

## **Mihalo (Mike) Temali, Neighborhood Development Center**

Interviewed by Peter Myers at Central Presbyterian Church, St. Paul,  
Feb. 11, 2011

Q What are your earliest memories growing up around here?

A I grew up in St. Paul. I grew up on the East Side and I grew up on Dayton's Bluff, on Mounds Boulevard basically. St. Paul is such a city of neighborhoods that people don't really get out that much from their own neighborhood. I was probably sixteen before I ever got to Minneapolis. So you basically would go downtown and do shopping and go back to the East Side, or you'd go out to Sunray Shopping Center on the East Side. So University Avenue wasn't really on our orbit, exactly, but my earliest memories are probably going all along University Avenue to get to Montgomery Wards, I suppose, which is kind of St. Paul's version of the Sears Tower, with the family once in awhile. But really, my first real distinct memory I was a young adult I went to the old Prom Center and saw Cab Callaway perform. That was probably in the last year or two that the Prom Center was up. And that was a big, national name and everything so that was...to me University Avenue was sort of like another downtown. It had both density of traffic and of buildings and sort of a quality about it that felt real dynamic and real different than my little neighborhood. So it was like in some ways like going to the big city.

Q If you were asked to describe University to someone today, what would you say?

A I describe University Avenue today as a place really characterized by a lot of ma and pa storefronts, in that sense almost like an old main street but it's really long, obviously. The larger users of...a lot of them are gone – the car dealerships which back in the 50s, 60s, 70s were dominant in kind of characterizing the Avenue have been long gone. The big box retailers are pretty much confined to a small area right in the center of the Avenue. So for me, the vast majority of University Avenue is characterized by ma and pa businesses. Some of them have been there a long time and some are automotive related, but the vast majority of them are immigrant businesses, particularly Southeast Asian – a lot of Vietnamese, a lot of Hmong, a lot of Cambodian - there's getting to be more East African businesses, there's African American, there's white-owned, there's some Latino. But it's a real mix of these small storefronts...the built environment is these really small storefronts and in some ways that's out of date retailing. Retailing for the last 30, 40 years has been big box with freeway access, huge parking lots and that's where people shopped. Well University Avenue doesn't have that, other than a small little portion of it. So instead what you have is this incredible mosaic of individual ma and pa businesses, which for me is really fun because every business is different, every business sort of represents both the individuality of that business owner but also their culture and

to me it's a little bit like traveling around the world to go into these different businesses and different stores and over time to see more and more people from all ethnicities and from all parts of the metro area discover it and feel comfortable coming in. That's been a real interesting evolution.

Q What role does University Ave. play in the economic and civic life of the Twin Cities?

A I think all the small storefronts that were largely abandoned by what I call the mainstream retailer back in the 60s, back in the 70s in favor of suburban shopping centers happened to fit perfectly with both the idea of retailing for new immigrants that they brought with them from Vietnam or Mexico or Somalia or wherever it is. That small-scale, family size, a little bit informal type of business fit into those buildings beautifully and those buildings were available because the U.S. mainstream economy had kind of moved out to the suburbs and into the larger boxes and everything that carries a lot more polish and a lot more expense. So these buildings were available in the 70s and in the 80s and in the 90s to rent or to buy at a much cheaper price than anything newer and anything out in the suburbs. So what our society and our economy had kind of left behind in favor of newer and more expensive and more suburban, the newcomers found a home in that felt like closer to their own home back in the old country – small, affordable, and something that one family could handle with their kids working there, with their parents working there. So you see entire families managing a restaurant, managing a jewelry store, managing a grocery store in these smaller spaces. They didn't have to make a ton of money because they all worked there. So the entire family – three generations often – were accommodated in these stores that nobody else wanted, in these buildings that nobody else wanted. The other reason that University Avenue became home for all these businesses is that the neighborhood around there had become home for these families for sort of the same reasons. People were moving out of Frogtown and the younger generation – my generation I suppose you'd say – had heavily moved to the suburbs so the homes that they grew up in, they wanted a bigger home, they wanted a home in the suburb or whatever and then again the housing in this neighborhood was ideal for the newcomers who were fine with the older house, and they needed a more affordable house. And they created a district. Folks of all sorts but particularly newcomers into our country really have a strong inclination to stay together just because of their large families, their families are connected, there's a comfort in that – one young person may speak English really well and another one may really know how to navigate the education system or one might have a car and they could kind of cluster like that. So they did that in Frogtown, they did that in Summit-University, they did that in Mount Airey Housing Project, etc. So this was their natural place to just walk to, to create businesses and a shopping district.

