

BIG Changes on West and East Superior Street



The make-up of two blocks

along Superior Street will become drastically different thanks to separate development projects in various stages.

Reuben Johnson & Son, Inc. of Superior has purchased the former KDLH Building at 425 West Superior Street.

Although the building has sat nearly vacant since the television station's 2005 closure, it didn't officially go on the market until late last year. And it didn't take long for potential buyers to line up for this prime piece of real estate.

"We anticipated a strong interest," said broker Dave Holappa of Holappa Commercial Real Estate. "A piece of property like this doesn't come along very often. It was prime real estate representing nearly the entire lower half of a city block. With its proximity to the courthouse and city hall, skywalk connection and ample parking, its potential uses and redevelopment options are huge."



A New Tune on West Superior Street

Great Northern Music is heading west; that is west on Superior Street.

The retail store has been a fixture in Duluth's Old Downtown neighborhood, but will soon move into skywalk space once occupied by the former Sylvester's Clothing Store at 305½ West Superior Street. "This move serves our customers really well," says Timothy Soden-Groves who owns the store with his wife Diane. "The availability of parking is vastly improved with a nearby parking lot, four parking ramps and increased on-street parking. We feel like we are moving toward our customers."

Great Northern sells, repairs and rents musical instruments, offers lessons and sheet music and also provides staging and public address system services for events.

It's expected that they will open their doors at the new location at the end of April.

"We knew it was coming on the market and the day we received the promotional material we called for a walk-through," says Dan Markham, Director of Business Development at Reuben Johnson & Son. "We made an offer on it the following day."

Markham says this isn't the first acquisition they have looked at in Duluth and they knew the market was strong in the Downtown with a dwindling vacancy rate.

"It's an indication that times are good in Duluth's Downtown and we want to be a part of it," said Markham. "It is our first move into the Duluth office market, and we believe it is the right step at the right time."

The 43,000 square foot space will soon undergo renovations, with space to be made available for single or multiple tenant leases. "There have been good things happening Downtown," said Holappa referring in part, to the lower vacancy rate. "If you are looking

for significant, good quality space, it's now very limited. I think RJS made a great move and they'll do real well with the project."

Meanwhile, on the East end of Superior Street, A & L is moving forward with a \$15.9 million historic renovation project that is expected to add another boost to the Old Downtown neighborhood.

The A & L Duluth Renaissance Project will include approximately 60,000 square feet of retail/commercial space within the first block east of Lake Avenue. It also incorporates space for underground parking and there are additional plans for a new 5-story residential building.

"We worked for almost three years on site acquisition and development," said A & L's Rob Finnigan. "And now the ball is rolling."

A & L is demolishing two buildings, while renovating the other two buildings and utilizing the vacant space of the former Strand Theater. There is also an agreement with the city that includes an option to develop the former Muffler Clinic site within the next two years. It is hoped that a public-private partnership could help bring forward an additional public access point to Lake Place Park at that site, something that has been discussed for years.

"This project will rejuvenate the neighborhood," said A & L's Kathy Marinac. "We believe in investing in the Downtown and hope to play a key role in further strengthening what it has to offer."

The project is on an aggressive time-line, with work slated to be completed in the spring of 2008. **GDC**



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Your purchases will help benefit The Salvation Army's HeatShare program. Minnesota Power and US Bank will donate \$2-\$10 to the HeatShare program for every qualifying product sold. Buy one lamp for \$9.99 (regularly priced at \$24.99) and \$4 goes to HeatShare.

◀ Paul Draeger from ACE Hardware displays a sampling of the products being sold at the event March 28. **GDC**

Sponsors of the event are *Comfort Systems, City of Duluth, US Bank, Minnesota Power, The Salvation Army and ACE Hardware.*

Over 20 ENERGY STAR products that use 75 percent less energy, produce 90 percent less heat and last up to 10 times longer than incandescent lighting products will be on sale. Products will be displayed to view and turn on. Here's a sampling of the savings: CFLs as low as 99 cents, lamps as low as \$9.99, ceiling and outdoor fixtures as low as \$4.99. Be there to sniff out more products and savings.

