



Saint Paul BOMA News

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

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May

Brokers Group	May 3 rd
May Meeting	May 8 th
Superintendents Group	May 17 th
BYOE Seminar	May 23 rd

June

Brokers Group	June 7 th
Membership Meeting	June 12 th
Superintendents Group	June 21 st

Meeting Sponsored by:



Government and Real Estate – What is the Impact of the Capitol Renovations?

After more than a century of use, the Capitol building had reached a critical deterioration point:

- Crumbling exterior marble and stone
- Life-safety concerns
- Antiquated mechanical, electric and plumbing systems
- Inefficient and cumbersome spaces for the public

Construction began in fall 2013 and will end within the next month or two. This is the first comprehensive preservation of the Capitol building since its original construction in 1905. When completed, this historic project will prepare our Capitol for the next 100 years.

Join us as **Paul Mandell** with the Capitol Area Architectural and Planning Board, describes the massive project in detail.

Following Paul's presentation, attendees will have the opportunity to take an interactive tour with volunteers from the Minnesota Historical Society!

<u>Date:</u>	<u>Time:</u>	<u>Location:</u>	<u>Cost:</u>
Monday, May 8 th	11:40 – 12:00 Social 12:00 – 12:30 Lunch 12:10 – 1:30 Program	MN State Capitol Building 75 Rev Dr. Martin Luther King Jr. Blvd. St Paul, MN 55155	\$42.50 member \$47.50 late/walk-in \$48.00 non member

[Click here to Register!](#)



PRESIDENT'S REPORT

Joe Spartz, President
Greater Saint Paul BOMA

In September of 2016, BOMA, in partnership with the St. Paul Port Authority, hosted a national public policy event called, The Thought Leaders Seminar and Expert's Forum. The topic was Too-Big-to-Fail, with Neel Kashkari, the Minneapolis Federal Reserve President. He discussed the 2008-2009 financial crisis, and why we still have risk in our banking system. The program was very well received and BOMA was encouraged to continue offering events of this nature in the future.



**Mark
Your
Calendar**
September 27th

BOMA is pleased to announce that we will be hosting a luncheon event focusing on the **national debt** which is being held on September 27th, 2017. We will be working with the Port Authority, the Minneapolis Regional Chamber of Commerce, The Concord Coalition, and possibly other

business groups, to bring you this very important topic. ([see accompanying article on page 5.](#))

In February of this year, when Henry Chamberlain, President of BOMA International, presented to the St. Paul BOMA membership, as I was driving him to the meeting, we discussed this topic. I asked him, "What will happen to the economy if Washington doesn't fix our debt problem?" His response was that the economy will collapse, and commercial real estate along with it. I mentioned to him our early plans for hosting an event on the national debt, and he was very supportive and wants to be kept in the loop. Henry is a strategic thinker and can clearly see the connection between a swelling debt level and the risk it poses to BOMA's membership.

So put the date on your calendars and make plans to attend this significant event. Watch for program details and registration information in the coming months.

National Debt Program

See page 5 for more about our national debt

30th Annual Greater Saint Paul BOMA Golf Tournament

Thanks to you the golfing portion of this event is full.



World's Largest Game of Catch

- MEET THE PLAYERS, COACHES, AND MANAGER OF THE 2017 ST. PAUL SAINTS
- ENJOY FOOD, DRINKS, AND MASSAGES FROM THE LEGENDARY SISTER ROS
- UNVEILING OF THIS SEASON'S BALL PIG

DATE: Wednesday, May 17th

TIME: 11:30am to 1:00pm

LOCATION: Jackson Street between 5th & 6th

If you are interested in sponsorship or attending dinner, please contact Denise at the BOMA office.

CONCRETE STRUCTURES ARE NOT INVINCIBLE

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Superintendents Group

Mike Montouri, with Siemens, a native born Minnesota has worked for VFD and servo hardware manufacturers for 15 years as an applications engineer, sales engineer, project manager and product manager.

He started working in the drives and motion control industry as an engineering intern at the Electro Craft Corp.