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A When you think of any neighborhood anywhere there's a lot of different streets and there's different kind of uses of the land and so on. But what you tend to think about is the commercial corridor because that's where the vast majority of the traffic is, that's where you go for a meal, that's where you go to shop, that's probably where a lot of people go to work. The commercial corridor tends to be sort of the heartbeat of any neighborhood. The traffic count, for instance, on University Avenue I think is 25,000 cars a day, 28,000 cars a day if I have that right. Any other side street around there maybe has 7,000 or 9,000 cars a day at the most. So this is where life happens. It's where you get out of your home and you go to the commercial corridor and that's true in all neighborhoods. And it's also why, by the way, when I-94 came through and took out the Rondo neighborhood, what it particularly took out was Rondo Avenue, which had the black-owned business district. So it wasn't just a matter of taking out a lot of houses or just a matter of dividing the neighborhood in half, but it was also on top of that a matter of taking out this essential heart of the community – the barber shops, the co-op grocery store – it's where people gathered, where people saw their neighbors was taken out. Well University Avenue plays that role on a huge scale. So if you're going to start a business, if you are entrepreneurial, if you have an idea or you're doing something out of your home to make money – we used to call it egg money or beer money or whatever you call it and thousands of people do that – well if you're going to take that business to the next step and really try to make a living out of it for your family, the commercial corridor is the place that you're going to gravitate toward because that's where customers are. So it's the marketplace, it's basically the central marketplace of any neighborhood is their commercial corridor. So our organization – the Neighborhood Development Center – has focused for 20 years now on trying to not just revitalize commercial corridors for the sake of stimulating broader neighborhood revitalization, but revitalizing these corridors with entrepreneurs from that particular neighborhood. So in other words, if we were just a regular developer, private sector developer or maybe public sector developer and trying to think about what would be good at University and Dale to revitalize it, that crucial intersection? We might think of a chain drugstore or some kind of national branded retailer. In our case we've spent 20 years working on revitalizing that particular intersection after it suffered for decades with vice. And we've done this with the community but our objective was always to redevelop it with the face of the community in it. In other words, let's build up this intersection with entrepreneurs and folks from this neighborhood, where people can then say, this is our community, we're proud of it and we can make a dollar here, we can make a living here, rather than waiting for someone to come in from outside, from a suburban location or from a national chain or whatever and do it for us. We can do it for ourselves. So the project at University and Dale called Frogtown Square, which will be opening here in a few weeks actually, will feature seven small businesses underneath 50 units of housing and six of those seven are neighborhood-level, ma and pa businesses with owners from the community. So we feel really good about that. The message that's going to sort of resonate every single day now is that this community not only is looking better, but this

community has the ability to start businesses, to serve the customer well, to impress outside customers, to draw outside customers, to employ their own kids, to role model for their own kids, to create gathering places for their own folks. And if those seven people could do it, so can I, so can my neighbor. I can go ask them how did they do that? So you start to recreate a little bit of what was lost on Rondo, but a little bit of what was lost everywhere in the country as neighborhood businesses and neighborhood commercial strips moved out to the suburbs then kind of emptied out.

Q Can you provide a short chronology of the past several decades of change at the University and Dale intersection?

