



INSIDE THIS ISSUE:

| | | | |
|-------------------------------|-----|-------------------------------------|---|
| More Than a Mall..... | 1-2 | State of Retail Speakers..... | 5 |
| Minnesota Marketplace..... | 3-4 | State of Retail Trivia Winners..... | 5 |
| 2022 Holiday Predictions..... | 4 | Professional Showcase..... | 5 |
| New Members..... | 5 | Third Thursday Sponsor..... | 5 |
| Member News..... | 5 | Corporate Sponsors..... | 6 |

◀ CLICK ON THE ARTICLE TITLE TO LINK DIRECT TO THAT PAGE



More Than a Mall



by Katherine Lawless
REPRINTED WITH PERMISSION FROM MINNESOTA MONTHLY, NOV/DEC 2022

MINNESOTA MALLS ARE ANSWERING SHOPPERS' CALLS TO CENTER COMMUNITY AND CULTURE

Time and time again, we hear that shopping malls are on life support. Shopping centers around the country have faced a decline in annual visitors since the mid-2000s, amid the dawn of online shopping and the 2008 recession. And recent times have felt even more dire. By the end of 2020, the COVID-19 pandemic had reduced mall visitation across the country to less than half of what it was in 2019, according to a shopper analytics company. Pandemic-era consumers have become used to the perks of shopping online, and malls continue to deal with vacancies and lost revenue. In Minnesota, shopping centers have lost anchoring department stores and need new tenants and new draws.

But forget what you heard. In a new book, design critic Alexandra Lange says malls have a lot of life left. *“Meet Me by the Fountain: An Inside History of the Mall”* argues that the future of malls lies in the inclusion of community-oriented experiences, such as diversified food courts, health care clinics, recreation centers, and cultural events.

Lange appears to have a point. Earlier this year, CNBC reported that retailers had net store opening increases in 2021 after several previous years of net declines, and suburban retail center traffic has nearly returned to 2019 levels.

Locally, Minnesota malls are defying expectations with new offerings and openings. In Eden Prairie, the Asia Mall is set to become the Twin Cities’ first pan-Asian mall, anchored by an Asian grocery store, decorated with East Asian designs, and home to a Japanese gift shop and restaurants serving food from China, Vietnam, and Korea. Marshall Nguyen, one of the lead agents in its development, told the Star Tribune he hoped the mall would serve as a centralized location for Asian groceries and a “one-stop shop or family gatherings and parties.”

In the context of Lange’s book, the Asia Mall may join a lasting lineage of Minnesota shopping centers that have set the template for malls—and have worked to keep it relevant since then.

LIFESTYLE CENTERS

For many who grew up pre-internet, shopping malls were a first taste of freedom. Parents approved of these sheltered community areas, and kids flocked there to work first jobs and exercise newfound purchasing power. Here, teens could get their ears pierced, pick out prom dresses, see fledgling pop stars like Britney Spears—or simply waste time, like the characters in 1995’s *“Mallrats”* (filmed at



LOCALLY, MINNESOTA MALLS ARE DEFYING EXPECTATIONS WITH NEW OFFERINGS AND OPENINGS.

– continued on page 2

CONTINUED: More Than a Mall

Eden Prairie Center). For older Americans, malls have provided a weather-proof public space with access to food, escalators, benches, and bathrooms, which make them perfect for daily walks—hence the moniker “mall walkers.”

This has all gone more or less to plan, Lange says. In tracing the history and cultural significance of American shopping malls, she outlines their original, lofty goal. After World War II, the United States saw exponential growth of suburban neighborhoods, but these areas lacked central gathering places—especially for women and children, who were otherwise isolated in the home. Malls were intended to fill that void.



Minnesota helped lead the way. The nation’s first enclosed shopping mall was Edina’s Southdale Center, a project that opened in 1956 and was commissioned by the Dayton Company. For the design, the Dayton family, known for department stores,

brought in “the father of the shopping mall,” Austrian architect Victor Gruen. Functionally, it had to be enclosed because “[Minneapolis] was either buried in snow and bitter cold in winter, or scorching hot in summer, or rained out in spring and autumn,” wrote Gruen when describing the project.

Lange writes that Gruen imagined a climate-controlled community hub with access to many shops as well as medical centers, schools, and even residences. While that dream was not fully realized in the mid-’50s, many American malls have continued to strive toward Gruen’s multi-purpose model in their own ways over the last 70 years, Southdale included.

Today, mall visitors can get a workout at the Life Time fitness center at Southdale, right after seeing a movie at the mall’s AMC movie theater. Life Time has proposed a 32-story residential high-rise at Southdale, too, to develop a “curated living project.” Other malls have similarly made the transition into “lifestyle centers,” a term referring to multi-use entertainment and retail spaces that rose in popularity in the late 1980s and ’90s.

The Shoppes at Arbor Lakes in Maple Grove has a day spa and a Planet Fitness, plus an indoor play area for kids. Roseville’s Rosedale Center has hosted several fashion shows in the last year that center on different themes—such as the religious holiday Eid and differently abled models. This is part of Rosedale’s push for inclusivity at the mall, says representative Lisa Crain. Decades after Southdale opened, Mall of America, the largest retail and entertainment center in North America, has reeled in shoppers

with attractions like the Nickelodeon Universe theme park, Sea Life Aquarium, and two upscale hotels attached to the mall.