He has also worked for system integrators and custom automation machine builders and also was self-employed as a free-lance controls engineer.

Discussion Topics:

- VFD hardware basics
- Design and system considerations
- NEMA1 drive enclosures
- Energy Efficiency – save on energy costs using VFDs and high efficiency motors
- Q&A

ENERGY EFFICIENCY



DATE: Wednesday, May 17th
TIME: 11:30am – 12:45pm
LOCATION: 85 East 7th Place,
 Conference Room
COST: \$18 pre-registered, \$20 walk-in
EDUCATION: SMA/SMT/RPA/FMA CPD 's

[Click here to register.](#)

Brokers Group

Julie Bauch, Bauch Enterprises invites the St. Paul BOMA brokers group to The Hayden Center.

The Historical society purchased the 60,000 square foot building from the Catholic Archdiocese in January and is in the process of determining the level of improvements needed to make the building marketable and financially viable.



Julie has invited several decision makers from the Historical Society to lunch so they can hear first-hand how the brokerage community will view the property; she is hoping for candid conversation. Parking is easy and free, 129 spaces right in front of the building.

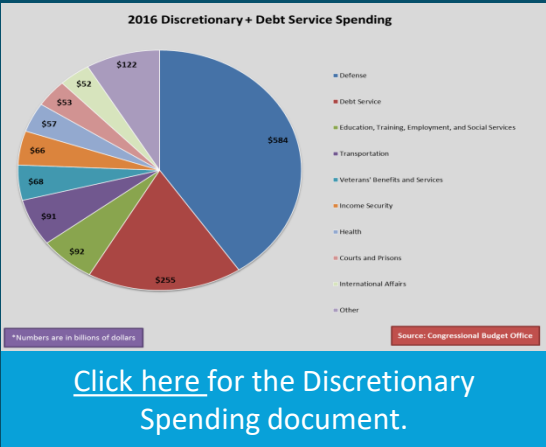
DATE: Wednesday, May 3rd
TIME: 11:45am – 1:00pm
LOCATION: The Hayden Center,
 328 West Kellogg
 Blvd., St. Paul

[Click here to register!](#)

National Debt

The national debt has grown significantly in recent years due to rising annual deficits. A deficit occurs in any year the federal government spends more money than it takes in. Any borrowing that is used to make up the difference in an annual deficit is added to the national debt, which is now approaching \$20 trillion dollars. So why should the business community be concerned about the national debt?

If the debt was just an conceptual argument in federal budget management, we could ignore it and continue to borrow to pay for deficit spending. The problem is the interest that must be paid on the amount that has been borrowed, which is known as the debt service. As the national debt increases, so does the amount of interest that must be paid each year.

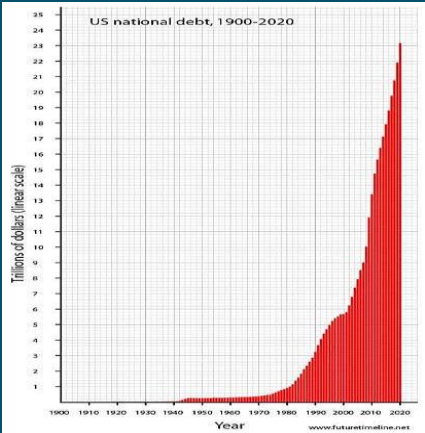


To draw an analogy, think of the national debt as the mortgage on your house. You make monthly house payments based on the size of that mortgage. What would happen if you doubled the size of your mortgage by borrowing money and rolling it into the loan on your home? Of course your monthly house payment would increase. And what if you continued to borrow so your monthly payment doubled every 5 years? Over time, the size of your monthly payments would skyrocket. Eventually, it would require all of your income to just make your house payment, which leaves you with no

money for anything else in the budget, such as a car payment, food, health care, or other important items in life.

This is exactly what is going on with the national debt. If left unchecked, the growing debt service will eventually consume all areas of current discretionary spending, including, national defense, education, veterans' benefits, transportation, courts and prisons, health, and scientific research, to name a few. Such a scenario would have a disastrous impact on both national security, and the economy.

