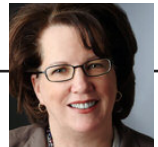


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FEATURE by [Deborah Carlson](#), Cushman & Wakefield/NorthMarq



GAME ON! RETAIL DEVELOPMENT IS BACK IN BUSINESS IN THE TWIN CITIES

After some very quiet years, new retail development is happening again in the Twin Cities. The local developers who hung on during the last economic downturn have begun to plan and build – though in whole new ways. Redevelopment is the name of the game. Mark Schoening, Senior Vice President of Ryan Companies, stated, “I think there’s clear evidence that the retail development market has improved as we move into 2012, but it continues to be very selective, with respect to both retailers and sites.” In surveying local developers, many echoed Mark’s sentiments. Here’s what we found out:

CSM is making news with their redevelopment of the 51-acre Lockheed site in **Eagan**, planning Central Park Commons. They are proposing over 500,000 sf of retail, with rumors of a Target supercenter as an anchor. Paragon Outlet Partners is interested in redeveloping in the Eagan Cedar Grove Redevelopment District with a 425,000-sf upscale outlet, including 90 to 100 stores in an open-air mall. Schaefer Richardson is looking at Eagan with a bank conversion to a

retail drive-through use. Oppidan has a new 7,000-sf retail building planned at Cliff & Rahncliff Road. Over in **Apple Valley**, Cub Foods has decided to downsize their building, and Oppidan is offering two new outlot opportunities. In **Shakopee**, Ryan has added 18,000 sf for a new JoAnn Fabrics store in their Dean Lakes development. Oppidan is working with the city of **Savage** on a new sports complex.

The **Richfield/Edina/North Bloomington** area has several new developments in various stages of planning and construction. Cornerstone purchased the Lyndale Garden site in Richfield; their plans are to utilize the existing 47,079-sf building and greenhouse for retail, and add up to 120 units of housing near Richfield Lake, as well as some public spaces. Wellington is redeveloping the former Kmart site on Lyndale & 66th in Richfield and has 73,000 sf of new retail for a new LA Fitness and additional restaurant and shop space currently under construction. United Properties has the Penn & American development under construction with 234 mid-to-luxury apartments and townhomes and approximately

SNAPSHOT

WEST ST. PAUL ROBERTS



Location: West St. Paul, MN
Month/Year Opened: Spring 2011
Owner: RLW Properties (Previously owned/developed by United Growth)
Managing Agent/Center Manager/Leasing Agent: Anil Jain, AKJ Properties, (651) 210-8734
Architect: Architectural Consortium
Civil / Landscape: Westwood Professional Services
Construction Contractor: RJM Construction
GLA: 11,960 sf
Current Occupancy: 100% **# of Stores:** 5
Anchor Tenants: Panera Bread, Panda Express (others, Mattress Giant, T-Mobile, Regis)
Market Area Served: Robert Street – West St. Paul, MN
Construction Style: Modern – Traditional
Website: [West St. Paul](#) (previous owner) Current owner does not have one for this project.
Additional Facts/Narrative: Previous Pizza Hut property and fronting SuperTarget. 1.45 acre site with steep slopes across the site with City Water Tower in the backdrop.

Game On! - continued

50,000 sf of retail and restaurant space. The end cap of the Centennial Lakes retail center was torn down and a new Whole Foods was constructed and opened this April. A new CVS/pharmacy is under construction on York in Edina.

Solomon is excited about their planned development at the corner of Highway 7 & Blake Road in **Hopkins**. It is an assemblage of properties for two 6,000-sf retail buildings, and has already generated leasing interest. HJ Development has purchased the former Saturn dealership at I-394 & Louisiana in **Golden Valley**, and is planning small shops and service-oriented retail along with a medical office building on this five-acre site. They plan to start construction this fall. Kraus-Anderson has two redevelopments planned, including a new CVS/pharmacy with 13,000 sf constructed at the Midland Center at Medicine Lake & Winnetka in **New Hope**. They are also building a new 12,000-sf center this spring at Highways 101 & 212 in **Chanhassen**, along with a Primrose Daycare, with the balance of the 45,000-sf mixed-use project built in 2013. McGough has a mixed use project in **Inver Grove Heights** – Argenta Hills. Anchored by a SuperTarget, it will comprise 400,000 sf of retail space and residential.

