LOWERTOWN

A Report of the Lowertown Redevelopment Corporation
Saint Paul

PUBLIC AFFAIRS LIBRARY
UNIVERSITY OF MINNESOTA

THE LIBRARY
REGENTS OF THE UNIVERSITY OF MINNESOTA
OMNIBUS ARTIBUS COMMUNE VINCULUM
Wilson
Library

WILS
AEF0760-2

EXECUTIVE SUMMARY

Seven years ago, there was a vision for the Lowertown district, the eastern one-third of downtown Saint Paul.

Today, that vision is well on its way to becoming reality. Thirty-five projects, in varying stages of renovation, restoration, or new construction, involve more than $350 million of public/private investment, and range in scope from Galtier Plaza to affordable housing for artists.

The Redevelopment Program is administered by our independent, nonprofit, Lowertown Redevelopment Corporation. Our role varies from project to project, sometimes serving as a catalyst, other times as a generator or motivator, but at all times holding to our responsibility for maintaining the perspectives, standards, and overall goals of the Program.

Lowertown . . . where an exciting urban village is being created through the union of historic preservation and new construction.

Thanks to Mayor George Latimer's leadership, and the support of City Council members, the enterprising spirit of the City has been most favorable for redevelopment.

The program has also benefited from the active participation of the City's Planning and Economic Development Department, and the Port Authority of Saint Paul.

Federal, State and City agencies, foundations, banks, and many community organizations and individuals, including those who serve voluntarily on LRC's Board of Directors, have made valuable contributions.

The Lowertown Redevelopment Program has impacted construction and permanent jobs, property and sales taxes, and commercial life. The results of an Economic Impact Study of the period from January, 1979, to June, 1985, are most encouraging.

Existing and under-construction projects created 3,086 construction jobs; committed projects will add 350 construction jobs.

PUBLIC AFFAIRS LIBRARY
UNIVERSITY OF MINNESOTA

On the basis of 1985 estimates, permanent employment resulting from existing, under-construction, committed, and planned projects will jump to 7,900 jobs, up from 3,600 jobs in 1978–an increase of 4,300 permanent jobs when buildings in the affected blocks are fully occupied. Such employment will be diversified and in keeping with Saint Paul's "home grown" economy.

Property taxes, a practical measure of what enterprise can return to the community, will generate approximately $3.9 million in 1985 revenues. In contrast, property taxes for the total Lowertown area were $852,000 in 1978.

Sales tax revenue is another by-product of the redevelopment program. It is estimated that existing retail stores and restaurants generate $571,000 in sales taxes annually; projects currently under construction will generate about $1,047,000, using 1985 tax dollars.

There are sound reasons for confidence in the future of Lowertown. The scope, variety, and quality of the newly established projects provide an economic base for continuing development. Gap financing, design review, and marketing, as provided by the LRC, have proven effective and can be applied with skill to new projects. The LRC has substantial assets, and prudent use will be made of them in evaluating the needs of proposed projects. Repayments of earlier loans will enhance the Corporation's assets, and as required by new demands, new sources of revenue will be explored.

Many development opportunities remain near the Mississippi River and in the North Quadrant. There is space for light industry in the southeastern sector of abandoned railroad tracks and parking spaces. Twenty of thirty-nine buildings designated on the National Register of Historic Places are available for adaptation to new uses, at great tax advantage; and even though this tax advantage may be reduced in the years ahead, great values will still exist in the properties.

The development of Block L (just south of Burlington Center) is already under way. Public television station KTCA (Channel 2) will locate extensive new facilities in the block, and the developer has a mix of other projects under consideration.

Overall, according to earlier estimates, the entire area can still accommodate additional investments of more than $400 million.

The basic reasons for investment in Lowertown have strengthened over the years. The proximity and functional relationship of the area to the City's traditional downtown core of retail, office and financial space, has been considerably enhanced by such significant downtown developments as Town Square, Ordway Theatre, Science Museum, and the World Trade Center. The downtown skyway system continues to grow by extensions throughout Lowertown. Mears Park, the Mississippi River, and such newly-added amenities as the magnificent new YMCA, diverse and attractive housing, a variety of new restaurants, rejuvenated Farmers Market, increased arts activities, and the revival of downtown movies, will have a continuing favorable effect.

In retrospect, it is well to remember that the Lowertown Redevelopment Program would not have been possible without the generous funding, vision, and support of the McKnight Foundation, to which the community owes considerable thanks.

Philip H. Nason
President

Weiming Lu
Executive Director

January 1986

DOWNTOWN AND LOWERTOWN

Lowertown, an historic name in Saint Paul, sprang from the City's early days when Mississippi steamboats docked at Lower Landing. As the City progressed, the citizens identified their newly-forming office, financial and retail center as "downtown"–and its railroad and wholesaling area as Lowertown. So it remains to this day. Both areas are contiguous and border one another at Jackson Street.

Lowertown benefits from its close proximity and functional relationship to Saint Paul's traditional downtown. And downtown benefits from the evolving special character of Lowertown.

An extensive skyway system connects the two areas, and is now being extended throughout Lowertown. Workers, shoppers and visitors find great mobility, convenience and comfort in using the second-level, climate-controlled walkways to go anywhere they like throughout the entire downtown district.

The downtown area of Saint Paul has changed considerably in recent years. More than $700 million has been invested in such major projects as Town Square, the renewed Saint Paul Hotel, the Science Museum, the restored Landmark Center, and most recently, the magnificent Ordway Theatre. Additionally, a new World Trade Center, a $100 million complex now under construction, will add new dimensions to Saint Paul's economic and cultural life.