Eden Prairie Center has added several new entertainment options for shoppers, in hopes that the mall will serve as a community gathering space. “As we move into this next phase of retail, we have been thrilled to introduce a growing list of entertainment offerings,” says the mall’s senior general manager, Nancy Litwin. That includes Sandbox VR, Tactical Urban Combat, Hi-Five Sports Zone, and Safari Adventures. Local malls have also hosted drag shows and Halloween events.

Looking to the near future, Lange hypothesizes that instead of department stores, food halls will anchor the modern mall. Rosedale Center recently finished a \$100 million renovation that includes Potluck, a food hall celebrating Minnesota’s culinary greatness and offering an opportunity for “local operators that are looking for a venue to try out their concepts or open a second location,” Crain says. Similarly, Mall of America started offering Minnesota State Fair food year-round at the dining and entertainment hub The Fair on 4.

Food-centric malls also provide an opportunity to appeal to suburban ethnic minorities, an underserved but powerful part of the suburban community, Lange writes. She notes that malls can diversify by appealing to the “ethnoburbs,” or residential areas with large minority populations. In the Twin Cities, that means reaching the many families who have roots in Latin America, Somalia, Laos, Vietnam, and other countries. And that’s where the Asia Mall comes into the picture.

Lange writes, “By the 2010 census, 62% of Asian Americans lived in the suburbs of the 100 largest U.S. cities, making such malls a necessary and ubiquitous part of 21st century suburban life.” Whether it’s by celebrating culture, developing food halls, or investing in entertainment options, the malls that survive are the malls that center community experiences. Focusing on the social and wellness needs of shoppers may just be the future of malls. ■

MSCA IS CURRENTLY LOOKING FOR COMMITTEE MEMBERS FOR 2023!

Come join a committee, build collaborative relationships and take on new opportunities. Your contribution will not only enhance and continue to strengthen MSCA but will also build your professional network!

CLICK HERE to review the committees and let us know where you want to get involved!



Minnesota Marketplace

- ▶ New to the Twin Cities, **FLOOR & DÉCOR** is now open in Maple Grove and recently opened with their second location in Woodbury.
- ▶ **PEOPLE'S ORGANIC** opened at Plymouth Town Center.
- ▶ **PENNY'S COFFEE** in Wayzata and downtown Minneapolis have closed until further notice.
- ▶ **APOSTLE SUPPER CLUB** is now open across from St. Paul's Xcel Energy Center. **KHYBER PASS CAFÉ** in St. Paul has closed.
- ▶ Check out **BENNETT'S CHOP & RAILHOUSE** in downtown Hudson.
- ▶ **CHLOE** by Vincent Francoual will open this month in Minneapolis. **ROCK BOTTOM BREWERY** quietly closed in downtown Minneapolis after a 30-year run in the Lasalle office building. **SEVEN STEAKHOUSE SUSHI & ROOFTOP** on Hennepin Avenue has pulled the plug for good. Chef, Daniel Del Prado launched French-inspired restaurant **BLONDETTE** and cocktail-focused lounge **MIAOU MIAO** at the **RAND TOWER HOTEL**. **NICOLLET DINER** has relocated to the former Ichiban's across from the Hyatt in downtown Minneapolis. Justin Sutherland's **NORTHERN SOUL** concept is now open on the rooftop deck at **TIES LOUNGE**. **TOM'S WATCH BAR** to open in downtown Minneapolis' City Center soon. **801 FISH** will move into **MCCORMICK & SCHMICK'S** space in downtown Minneapolis.

- ▶ **EARL GILES RESTAURANT AND DISTILLERY** opened in Northeast Minneapolis.
- ▶ **FOLLY COFFEE CAFÉ & JINX TEA BAR** is now open in the Linden Hills neighborhood. Formerly the business was a stand-alone Jinx Tea Bar. **CLANCEY'S** has left its original location in Linden Hills and moved three miles away.
- ▶ **SMASH PARK** plans to open its first Twin Cities pickleball restaurant venue in Roseville later next year. The company is searching for a second site in the market.
- ▶ **FRGMNT COFFEE** adding locations in Mill District and St. Anthony Main.
- ▶ **SCHMITT MUSIC** has opened its new headquarters and flagship store in Bloomington along Highway 494.
- ▶ The fast casual restaurant **GYROPOLIS** is planning a major expansion in Bloomington.
- ▶ Independent eatery, **KITCHEN AND RAIL** opened in Eagan.
- ▶ **COSTCO** locked in land for their 10th Twin Cities store in Chaska in the Oak Ridge development. Look for the Washington state based discount warehouse retailer to open fall of 2023.
- ▶ **ASIA MALL** in Eden Prairie is now open in the former Gander Mountain space along Highway 5.