Whole Foods is planned for the former Jaguar site on Hennepin Avenue in downtown **Minneapolis**. Ryan Companies is redeveloping the site, which will include residential units above the store. Wellington is adding another 5,000 sf to their Hi-Lake shopping center on Lake Street in Minneapolis. Oaks Station Place is under construction at Hiawatha & 46th in Minneapolis and will include up to 9,000 sf of retail space along with rental housing. It will incorporate the light rail station on their site.

Minneapolis Uptown is also a hot area for redevelopment. Ackerberg has their MoZaic mixed use project under construction with a 7,500-sf Bar Louie restaurant and 3,500 sf of additional retail. Andrew Dahl of Ackerberg says they are also expecting to have additional retail opportunities in Uptown/Lyn Lake and North Loop areas yet this year. The Walkway is planned by Clark Gassen at the corner of Lake Street & Girard (currently home to Cowboy Slims). The Walkway would be a six-story building with street level retail/restaurant space. Mid-America demolished an old garden center at the Uptown Whole Foods-anchored center and built a 4,400-sf strip center with My Burger, Yogurt Lab and Sports Clips.

Walmart is the big box retailer under construction this year. They have Twin Cities stores under construction in **Burnsville** (I-35W & Cliff Road), **Lakeville** (I-35W & County Road 70), **Brooklyn Center** (Highway 100 & 10), **Princeton** (County Road 95 & Highway 169), as well as **St. Cloud**. Their stores will open in either late 2012 or early 2013. They are also proposing stores in **Andover** and **Cottage Grove**. Menards is also spending their construction dollars. The tear-down and construction of their new store in **Golden Valley** is completed and open. They demolished the Menards in **Richfield** with a new store planned for later 2012.

The **Brooklyn Center** redevelopment with Walmart is at the former Brookdale regional mall, and includes 800,000 sf of redevelopment. Demolition happened last fall, and construction is in full swing, with the center ready for tenants in spring 2013. Bruce Carlson, Project Director for Mid-America, the leasing agent for the project, says, "We are seeing a definite increase in new development activity for 2012 with our clients, along with many of our owners considering expansions. Several projects are underway with the city processes and planning for 2012-13, including Midway Corners at Hamline & University in **St. Paul**."

Reliance Development had redeveloped the former Target site in **Maple Grove** on Highway 30. They are adding 13,000 sf for Valvoline and Discount Tire this year.

Wellington has plans for the Tartan Crossing (former Oakdale Mall) in **Oakdale**. This 14-acre site has 10 acres slated for retail development construction in early 2013. United Properties is breaking ground later this summer with a 30-acre grocery-anchored development at the southwest corner of Radio Drive & Baily Road in **Woodbury**. Across the street from the Bielenberg Sports Complex, United Properties will construct this 140,000-sf shopping center as part of a new master planned community. Retailers will open summer of 2013.

Keith Ulstad, Senior Vice President of United Properties, is optimistic but cautious about retail development going forward. "In 2011, the Twin Cities retail development community got back on its feet and dusted itself off. 2012 is not yet 'business as usual;' but we are back out looking at deals and talking with retailers. We are trying to create projects under a new paradigm of lower rents, more stringent underwriting, and stiff competition for the pool of active tenants," said Ulstad.

The above information was provided by the developers of the properties. Our apologies if we missed anything.

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FEATURED SPONSORS

ACI Asphalt Contractors, Inc.

To provide our clients with unique, cost effective industry leading solutions for their pavement needs using a consultative approach.

Cushman & Wakefield/ NorthMarq

To be the preferred real estate firm providing consistent and innovative services to clients in Minnesota and around the world through our partnership with Cushman & Wakefield. To achieve this, we will 1) Deliver exceptional value to our clients, 2) Create a special place for our employees, and 3) Serve the industry and our communities.

