

Major Developments

Downtown

Investment activity continued to concentrate in downtown and surrounding neighborhoods, however the economic downturn slowed down construction of commercial buildings. Only two buildings were under construction in the CBD to add 222,000 square feet of commercial space: the Depot Office Center and the Stone Arch Plaza. Remodel and build-out was the rule, as tenants moved to new Class A buildings recently completed. Although commercial construction was slow, high-value institutional investments were undertaken. The new central library on Nicollet Mall started in 2003, while St. Thomas University began work in a new Law School in 2002.

Residential construction, especially in the North Loop and downtown near the waterfront, continued unabated - at least 342 units in multi-family buildings were permitted during 2002 and 2003 in this area, including new buildings and conversions. The Humboldt Mill was converted into residential space with a high-rise annex. In addition, two train stations for light rail were built along 5th Street as part of the new light rail system that will connect downtown with the Airport and the Mall of America.

Neighborhoods

A large number of commercial and residential projects were taking shape in Minneapolis neighborhoods. The Near Northside Redevelopment was well underway to transform the former site of five public housing developments into a mixed-income, mixed-density, culturally diverse, amenity-rich neighborhood with 900 units of housing.

During 2001 and 2003 the most important cultural institutions in the City began to implement expansion plans, including the Walker Arts Center and the Minneapolis Institute of Art, in the neighborhoods of Lowry Hill and Whittier respectively. The Guthrie Theater broke ground in 2003 on Second Avenue South, while other institutions such as the University of Minnesota and Abbott Northwestern Hospital also expanded. A UMN 278-units student housing building in Prospect Park and a nine-story heart unit, an addition to the Abbott Northwestern Hospital complex, began construction during these two years.

Neighborhood office developments include Wells Fargo Home Mortgage Office, with a new office building located at Wells Fargo Way under construction. Industrial development consisting of new manufacturing for airplane parts was underway in Near North.

New residential and commercial development, including apartments and warehouses, were appearing along Hiawatha Avenue and vicinity where light rail will connect to downtown.