Lowertown Gift
8124187

A GLIMPSE OF THE BEGINNING

In 1978, Mayor George Latimer had a vision of new life for Lowertown–the neglected eastern one-third of downtown Saint Paul. He saw tremendous potential in this former railroad/wholesaling area. The McKnight Foundation breathed the first spark of life into his vision when it committed $10 million for administration and project related investments.

To provide professional administration for the program, the McKnight Foundation, City Government, and local civic and business interests, set up an independent, non-profit organization–the Lowertown Redevelopment Corporation (LRC). A Board of Directors, representative of the community, directs the policies of the Corporation.*

It was agreed that the LRC should function in three major areas–gap financing, design review, and marketing, and that the Corporation would devise a development strategy and design framework for Lowertown that would be compatible with the generalized plan for the City. Together, these mechanisms would provide the means for guiding redevelopment in a proper manner and context.

Importantly, private investors and developers, responding to market opportunities, came forward with project proposals. The redevelopment program, calling for a mix of housing, offices, retail stores, restaurants, theaters, and other facilities, attracted different types of projects.

Many community organizations contributed to the renaissance in Lowertown and helped shape its character. Preservationists, the Planning Commission, several downtown groups, the Lowertown Community Council, Saint Paul Chamber of Commerce, and many others, all participated, each in their own way and in accord with their particular area of interest.

**See page 36*

Public/private partnership works successfully in Saint Paul–and in Lowertown. Sustained effort by this partnership has created substantial development momentum. This forward thrust will become even stronger because community leaders are determined to capitalize on what Saint Paul has accomplished.

THE ARTS IN LOWERTOWN

The arts contribute to the character of Lowertown. Artists, sculptors, photographers, writers, dancers, and others in art fields, live and work in the area. Art organizations like the Minnesota Opera Company, Film in the Cities, Saint Paul Arts Collective, Downtown Dance Center, and the Eclectic Company, headquarter in Lowertown. Gallery exhibits and art festivals feature the works of area artists.

In keeping with the Lowertown Redevelopment Program, the LRC has worked in practical ways to strengthen and encourage the growth of the arts in the area.

Redevelopment quite often affects studio housing for artists; low cost housing in old substantial buildings frequently becomes unaffordable when living standards are improved in renovated buildings. To aid those caught in the economic squeeze, the LRC has helped in providing new studio housing through City assistance, foundation grants, developer investment, and the Corporation's provision for loans and guarantees. The Lowertown Lofts, an artist cooperative, is an example.

By providing a center for people who are productive and active in the arts, the LRC hopes to attract great numbers of people to Lowertown–Twin Cities residents, tourists, hotel guests, and conventioneers–who will purchase artworks and enjoy performances. Investors and developers are encouraged to include the arts in their planning.

GALTIER PLAZA AND THE YMCA

One of the key projects shaping the new Lowertown is the $100 million Galtier Plaza, now nearing completion. Having opened in November, 1985, it has become one of Lowertown's featured attractions.

This mixed-use square block complex combines the preservation of historic buildings with new construction. The facades of the Sperry and Aslesen buildings on Sibley Street were saved and have been reinstalled. The historic McColl Building, on the corner of Jackson and Fifth Streets, was restored and put to good use.

New construction is creating Saint Paul's tallest skyscraper, the 46-story Jackson Street Condominium Tower on Sixth Street. On the opposite corner of the block, the 32-story Sibley Street Apartment Tower has been built. An exclusive, rowhouse-style condominium building will overlook lovely Mears Park.

Galtier Plaza will offer 60,000 square feet of office space, and parking for 815 cars in a five-level, below-street facility. The magnificent glass-roofed plaza will provide an exciting home for some 70 shops, boutiques, excellent restaurants, and four first-run movie theaters.

The LRC guided the Galtier Plaza project from its beginning. First–the Corporation brought building owners together to conduct market feasibility and design studies, helped pay the front-end expenses, and recruited the Boisclair Corporation and Omni Ventures Limited as developers. Then–it provided a $2 million subordinate loan to help the feasibility of the retail, commercial, and parking parts of the project.

LRC's design review helped create an appropriate design program for the project. It assured a specialty shopping center above a critical mass, suggested locations and configurations for the housing towers in order to reduce building masses to a more appropriate scale, and assisted in the development of criteria for preserving the historic facade. The LRC also helped mediate a conflict between the City and the developer on skyway location and design. In each of these design issues, the LRC was striving to balance area-wide and developer interests.

Skyway YMCA A new $6 million YMCA, completed and operating, is part of the Galtier Plaza complex of buildings. The LRC was instrumental in bringing the two interests together and, at one point, provided a $2 million loan guarantee as an enticement to the "Y" for locating in the complex. Later on, the YMCA fund-raising was successful, and the guarantee was rendered unnecessary.

The ambitious and complex Galtier Plaza is a symbol of the new vision and vitality in Lowertown, and the Skyway "Y" is a major contribution to it.

PARK SQUARE COURT

Constructed in 1889, the Park Square Court Building is an excellent example of how an historic structure can be converted into an attractive, income-producing property.

Located at the crossing of Sixth and Sibley Streets (the northwest corner of Mears Park), it formerly housed a clothing manufacturing plant and warehouse. Early efforts to rehabilitate the structure were unsuccessful, and a new developer, Hayber Associates, was recruited.

