

Case Study 1: East Lake Street

The Lake Street turnaround is no less remarkable, but utilized a different set of strategies than the other case studies of commercial revitalization in Minneapolis. One fundamental difference is the commitment made to the area by large institutional partners, providing physical anchors, jobs, resources, and leadership. In addition to these institutional commitments, East Lake Street owes a good portion of its on-the-street vibrancy to the small business training, micro-enterprise lending, and real estate development undertaken by the [Neighborhood Development Center \(NDC\)](#).

Institutional Support and Partnerships:

Four major institutions anchor the Phillips Neighborhood on Lake Street: Abbott Northwestern Hospital, Wells Fargo Bank, Children's Hospital and Allina Hospitals and Clinics. They all made a commitment to the neighborhood, making significant investments in their buildings and facilities and providing thousands of jobs, many of which employ neighborhood residents. These four organizations created the Phillips Partnership, forging an alliance of residents, businesses, and public officials to address public safety through enforcement and community policing strategies. The Citizens and Law Enforcement Action Network (CLEAN) targets crime along Lake Street, Bloomington Avenue and Franklin Avenue, and a new Crime Prevention and Security Collaboration in Midtown works with the Third Precinct of the Minneapolis Police Department. A Safety Center at Chicago-Lake reinforces public safety in the area.

The Phillips Partnership also invested significantly in the residential housing stock of the neighborhood through the Joseph Selvaggio Initiative, which demolished crack houses, improved slum apartments and assisted homeowners in the target area between Abbott Northwestern Hospital and Wells Fargo Bank. The presence, commitment, and investments of the Phillips Partnership made a remarkable difference in the climate of the neighborhood and Lake Street as the commercial spine. Partnership members however, did not occupy the derelict and vacant storefronts that lined the street a few years ago. **Overwhelmingly, businesses create entrepreneurial immigrant street-level vitality on Lake Street-** most of them assisted in some way by the Neighborhood Development Center.

Supporting Entrepreneurs and Small Businesses:

The Neighborhood Development Center (NDC), a non-profit community developer founded and backed by Western Bank, offered entrepreneurial business training, developed retail market space, and provided micro-enterprise loans with transformational effects on East Lake Street, particularly between Chicago and Bloomington Avenues. With City financial assistance, NDC converted a former furniture store into retail and commercial office spaces now known as Plaza Verde. Another derelict building was transformed into the Mercado Central, a Latino market with numerous clothing, music, household goods, and food vendors, most of which were started by local entrepreneurs who attended NDC's business training courses and many of which obtained



seed loans from NDC. The City's [2% Commercial Corridor Loan](#) program also provided funding to many Lake Street businesses. According to a 2005 Wilder Research evaluation report, 34 percent of the businesses assisted by NDC occupy a building that was formerly vacant. One-by-one, small businesses are reactivating large swaths of Lake Street, reasserting the historic commercial vibrancy of the street.

In June 2006, the Neighborhood Development Center opened [Midtown Global Market](#) to great acclaim. The market

is a 62-stall food emporium on the street level of the Midtown Exchange at Chicago and Lake Street. The Global Market draws on the diverse array of people from around the world, providing fresh food, produce, prepared food, and gifts to neighborhood residents, employees, and visitors. The market provides some entrepreneurs a second or even third store, reaching a broader market than their original location; for others it offers a dynamic, vital location for their debut.

Connecting to Transit:

The Lake Street Council played a strong role in marketing the corridor and supporting businesses. The [Lake Street Council](#) developed a Lake Street Ambassadors program, hiring youth through the City's StepUp employment program to maintain clean sidewalks and interact with businesses and shoppers along the corridor. Their innovative 21 Hop + Shop partnership with [MetroTransit](#) could be a model for other commercial and transit corridors. Over 80 businesses on Lake Street provide discounts to transit pass or current transfer holders, strengthening the link between commerce and transit and between the Hiawatha LRT and the Lake Street #21 bus route.



Hennepin County finished reconstructing the Lake Street roadway in 2008, providing a smooth street, on-street parking, sidewalks wide enough for planters or café seating, and streetscape amenities. The Midtown Greenway, a trail built in the historic freight rail bed just a block north of Lake Street, also draws visitors to Lake Street.

Market Value Increase:

From 1999 to 2005, the Estimated Market Value on East Lake Street, between Nicollet and Minnehaha, rose from \$392,500 to \$1,050,000 per acre. That's an increase of 169 percent. While there remain pockets of disinvestment, and some of the immigrant businesses are fragile, Lake Street is now a vibrant place with pedestrians rambling between storefronts, signaling to through traffic on this major transportation corridor that Lake Street is a safe and desirable place to visit.