Jones Lang LaSalle

To deliver exceptional strategic, full integrated services and solutions for real estate owners, occupiers and investors worldwide.

McGladrey

At McGladrey, it's all about understanding our clients – their business, their aspirations, their challenges. Once we understand, we bring fresh insights and tailored expertise to help them succeed.

Paster Enterprises

Paster Enterprises has over 60 years experience in the development, leasing, and management of retail real estate. Paster Enterprises is dedicated to being an industry leader in enhancing communities by providing a quality mix of retailers within vibrant, aesthetically-pleasing shopping centers.

TCl Architects/Engineers/ Contractor, Inc.

TCl is dedicated to the relentless pursuit of perfection in integrated design and construction.

MASU SUSHI & ROBATA



Sushi Avenue is one of the country's largest suppliers of in-store sushi. In April 2011, the company opened Masu Sushi & Robata, its first full-service restaurant, at 330 Hennepin Avenue in northeast Minneapolis. Masu is a hip, edgy sushi and robata concept developed by Sushi Avenue founder Nay Hla and corporate executive chef, Stephan Hesse. The pair set out to develop a hip, modern sustainable sushi restaurant that could be rolled out to multiple locations and their first spot in northeast Minneapolis opened last year to rave reviews and excellent sales. This prompted the company to develop a second location in the Mall of America, which is set to open this spring.

The menu is focused on fresh, authentic Japanese flavors and dishes with an emphasis on sustainable seafood. This means that Masu only purchases seafood that is fished or farmed in ways that don't endanger the fish or harm the environment. Masu's menu has items for every taste and it is organized into seven sections: Izakaya (small plates,) Sushi, Makizushi (sushi rolls,) Sushi Assortments, Robata, (a traditional



Japanese grilling technique,) Noodles (14 varieties) and Tesishoku (set meals.)

The décor is inspired by Japanese youth culture and gives the restaurant a playful, high-energy vibe. The dining room features the work of several local artists including oversized photo murals of models in geisha-style makeup, custom-designed Japanese Munny dolls, (plain smooth vinyl forms that can be painted, dressed up and sculpted into anything from your imagination,) and colorful large format wall graphics. The lounge area features a combination sushi/cocktail bar made of reclaimed lumber and a row of pachinko machines, which are colorful Japanese-style vertical pinball games.

The Mall of America location is currently under construction with an opening slated for late spring. The Masu group is also looking at additional locations for expansion.

www.masusushiandrobata.com



Japanese Munny dolls at Masu Sushi & Robata

THIRD THURSDAYS

Next Meeting: Thursday, May 17, 2012

Time: 4:00-5:00 pm

Where: Pittsburgh Blue in Maple Grove

Member hosts:

Deb Carlson, Cushman & Wakefield/
NorthMarq, and

Anita Johnson, Christianson & Company
Commercial Real Estate Services

What: Casual networking hosted by
MSCA members

When: Third Thursday of every month
from EITHER 8:30–9:30 am OR (new this
year) 4:00–5:00 pm.

Why: Create synergy in the commercial
real estate industry—share ideas and
stories and make new effective
relationships.

There is no fee for this event. Food and
beverage are not included.

RSVP to Stacey is preferred, but not
required.

EVENTS

- May 17 **Third Thursdays event**
- Jun 6 **Retailer Runway**
(extended program)
- Jun 18 **Annual Golf Tournament**
- Jun 21 **Third Thursdays event**

To view MSCA program presentations, [click here](#).

2012 LEADERSHIP

OFFICERS

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Paula Mueller, Northtown Mall/Glimcher Properties

1st Vice President

Ronn Thomas, Cushman & Wakefield/NorthMarq

2nd Vice President

Deborah Carlson, Cushman & Wakefield/NorthMarq

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Curt Larson, City of Blaine

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Jennie Zafft, Cousins Properties, Inc.

Immediate Past President (as Director)

Peter Berrie, Faegre Baker Daniels

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Golf

Cindy Weber, Engelsma Construction, Inc.

