

# FINANCE & COMMERCE

## Business News

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### Minneapolis skyway traffic on the rise

by [Scott Carlson](#) Staff Writer

#### Target Field expected to help downtown retailers

If foot traffic in the downtown Minneapolis skyways is any measure of the central business district's vibrancy, retailers might have reason to be encouraged.

Skyway foot traffic volumes increased an average 4 percent at 10 skyway locations in downtown Minneapolis in 2009 compared with 2008, according to the latest annual study from Minneapolis-based Pedestrian Studies. The study also includes foot traffic counts along some parts the Nicollet Mall and predicts the new Minnesota Twins' baseball stadium will be a boon for more downtown retailers.

Regarding overall skyway foot traffic, "I was a little surprised at the 4 percent increase," said Peter Bruce, owner of Pedestrian Studies. "I thought we might still be flat from last year."

In his 19th annual Minneapolis report, Bruce credited new occupancy and stepped-up work forces in key buildings for helping push up downtown skyway traffic to 10-year highs in some areas. Buildings in the latest study included City Center, Gaviidae Common, Northstar Center, 50 South Sixth Street and 225 South Sixth Street.

"All of the buildings studied reported some increases in traffic," Bruce said, "and the increases at skyway locations ranged from 4 to 17 percent."

Still, some commercial real estate brokers were reluctant to extrapolate Bruce's report to the entire the central business district (CBD), noting downtown Minneapolis' overall office vacancy rate has risen. NorthMarq Real Estate Services recently reported that downtown Minneapolis' office vacancy rate was 19.5 percent for the second half of 2009, up from about 15 percent the prior year.

In a few cases, businesses have taken new office space in the downtown, but have merely shifted their locations rather than bringing more workers into the CBD, said Brent Robertson, a NorthMarq brokerage services associate

"It has been a pretty stagnant year," Robertson said. Still given the economy, downtown Minneapolis "is holding its own," he said, noting the CBD should continue to be a big draw because of business recruiting and a strong public transportation (bus and light rail transit) system.

Whatever the chatter about the 2010 report, the study is a useful resource. The annual report is used primarily by downtown property owners, building managers and retailers to gauge pedestrian activity in and around their buildings and to help determine lease rates for commercial properties, Bruce said. All pedestrian traffic volumes in Bruce's report were recorded by the manual counting of individuals walking in any direction past an observation point.

#### City Center tops skyway traffic

In a repeat of 2008, the highest daily volume among the 10 chosen skyway locations was the intersection of City Center's south and east skyway corridors which tallied about 27,000 trips per day.

City Center's east skyway (which links the building to the Gaviidae Common shopping center) and the south skyway (which connects to Macy's department store) saw an equal split of roughly 13,500 trips per day. The two skyways ranked first and second in volume among the locations studied.

The third-busiest foot traffic area was the Northstar Center food court escalator connection to the skyway, logging 13,000 pedestrian trips per day.

The renovation and new occupancy of the Renaissance Square Building combined with increased occupancy in the adjacent 50 South Sixth pushed foot traffic up by 17 percent compared with a year ago, Bruce said. The skyway, which spans the Nicollet Mall, links 50 South Sixth to Gaviidae Common.

New occupancy in the Capella Tower of the 225 South Sixth building also helped push foot traffic between that building and the

Northstar Center skyway to an 11 percent increase over 2008.

Bruce also discovered that pedestrian traffic in some skyway food court locations was up in 2009, erasing about half of a 10 percent drop that occurred in 2008 from 2007.

But sidewalk foot traffic along parts of the Nicollet Mall, a key downtown district heavy with stores and restaurants, was down in 2009 compared with 2008. Volume on the Nicollet Mall's busiest sidewalks between Eighth and Ninth Streets was 8,000 during the 11 a.m. to 2 p.m. lunch period — about 7 percent lower than the 8,500 trips recorded in 2008.

Bruce blamed that drop on the poor economy, which has had many people pulling cutting back discretionary spending.

Looking ahead, Bruce said he expects Nicollet Mall foot traffic will grow in 2010 as a result of the new North Star commuter rail / Hiawatha light rail connection at the Target Field transit hub, which started operating in December. Target Field is home of the new Twins baseball stadium.

Pedestrian Studies expects at least a 10 percent increase in foot traffic this year at the Nicollet Mall near Fifth Street,

Meanwhile, Bruce estimates that retail businesses in the entertainment district will see a fivefold to tenfold increase in current foot traffic volumes on days when the Twins have home games. "The proximity of the entertainment district and retail core to the ballpark will create a new vitality for downtown retail," Bruce said.

For example, most of downtown Minneapolis' entertainment district — that is dotted with a variety of restaurants and bars — is within a five-minute walk to the outfield edge of the ballpark, Bruce said. And the walk time from the IDS Center to the Ballpark Plaza is about 10 minutes, he said.

Currently, with very few restaurants or bars near the Metrodome, Twins fans have had anywhere from a 15- to 25-minute walk to the downtown's entertainment district if they wanted to have after-game dinner or drinks.

"It [Target Field] will probably decrease walking times 10 to 15 minutes," he said. "That a chunk of time for the general population."

#### **St. Paul's skyways not quite as well-traveled**

When it comes to getting a head count on foot traffic in St. Paul's skyway system, the saintly city has been sitting on the bench the last two years.

Minneapolis-based Pedestrian Studies last comprehensive report on St. Paul skyways was in 2007. The St. Paul skyway system, started in 1967, is more than five miles in total distance, according to Skywaydirectory.com, as compared with the eight miles in Minneapolis' 47-year-old skyway system.

"2007 was the first year in many when traffic volumes started to show an increase in St. Paul," said Peter Bruce, owner of Pedestrian Studies. "The increases were due primarily to office occupancies increasing from their low point in 2006."

The 2007 study showed that the biggest gainer in foot traffic was the skyway connection between Securian Center and U.S. Bank Center, up 10 percent, Pedestrian Studies reported.

"Since 2007, I am not sure how traffic volumes have changed, because I have not measured them," Bruce said. "This spring I hope to find a group of buildings to sponsor a study."