



Saint Paul BOMA News

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

JUNE 2018

VOL. 4, NO. 6



In This Issue:

June Membership Meeting
Chair's Report
Superintendents Group
Brokers Group
Thank You for Feedback
Legislative Update
Securian
31st Annual Golf Tournament
Legislative Update
May Membership Recap
Acorn Mini Storage
2018 MNCRE Day-at-the-Capitol
Welcome Savannah
BEC Seminar
New Members

June

Brokers Group	June 6th
Membership Meeting	June 11 th
Superintendents Group	June 20 th
BOMA Seminar	June 20 th

July

Golf Tournament	July 16 th
-----------------	-----------------------

The Impact of Autonomous Vehicles In Downtown St. Paul

Parking has been and will continue to be a major issue in metropolitan areas across the United States. We know this issue all too well in downtown St. Paul. Parking is at a premium and with the demand increasing, everyone is searching for solutions. Could future technology be the key?

What if you didn't need to worry about parking your car? What if you didn't need to own a vehicle? On June 11th, **Carl Schneeman**, Director of Walker Consultants, a leading premiere parking consulting specialist will join us to present:

Autonomous Vehicles: The Future of Parking and the Impact on Commercial Real Estate

We are currently at the convergence of disruptive technologies and demographic shifts that will have substantial impact on parking. This presentation will provide a synopsis on the current state of autonomous cars, projections of anticipated adoption, impacts on parking demand, and strategies to prepare parking systems for other uses in the future.

How will this new technology affect parking lots and ramps? And how will this impact tenants in commercial buildings? Could this new technology alleviate some of the issues with parking and help seal the deal for bringing new tenants into a building? Don't miss this meeting and your chance to hear how this technology could change the future!

Meeting Sponsors



One Hour of CEU is Pending!!

Date:	Time:	Location:	Cost:
Monday, June 11 th 2018	11:40 – 12:00 Networking 12:00 – 12:30 Lunch 12:30 – 1:30 Program	DoubleTree 411 Minnesota St St. Paul, MN 55101	\$42.50 member \$48.00 non-member

[Click here](#) to register!



CHAIR'S REPORT

Jerry Hersman, Chair
Greater Saint Paul BOMA

The combined worlds of our various members contributes in many different ways to the local real estate industry as property managers, service providers, brokers, engineers and security staff. In addition, we cannot forget the important role advocacy plays as our Chapter

contributes to the multiple levels of Saint Paul based government entities. During May, a number of events provided a snapshot of that role and included:

* Minnesota Commercial Real Estate Day at the Capitol - On May 8, a group of over 50 local industry professionals from St. Paul and Minneapolis BOMA and a few other industry groups visited the State Capitol for a morning of meetings with various State Senators and Representatives to discuss our concerns on several industry real estate issues in play at the Capitol. After a few years of similar efforts, we were able to get caps put in place in the 2017 Session that halted the automatic inflation increase in the State Commercial/Industrial tax rate - the ONLY real estate tax incurred at the State level. With that success, Governor Dayton was looking to reverse that effort in this year's session and it looks like the cap will hold through the grateful support of our legislators!

* Our May GSP BOMA Membership Meeting - on May 14, our Chapter's monthly Membership Meeting welcomed the new City of St. Paul Mayor Melvin Carter. His Honor delivered a dynamic presentation on his Year 1 agenda and approach on how he plans to make St. Paul work for all. The second half of that event was a panel discussion by members of the St. Paul Chamber of Commerce, City Planning and Economic Development and the Port Authority presenting their cohesive efforts now in place to not only retain, but recruit and attract new businesses to our City as an economic driver for future growth.

(Continued on Next Page)

Chair's Report Continued

* Our State Legislature concluded its 2018 session on May 20 and the top priority of St. Paul was a request for \$59 million (with the City to match another \$59 million) toward the replacement of our antiquated RiverCentre Ramp. That Ramp serves over 2 million patrons annually, but is in need of replacement by 2020. You may have seen the recent news that a 2' X 3' chunk of concrete fell from the ceiling onto a car - no injuries fortunately! - and the ramp is now closed until deemed safe. Though the full funding request was not approved, the new Bonding Bill does include \$5 million for the necessary demolition of that ramp.