Michael Gross

Learning Session

Cindy MacDonald, Kraus-Anderson Companies

Kris Brandt, Christianson & Company Real Estate Services

Legislative

Leah Maurer, Cushman & Wakefield/NorthMarq

Paul Berg

MSCA Cares

Zach Stensland, Colliers International

Herb Tousley, Exeter Realty Company

Newsletter

Andy McDermott, Shea, Inc.

Gregory Brenny, Fafinski Mark & Johnson, P.A.

Program

Brent Anderson

Jeff Orosz, CMA

Retail Report

Michael Broich, Target Corporation

Sponsorship

Shelly Muelken, Marketplace Commercial

Wendy Madsen, Ryan Companies US, Inc.

STARR Awards

Derek Naill, Associated Bank

Luann Johnson, Rochon Corporation

Technology

Mark Robinson, Paster Enterprises

Kate McCall Beazley, Beazley Consulting, LLC

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MN MARKETPLACE

Press releases are printed based upon availability of space and relevance to the local market.

- Hell's Kitchen has opened its much-buzzed-about bakery, **Angel Food Bakery**, located on the street level above Hell's Kitchen at 80 Ninth Street S. It will offer many of the goods used in Hell's Kitchen's signature dishes, as well as other doughnuts, breads, cupcakes, and Peace Coffee. Angel Food will also provide several daily gluten-free options. The bakery will open at 6:30 a.m. on weekdays and 7:30 a.m. on weekends and will give customers a front-row seat to its open kitchen.
- Work has begun on a new 52,934-sf **Costco** and 5,770-sf **Kwik Trip** station and car wash on 19th Street in Rochester.
- The TCF Bank building in Burnsville's Heart of the City has been torn down to make way for a new 13,740-sf **CVS/pharmacy** which will be equipped with a drive-through window and a landscaped plaza area for pedestrians.
- **Schlotzsky's Deli** has signed its largest multi-unit deal in a single period in company history. The company plans to open 61 locations in California, Arizona and Minneapolis. Loren and Kathy Fliflet will open six tri-brand locations in Minneapolis. They currently own Massage Envy franchises.
- Joining neighboring tenants Freeziac and Verizon Wireless, **iBeach Tan** is planning its opening at 9412 Dunkirk Lane N. in Maple Grove.
- **Cooks of Crocus Hill** is taking over Chef's Gallery in Stillwater. Stillwater represents a third location for Cooks of Crocus Hill, which is also in St. Paul and Edina.
- **Peoples Organic Cafe** is planning to open an organic food cafe this summer on the first floor of the IDS Center in downtown Minneapolis. The coffee shop and restaurant will be leasing about 880 sf in what was formerly a Ritz Camera store.
- Mall of America has announced new tenants: **Dr. Martens** footwear will open its first corporate-owned location. Australian retailer **Cotton On** is opening two new MOA stores. One will be a clothing store, called Cotton On, featuring casual attire for men and women, scheduled to open this summer. The second, called **Typo**, will sell stationery, cards and quirky gifts, set to open in June. Surf and skate clothing retailer **Tilly's** is opening its first Minnesota location in June. **Masu Sushi & Robata**, a popular Japanese restaurant in Northeast Minneapolis, is expanding in June to a second location at the MOA. **ChaTime**, a Taiwanese bubble tea company, has opened its third U.S. location at MOA. A new **Quiznos** location has also opened in the Level Three North food court.
- The Shops at West End announced the signing of **Raku Sushi** and **Blast Blow Dry Bar**. Both are expected to open in the next few months.
- Beachwear boutique **Nani Nalu** has re-opened in a new, larger and more visible space at 50th & France. The store was located at 3922 West 50th Street, between Decor Designs and Belleson's, and is now at 3821 West 50th Street, the longtime home of Peterson Portraits.

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Monday, June 18, 2012

11:00 am Registration & Boxed Lunch
 12:15 pm Shotgun Start & Four-Person Scramble
 5:30 pm Social Hour & Dinner Buffet
 7:00 pm Hole Event Winners & Awards Presentation

PAR-TEE CARTS

Purchase \$5 tickets at the course for a chance to win one of two decked out Par-Tee Carts for your foursome. All gifts on the cart are yours to keep!