Photograph: Uniqueness is apparent in this glass-walled-and-roofed area of Galtier Plaza that brings the light of day into a magnificent plaza of boutiques, retail stores, restaurants, and movie theaters.

With design review assistance from the LRC, as well as a loan guarantee, the building was converted to a marketable property.

A six-level atrium became a major feature of the redesign. Two smaller atriums, insulated windows, upgraded mechanical systems, and new elevators, were added. A vacated alley on the east end of the building was converted to an attractive building entrance to provide additional rentable space.

Today, thanks to the enterprising developer, the upper floors are almost 100% leased, and three attractive and popular restaurants occupy the ground floor.

The LRC provided a $1.2 million loan guarantee that was essential to assure project financing for the developer. The creative design dialogue between the LRC and the developer resulted in a more attractive and practical building–as well as more profits for the developer. Seventy percent of the building space is leasable and it is fully leased today.

EMBASSY SUITES HOTEL

The Embassy Suites Hotel (formerly the Granada Royale Hometel), located at Tenth and Jackson Streets, is a welcome addition to Lowertown. It has 210 suites, a fine street-floor restaurant, a dramatic central atrium and extensive outdoor parking space.

The project created problems when it was proposed for the site of Saint Paul's beloved and traditional outdoor Farmers Market. Controversy erupted when growers opposed tearing down the Market's time-worn and out-moded facilities to make way for the hotel. The LRC assisted the City in developing an acceptable and satisfactory solution.

The LRC spoke against designation of the old sheds as historic landmarks, urging instead that the City Council relocate the Market to another Lowertown site. This process, spearheaded by the Mayor's office, helped secure the Market site for developer Robert Woolley.

Even though the site problem was settled to the satisfaction of all interests, problems of another nature arose. The Southwestern-based chain, Granada Royale Hometel, proposed architecture with a strong Spanish influence, a style incompatible with neighboring Lowertown structures.

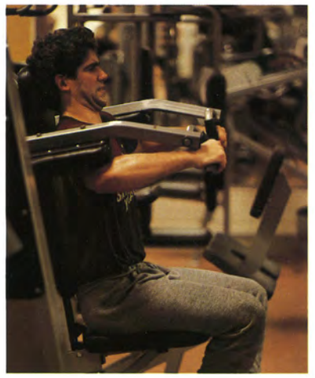
The LRC's design review process helped find a satisfactory solution. More appropriate facades, brick detail, lighting, and other design elements were suggested and accepted. The process also resulted in a better location of the hotel on the property, which reserved the eastern half of the site for future development.

The recommendations resulting from the design review process so enhanced the project that the hotel chain hired LRC's consultant as architect for the project, and subsequently, for two other hotels located in other cities.

FARMERS MARKET

Open-air marketing of fresh produce and specialty foods at Lowertown's traditional Farmers Market takes on added significance at its new location in the block bordered by Fourth and Fifth Streets, and Broadway and Wall Streets. It is in the heart of Lowertown's newly-developing residential neighborhood where more than 1,000 new apartments and condominiums are under construction. More than 50,000 visitors patronize the market during its selling season, coming from throughout the Twin Cities and the Minnesota/Wisconsin trade territory.

Photograph: A whole new world of exercise and athletics opened to downtown workers and residents upon completion of the Y's modern quarters and facilities in Galtier Plaza's complex of buildings.



BURLINGTON CENTER

The historical significance of Lowertown springs in part, from its importance as a railroad center during the early years of the century. Two of the largest railroad buildings in the area–the Burlington Center and Union Depot Place–are playing an important part in the resurgence of Lowertown. Both structures are being restored to their former grandeur.

Burlington Center was called the Railroad Building in 1914, when it was built by James J. Hill, Saint Paul's famous railroad magnate. Designed by Charles Frost, it housed the offices of the Northern Pacific and Great Northern Railroads. An impressive first floor was occupied by the First National Bank of Saint Paul. When the Burlington Northern was formed from railroad mergers, the building was renamed in honor of the new entity. From the standpoint of floor space, it is downtown Saint Paul's largest office building.

Four important divisions of the Burlington Railroad will remain in the upper floors of the building. Lower floors are being converted to retail and service stores, and additional offices. New skyways will connect the Center to the rest of downtown.

One of the unique features of the Center is the original "Great Hall," which is being restored, updated, and returned to public use as an impressive civic space. An adjacent auditorium has been leased and will be used by the Film In The Cities, a nationally respected arts organization that plans a year-around presentation of artistic and innovative films, lectures, and exhibits for the public.

The Palmer Group of the Twin Cities is the new owner and developer of the Center. Upon their request, the LRC worked with their principals, spoke to their lenders, prospective tenants, and assisted in exploring various options for the use of the Center's auditorium, and in obtaining proper exposure of the project.

UNION DEPOT PLACE

Saint Paul's best-remembered symbol of the fine rail transportation service the community enjoyed for well over half a century was the old Union Depot in Lowertown. With the decline of the railroad industry, the grand old building stood vacant for more than ten years–until a visionary developer saw the unique charm and economic potential of the structure, and undertook the challenge of restoration and development.

Physical improvement and aesthetic treatment of the building has restored it to its former glory. Revitalized, Union Depot Place opened with three new fine restaurants and an art gallery. Continental Cable Television, a major office tenant, has its headquarters on the second floor. Restoration is continuing as new office, restaurant, and retail tenants are signed.