A The intersection of University and Dale has a pretty storied history and I've only been out there for 20 years myself right now. But obviously at one point it was a fine intersection and a respectable area, but for a number of decades it was really the center of vice for not just St. Paul but for a pretty big region because three of the four corners had adult entertainment on it. There were very respectable businesses adjacent to that – Lendway's was a great restaurant and community gathering place, Western Bank was always there, etc. But those three corners of the Faust, the Flick and the Belmont not only sort of gave this image of a sin and vice and this is where you go for drugs and prostitution and adult entertainment, but it drew a crowd from far and wide into that neighborhood that was really there for no good, obviously. Well what that did then was make everybody who was respectable, who was sort of a normal family person or an employee of one of these businesses, it made them feel highly uncomfortable. I remember probably 16 years ago hearing about a police officer from Stillwater, a man, who refused to come to Western Bank because of the reputation of University and Dale. In the middle of the day he wouldn't come. We had prostitution around there, we had a lot of johns coming for that and as a result of that on the side streets right around there you couldn't really walk without noticing this kind of activity. Women were highly nervous about walking in front of their own home if they happened to live on Sherburne or Aurora or whatever. And the housing values, when I came over to work with Bill Sands at Western Bank in 1990, you could buy a house for, I think, \$10,000, \$12,000 immediately behind Western Bank. At that time they should have been worth maybe \$60, \$70,000. But it was mostly absentee landlords and kind of slum properties and it was because of all this activity happening there. So the neighborhood folks, the Catholic Church and some nuns, George Latimer as the mayor, Bill Sands from Western Bank, etc. waged this really long war against those three establishments and finally got rid of them in the late 80s. And then the land sort of sat there. It was sort of like everybody could finally breathe but nobody moved in to take over these establishments immediately. The Belmont strip club became...the city took it over and it became a police precinct. In fact, John Harrington who's now a representative for the east side of St. Paul, former police chief, he was the precinct captain there for a number of years back in the 90s if I remember right, so having the police precinct station there was a use, but it was mainly their

parking lot and locker room so it wasn't open much. They had a few officers in there but its presence didn't really change the image of the neighborhood. There was a long period where folks were trying to figure out how to save the Faust Theater as an interesting piece of architecture, kind of a Bavarian-style theater. There were a number of efforts to use that in a redevelopment that I was involved with from the Neighborhood Development Center and Western Bank and they didn't take place. They didn't work. So eventually that theater was torn down – probably in the late 90s but I'm not totally sure, I don't know the chronology that well. Then there was Aurora-St. Anthony block clubs, led by Ron Pauline, built a public market on the spot of the old Faust theater and it became primarily Hmong farmers selling products and it became for about five or six years a pretty strong public market, farmers market which has now moved east and is in front of the Uni-Dale shopping center on Saturdays I guess. I'll tell you a little bit about our community planning process to try to revitalize that whole intersection because in the work of community development you're almost always dealing with a drop in the bucket. You have very few resources to try to change entire economies, to try to change peoples' shopping patterns and ultimately to try to change peoples' perceptions of a place and of a community. So that's why focusing so intensely on that intersection has preoccupied our organization for 20 years. That's not the only thing we've done, but if you can take something that was that symbolically negative and had that huge of a reputation across the metro region for negative things, and if you can turn that into something that's both positive and substantial, that will send out such a different message to the community, to the media, to the region that it will resonate - the drop in the bucket will resonate – much further than if you do a project even elsewhere on the corridor or if you do a project back in the neighborhood that is far less visible. So starting in the mid-90s, the NDC was working with Aurora-St. Anthony block clubs and Model Cities of St. Paul Inc. – Beverly Hawkins – to try to gather input from the neighborhood about what did they want to see at that intersection. We did a whole bunch of surveys and a whole bunch of meetings and we actually hired a developer from Minneapolis – Ray Harris, who had developed the uptown area – to come over and help us. And we developed – this was probably in the late 90s – we developed a concept for the entire block that would be the southwest quadrant of that intersection. There was going to be a three story building covering the entire block and it was going to have retail on the first floor and some community gathering spaces and so on, and then it was going to be a St. Paul public high school on the second floor – small, about 300 students and the district was interested – and then housing on the top floor. And we proposed that to the city and we had a new mayor at that point – Norm Coleman – and they just weren't able to find the money to do something like that, so that project sort of died. Actually that was called the Global Market, that idea which obviously some years later we opened the Midtown Global Market in the old Sears building on Lake Street. But the concepts that the neighborhood wanted was positive activity day and evening, places to eat, places to shop, they wanted art. We actually talked a long time tried to get the Penumbra Theater to come over there. We were going to call it the August Wilson Penumbra Theater. They were interested but didn't

