

What's going on with redevelopment of St. Paul's Ford plant site?



MinnPost photo by Peter Callaghan

The site of the former Ford Motor plant in Highland Park, St. Paul.

Chris Coleman's title was still mayor-elect when he got the news. A major employer in his city — a source of 1,800 well-paid, union jobs — would close.

It was post-election 2005, while he was at the training school that Harvard puts on for new mayors, when he took the call that Ford Motor Co. would close its giant assembly plant.

"I thought, 'I haven't even taken office,' " Coleman said at a 2014 community meeting.

"They can't blame me for this one," he joked. It might not have been his doing, but it was his problem. Dealing with the job losses and trying to influence what Ford does with the site has been a constant during his nearly three terms in office.

At least St. Paul wasn't alone. Between 1979 and 2011, 267 automobile assembly and auto-parts plants closed in the United States. Most were major employers in their communities, and more than half remained closed as of 2011 when the U.S. Department of Labor studied the problem.

Having civic company didn't make it any easier to take or easier to resolve. Ford had been making cars at the Highland site overlooking the Mississippi River since 1925 after moving operations from the vertical Ford Building near Target Field in Minneapolis, where it assembled 400 Model T's a day for a decade.

The closure was as much psychic blow as economic. The Highland neighborhood had built up around the plant. Generations of family members worked there. The union hall across Ford Parkway was a gathering place for workers as well as the DFL politicians who courted them. Kids played at the Little League fields built by the company.

First the city tried to persuade the company to keep the Twin Cities Assembly Plant open, which it did until 2011. Then it began what would be a long process of preparing for a post-Ford St. Paul. As the company decommissioned the plant, dismantled its 2 million square feet of factory and support buildings, pulverized the concrete remains to produce 300 million pounds of material that will be used as capping material and began cleaning up the hazards left behind, the city and Ford commissioned studies and held meetings.

Lots of meetings

Groups met to decide what the site might look like once redeveloped and what infrastructure and zoning would be needed. Others met to discuss environmental sustainability, open space, public art, stormwater, employment and transportation. Finance folks looked into how a tax increment financing district could be formed to use some of the new tax revenue generated from redevelopment to pay for that infrastructure.

(The work of these groups [can be found on the city's webpage.](#))

Last month's community meeting at Gloria Dei Lutheran Church near the now-desolate site was a milestone of sorts. Most of the plans and studies are complete or mostly complete. An environmental study has concluded that a cleanup is possible and affordable. And Ford is finally prepared to lay out a more firm timetable for redevelopment.

"The questions we get a lot are, 'When are you going to market?' and 'When are you going to find a developer?'" said Rob Cory, the director of Global Real Estate Services for Ford. The company still owns the bulk of the 135 acres that are the first to be redeveloped. It plans to do the environmental remediation itself and then sell to a master real-estate developer to handle the redevelopment.

"Ideally, in the real-estate world, I'd like to time the finishing of the sale process with the finishing of the remediation," Cory said. "Maybe at the beginning of '18, middle of '17 we would start going to market. Ford has told me to say that sometime in 2019 we would be done."



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The environmental report, though still preliminary, did not show significant problems. A more gloomy report could have led the company to decide to keep large areas off-limits or have only low-level development rather than risk the liability from later problems. That's what led ExxonMobil to balk at a more thorough cleanup of its onetime tank farm near the river at Otto Street. A settlement saw the city get the land for \$1 plus \$5 million for cleanup. But it came with a demand to not put housing or other buildings on the capped land.

"We expect, based on what we know today, that the majority of the site will be available for the types of things the city has been talking about for years," Cory said. That would be a mix of uses, including commercial, residential, retail and some light or specialized manufacturing.

The state has been working closely with Ford, watching over the environmental investigation and remediation plan. Amy Hadiaris, a hydrologist with the [Minnesota Pollution Control Agency](#), said there are hazardous compounds on the site and in the groundwater, but added, "It's not too bad really."

Geology helped. There is a relatively thin layer of soils — sands, silts and clays — on top of shale, limestone and sandstone. That kept contamination, especially near the auto painting facilities, from going very far or reaching aquifers.

“It’s not a site where there’s a whole lot of groundwater contamination, based on the information we have right now,” she said. “There’s some stuff there, but not at levels that are of grave concern. It’s certainly a site that can be cleaned up and put to whatever use the community and the city wants to see happen.”