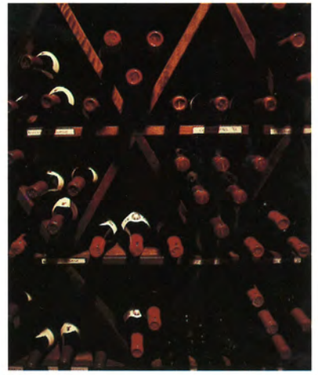
Asset Development Services is the owner and developer. The LRC, upon request from the developer, worked closely with the principals in the selection of a highly-qualified project architect for the unique structure. LRC also helped recruit a fine restaurant to serve as an "anchor" for the project. Initially, the LRC provided a $520,000 loan guarantee for this mixed-use project. However, falling interest rates, and receipt of a federal urban development action grant, nullified the need for that guarantee.

HERITAGE HOUSE

The Butwinick Family, owners of an historic building erected in 1884, wanted to improve their property. Their furniture store occupied the first floor and basement; five upper floors were vacant.

The LRC worked with the developer, the Stuart Corporation, to adapt the almost block-long structure to 58 affordable rental units for the elderly and handicapped, while retaining the first floor for business occupancy.

Photograph: A last minute check by the maitre d' before the dinner guests arrive personifies the care and attention given in the variety of new restaurants in Union Depot Place and throughout Lowertown.



Through the LRC's design review process, working in concert with the State Historical Society and the developer's architect, the owners were able to accomplish their objectives by renovating the building in accord with federal historic rehabilitation standards, thus allowing them the advantage of substantial tax credits. Atriums were cut into the center of the building, with units designed to face the light court. A community room, game room, and the court, provide shared space, and a private elevator entrance offers easy access. The City of Saint Paul, and the LRC, each provided gap financing of $120,000 for this $3 million project. Newly named the "Heritage House", the building was 100% leased to delighted tenants within three months after completion.

MARKET HOUSE

Restoration and conversion of this furniture warehouse building is typical of what can be done with many older structures in Lowertown. Innovative planning and the addition of modern amenities created attractive accommodations for downtown living. The building has 60 condominiums, community spaces, an ethnic restaurant, and a number of offices related to graphic design, advertising, and other creative businesses. All of the condominiums have been sold, and leasing is under way for more retail stores and offices on the lower floors.

The LRC first assisted this $8.5 million project by helping recruit an experienced developer, Panama Flats Corporation, as a partner. The LRC then committed up to $300,000 in equity participation loans to help moderate income individuals and families purchase condominiums in the housing aspect of the project.

BUSINESS AND TECHNOLOGY CENTER

Founded by Control Data Corporation to provide specialized services, facilities and space to small businesses, this innovative facility, was the first project (May, 1979) initiated after the announcement of the Lowertown Redevelopment Program.

Space and technically-oriented equipment is leased at low cost. Computer, accounting, and secretarial services can be shared, and office and manufacturing space is leased on a flexible basis.

The Center is housed in an eight-story renovated industrial building in the heart of Lowertown. During initial planning to prepare the structure for the Center, early recommendations called for a new facade on the building. It was on this point that the LRC design review process brought forth the merits of retaining the historical facade; the consequent saving was $460,000.

LOWERTOWN STREET LANDSCAPING

Recognizing that practical and aesthetic "touches" along the streets, sidewalks, and other outdoor areas of Lowertown would contribute greatly to the charm, acceptance, and livability of the evolving urban village, the LRC worked with City agencies, property owners, and developers in adding accouterments and improvements.

Turn-of-the-century lampposts and glass-walled ornamental bus waiting stations were installed. Trees were planted on sidewalk areas, with protective iron grillwork to assure better survival. Design studies were financed by the LRC, and the Corporation worked to persuade property owners to share in the project costs. The Transit Commission and city agencies were persuaded to share responsibility for maintenance of the bus shelters.

LRC SERVICES FOR INVESTORS/DEVELOPERS

The Lowertown Redevelopment Corporation is a resource for prospective investors and developers. In addition to three major services outlined below, the LRC offers market surveys, information on land use, zoning, parking, and other matters pertaining to development. A large, scale model of the Lowertown District, available in LRC's office, can be particularly helpful in visualizing the relationships between old, new, and proposed structures.

1. Gap Financing: Since financing problems range from the simple to the complex, and since no two projects have the same financing requirements, each must be analyzed to determine individual needs. If a project is in keeping with the LRC redevelopment program, LRC can participate in various ways, including front-end expenses, loans, loan guarantees, and other financing instruments.

While the financial role of the LRC is limited to gap financing, developers can also benefit by working with the City of Saint Paul and the Port Authority, two sources of major financing. The City, through its Housing and Redevelopment Authority, and its Planning and Economic Development Department, has been most creative in using various financial methods to help developers. The Port Authority, in existence since 1933, and with a current reserve of $850 million, has been extremely helpful in securing tax-exempt and other financing at a favorable rate for qualified projects in selected locations. In addition, LRC has excellent relationships with area banks and foundations, and is prepared to assist qualified projects in securing necessary financing. LRC's gap financing has been instrumental in many Lowertown projects, as documented in this report. The Corporation will continue to extend these services to qualified new developments.

2. Design Review: This service helps proposed projects achieve success by enhancing the project's marketability through the professional design review process that assures a project's compatibility with the Lowertown plan.

