

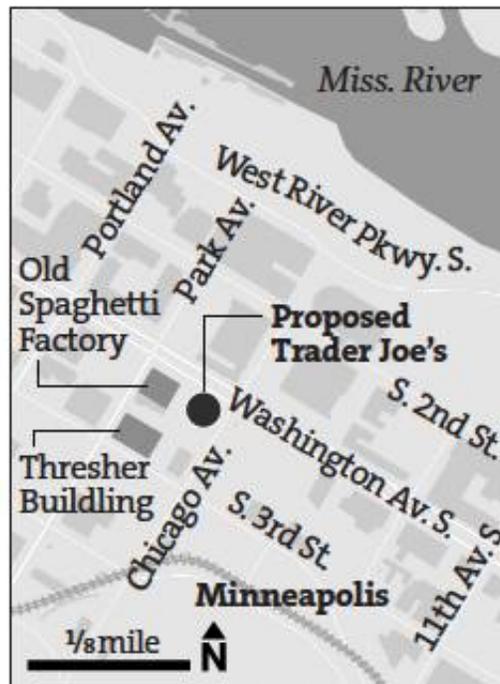
Trader Joe's to land in Mpls.

The grocery chain plans to open its first downtown store in 2017.

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Preliminary rendering provided by Trader Joe's



Source: NCompass Technologies
RAY GRUMNEY • Star Tribune

Nearly a decade after entering the Twin Cities market, Trader Joe's again has plans for its first store in Minneapolis.

The California-based grocer on Tuesday confirmed a long-standing rumor that it will join developer Sherman Associates on its new apartment and retail project, called the East End, at the intersection of Washington and Chicago avenues S.

It's the third chain grocery store to enter the downtown Minneapolis market, and the first to locate in the east half — a burgeoning area that includes the Mill District and Downtown East development next to U.S. Bank Stadium, the Minnesota Vikings' future home.

The 10,700-square-foot Trader Joe's at 721 Washington Av. S. will include a separate entrance at 260 Chicago Av. S. for its 1,600 square foot wine shop. It is set to open in the first half of 2017.

“This is a very big deal,” said Dan Collison, a neighborhood organizer and executive director of the East Downtown Council. “East Downtown [which includes Elliot Park and the Mill District] has been a grocery

desert for decades with only a few convenience stores nearby.”

The plan includes 72 parking stalls reserved for the store’s customers, a key feature in light of Minneapolis-based Sherman’s redevelopment plans for the entire block. Sherman’s master plan includes the construction of about 180 apartments atop the ground-level Trader Joe’s and retail space, a two-floor underground parking garage and the conversion of the historic Thresher Square building into a boutique-style hotel and office structure. The existing Old Spaghetti Factory restaurant will abut the new construction along its Washington Avenue side.

“A neighborhood grocer is a tremendous amenity to the many residents and employees in this area,” said Valerie Doleman, Sherman’s vice president of marketing and communications.

In an interview earlier this year, George Sherman, principal of the development company, predicted at least 1,200 new residential units in the next two to three years between the stadium and the Mississippi River alone. Several other projects are planned or under construction just blocks away, the other direction on Portland Avenue.

Trader Joe’s differentiates itself with a smaller store format than many of its competitors. About 80 percent of its sale items fall under its own private label.

This is the third run at a Minneapolis location for Trader Joe’s. Two earlier efforts focused on south Minneapolis but failed to get city approval because of zoning issues.

This grocery store chain is appealing to this particular location, Collison said, because of “the diverse housing demographics in East Downtown that range from temporary homeless housing to high-rent, market-rate condominiums and rentals.”

The other downtown grocery stores are Whole Foods in the northwest

quadrant and Lunds & Byerlys in the southwest quadrant — both along Hennepin Avenue.

“The segmentation in the industry is what has changed over the past 20 years, and I think that Trader Joe’s has a unique offering,” said Mike Mulligan, a former executive with Supervalu. “Another store like Whole Foods several blocks away wouldn’t make sense. But because Trader Joe’s has its own niche, I think it will do well downtown.”

Trader Joe’s has seven locations in the metro area and one in Rochester. The store on Excelsior Boulevard in St. Louis Park, which opened in 2006 and was the chain’s first in the Twin Cities, is the closest to Minneapolis.

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10,700 Square footage of the new store

1,600 Square footage of the wine shop

72 Parking spots for store’s customers