have the money to pull that off at that point either. But the neighborhood's vision was very much about retail that draws people during the day and the evening so you had activity that was positive, you had eyes on the street, you had safety, and it wasn't all chains, it wasn't all franchises but had a real community feel and where art could be incorporated. So when that project didn't work we kept trying, we worked for a little while with Steve Wellington to try to actually put the new Western Bank out on that corner. That didn't work for a variety of reasons. So Beverly Hawkins and Nieeta Presley and myself and various folks from the Greater Frogtown CDC created a group in I suppose 2002 or so that was called the University Dale Redevelopment Holding Company and this was a collaboration of our four nonprofit community organizations to try to assemble land, hold the land for redevelopment, take these community values and overlay them onto a development plan and then try to attract developers or attract enough investment money where we could develop these parcels ourselves. So the first project that actually went up then was the Rondo Library, the Rondo Community Outreach Library with housing up above it – I believe there are 100 units of housing. That was done by Legacy Management, Archie Givens, who's from the community and he partnered with Aurora-St. Anthony block clubs to do that project. Now actually in the late 90s our organization partnered with another group to buy and renovate the two old buildings on the northwest corner of University and Dale, so currently Big Daddy's BBQ and Shoua Tailor are sort of the face of those two buildings, but we actually have seventeen entrepreneurs inside of those two buildings. We've had that as a business incubator for the last about 14 years, I'd say. We've had some funding from the City of St. Paul, we have loans from Western Bank, I believe St. Paul Companies, Travelers had some money in there. But we've been incubating neighborhood businesses at that corner now – a little bit behind the scenes I guess you'd say – but we've been incubating dozens of neighborhood businesses – Hmong, African American, Latino, white-owned, etc. – that are in there to this day doing business, creating jobs and tax base and everything else. So that was the first corner, I guess, that really got cleaned up and that was the northwest corner, and then the Rondo Community Library.

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A Yeah, it's called the Midtown Business Center and in fact.... So the two buildings that we purchased and renovated into business incubators on the northwest corner of University and Dale back in the mid-90s are collectively called the Midtown Business Center. In fact we were in there doing our own demolition work probably 1997 or so when I got hurt. We were trying to save \$10,000 of the construction cost and by the time my hospital bills were paid it was \$100,000 and three months of laying on my back in Regions and Bethesda. But we're pretty much a hands on kind of organization and we did that with another organization that's no longer around – Frogtown Action Alliance – those guys were in there with me. So there's a lot of stories here. But both those buildings were vacant and sitting there as part of the blight from those decades of

negative uses at that corner. So let me tell you the story of the northeast corner of University and Dale. That as I said initially was the Belmont strip club and Lendway's was next to that. There used to be a little lumberyard right there and on down the street. Well, the lumberyard was gone by the late 80s and a new franchise was built there – I think it was Skipper's Fish-type of national franchise – and that eventually was bought by Kim Long and became a Vietnamese restaurant. Kim Long was to my knowledge the first Vietnamese immigrant to start a restaurant on University Avenue and it was at University and Western, called Kim Long's. He went on to do a lot more investment and development, but he took that old fish franchise and turned it into a Vietnamese restaurant. Lendway's kept being Lendway's and the Belmont strip club became the police precinct. We got into discussions probably in the late 90s with the family who were the owners of Lendway's and they were sort of looking eventually to retire. And we had five or six years worth of conversations about that and that was a real neighborhood gathering place, but they were getting up there in years and they were looking to retire so we eventually bought Lendway's for this team of community development organizations that were trying to redevelop that whole intersection. So between having Lendway's and the city owning the corner, then we got a little bit of momentum – this was probably 2006, I'd say. The next building was owned by Kim Long and so he and I knew each other from some years earlier on different projects and he was getting some other offers. He actually had an offer for a lot of money from a developer who turned out to represent Walgreen's or CVS, one of the big national pharmacy chains. But because we had a long relationship with Kim, we ended up working out a deal. We had to relocate Saigon Restaurant, which took some doing but they're across the street now and kind of kiddy corner and they're doing real well in their new location. Then there was one more parcel we bought to assemble the site. We actually kept some negotiations going with Walgreen's and CVS to see if we could do something. The community vision wasn't only activity day and night and positive activity and retailing and dining and so on, but it was also some design features that were pretty important to all of us and the city and the community, which was this can't look like a suburban development. This can't look, frankly, like Uni-Dale Mall across the street. It has to be, look urban. It's got to be up on the sidewalk, the parking can be around the back, and it's got to have some size to it; it can't just be one floor. So we were talking for two years with CVS and Walgreen's about would they be willing to break their national model and come in underneath housing and be up against the street with their parking around the side and to the back? And for about a year and a half they were saying, yeah we'll take a look at that. Then the recession hit and in that particular scheme we were also going to have room for maybe three other small neighborhood businesses adjacent to the pharmacy and up along University Avenue. So it was going to be kind of a complex project, but it would be anchored by the drugstore. The recession hit and so about I'd say three years ago those discussions went cold and we got into the plan that we're now building and are about to open. A key there really was bringing in Episcopal Homes, led by Marvin Plakut. They have two other campuses on University Avenue that are fairly new and very