Par-Tee Cart Sponsor:



Beverage Sponsor:



Lunch Sponsor:



MAJESTIC OAKS GOLF CLUB

701 Bunker Lake Blvd., Ham Lake 55304
 (763) 755-2140

TOURNAMENT FEATURES:

- Longest drive, longest putt and closest-to-the-pin contest
- **New Golf Rule** - If you have missed your par attempt, pick up your ball and proceed to the next hole. Therefore, no greater score than bogey shall be recorded.

Foursome Registration *No refunds or cancellations allowed*

#1 Name _____
 Company _____
 Email _____

#2 Name _____
 Company _____
 Email _____

#3 Name _____
 Company _____
 Email _____

#4 Name _____
 Company _____
 Email _____

Ultimate Foursome \$690 (over \$900 value!)
 (includes team skins, mulligans, golf, lunch, dinner buffet)
 The first 50 foursomes to purchase the prize package will receive 4 free rounds of golf at Majestic Oaks (not to be used on the day of the tournament). They will be sent out to the purchaser of the foursome via mail in April (\$180 value!).

Foursome \$640
 (includes team golf, lunch, dinner buffet)

Individual Registration *No refunds or cancellations allowed*

Single Golfer \$170
 (will be paired as they are received)
 (includes individual golf, lunch, dinner buffet)

Name _____
 Company _____
 Email _____

Dinner Only \$30
 Name _____
 Company _____
 Email _____

2nd Annual!

Lawn Ranger Wine Pull
 \$10/cork - guaranteed winner!
 Red and white bottles ranging from \$10 - \$100



Purchase corks at the tournament near the lunch tent

Preferred Course (not guaranteed; first come, first served) Signature Crossroads Either

Return with payment to MSCA

Check Number _____ Visa MC Amount \$ _____
 Name on Card _____ Card Number _____ Exp. Date _____
 Credit Card Billing Address _____
 Security Code _____ Signature _____

8120 Penn Avenue South, Suite 464 ☘ Bloomington, MN 55431 ☘ phone (952) 345-0452 ☘ fax (952) 888-0000

MEMBER PROFILES

Dan Gilchrist

Lindquist & Vennum, PLLP



What is your primary career focus? Commercial Real Estate Law

What is your secret talent? I have finished six marathons in the last eight years.

What is the one word that describes you? Steady.

What would you rather do than go to work on Monday morning? Clean out my garage. It needs it!

When you were a kid, what did you want to be when you grew up? It was a toss-up between fireman and professional baseball player.

What was your very first job? At age 14. I became an independent contractor janitor cleaning at a two-tenant office building that included an Edina Realty office. It was a 14-mile round-trip bicycle ride.

Who was your mentor? My father, who was a regional sales manager for Edina Realty until his death in 1991.

What is your favorite cereal and why? Granola because I have heard that it is healthy.

If you were an animal, what would you be and why? A Minnesota gopher because I am a life-long and loyal Minnesotan.

What are your favorite place(s) that you have travelled to? The Mayan ruins at Tulum in Mexico.

How long have you been an MSCA member? Since June 2007.

Tricia Pitchford

Cushman & Wakefield/Northmarq



What is your primary career focus? Retail brokerage

What is your secret talent? Pretty good carpentry skills

What is the one word that describes you? Diligent

What was the first car you owned? Ford Escort

What would you rather do than go to work on Monday morning? Be at the cabin working on projects

When you were a kid, what did you want to be when you grew up? I wanted to work in the hotel / hospitality industry

What was your very first job? Lawn mowing company

Who are/were your mentors? Julie Bauch and Mike Ohmes

What is your favorite cereal? Lucky Charms

What are your favorite place(s) that you have travelled to? Cabo San Lucas, I love the contrast of the desert and ocean.

How long have you been an MSCA member? 15 years

NEW MEMBERS

David Hene
SUPERVALU

Troon Dowds
Grandbridge Real Estate
Capital

Kevin Teppen
MFRA, Inc.