* City of St. Paul Skyway System - since January 2017, the City has met monthly with a cross section of local City Managers and other leadership to discuss ideas on how to improve the safety and vitality of the downtown core and the skyway system for local residents, employees and visitors. GSP BOMA has had a seat at that table representing the needs of building owners and was able to successfully voice our concerns on recent City Ordinance revisions made toward those endeavors prior to full approval by the City Council.

There are always issues in play at the City, County and State level that impact our real estate industry. Not only is GSP BOMA routinely active in the discussion of these issues, but BOMA International is equally engaged at the national level on similar matters. As a reminder, we always welcome all members' input on these matters and encourage your participation in the process as both an educational and professional development opportunity for you. In closing, our Chapter staff and directors wish you the best for a safe and enjoyable summer season now upon us.

GSP BOMA

Jerry Hersman

Chair

Superintendents Group



The 428 is the repurposing of a historic retail building in downtown St. Paul using health and sustainability guidelines to create workspaces for organizations of all sizes.

We've listened to what organizations expect from their space and how it should support the wellbeing of employees and the environment; the 428 is a direct response to those expectations.

Please join us on the first floor of The Golden Rule Building near the new entry way into The 428 for a luncheon followed by a tour of The 428.

DATE: Wednesday, June 20th
TIME: 11:30am – 12:45pm
LOCATION: 85 East 7th Place,
 St. Paul
COST: \$18 pre-registered,
 \$20 walk-in
EDUCATION: SMA/SMT/RPA/FMA
 CPD'S

[Click here](#) to register!

Brokers Group

Eric King, Cushman & Wakefield invites the St. Paul BOMA Brokers to come and check out Wells Fargo Building on Wednesday, June 6th. Validated valet parking is available at the Wells Fargo ramp, entrance off of Cedar Street.

Wells Fargo Place is a premier property where businesses thrive. It's nestled in the heart of St. Paul's Central Business District and is the city's tallest office building soaring 37 stories to showcase incredible panoramic views.

Wells Fargo Place offers all that is expected of a Class A building including on-site management and engineers, 24/7 security, fitness center and conference center. The building is conveniently located near state, city and county government buildings as well as ample parking, restaurants, retail stores, museums, theatres and more.

DATE: Wednesday, June 6th
TIME: 11:45am – 1:00pm
LOCATION: Wells Fargo Place
 30 East 7th Street,
 Suite 2490
 Saint Paul, MN

[Click here](#) to register.

Thank you for your Feedback!

Thanks to those members who took the time to participate in the Greater Saint Paul BOMA member survey. BOMA appreciates your feedback. The survey results have been provided to the BOMA Board. They will use this information as they conduct strategic planning over the next several months. BOMA committees will also review any relevant survey information that pertains to their groups. Watch for future announcements as changes are implemented based on survey suggestions.

Sonnie Elliot Legislative Update



The ninetieth Minnesota legislative session came to a close on May 20, 2018 when the Legislature adjourned sine die. Much of the session focused considerable time discussing school safety, an answer to the opioid crisis, elder care legislation, a supplemental budget, a bonding bill, and federal tax conformity. At the end of the session, little legislation was passed and signed into law by the Governor.

Bonding Bill:

One of the final bills passed by the legislature was a \$1.43 billion bonding bill. In January, Governor Dayton had recommended \$1.5 billion dollars in bonding projects. Some of the important projects funded were wastewater infrastructure, asset preservation for our Higher Education Institutions, roads and bridges and some local infrastructure projects; the City of St. Paul received \$5 million of their \$58 million request for the RiverCentre Ramp .

\$825 million of the \$1.43 billion was general obligation bonding. The remaining came from trunk highway bonds, the Minnesota Rail Service Improvement Fund, the Environment National Resources Trust Fund, and the General Fund.

Governor Dayton signed the bill, with a small line item veto of one project. The project was a review of agency water quality regulations which he deemed “redundant.”

Tax Bill:

With the passage of the Tax Cuts and Jobs Act of 2017 (TCJA), tax conformity was a prominent topic of discussion at the Minnesota Legislature. Both the Governor and the Legislature supported a tax plan to conform to most, but not all, of the Federal changes. Both plans also offered tax relief to many individual taxpayers who would experience tax increases based on the Federal changes.