Prize drawings will be made throughout the event. ACE Hardware is donating two efficient "Big Green Egg" charcoal cookers, and Comfort Systems is contributing a number of set back thermostats which includes installation.

Save energy and money, and share the warmth March 28 at the Holiday Center.

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Great News

FROM THE GREATER DOWNTOWN COUNCIL



Proposed Rail Service Making Tracks to Downtown Duluth

A proposal to restore passenger rail service between Duluth and the Twin Cities continues to make great strides. Just ask the Depot's Executive Director Ken Buehler and he'll tell you trains will be pulling up to the Historic Union Depot Station by the year 2009 or 2010. "This is no longer a question of if any more. It's a question of when," Buehler said recently as he prepared for another Washington visit with Minnesota Congressman Jim Oberstar.

Oberstar now holds the powerful position as Chair of the House Transportation Committee and has been a major advocate of the project. It's estimated it will take \$120 million to re-establish the service.

The last passenger train to depart Duluth was on Easter Sunday in 1985. Buehler says a lot has changed in Duluth, the surrounding area and the economy since then. The price of gas has risen from \$.89 a gallon to almost

\$3.00 a gallon, Canal Park and the waterfront have seen significant development plus Grand Casino in Hinckley was built and attracts five million visitors a year.

"Even more importantly, cell phones and laptop computers didn't exist at that time," notes Buehler. "The train gives working people productive hours and not 'windshield time'."

What will it take to implement this mode of transportation and how will it benefit our Downtown Waterfront District? Learn more about this exciting endeavor when Ken Buehler serves as the guest speaker at our next:

**DOWNTOWN PERK
BREAKFAST PROGRAM**
Thursday, March 22, 2007
7:30-8:30 a.m.
Bennett's on the Lake at Fitger's
Cost: \$10
RSVP: srogge@downtownduluth.com



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Keynote Speaker Lorie Line addresses the GDC Annual Dinner crowd.



Outgoing Chair, Tim Meininger, highlights the past year.



GDC Annual Dinner attracts over 300 people.

Greater Downtown Council's 22nd Annual Dinner Meeting

Keynote Speaker Shares Entrepreneurial Spirit with Business Leaders

A crowd of approximately 300 people gathered in January to celebrate another successful year with the Greater Downtown Council. The organization remains dedicated to the promotion and development of a healthy, vibrant and exciting central business district and also serves as the management entity of the Duluth Downtown Waterfront District.

Nationally acclaimed composer and pianist Lorie Line served as the evening's Keynote Speaker. Line shared her entrepreneurial story with those in attendance,

recalling her journey from department store pianist to the operator of the largest independent woman-owned record company in the country. One of her top lessons learned: if someone tells you "no," perhaps you are talking to the wrong person.

This wisdom came after her supervisor at Dayton's Department Store turned down her proposal to sell her first recorded CD. Line didn't accept the answer and convinced those in higher management that it would be a win-win to sell her CDs while she was performing at the store.

She now performs to more than 100,000 people on over 85 stages a year and has sold more than 5 million albums. Her perseverance, gut instinct and the willingness to take a risk have gained her respect in the business world.

Quite often in Duluth, we need a reminder that arts and entertainment are business too. Line served as a shining example that entertainment is business, big business! **GDC**



Tami Tanski-Sherman of Fingers and Nancy Adams of Maurices, Inc. have a laugh with Bob Hansen of Computer Forensics Investigations.

Preceding the keynote address, outgoing board chair Tim Meininger, Immediate Past Chair Dan Maddy and Board Member John Ivey Thomas were recognized for their service to the GDC. The membership also voted in the following officers and board members:

Chair: Bill Bennett, *LHB, Inc.*

Vice Chair: Abbot Apter, *Mercury Investment Co.*

Sec/Treasurer: Tami Tanski Sherman, *Finger's*

Immediate Past Chair:

Tim Meininger, *Beacon Bank*

New Board Members:

Ryan Boman, *Melhus Management Co.*

Paul Loraas, *Fryberger Buchanan,*

Smith & Frederick P.A.