Scott Fitzgerald
Tri-Land Properties, Inc.

Lindsay Gardenhire
Jones Lang LaSalle

John Imholte
Chuck & Don's Pet Food
Outlet

Mike Johnson
Paster Enterprises

Luke Rieger
Mid-America Real Estate -
Minnesota, LLC

Matt Woodruff,
Larson Engineering, Inc.

Andre Stouvenel
Commercial Systems, LLC

MEMBER NEWS

Doherty Receives Promotion. Mid-America Real Estate – Minnesota, L.L.C., is pleased to announce the recent promotion of Jesseka Doherty to Vice President of Leasing. With 10 years of commercial retail experience, Jesseka has leased several hundred thousand square feet of retail space, with an average lease size of 3,200 sf.

CBCGC Receives Award. Coldwell Banker Commercial Griffin Companies has earned the 2011 Commercial Elite award for the second year in a row; which is bestowed upon the top 15 Coldwell Banker Commercial® affiliated companies globally.

Jahnke Joins Sunbelt. Richard Jahnke has joined Sunbelt Business Brokers as a Sales Associate. Richard will be assisting entrepreneurs navigate the complexities of buying and selling a business. Sunbelt, with 300 offices throughout the United States, is the largest business sales firm in the world.

LEGISLATIVE EDUCATION SEMINAR – MAY 16, 2012

MAY 2012						
SUN	MON	TUE	WED	THU	FRI	SAT
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

Join us (free for members) at the next Legislative Education Seminar to recap the recent Minnesota legislative session, preview of the 2012 Elections, and review other state and national issues.

To register, or for more information, contact Karla at (952) 888-3490.



FRANCHISE PHENOMENON

TRENDS, TRIALS AND TIPS



Presenter: **Mary Jo Larson**, Publisher/VP, *Franchise Times*
Moderator: **Paula Mueller**, Northtown Mall/Glimcher Realty Trust

The number of 2011 franchises was slightly down. There were 735,600 establishments in the franchise market, down from 770,800 in 2007. Franchises were responsible for over 7.9 million jobs – a 1.9% increase from 2010 to 2011. Three percent of our nation's Gross National Product is due to franchises. It's projected that 2012 will see an increase of 749,000 overall franchises.

The *Franchise Times* annually lists the Top 200 Franchises in terms of value as well as number of sites. There were over 500 billion dollars in 2010 sales – up 6.9% over sales in 2009. Franchises are divided up into sectors such as food, auto, home services, lodging, personal service, real estate, and business services, but *The Franchise Times'* Top 200 does not separate out these sectors. The #1 franchise was MDO (McDonalds), worth \$77 billion with 32,700 locations, and #200 was Allegra worth \$231 million with 312 locations. The Top 200 revealed:

- Real estate franchises are doing well
- Printing companies struggled
- Massage retailers increased
- High-end hotels were up
- Auto franchises increased
- International locations helped spur growth

The *Franchise Times* has a sister magazine called *The Monitor* that reports on finance and development issues for senior executives in multi-unit restaurant companies. *The Monitor* reported that, in 2011, total units decreased to 15,090; total revenue increased to \$23.2 billion; big

franchises acquired locations from existing locations; BK and KFC struggled (in 2010 BK filed for bankruptcy.); YUM concepts expanded with 35 total brands; and Applebee's expanded with over 30 brands under one company. *The Monitor* also annually lists the Top 200. The #1 was NPC International, with 1,136 Pizza Hut locations and \$934 million in sales. #200 was KFC & Yum with 44 locations and \$36 million in revenue. *The Monitor* revealed a "Brand Manager" trend where companies do not wish to create their own franchise but operate established concepts. Top performers on the 200 list include Border Foods at #35 with 90 Taco Bells and 74 Pizza Huts, and Fourteen Foods at #63 with 119 Dairy Queens and \$119 million in revenue. Multi-unit acquisitions will continue in 2012 since they are cheaper to finance.