For over 30 years, The Concord Coalition, a 501(c)(3), has been working to educate American citizens about the perils of unchecked growth in the debt and mandatory spending programs (Social Security, Medicare, etc.). They provide middle-of-the-road advice for lawmakers on how to take a more fiscally responsible approach with the federal budget. For more information on this important topic, go to [The Concord Coalition](#).



Click images to make them bigger!

Legislative Update by Sonnie Elliot with Faegre BD Consulting



The House and Senate have begun working on all major finance bills and the tax bill in conference committees. These small committees will work out the differences between the House and Senate bills. They then bring the compromise bill back to their respective chambers for re-passage.

However, even with the Republican majorities of the House and Senate of the same party, the DFL Governor plays a pivotal role in the final approval of the bills. If Governor Dayton does not approve of the bills and vetoes them, the legislature would need to start over with new bills. The House, Senate and Governor hope to agree on a budget and tax cut framework before the first week in May.

In addition to transportation funding and property tax reform, the ADA lawsuit reform bill is making its way through the process. Because this bill does not have state budget implications, it may be agreed upon and signed into law separately from the budget. The business community is working on a new bill which would help stop the flood of ADA/MN Human Rights Act nuisance lawsuits. A negotiated compromise bill



from last year failed to slow down the suits.



The constitutionally required adjournment date for the legislature is May 22nd. Should the legislature and Governor fail to agree on a budget by then, they will need to go into a special session to complete the budget setting process.

BOMA'S BUILD YOUR OWN EDUCATION CREDITS

8:00 am - Registration and breakfast starts.

Refreshments available throughout the seminar.

Tuesday, May 23rd

**Time: 8:30 am– 12:30 pm
Breakfast included**

**Location – Ever-Green Energy
“Energy Learning Center”
305 St. Peter Street, St. Paul**

**Parking is suggested in the
Lawson Ramp**

4 CEU's Pending!

Cost per session is \$30 for members, sign up for all 4 for \$100.00!

Cost for non-members, \$50 per session or \$175.00 for all 4.

REGISTER NOW!

Whether you want 1 hour or more, we have just what you need!

Sign up for one, sign up for them all!!

Questions?
Call 651-291-8888

8:30-9:30 am Bring Your Building Full Circle with BOMA 360

BOMA 360 buildings provide tremendous value to their tenants, instilling satisfaction and confidence by ensuring exceptional management, cost-effective operation and best-in-class service. As a result, they attract and retain quality tenants, command higher rental rates, and produce consistent NOI. This session will focus on how the BOMA 360 Program can elevate the processes and standards of excellence in property management in today's CRE industry. From basic how-to's, to ROI and successful tips, we'll try and touch it all!

Presenter – Joel Corley, Director, 360 Program, BOMA International

9:30-10:30 am Standard Operating Procedures – Best Practices

Standard Operating Procedures manuals are critical in property management, as are aggregate policies, procedures, instructions and directives so that buildings can be managed safely, efficiently and consistently. Attendees will learn how to create an SOP manual, utilizing BOMA International's Publication, Guide to Developing a Standard Operating Procedure Manual. Tenant Emergency Plan, Lease Administration, Accounting and Reporting, Business Plans and Re-Forecasts, Contracts/Contract Services, Management Office Operations, Physical Operations, Safety and OSHA Compliance, Fire and Life Safety Systems, Security, and more will be covered.

Presenter – Charlie Gravelle, RPA, Senior Property Manager at City Center Real Estate Services, LLC.

10:30-11:30 am Interconnected Workplace - Privacy and Wellbeing

In organizations all over the world, people are facing brand-new problems that require sharing information and putting knowledge together in new ways. Collaboration has become the big engine for progress and innovation. Although workplaces today make it seemingly easy for people to collaborate, leaders are uncertain of what to do next so they create group spaces and add technology but is too much togetherness invading our employee's privacy? How can property professionals satisfy and attract tenants with that perfect balance? In addition, leading organizations know that improved employee wellbeing not only helps to be healthier and lowers healthcare costs, it also helps them to be more productive, creative and innovative. An “interconnected workplace,” offers employees choice and control over where and how they work.