Design review can aid in site selection, building design, and adaptive reuse of historic structures. It can also help with skyway connections, lighting, landscaping, and the many design details that greatly influence a project's success and profitability. The review process is a creative, one-to-one dialogue between LRC and the developer, carried out so that it does not interfere with development schedules. The LRC method is to work cooperatively and creatively with developers, architects, city officials, state preservation officers, and all parties concerned with the development process. As demonstrated in the projects described in this report, LRC design review has contributed to the profitability and public acceptance of a number of Lowertown projects.

3. Marketing: When the redevelopment program started in 1978, Lowertown was largely ignored by the business community and the general public. Interest in the program and its investor opportunities had to be developed.

To create awareness, a thorough communication effort at local and national levels has been carried on since the Corporation was formed. LRC's public relations efforts run the full gamut of communications work–regular mailing of newsletters, distribution of printed materials, participation in ground-breakings and grand openings, slide film presentations to civic groups, and keeping editors and writers informed on the progress of the Lowertown Program.

The result has been development of positive attitudes about the future of Lowertown. With the help of developers, the Mayor's office, and others, LRC sees that each step of every project is publicized. This marketing effort, on behalf of the entire redevelopment program and its individual projects, assists developers in attracting national and regional enterprises to Lowertown.

Photograph: Downtown living becomes comfortable, cozy and convenient in this contemporary loft-style condominium in a renovated warehouse building.

NORTH QUADRANT

The schematic drawing on page 34 helps visualize the possible future look of Lowertown when its enormous potential is realized.

Opportunities abound for major developments in the North Quadrant. The proximity of the area to downtown, the State Capitol, and Ramsey Hospital, along with good freeway access, suggests that it will be excellent for housing. Lowertown's new amenities, the new YMCA athletic facilities, new restaurants, theaters, and shopping areas, increase the attractiveness of the location for downtown living. The addition of parks, greenways, a winter garden, convenience stores, and other amenities, would increase the livability of the area.

A judicious mix of old and new will give the North Quadrant a special ambiance. Townhouses, maisonettes, and garden apartments could be structures of moderate height, possibly not exceeding six stories. On selected locations at the edge of the neighborhood, high rise structures may be appropriate. And in a few remaining buildings, historic charm and investment advantages may encourage cooperative apartments and condominiums.

Attractive and convenient housing (both affordable and luxurious) can be made available to young people, empty-nesters, retirees, and others–all of whom form a growing market that can be met within the North Quadrant.

As might be expected, the attractiveness of Mears Park and its surrounding amenities has engendered specific projects.

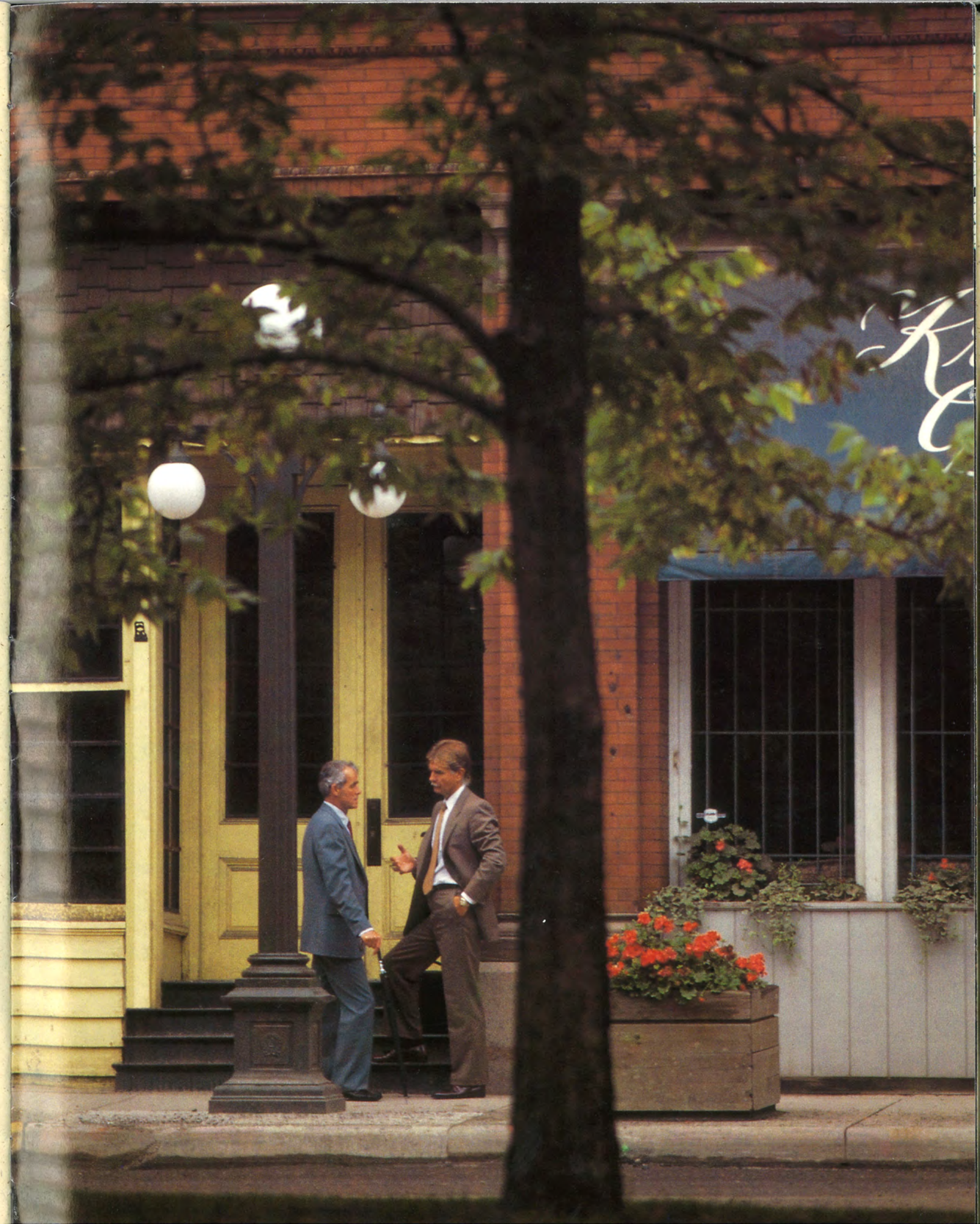
With housing a natural for the area, Galtier Plaza has come forward with two high-rise towers–347 apartments in one, and 120 condominiums in the other–and deluxe townhouses in the lower floors.