(Continued on Next Page)

Securian Named to Fortune 500

St. Paul BOMA member, Securian Financial, was recently named to the Fortune 500, coming in at 462. Securian moved up from 532 on last year's ranking.

This ranking is measured on total revenue. Ecolab is the highest ranked, St. Paul based company, coming in at 215. While Travelers is ranked even higher at 106, their headquarters isn't in St. Paul, but they still maintain a significant presence in the city.



securian
FINANCIAL™

Legislative Update (Continued)

The final 2018 omnibus tax bill did not include three provisions from the 2017 tax bill the Governor had recommended reinstating; the statewide general levy inflator and estate tax and tobacco related taxes. St. Paul BOMA worked with our partners in the Minnesota Commercial Real Estate community to express our concerns with reinstating the inflationary factor of the statewide levy.

Ultimately, the final tax bill was vetoed by the Governor. The lack of Minnesota changes to the tax code will mean an estimated 300,000 Minnesotans will see a tax increase. We will also retain the Federal Taxable Income (FTI) as the starting point for filing Minnesota taxes. The FTI was to be replaced with the Federal Adjusted Gross Income in the Governor's and legislature's final tax bill. Because this, and other conforming changes were not made, it will mean a complex filing season in April 2019.

Supplemental Budget:

After months of work, the legislature combined all omnibus budget bills into a single supplemental budget bill, SF3565. The House and Senate worked out their differences and came to an agreement to present to Governor Dayton. The 990-page bill included more than just funding, it also included considerable policy related provisions—some of which were controversial. Governor Dayton had 14 days to review this bill along with all bills passed the final three days of session. Due to both policy and fiscal concerns the Governor vetoed the omnibus supplemental budget bill on Wednesday, May 23.

None of the 990 pages of funding and policy became law.

31st Annual Greater Saint Paul BOMA Golf Tournament

We've sold out all of our Foursomes for the Golf Tournament on July 16th! If you are still interested in attending there is a waiting list being put together. Dinner is still available so even if you can't participate in the Golf Tournament join us there for some socializing and food!

To be put onto the waiting list, please contact [Denise](#) at the BOMA office.



Mayor Melvin Carter at May Membership Meeting



Mayor Melvin Carter as he talks about his vision and goals for St. Paul

The Mayor of St. Paul, Melvin Carter, spoke at the May BOMA Membership meeting. He talked about his vision for the city including public safety and education, and the importance of driving change at the community level.



Mayor Melvin Carter answering member's questions.



Left to right: Tonya Bauer, Joe Spartz, Dannette Parr, and Channon Lemon

Also included were Channon Lemon, Vice President of Economic Development for the Saint Paul Chamber of Commerce, Danette Parr, Director of Business Development with PED, and Tonya Bauer, Director of Strategic Development for the Saint Paul Port Authority. They talked about efforts underway to attract, develop and retain jobs to St. Paul.

[Click here for slides of their presentation.](#)

Acorn Mini Storage



Acorn Mini Storage is a company focused on the safe keeping of people's personal property that they are currently not using. They are the only true storage company that is located in downtown St. Paul. They are continually expanding because people need a place to store all the things they aren't currently using. People use Acorn Mini Storage for various different reasons such as new St. Paul residents who need to

downsize, seasonal items that people aren't currently using, and even some companies use them to store important documents. Their warehouse is filled with motion sensor lighting and camera system so that everything is secure and safe. They have various sizes for their storage units starting as small as 5 x 5 feet going as large as 10 x 25 feet. Recently, the most popular ones have been the 5 x 5 storage units. They've become so popular in fact that their fourth floor has been made with a majority of those and therefore has more units than the third floor. The third floor currently has 200 storage units with 15% vacancy and because of the demand for the 5 x 5s the recently added fourth floor has 250 storage units with 90% vacancy. They also have a special offer for BOMA members so [click here](#) for the Acorn Mini Storage Flyer if you are interested in taking advantage of this offer.



On the left is a look at a 10 x 20 storage unit and on the right is a 5 x 5 storage unit

2018 MNCRE Day-at-the-Capitol



From Left to Right: Joe Spartz, Jerry Hersman, Pat Skinner, Brian Field, Brett Greenfield and Shawn Wiski

On May 8th, commercial real estate professionals turned out for the 3rd Annual MNCRE Day-at-the-Capitol. CRE leaders from Greater Saint Paul BOMA, BOMA Minneapolis, MNCAR, NAIOP and MSCA joined together to make the industry's voice heard. Almost 60 people turned out to meet with legislators, the largest gathering at a MNCRE event to date.