successful and they had a big interest in working with us. They trusted us. They had never done a mixed-use project with retail underneath their housing, but they were very willing to work with us. So that partnership, which is ongoing now obviously, was very exceptional. The designing of a building to accommodate both retail and housing is pretty tricky and most architects and most developers are one or the other. So I really have been impressed by Episcopal Homes willingness to modify what they normally do to accommodate a design that allows seven businesses to operate successfully underneath them, which we have a lot of experience with over at the Global Market underneath hundreds of units of housing in the Sears Tower, but it's not easy and Episcopal Homes was willing to do that. I happen to think that's an enormously important model for University Avenue. What's happening now on University Avenue is an awful lot of planning and talk about concentrating a lot of housing up and down that avenue in order to utilize the light rail, which is all fine but if that's not in the form of mixed use projects with retail on the first floor, we're going to lose the ma and pa retail face of that avenue and the character of that avenue. So we're hoping that the Frogtown Square project, which is what we call the northeast corner, really sort of grabs the attention and generates some excitement for the concept of a mixed use project, where retail and housing and office can coexist and all be successful, rather than having the strip turn into more and more and more housing at the expense of the small business.

Q How is the space filling up at Frogtown Square?

A We have tenants for all seven of the spots. One's already open – the Subway sandwich, which is a local franchisee, African American guy that's got two other locations. The other six spaces are all leased and they're all neighborhood entrepreneurs of color that we have, at NDC, have trained and are financing. They're all planning to open in the next two to three months.

Q Who developed Frogtown Square?

A The second, third and fourth floor of this building are housing and it's Episcopal Homes doing it. It's senior housing, what they call active senior, and apparently I'm an active senior because it's 55 years and older, which I deny is senior but apparently it is. That's who will be moving in and they're fully subscribed also. They have a waiting list already as far as I understand and they should be moving in within a week or two.

Q What role did the NDC play in this development, and how was it different than what a private developer might have done?

A The difference between the kind of development that we're doing at University and Dale versus what a private developer would do is night and day. That's not to be too proud of our way of doing it or too negative about how it would look if it wasn't community groups driving these projects with a lot of