Kathy Marinac, *A & L Properties*

Laura Wright, *Grandma's Marathon*



Year-End Report on the Duluth Downtown Waterfront District 2006

February 2007

This report has been prepared to highlight services and programs successfully offered within the boundaries of the Duluth Downtown Waterfront District. We are pleased to have celebrated a second year of operation, thanks to the continued support of DDWD property owners and the City of Duluth. As always, we welcome your input so that together, we may work toward further strengthening the core of our fine city.

Clean & Safe Team

Our Clean & Safe Team remains the most visible aspect of the DDWD. With safety green and navy uniforms, they can be easily recognized by employees, visitors and residents. And because of their special training as well as their outgoing and friendly nature, our team members are well-suited to leave a very positive lasting impression with anyone they encounter. During the peak summer season, our Team nearly doubled in size to 11 ambassadors.

Recorded statistics indicate the Team provided 3,486 pedestrian assists and 506 property owner/building manager contacts in 2006. The pedestrian assists cover a broad range of hospitality offerings, beyond the overall friendly greetings to all pedestrians they encounter, such as: **1)** Providing directions or restaurant guides to visitors, **2)** Patrolling the skywalks and escorting employees, **3)** Answering questions about the community, attractions and parking. Also, as an extra set of eyes and ears for the Police Department, Team members have been able to provide intervention on panhandling and public drinking cases impacting the district.

Additionally, the Team collected more than 14,000 pounds of litter and debris from our sidewalks, streets and public open spaces. They also removed 215 graffiti tags from various properties.

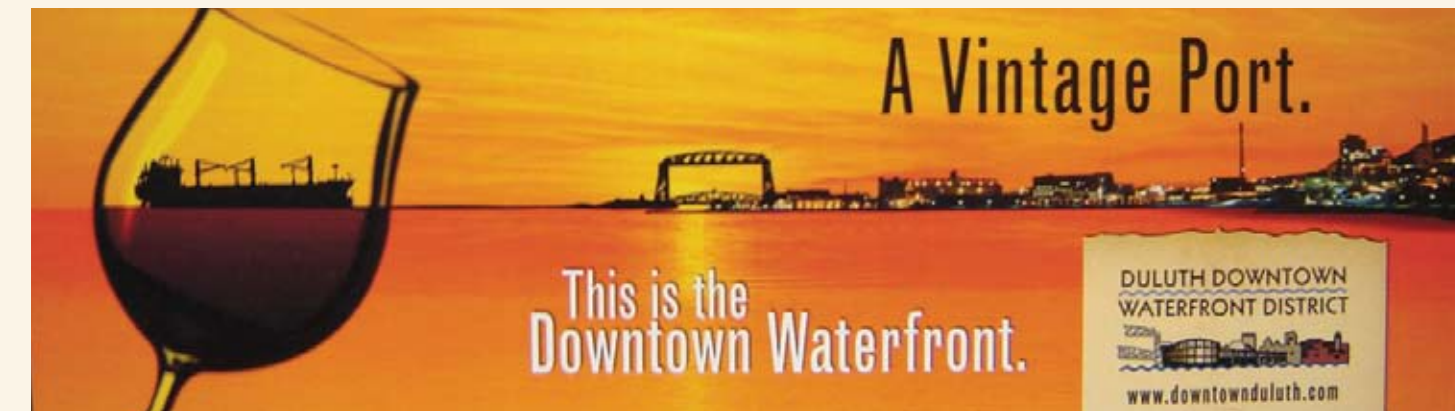
We greatly appreciate the numerous phone calls we receive from property owners who make special reports about graffiti, litter or safety concerns. Because of those reports, you are helping the DDWD better serve your needs and the needs of the district.