Welcome Savannah!



Hi, my name is Savannah Hanley and I'm the newest addition to the Greater Saint Paul BOMA team as the Marketing and Communications Coordinator. I've worked mostly retail jobs so I'm excited to learn about being in a more professional work environment. I'm currently finishing up my Marketing degree at Rasmussen College so I'm thrilled I get the opportunity to get experience in my field of study. I have another job as a princess where I attend and entertain children at birthday parties. I am also volunteering at St. Jude Children's Hospital.



I love reading and have a fairly large library at home, probably partly due to working at Barnes and Noble. I also enjoy writing my own stories as well. I love to sing and often get caught singing without me even realizing it. I also enjoy watching movies and television shows with my family and friends.

BOMA BEC Seminar! [Click here](#) to register and to learn more!

Join us for a very special BEC (BOMA Essential Course) as **Tim Flynn**, Senior Commander of the St. Paul Police Department's Central District shares information on how the security measures put in place throughout the Twin Cities area during Super Bowl 52 measured up? How did we compare to previous host cities and what tips can we provide to future host cities? Breakfast Sponsorships are still available!

Thank you to our sponsors:



**Education: 1.5 CEU hours have
been APPROVED**

Date:
Wednesday, June 20th
2018

Time:
8:00 – 8:30 Breakfast
8:30 – 10:00 Program

Location:
First National Bank Bldg.
Training Center
332 MN St
St. Paul, MN 55101

Cost:
\$45.00 member
\$50.00 late sign up
\$55.00 non member

OFFICERS:

Jerry Hersman, Chair
 David Ketcham, Vice Chair
 Brett Greenfield, Treasurer

DIRECTORS:

Julie Bauch
 Clint Blaiser
 Julio Fesser
 Jean Krueger
 Greg Sharpe
 Mike Soukup

STAFF:

Joe Spartz, President
 Savannah Hanley, Editor
 Denise Jenkins, Co-Editor
 Rhonda Pape, Co-Editor

Greater Saint Paul BOMA

First National Bank Building
 332 Minnesota Street, W2950
 St. Paul, MN 55101
 Phone: 651-291-8888
 Fax: 651-291-1031
www.bomastpaul.org

[Click here](#) to follow us on twitter -
 @StPaulBOMA

[Click here](#) to follow us on Facebook

New Member**Bill Bisanz**

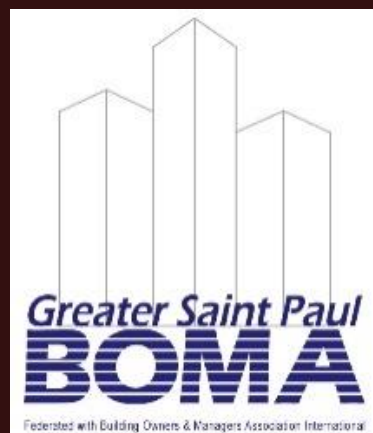
Real Estate Equities
 579 Selby Avenue
 Saint Paul, MN 55102
 T: 651-389-3800
 Email: legal@reeliving.com

Robert Peyraud

Columbia Window Film & Graphics
 2020 Broadway St NE
 Minneapolis, MN 55413-1715
 T: 612-396-0864
 Email: robertpeyraud@tintgraphic.com

John Young

Paramount Real Estate Corp.
 3601 Minnesota Drive, Suite 925
 Bloomington, MN 55435
 T: 651-216-6565
 Email: jyoung@paramountre.com



Greater Saint Paul BOMA Newsletter published monthly by Greater Saint Paul BOMA

Statements and opinions in editorials or articles written by the publisher and staff do not necessarily represent the opinion of BOMA or its membership. Articles June be reproduced only by written authority of the editor.

DISCLAIMER: All advertisements are accepted and published upon the representation that the Agency or Advertiser is authorized to publish the entire contents and subject matter thereof. The Agency and/or Advertiser will identify and hold harmless to the publishers, the employees and agents of the publisher from any advertisement including claims or suits for defamation, libel, violation of rights of privacy, plagiarism, and copyright infringement.