

Restaurants, Retailers Crowding into St. Paul's Highland Park Neighborhood

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By Frank Jossi

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St. Paul's Highland Park possesses all the tasty demographics that are enticing national "fast casual" restaurants and retailers to the neighborhood. For starters, Highland's average household income is \$75,000 and 75 percent of residents have white-collar jobs.

Despite a sputtering economy, the restaurants opening in the Highland Village shopping area — whose main intersection is Ford Parkway and Cleveland Avenue — include [Panera Bread](#), Smashburger, [Dino's](#) The Greek Place and [Which Wich](#) Superior Sandwiches. All the restaurants are on Ford Parkway except for the California-based frozen yogurt chain [Menchie's](#), which recently opened its first Minnesota store on Cleveland at Pinehurst, a few doors north of the Highland movie theater.

"We're seeing a lot of activity in Highland because it's a high-education, high-income neighborhood that has a higher median income than Grand Avenue [in St. Paul] and looks demographically more like 50th and France [in Minneapolis and Edina] or Wayzata," said Josh Bloom of Bloom Commercial Real Estate (BCRE).

The Dec. 19 closing of the Ford Motor Co. manufacturing plant on Ford Parkway, just down the road from the village, doesn't seem to be a problem for national chains wanting to enter the market.

Local brokers said that the Ford Parkway Bridge's connection to Minneapolis, which brings many shoppers to Highland, was more important to the retailers than future housing or development at the Ford plant site. Agencies estimate 18,900 vehicles enter the village from Minneapolis every day, while 14,400 vehicles head west.

Tim Bloom, Josh's father and the owner of BCRE, said the plant site "is going to be a long, lengthy process that is five to 10 years out" and was not relevant to St. Louis, Mo.-based Panera's decision to locate in Highland.

Panera will take a 4,000-square-foot section of a former Blockbuster store in the Highland Center, a strip of stores between Cleveland Avenue and Kenneth Street on the south side of Ford Parkway.

Panera's food-related neighbors include the Highland Café and Bakery, LeAnn Chin, the Chatterbox Cafe and a Papa Murphy's takeout. Will Panera cannibalize the business of its neighbors or other restaurants in the village?

Probably not, said Bloom, because each restaurant has a different menu and focus from the others. Others agree.

"Highland has been underserved by food concepts, especially fast casual," said Robert W. Stolpestad, president of Exeter Realty in St. Paul, which manages a Highland Park strip mall with a Noodles & Co. store. "Fast casual has really exploded over the last few years, and that's why you're seeing them popping up."

Shelly Harris, executive director of the [Highland Business Association](#), said the newcomers likely will help the current roster of restaurants as more people begin to see Highland Village as a dining destination.

The new restaurants aren't the only changes occurring. A new Walgreens store opened earlier this year at Finn and Ford Parkway after purchasing the former Snyders chain, and the Aspen Clinic is moving from Highland Center to a strip center across from a Lunds supermarket.

The new 11,500-square-foot Aspen Clinic will stretch around a corner to fill a space now occupied by a Weight Watchers store, Stoplestad said.

Still available in the Highland Shopping Center is a 2,000-square-foot space next to Panera and a 6,000-square foot former Famous Footwear store. Tim Bloom isn't sweating too much about filling the storefronts, pointing out he has enough proposals to fill 150 percent of the space available from companies he describes as "high-profit, nationally known tenants."

The little retail space available in Highland Village appears to bode well for the neighborhood. Highland Village is "a pretty small submarket but a submarket in high demand," Stoplestad added. "The demographics are so strong in Highland that you're seeing a lot of interest from a lot of different tenants who want to be in Highland."

The only restaurant that will be built from the ground up is Dino's, the Mediterranean fast casual restaurant that has six locations in the Twin Cities and plans for four more in the next year. Jason Adamidis, president of research and development for Dino's, said the 2,700-square-foot restaurant will be built at Finn and Ford Parkway on a parcel occupied partly by Walgreens.

Adamidis said the chain's flagship restaurant, on Snelling Avenue in Falcon Heights, is just over the border from St. Paul. The Highland neighborhood does not have a similar style of restaurant at the moment.

"We consider ourselves a St. Paul company, and we love St. Paul," said Adamidis, whose parents started and still own Dino's. "We like the Highland location because it's a very, very neighborly community, and we love its demographics."

The restaurant, which still needs final approval from the city, plans to offer an outdoor patio on Ford Parkway. Adamidis wants to break ground before the first snowfall. Just a short walk from the Dino's site is the newest restaurant in the village, a Lifetime Fitness Café just a floor above the athletic club.

A 2,272-square-foot Smashburger restaurant will soon open in the former Lavish gift store next to Lunds in Highland Village Center. The Denver-based hamburger chain has seven stores in Minnesota, all in the Twin Cities suburbs. Smashburger will share a strip mall with Bruegger's bagel shop, Caribou Coffee and a handful of other retailers.

Krista Kay, Ryan Cos. property manager for the strip center, wrote in an email that the company welcomed the addition of Smashburger. "We are very pleased and excited to add a fresh and very successful retail concept in a growth category (premium burgers) to Highland Village Center," she said.

The village will soon see other changes. The northwest block of Cleveland and Ford Parkway, anchored by R.F. Moeller Jeweler, will become the site of the Dallas-based sandwich chain Which Wich at 2073 Ford Parkway, just a half block from an existing Jimmy John's Gourmet Sandwiches. H&R Block will have a small office next to the sandwich shop.

Just around the corner on Cleveland Avenue, restaurant goers can grab a frozen yogurt at Menchies, an 1,800-square-foot store at 750 Cleveland Ave. Whitney Anderson, 24, moved back from New York City to manage the store after working for a digital advertising company for a few years.

The University of St. Thomas graduate said her parents bought a franchise and studied a few locations before deciding on Highland Village. The Menchies store is the first in Minnesota and the 117th location in the Encino, Calif.-based chain.

"We really like the area," she said. "When we looked at the neighborhood we found great foot traffic, a large number of schools and a good population density. It's a good place for us, and we've already had repeat customers."

Doug Iverson | Senior Editor | Finance and Commerce, Inc.

(612) 584-1526 Direct | (612) 333-4244 Office | doug.iverson@finance-commerce.com