Capital access virtually shut franchising down since 2008. Some organizations such as the IFA started a full-court press to help release capital. Companies were created to help this effort such as IFA, Franchise America Finance and the Bancorp Bank. They provide due diligence packages to help alleviate concerns for financiers regarding franchise opportunities. The report investigates the concept as well as the potential franchisee. Credit access today is freeing up. The SBA and community bank deposits are up, and they need to deploy capital. Alternative financing is also popular such as Mount Pleasant Capitola and WK Berkeley – over \$500 million in franchise loans and Pinnacle Capital and Banc Alliance providing over 100 million in franchise loans for Denny's alone.

Some franchises have even begun a fresh new approach. Marco's Pizza started Marco's Assurance LLC to assist their franchisees getting financing by adding personal guarantees, first dollar loss guarantees for lenders and lease programs through a private equity pool. Papa John's will waive royalties for 18 months and the 25k franchise fee. They will also give a food credit for opening early and provide two new ovens worth 50k for approved franchisees.

There are numerous trends for 2012. Real estate has the following: sale lease-backs rebounding in major

continued on page 7 →

APRIL 2012 PROFESSIONAL SHOWCASE

The Mandinec Group Landscaping, Inc. provides landscape design and maintenance for commercial customers. Since 1994, they have been saving their customers money by coming up with great landscaping solutions. Whether you wish to install new landscaping, patios, retainer walls, irrigation systems, or even getting the water to flow correctly, they can save you money!



SMALL TALK

TECH TIP: PROGRAM REGISTRATION

If you receive a **404 error** when registering for a program, you need to go into your internet settings and delete your MSCA cookies. You should only need to do this once. Before checking out, ensure you are paying the correct registration fee: if registering as a member, you will NOT need to fill out company information and the fee is \$35. If your shopping cart shows a \$70 fee, you have registered as a non-member. Call MSCA for help BEFORE checking out with the wrong fee. If you can't remember if you registered for a program, log into your profile and view your activity.

MY MSCA

GOLF TOURNAMENT

MSCA is coming up on our Annual Golf Tournament on Monday, June 18, 2012. We are close to selling out at our capacity of 288 golfers, so be sure to get signed up ASAP!

This year, MSCA will not be hosting a silent auction at the tournament. There will be an online auction that runs for 1 ½ weeks prior to the golf tournament and for a few days following the golf tournament.



This online auction is the sole fundraiser for **Children's Hospitals and Clinics of Minnesota** this year, so we need to make it the most successful thus far. Please view

the online auction and promote it to friends and family. Share it on facebook and twitter and other social media sites.

If you are able to donate an item for the online auction, please contact Stacey at MSCA at (952) 888-3491. Your help is greatly appreciated and our funds will be of great assistance to the charity.

Franchise Phenomenon - continued from page 6

cities, co-branding to maximize efficiencies and reduce risks, and shopping centers marketing directly to franchisees. International expansion is exploding. Franchises struggling in the U.S. are enjoying success overseas such as KFC/BK. International concepts Pollo Campero and AGyu-Kaku are coming here as well. Franchises are "De-Franchising" – in other words buying back from the franchisee. Concepts like Panera and Buffalo Wild Wings are doing so since they have better operating margins. Bankruptcies and closings have slowed with chain sales increasing and are up 3.4% to \$242 billion. Fast-casual and limited-service continue to be the hottest for the year including 5 Guys, Chipotle, Firehouse Subs and Buffalo Wild Wings. Personal Growth Services, Business Services and Quick Serve will be the growth leaders for 2012. Concepts such as Dogtopia, Comfort Keepers, Yo! Sushi and Anytime Fitness will lead the way.

Lastly, everyone wants to know how to pick a winner. Questions to ask include: Is capital available? Is the concept well established? Does it offer franchise support? Is it a fad or a trend? You can ask, "Should it be franchised?" How about Blink (tattoo removal experts) or Hair Wizards (remove problem nits) or the Pet Butler (pet excrement removal services)? 2012 will surely reveal the answers, but we already know that capitol is freeing up, franchises are increasing, and sales are up.