Special Projects

- Painting of Tree Grates
- Inventory of Tree Locations and Deficiencies
- Inventory of Skywalk Deficiencies
- Weed Abatement
- Installation of Canal Park Tree Lights
- Cigarette Butt Litter Campaign
- Installation of New Lakewalk Directional Signage, as well as design and purchase

Supplemental Horticulture

The DDWD is responsible for purchasing and maintaining all of the hanging flower baskets and streetscape planters throughout the Downtown Waterfront. In 2006, we expanded the number of hanging flower baskets to 140, while we retained the 180 streetscape planters. This environmental aesthetic requires maintenance 7 days a week for prime results.



Marketing & Events

Benchmarking Survey—Now in its second year, the DDWD is utilizing an annual random sampling survey to provide a benchmark on our services, programs and marketing. There has been a 10% increase in the percentage of people feeling that Downtown Duluth is doing great, 10% increase in the percentage of respondents feeling safe Downtown and a 40% awareness of the Clean and Safe Team, 60% saying it made them feel safer. And we will be taking on a similar survey within the next few months to again track our efforts.

Continued Branding Campaign

Efforts continued to target local residents to improve their perceptions about the Downtown. The campaign "THIS is the Downtown Waterfront," helps reinforce the district's many attributes as a unique place for culture, shopping, dining, recreation and history. This campaign included the placement of eight billboards and print advertising. In addition, we aimed to further promote the Park Plus Parking Program through the use of 30 bus boards and improved web presence.

National Cigarette Butt Litter Campaign

Duluth was one of 50 communities across the country selected for this national pilot program. All Marketing was provided in-kind from our local media outlets and the Clean & Safe Team assisted with handing

out free pocket ashtrays as well as conducting an inventory of cigarette butt litter within the project boundaries.

St. Patrick's Day Free Parking Coupon

To further build awareness of the Park Plus Program, Clean & Safe Team members randomly distributed 500 free parking coupons as a special promotion on St. Patrick's Day.

Expanded Sidewalk Days Festival and Classic Car Show

This event attracted a broader market of attendees as well as participants thanks to the DDWD's partnership with the GDC. A portion of the DDWD marketing dollars is combined with the already large investment by the GDC to continue to grow this event. In addition, the Clean & Safe Team is visible and provides assistance with such things as litter control, logistics for vendors and parking for car show participants.

Rock the Block Summer Concert Series

The DDWD was the catalyst for this new event presented by the GDC, which included six concerts throughout the summer. Local and regional bands were selected to play, attracting an average crowd of 200+ people.

Liaison to City Government

Staff members are able to communicate the needs and concerns of property owners to the appropriate parties, and also help set community policy.

Physical Enhancements

Flowers—The DDWD purchased 140 hanging flower baskets and 140 flats of bedding plants to be placed on light poles and in streetscape planters.

White Lights—New lighting was purchased and installed on approximately 40 trees throughout the Canal Park Area.

Banners—50 new banners were purchased and installed along Lake Avenue in Canal Park for the holidays. These match the Peace banner pattern that already exists throughout the district.

Portable Toilet

Due to high visitor traffic to Canal Park, the DDWD allocated funding for the leasing of a portable toilet during the summer months. This item remains in need of a long-term solution for the future.

Directional Signage and Painting

Thanks to a partnership with the local painter's union, more than one dozen lakewalk lightpoles were painted to make way for the placement of new directional signage. The DDWD purchased and installed new signs to replace the existing signage that was deteriorating and outdated.

Kubota Utility Vehicle

This vehicle was purchased to allow for effective watering and care of streetscape flowers and hanging baskets. It is also utilized as an efficient tool for power-washing of sidewalks and public spaces. **GDC**

THE GREATER DOWNTOWN COUNCIL WOULD LIKE TO THANK THESE SPONSORS FOR THEIR GENEROUS SUPPORT OF THE 22ND ANNUAL DINNER MEETING:

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