In contrast, a Philadelphia developer, Historic Landmarks for Living, has purchased the Milton, ATR, and Finch Buildings for restoration and the construction of a total of 425 loft-style apartments.

Renters of apartments and buyers of condominiums thus have more options from which to select their accommodations for downtown living. A residential neighborhood is developing, and the Fall and Winter of 1985-86 will find developers working hard to achieve early leasing, sales, and occupancy.

A potential still exists in the Mears Park area for rehabilitation and infill along the lines of what has already taken place. The area contains 12 blocks of warehouse buildings that are on the National Registry of Historic Places and thus qualify for tax credits. It is important that the character of the area be maintained in keeping with the overall concept for Lowertown.

Photograph: The greenery of Mears Park extends to the intimate shops, art galleries, restaurants, apartments, and condominiums that border the square, and sets the stage for the casual way of life in the entire area.



RIVER GARDENS PLAN

Riverfront properties, on the Mississippi, form the southern border of Lowertown and offer rare opportunities to developers and the City of Saint Paul. There is remarkable potential for parks, parkways, recreation, housing, and commercial development. In 1980, the LRC collaborated with the City in producing a River Gardens Plan to capitalize on the possibilities inherent in the waterfront properties.

The Plan suggests that Warner Road could be relocated as recommended by the Great River Road Plan. It stresses that sufficient acreage must be set aside for a major, fine public park. An attractive, active and interesting private and steamboat landing would be provided.

A river esplanade is possible by using air rights over post office property. A portion of this area could be devoted to the creation of a winter garden. High-rise housing and a hotel would offer river vistas. And because the riverfront is unobstructed by nearby high buildings, use of solar and wind energy can be explored.

The prospect of developing Lowertown's riverfront properties was enhanced in 1984 when Mayor George Latimer appointed a Riverfront Commission to study the potentials of all the Mississippi riverfront properties that run through Saint Paul–and to seek major funding from foundations and help to implement proposals that fit into an overall program. Projects in this area would allow investors and developers to benefit from proximity to both downtown and the riverfront. Since business life is intensifying in both downtown and Lowertown, it is easy to visualize a healthy future for the area.

INDUSTRIAL PARK

An Industrial Park for light industrial uses and warehousing is a distinct possibility for the eastern area adjacent to the LaFayette Bridge where an abandoned railyard could be made productive.

This area has the important advantage of being close to downtown, yet the land price is relatively modest. Part of the area is also in the State Enterprise zone, thus qualified for tax credits. Access to the area can be further improved by the proposed East CBD by-pass and the Warner Road realignment. By setting aside sufficient open spaces, a park-like environment could be created. Because of the proximity to the riverfront, water could be introduced to the area to become its distinctive feature.

Earlier estimates by LRC show that this area has a development potential of $26 million. In spite of the height and density constraints created by airport zoning, the LRC believes that the potential for this area should not be overlooked.