Presenters– Megan Little, Director of Business Development at General Office Products, Lynne Sullivan, Director of the Targeted Solutions Group Sales Team for Steelcase North America. Steelcase Inc.

11:30 am-12:30 pm Crowdfunding and Commercial Real Estate

According to Forbes Magazine, “Behind stocks, bonds and cash, commercial real estate has emerged as the fourth largest asset class in the U.S. over the last few decades”. With the passage of the JOBS Act in 2012, the way was paved for real estate crowdfunding, a new method for individual investors to invest in real estate for as little as a few thousand dollars. So, how does one get started in crowdfunding? What are the resources available and what is the financial and sociological impact? Are these crowdfunding opportunities more on the local or national level and what regulations are in place to make things happen?

Presenters – Marshall Saunders, Saunders Daily.com, Zach Robins, Winthrop and Weinstein

Program Sponsors

Contact Sadie to become a program sponsor!

2017 ANNUAL MEETING NOTES

On April 10th, Greater Saint Paul BOMA conducted its 45th annual meeting.



Tim Yohnk from Ecolab completed his final term as a Director of the Board, having served from 2012 – 2017.

Greg Sharpe from The Travelers was elected as a Director to the Board for a two-year term, for 2017 – 2019.



Jerry Hersman was honored with the **Volunteer Award** to recognize the many years he has served on the Board and the committees he has participated on.

Pat Wolf was honored with the **Chair's Award** to recognize her leadership on government relations as the BOMA MN Chair and as co-Chair on the BOMA Government Affairs Committee.



David Ketcham, the BOMA Treasurer, reported on the results of the 2016 financial audit and another successful year for the organization.

April Membership Meeting

On April 10th, BOMA members were given the opportunity to hear about three different major league sports related developments in the East Metro.



Lee Krueger, the President of the Saint Paul Port Authority, spoke about the Midway soccer stadium project. Plans show the stadium on the south end of the site, and mixed use occupying the property to the north. The MN United FC is expected to play in the new stadium in 2019.



Jamie Spencer, the Wild's Vice President of Business Development, discussed the team's new practice facility being constructed on Treasure Island Center (formerly the Macy's building). This ice rink will hold over 1,000 spectators and be made available for local youth hockey teams when not used by the Wild.



Steve Poppen, the CFO of the Minnesota Vikings, outlined the 200 acre development project in Eagan. It will include 5 outdoor practice fields, including one with seating for 6,000 spectators. The Vikings will encourage regular Friday evening high school football games at this practice stadium. Also included will be an indoor practice area and a Vikings team Hall of Fame. Surrounding the team's facilities will be a larger development that will include extensive housing and up to 1M sf of retail and commercial office space.

Membership Directory Advertising

Directory Advertising (click to download)

We are putting together our 2017 Membership Directory! Do not miss the opportunity to be in over 400 offices!

The deadline for advertisement submissions in May 2nd.

What is BOMA 360?



The BOMA 360 Performance Program evaluates buildings against industry best practices in 6 major areas: building operations and management; life safety, security and risk management; training and education; energy; environmental/sustainability; and tenant relations/community involvement. Individual buildings that satisfy the requirements in all 6 areas are awarded the BOMA 360 designation. According to new analysis by Kingsley Associates, buildings that have earned the BOMA 360 Performance Program® designation have higher tenant satisfaction scores in all rating areas as compared to commercial office buildings without the BOMA 360 designation. Most notably, 94 percent of tenants in BOMA 360 buildings report high overall satisfaction.

To understand the relationship between BOMA 360, EER and TOBY, [click here](#).

2ND ANNUAL BOMA BENEFIT GALA

Save the Date

The 2nd Annual BOMA Benefit Gala in support of the Community Ambassadors is scheduled for November 09, 2017. This event was created to raise funds to support the Community Ambassadors Initiative. The event will be a festive evening of great food and fun, all for an important cause.

Watch for more details and registration information.

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**Greater Saint Paul
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