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MN Marketplace - continued from page 4

- **Mona Restaurant & Bar** opened in Accenture Tower in downtown Minneapolis in April. The restaurant took over the ground-floor space formerly held by the Black Bamboo, and is owned by Lisa Hanson, former chef de cuisine at Corner Table. Mona will offer a full bar as well as a small-plate menu. It will open at 11 a.m. each day Monday through Friday, and in the evening on Saturdays.
- **dpHue** will open its second store at 50th & France on June 1. The Twin Cities-based hair color retailer, with a store in Maple Grove, strives to bridge the gap between drug store dyes and salon services, and offers free professional color consults and take-home kits that start at \$38. dpHue is taking over the former Spirit boutique space in Edina.
- Maplewood Mall has announced new tenants that are coming soon. The list includes **Cotton On**, **Men's Wearhouse** and **Crazy 8**, a children's clothing concept. The mall's owner, Simon Property Group is remodeling portions of the mall common area finish decor and the food court.
- **Best Buy** announced plans to close 50 stores nationwide, including five Minnesota stores. The company plans to downsize the Richfield store from the current size of 57,076 sf to 44,885 sf. **Ulta Cosmetics** has signed a lease for the remaining 12,191 sf and will relocate from Southdale Center.
- **Paragon Outlet Partners** received unanimous approval from the Eagan Economic Development Authority on a conceptual plan to build a 425,000-sf outlet center. The 35-acre site at Cedar Avenue & Highway 13 would include 90 to 100 stores and two-level parking structures.
- **HJ Development** is planning to build a 41,000-sf retail center on a vacant Lupient car dealership lot at Louisiana Avenue & I-394 in Golden Valley. The site is adjacent to the newly reconstructed Menards which has recently opened for business.
- **Jimmy John's** and **New Bohemia** restaurant will open in the space vacated by Panera Bread at the corner of Hennepin & University in Northeast Minneapolis. New Bohemia will feature 40 beers and a gastro-pub menu. The **Bibelot** shop across the street has been downsized to make room for a new **Noodles & Co.**
- **HomeGoods** has signed a lease for 28,187 sf of space previously occupied by Ultimate Electronics in Centennial Lakes Plaza on France Avenue.
- **Pure Barre**, with 25 U.S. locations, has opened its first Minnesota location at West 36th Street & Highway 100 in St. Louis Park. Barre workouts use ballet barres for high energy workouts that create long, lean muscle without the bulk.
- Demolition of **Wayzata Bay Center**, a 1960s-vintage shopping center in Wayzata, began in April. The 14.5 acres will be transformed in phases to include five blocks of new senior housing, retail stores, condos, office space and a hotel. The project, called the **Promenade of Wayzata**, is owned by Presbyterian Homes & Services, based in Roseville. Its \$125-million first phase will build two five-story buildings for ground-level retail shops with a GLA of 130,000 sf and 225 senior living apartments.

SMALL TALK

STATS: Growth

PROJECTED RETAIL CHANNEL COMPOUND ANNUAL GROWTH RATE

Retail Channel Rate 2010-2016	Compound Growth
Gaining Share	
Ecommerce	8.5%
Club	4.9
Dollar Stores	4.8
Supercenters	4.6
Pet	4.1
Drug	2.7
Losing Share	
Convenience/Gas	2.1%
Supermarkets	1.5
Liquor	1.2
Discount Dept Stores	0.4
Sporting Goods	0.3
Losing Share and Negative Growth	
Home Improvement	-0.1%
Department Stores	-0.4
Auto	-0.5
Home, Bed, Bath	-0.5
Office	-0.5
Apparel	-0.8
Electronics	-0.9
Books	-1.1
Toy Stores	-1.7
Mass Merchants	-3.0

Source: Nielsen TDLinX & Nielsen Analytics, March 2012

[Read more](#)

REMINDER:

MSCA ANNUAL GOLF TOURNAMENT - JUNE 18

The MSCA Annual Golf Tournament is filling up fast – make sure to get your foursomes in to ensure a spot in our tournament!



New this year – a chance for a \$5,000 putt at the end of the night. More details to follow.