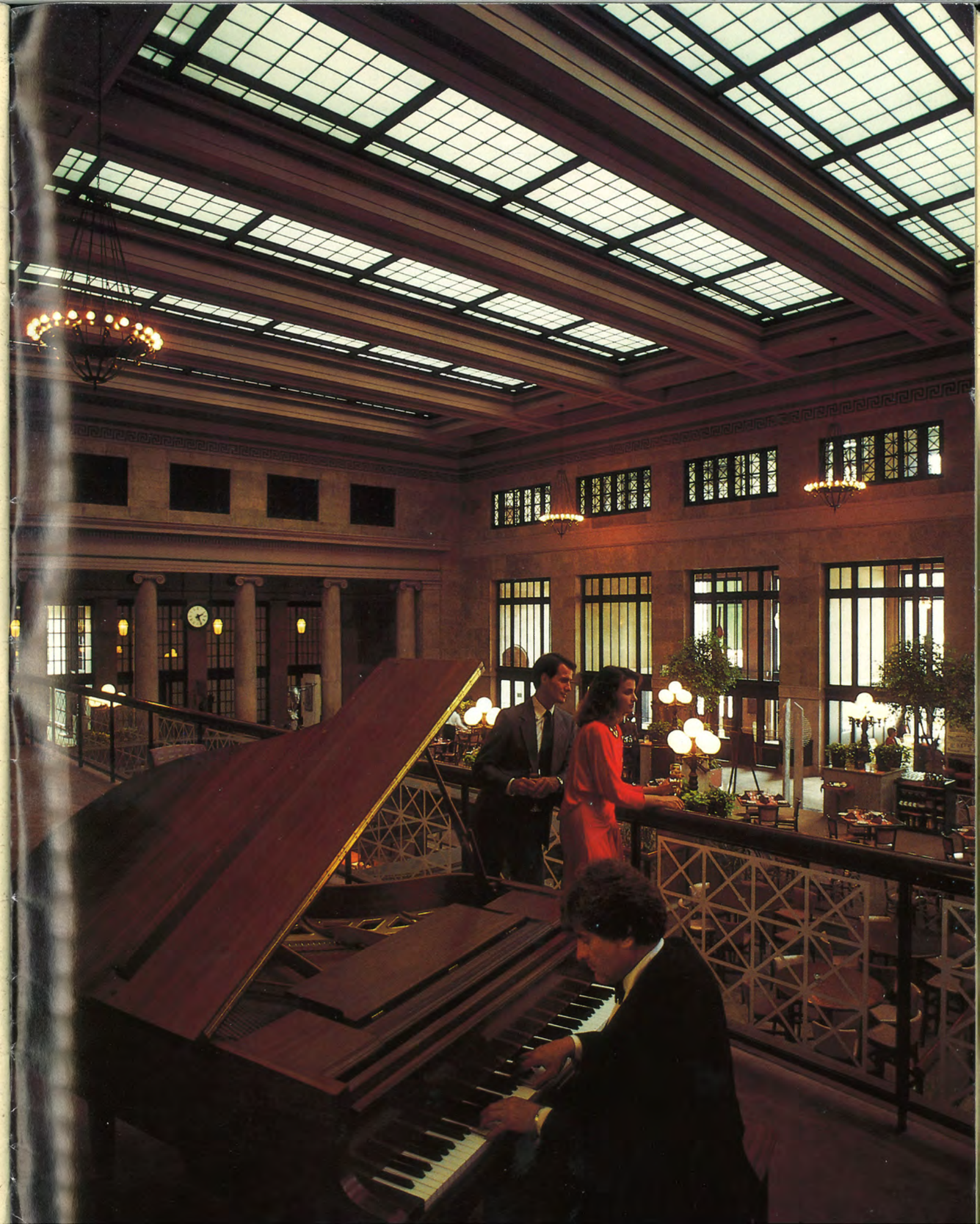
KTCA AND DEVELOPMENT OF BLOCK L

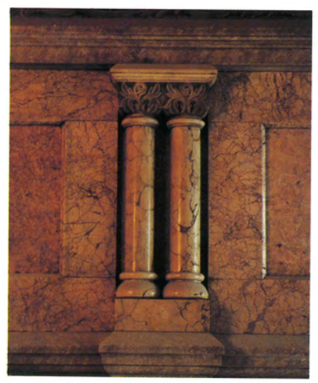
The square block of property bounded by Kellogg and Fourth, and Jackson and Sibley Streets, has had a special niche in Lowertown's redevelopment ever since the start of the Program. It is a prime site for a major project that will benefit from other nearby developments.

For more than a year, our Corporation, in collaboration with the City, has been working with the principals of Public Television Station KTCA (Channel 2) in the hope of interesting them in selecting it as the site for their new headquarters and station facilities. In September, 1985, the KTCA Board of Trustees selected Lowertown as the site for a proposed building.

The concept for the new KTCA includes telecommunications services useful to the new Minnesota World Trade Center, and other commercial enterprises. Plans call for additional structures and a parking ramp within the same block.

Photograph: A sense of Saint Paul's railroad history still remains in the restored Union Depot where people can partake of food in three fine restaurants. An art gallery and a cable television firm were early tenants, and will soon be followed by boutiques and retail stores.