- continued on page 4



by Lisa Diehl,
DIEHL AND PARTNERS, LLC



by Jesseka Doherty,
MID-AMERICA REAL
ESTATE – MINNESOTA, LLC

**2023 MSCA
ADVERTISING AND
SPONSORSHIP
OPPORTUNITIES
NOW AVAILABLE**
based on first come,
first served.

CLICK HERE for the
advertising/sponsorship
menu.



CONTINUED: Minnesota Marketplace

- ▶ The serve-yourself wine bar, **WINESIDE WINE BAR & MARKET**, along with **TOP TEN LIQUORS**, are open in the former Champps space in Minnetonka at Ridgedale in Bonaventure Mall. **THE NORTH FACE** is coming to Ridgedale Center in Minnetonka.
- ▶ Women’s apparel and accessories retailer **JAX & HENLEY** opening its first Minnesota store at Rosedale Center.
- ▶ **SPYHOUSE COFFEE** is expanding and opening a location in Rochester, its seventh location.
- ▶ Minnesota Author and new restaurateur, **MOLLY YEH** is opening her first restaurant in East Grand Forks. She also has a line of cookware and accessories coming out at Macy’s.
- ▶ **DRYWIT**, a wine-like beverage developed by Peder Schweigert, a former Marvel Bar manager, has opened one of the first non-alcoholic bars in the Twin Cities.
- ▶ Canadian based, **RUMBLE BOXING** will open on the ground floor of Nolo’s Viridium in the North Loop.
- ▶ **KFC** is set to open in the County Market retail development in North Branch.
- ▶ **SWEET GREEN** is now open at the Galleria, along with **SWEET IVY, PARACHUTE, MADEWELL, INTERIOR DEFINE** and **ROTHY’S**.
- ▶ **CHASE BANK** boosts expansion plan for Twin Cities. A location recently opened in Edina at France Avenue and 70th Street.
- ▶ **WING’S FINANCIAL**, Twin Cities’ largest credit union is expanding to Wisconsin.
- ▶ **MALL OF AMERICA** adding tattoo parlor, climbing park and **MUSEUM OF ILLUSIONS**.
- ▶ **MERRELL** opening store at Twin Cities Premium Outlets in Eagan months after closure at MOA.
- ▶ **TARGET** will add Apple mini shops to their stores.
- ▶ **NORDSTROM RACK** is closing its downtown Minneapolis store.
- ▶ A new furniture store has opened in Forest Lake, **YETZER HOME STORE**, as well as **MICHAEL’S ARTS & CRAFTS**.

2022 HOLIDAY PREDICTIONS

If this year’s trends reveal anything, it’s that we’re all seeking a little more comfort and joy right now. Despite citing fears of inflation and the still continued rising costs of transportation and utilities as deterrents to holiday spending, most consumers have said in a recent survey they plan to spend the same or more this holiday season as they did last year.

Consumers started their shopping early this fall due to a number of factors. Retailers looking to reduce their overextended inventory with sales is the main reason. It is anticipated holiday sales from Black Friday and Cyber Monday all played a bigger role this year. There is also a growing impact of social media influencers with holiday purchases.

HOLIDAY RETAIL SALES ARE LIKELY TO INCREASE BETWEEN 4% AND 6% IN 2022, according to Deloitte’s annual holiday retail forecast. Overall, Deloitte’s retail and consumer products practice projects holiday sales will total \$1.45 to \$1.47 trillion during the November to January timeframe. In 2021, holiday sales grew by 15.1% in the same period.



WELCOME NEW MEMBERS

Matt Fitzsimmons..... Great Southern Bank
 Mike Pierson..... Dering Pierson Group, LLC
 Nicholas Erickson..... H&H Contractors
 Joshua Calhoun..... Flynn Midwest LP
 Kelly Ramstad..... CSM Corporation

MEMBER NEWS

CONGRATULATIONS to **Mark Robinson** for winning the MNCAR Broker of the Year and **Melissa Bjornson** for winning the MNCAR Volunteer of the Year.



NOVEMBER STATE OF RETAIL SPEAKERS: (L TO R)

Jim Hornecker..... Cub Foods (*moderator*)
 Jesseka Doherty..... Mid-America Real Estate –
 (*State of Retail Co-Chair*) Minnesota, LLC
 David Wellington..... Wellington Management, Inc.
 Chris Simmons..... Transwestern
 Matt Hazelton..... JLL – Capital Investments



NOVEMBER STATE OF RETAIL TRIVIA WINNERS: (L TO R)

Ned Rukavina..... Cushman & Wakefield
 Stefanie Meyer..... Mid-America Real Estate – Minnesota, LLC
 Barb Chirinos..... Old Republic Title
 Amy Senn..... Mid-America Real Estate – Minnesota, LLC
 Juan Catera..... NAI Legacy
 Michael Houge..... NAI Legacy



SPECIAL THANKS TO GARDNER BUILDERS

FOR BEING OUR NOVEMBER PROFESSIONAL SHOWCASE.



THANK YOU TO ROCHON

FOR BEING OUR NOVEMBER THIRD THURSDAY SPONSOR.

THANK YOU TO OUR MSCA 2022 CORPORATE SPONSORS