private support and a lot of public support by the way, obviously. For one thing, the private sector, a private developer, doesn't have 20 years or 10 years or 5 years to spend on planning and bringing in community vision, community input. Time is money. Our organizations are supported by philanthropy so the fact that we could spend all this time working on different scenarios, trying to make it happen but always incorporating the values and vision of the community is because we were being funded by folks like Travelers, Minneapolis Foundation, St. Paul Foundation, Pohlad, etc., and a whole bunch of Wells Fargo, US Bank, Western Bank, all these private sector and philanthropic donors are what keep us alive to do this kind of a project. But the difference to the community and the difference to the customer like I said is night and day. This is not going to be a one story big box owned by a national chain where the community can come in and shop and then leave. This is going to be...this is a beautiful, art deco design four story project that's up against the street, right on the corner, holds the corner, creates a gateway for Frogtown, creates a real visual presence that's positive, that's both sort of retro and modern, and the businesses in there represent the face of the community and it represents their chance to make a living in their own neighborhood at a key intersection. So it really retained a prime commercial location for seven individuals from our community and all the people they're going to be hiring to make a living, rather than when that intersection was cleaned up through the efforts of the community and became prime commercial property then all of a sudden in comes a national chain to take it over. Again, I don't begrudge anything they do, but our mission as community development organizations is this other model, which then enhances both the wealth of the community and it brings a low-income community up a few notches on income but it also creates all these other really positive social impacts. It creates a place where people feel like this is us doing this. There's a lot of role modeling, there's a lot of community gathering and networking that happens in there, there's jobs that happen in there. It's a different model. It says that we as community residents - whether it's an African American teenager, or a Hmong middle age immigrant or whatever it is - we have the ability to be at that prime corner in a nice, new building and make money and serve the entire region, serve everybody as customers and impress them with our product and our service and our culture.

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A Yes, it would have because we've been working on this project for 20 years. The answer is yes, with or without light rail that project was in the works, it had all these elements of community vision and ambition, the hopes and dreams of that community. That's really the prime corner, the heart of the Frogtown neighborhood and to a significant extent to the Summit-University neighborhood. And the community and our organizations were absolutely determined to do something on that corner that was significant in scale, that was positive, that changed the dynamic not just for that intersection but for the whole community. Light rail is a huge unknown. It will definitely have different impacts on every

business up and down that avenue – some are negative, some are positive, some are neutral. For that particular corner there will be a stop there so that's positive. However, our project across the street – the northwest corner where Big Daddy's and Shoua Tailor is – the impact is going to be a real negative impact because they're losing their on-street parking. So I sat in Big Daddy's yesterday having a little rib tip lunch and looking out the window at my car thinking would I have stopped here if I couldn't have parked right there? And the answer was "no." I wouldn't have. As much as I love Big Daddy's rib tips, I wouldn't. So the impact of light rail is a real mix and I think it's...I don't agree with characterizing it one way or the other because that's not reality. Reality is it's a mix and there's a lot of very profound impacts. It will change an awful lot of things permanently and it will change an awful lot more things temporarily during construction. And how every individual business comes out in the wash depends both on what that individual business owner does to prepare for this – both to survive construction as well as to benefit or profit from the resulting project if possible – and it will depend very much on things that are way beyond their control. If their parking's gone, it doesn't matter how much they prepare. If you can't take a left hand turn to get to them, they lose half their customers. If they're a convenience business it can be devastating. If they're a destination business, it can be neutral or positive. It really depends, business to business, and it depends on what that business owner's doing and what the Met Council and the city and the builders of it are doing. And I think that chapter has yet to be finalized. There's an awful lot of writing in that chapter already, but it isn't final. There's a few years to go here that I think are going to tell the final story in terms of that. But our project at University and Dale – both sides of the street, actually – there's going to be temporary negatives in terms of constructions, there's going to be long term positives in terms of the stop being right there and customers being able to come and go and employees being able to come and go and residents being able to come and go. There's going to be long-term negatives in terms of the parking on the street in front of Big Daddy's and Shoua Tailor. So we'll see, but we all have to keep stepping. I'm sure that intersection will be interesting for decades to come.

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A The intersection of University and Dale has always been the real heart of the Frogtown neighborhood and to a significant extent the heart of the Summit-University neighborhood. And unfortunately for a number of decades it was a pretty negative heart, if you want to call it that, if you want to use that analogy. And the imagery that came to the whole region as well as the folks that were from that community from what took place at that intersection characterized a huge portion of the neighborhood and a community. Well now that those uses are very long gone and deeply buried and forgotten by and large, and the intersection is springing to life with really positive new uses and featuring the entrepreneurs from the neighborhood – that heart, that face, that sort of central square or whatever you want to call it of the community – is so positive now and

it's positive because of the efforts of the community and the folks that are working there and are working there every day are from that community. The message that is going out from that central heart of Frogtown is hopefully going to not only permanently change, but heighten the impression of this community for the whole metropolitan region forever now.