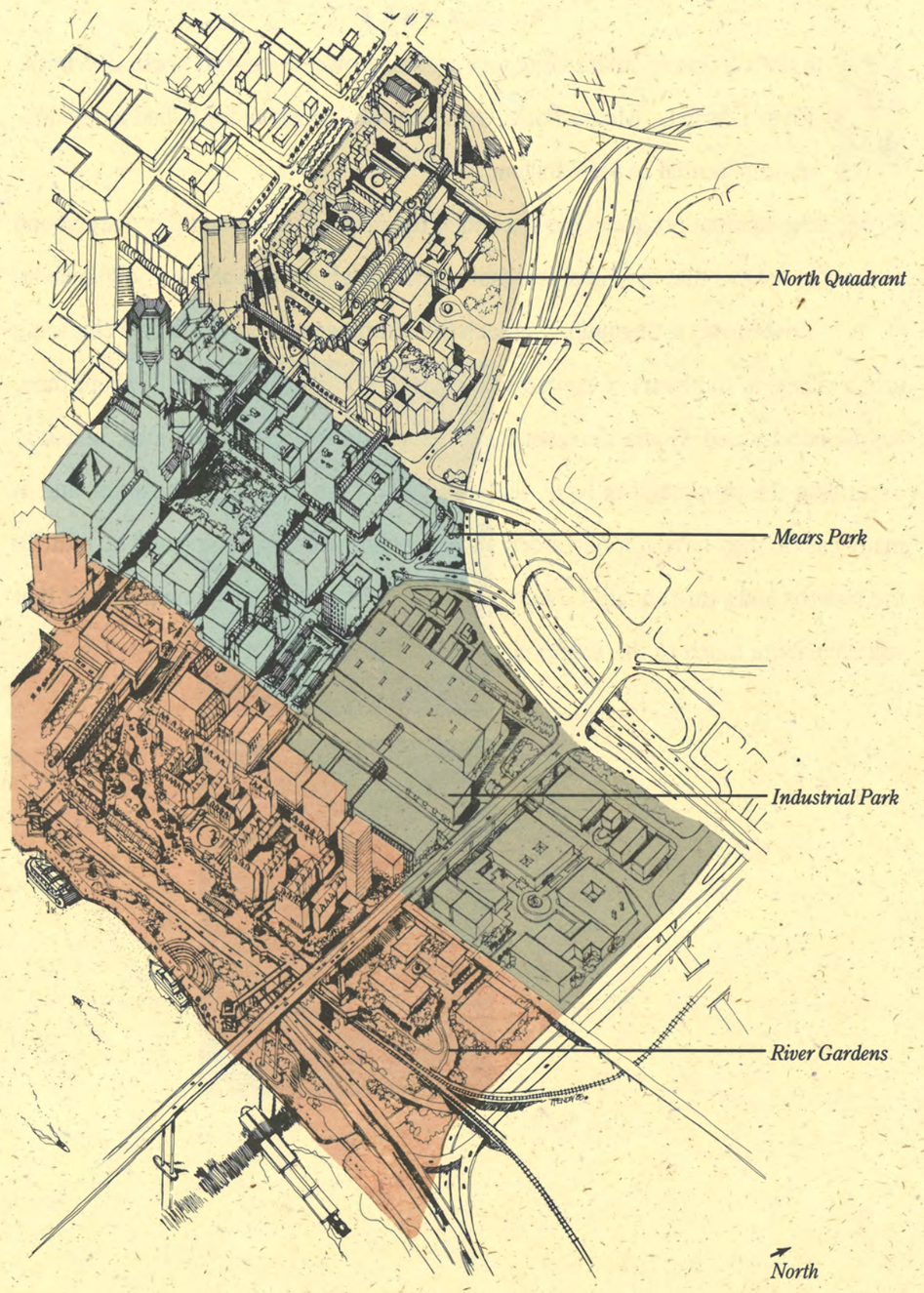
IN SUMMARY

In 1980, it was estimated that four areas in Lowertown–the North Quadrant, River Gardens, Mears Park Area, and the Industrial Park–had a development potential of $467 million.

So far, development progress has exceeded the original target and there are sound reasons to believe that the initial forecast should be adjusted to at least $600 million.

Lowertown is beginning to reach the ultimate goals set for it as a charming urban village in the heart of downtown, where people can live, work, shop, dine, and be entertained. Goals were set for construction and permanent jobs, housing, expanding the property tax base, and other social and economic benefits–and in many cases, they have not only been exceeded but will expand and still be met. In the months and years ahead, Lowertown will become a self-sustaining district that will contribute much to the economic and cultural life of Saint Paul.

This rendering suggests what Lowertown might look like in the years ahead when its full potential is realized. As explained on the preceding pages, four general areas designated on the drawing include properties that offer great opportunities for investors and developers. Inquiries are invited at the offices of the LRC.



CITATION

In a White House ceremony on January 30, 1985, President Ronald Reagan presented the Lowertown Redevelopment Corporation with a quadrennial Presidential Award for Design Excellence. The LRC shared this honor for urban design leadership and development partnership with the McKnight Foundation, the City of Saint Paul, Port Authority of Saint Paul, and area developers and architects who made significant contributions to the Lowertown Redevelopment Program. This award was accompanied by a Jury Citation which read:

"This effort has been guided by a creative and powerful city-building vision. Unlike old-style urban renewal, which depended on massive federal funding and large-scale intervention following a fixed plan, Lowertown Redevelopment Corporation used the subtle approach based on a series of public and private partnerships which allows for continuous adjustment of the vision. We recommend that other cities follow Saint Paul's lead."

Lowertown Redevelopment Corporation Officers and Directors

President
PHILIP H. NASON
*Chairman of the Board**
First Bank Saint Paul

Vice President
ROBERT E. HESS
*Court Administrator**

Secretary/Treasurer
LARRY D. BUEGLER
Chairman/CEO
Norwest Bank Saint Paul

GEORGE LATIMER
Mayor
City of Saint Paul

NORMAN LORENTZSEN
*Chairman**
Burlington Northern Railroad

ROGER H. NIELSEN
Owner
The Master Framers Gallery

JAMES W. REAGAN
Chairman/CEO
American National Bank
Saint Paul

EMILY F. SEESEL
Attorney at Law

Executive Director
WEIMING LU

Lowertown Redevelopment Corporation
Park Square Court Building
Suite 590
400 Sibley Street
St. Paul, Minnesota 55101
(612) 227-~~9191~~
9131

**Retired*

Foundation Assistance

Twin Cities area foundations, in addition to the major funding of the McKnight Foundation, have been highly supportive of specific projects of the Lowertown Redevelopment Program. In behalf of the community, the LRC's Board of Directors expresses deep appreciation to the Bush Foundation, Dayton Hudson Foundation, Jerome Foundation, Northwest Area Foundation and The Saint Paul Foundation.

PUBLIC AFFAIRS LIBRARY
UNIVERSITY OF MINNESOTA

PubAf quarto
HT 177 .S34 L69x 1985
Copy 2
LOWERTOWN