“It’s good news,” said Ward 3 Council Member Chris Tolbert. “I was worried about limited uses.”

How St. Paul’s ‘Ford problem’ is different

In many of the Midwestern towns where Ford, General Motors, Chrysler or their respective parts suppliers closed plants, they were the primary employer. According to the Department of Labor report, 72 percent of the closed plants were the first, second or third-largest employer in their towns, with more than one-third of the plants employing more than 2,000 workers.

The plants tended to be in industrial areas and in towns without much potential for redevelopment. As of 2011, of the 139 plants that hadn’t found reuse, a third had closed in the 1980s or ’90s, meaning they’d been shuttered for a decade or more. Even for those that have been repurposed, the report stated, “the new use rarely employs as many workers as the original. Redeveloping automotive industrial sites and replacing even a portion of the jobs once supported can be a very long and complicated process.”

But the St. Paul plant, while a significant employer, wasn’t as dominant.

“As much as it hurt to lose those jobs, because of our economic diversity, it didn’t decimate the economy of St. Paul,” said Tolbert, whose ward includes the plant area.

Coleman laments the loss of the jobs at Ford — 1,800 when the closure announcement was made and 800 when it closed.



City of St. Paul

An aerial view of the site of the former Ford Motor plant in Highland Park, St. Paul.

“It’s true our regional economy is not a one-horse economy and there’s a lot of diversity to it,” Coleman said. “But those were uniquely good jobs for a lot of folks. You could raise a family with the wages you were making at that plant,” comparing them to other lost jobs at the Hamm’s and Schmidt breweries.

That is one reason planning for the new Ford site includes a job element. Depending on the mix of uses and the types of workplaces, an analysis done for the city suggests employment could range from 1,582 to 3,020.

Some of the types of employment that might be targeted by recruiters are health and medical; research and development; custom or light manufacturing; institutional, such as education; or general office.

But planners are quick to say that any manufacturing or industrial site cannot be dependent on truck traffic. Traffic planners think it is too congested with passenger cars to tolerate trucks, especially at busy intersections like Ford Parkway and Cleveland. And there are many residential neighborhoods between the site and interstate freeways.

Ford site potential

The site itself is unusual both for its location and its proximity. Tolbert likes to point out that it is seven minutes from downtown St. Paul, seven minutes from downtown Minneapolis and seven minutes from the airport. (While that might be a bit optimistic — Google Maps gives travel times ranging from 10 to 20 minutes — the site is less than 7 miles from each of those locations.)

“Nearly every other site has been repurposed for industrial uses,” Tolbert said of the closed automotive sites elsewhere in the nation. “This site doesn’t lend itself to that.” Currently, the jobs report stated, 280,000 workers live within a 20-minute commute of the site.

It is also in a well-established neighborhood of single-family and multifamily housing, with numerous commercial nodes mixed among them.

“It’s not often you have an industrial site with houses in the neighborhood with million-dollar views,” Tolbert said.

The “Ford site” is actually multiple sites. The primary redevelopment target is the 122 acres where Ford’s assembly plant was. Rough borders are Ford Parkway on the north, Cleveland Avenue on the east and Mississippi River Boulevard on the west and south. There is also a 13-acre former rail yard still owned by Canadian Pacific that could be developed at the same time but would be marketed independently of the Ford site.

Ford also owns a 22-acre parcel along the river and up to the bluff edge of Mississippi River Boulevard that contains a steam plant, a wastewater treatment plant and a former dump. Those are not being looked at for redevelopment at this time. The dam and hydroelectric facility on the river below the site was sold in 2008 to a Canadian company, Brookfield Power.

Compete with downtown/Midway?

St. Paul is currently promoting reuse of the RK Midway shopping center at University and Snelling and continuing to advocate for redevelopment of downtown. Is there enough interest from residents, employers and developers to populate all three? Coleman argues that they are different enough that they will complement each other, not compete with each other.

“The goal is to increase vitality in all corners of the city,” Coleman said. “We think it’s very complementary, especially if you bring transit into the conversation.”

Building heights at Ford would be lower than in downtown or Midway. Heights are controlled because of the former plant’s nearness to the river and the airport. A pending plan for the [Mississippi River Corridor Critical Area](#) is concerned with the visual impact from the river of tall buildings on the bluffs above. Some zoning suggestions have called for mid-rise buildings closer to the Highland neighborhood with lower building heights closer to the river.



