\_

Nominated By \_\_\_\_\_ Phone \_\_\_\_\_

Submittal Contact \_\_\_\_\_ Phone \_\_\_\_\_

Company \_\_\_\_\_

Address \_\_\_\_\_

Email \_\_\_\_\_

Copies of this form are acceptable. If you have questions, please contact Karla Keller Torp at (952) 888-3490.

MINNESOTA SHOPPING CENTER ASSOCIATION  
8120 Penn Avenue South, Suite 464  
Bloomington, MN 55431

phone: 952-888-3491  
fax: 952-888-0000  
web: msca-online.com