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The Ford Motor plant in Highland Park shown in 2012.

Transit choice is the one feature of downtown and Midway that is less obvious at Ford. Downtown is well served by the Green Line light rail as well as both local and express bus service. The Midway site sits at the intersection of the Green Line and the region's first arterial bus rapid transit line.

But the Ford site benefits from the A-Line, which runs from the Rosedale Mall to the Blue Line Station at 46th via Snelling Avenue and Ford Parkway. From the Minneapolis terminus, riders can transfer for trips to downtown Minneapolis, the airport and the Mall of America. Other bus service touches the edges of the site and could be brought into the redeveloped site once the street grid of surrounding neighborhoods are continued into the site.

There is also a possibility that the Riverview Corridor — a transit route being studied that would connect downtown St. Paul to the airport — could either be routed through the Ford site or include a spur to meet up with the line close the Highway 5, perhaps via Canadian Pacific rail spurs. That line is still in the planning stage, with neither a route nor a transit mode being agreed to. It also would fall behind the Southwest LRT and the Bottineau lines in an already cloudy funding atmosphere.

The blank slate for infrastructure would also allow planners to create complete streets that accommodate cars, transit, pedestrians and bikes without the conflicts that have come when existing streets are converted.

A traffic and transit study is due later in the year.

The role of the city

St. Paul doesn't own the site; Ford does. Potentially then, Ford could do something that doesn't meet with the city's hopes. But the city and state have been working closely with Ford, both with managers locally and with officials at headquarters. Coleman, Tolbert and Gov. Mark Dayton went to Dearborn, Michigan, in March to meet with company brass, including Executive Vice President Joe Hinrichs.

"They were very clear they recognize the uniqueness of the site," Coleman said of that meeting.

At last month's community meeting, Ford's Cory said the company's plan and the city's sync up because higher-intensity development also maximizes how much the company can earn from a sale and redevelopment.

"It's a Ford Motor Co. asset so we owe it to our shareholders to maximize the site, and what the city wants to do will lead to good value for the site," Cory said. Any master developer that wants to get the deal with Ford has to "recognize that this isn't a site where you can put down a theater and a big-box retailer.

"It's more than that," Cory said. "And they have to be willing to work in trying to meet some of the city's goals when it comes to mixed-use development and retail and that stuff." [A report in the Minneapolis/St. Paul Business Journal last summer](#) identified Ryan Companies and the Opus Group as being interested in bidding to be the site's master developer.



Courtesy of the Minnesota Historical Society

The first car manufactured at the new Twin Cities Ford Plant in St. Paul.

Coleman said Ford's attitude toward the project makes all the difference.

"We've dealt with that on West 7th Street," Coleman said. "Koch (Refinery) worked with us to reclaim that site. Mobil shut us down and made it impossible for us to redevelop on that. To have a company like Ford to take a position like it has is very refreshing and very welcome."

Ultimately, however, the market will determine what gets built, which is why the city is already working with regional and statewide economic-development organizations on a campaign to market the location, recruit developers, and entice employers.

While it doesn't own the site, the city through its regulatory function will play a major role in what can be built, when and how fast.

“We don’t own the site,” Tolbert said at a 2014 community meeting. “But we do own the neighborhood.”

Long time frame

Coleman wasn’t yet mayor when the plant closure announcement was made. If he doesn’t seek a fourth term in 2017 as is expected, he will be out of office before the site even reaches the market. Once redevelopment starts, Coleman estimates that it will take two to three development cycles — up to two decades — before it is built out.

More optimistic estimates for the start of redevelopment have come and gone. Another recession could set the timing back even further. Part of the challenge, then, is to maintain focus over time as politicians and staffers and neighbors come and go.

Coleman said the long time frame turned out to be helpful. It gave the city and the community time to consider all the issues, and it created an atmosphere where neighbors didn’t feel they were being rushed to buy in. “Has it been frustrating that it’s taken this long? If we hadn’t had this opportunity we may not have been able to bring the community along and have them help shape it in the manner we’ve been able to do.”

Added Tolbert: “It’s different than what other timelines have said, but it didn’t surprise me. Granted, I’d like to get economic activity and redevelopment happening as soon as possible. I also want to ensure that it’s done right.”