

## VA picks Maplewood site for new clinic

### MSP Commercial lands contract for \$5.5M facility

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As it prepares to cut the ribbon on its new clinic in Ramsey, the Minneapolis VA health Care System is taking steps toward building another community-based outpatient clinic on the east side of the metro area.

Construction will begin this spring on a new VA Clinic at Kennard Street and Legacy Parkway in Maplewood. The VA plans to move its existing Maplewood clinic into the new space beginning Nov. 1, 2012, said VA public affairs officer Ralph Heussner.

In late September, St. Paul-based MSP Commercial landed the estimated \$5.5 million project in a competitive bid process, said Alex Young, vice president of development for MSP.

Young said the VA will occupy 14,000 square feet in the 22,000-square-foot, one-story building. MSP intends to lease the remaining 8,000 square feet to yet-to-be-announced medical office tenants.

The clinic will be a smaller version of the VA's 20,000-square-foot outpatient facility in Ramsey, which is scheduled to open Nov. 15 at 7400 Civic Center Drive. In July 2010, the VA awarded that project to Ramsey-based PSD LLC.

The Ramsey project hit some speed bumps along the way. Officials in Elk River and Sherburne County lobbied hard to land the project before the VA settled on the Ramsey site.

And the project was awarded to PSD LLC, a group led by developer Jim Deal. It was delayed for a couple of months after an unsuccessful bidder, Jon Hempel of Hempel Midwest, filed a bid protest.

Awarding of the Maplewood project has been a much quieter process, which is fine with Young.

"Nobody wanted to happen what happened in Ramsey," he said.

Increasing demand from veterans of all ages is driving the clinic expansion. Vietnam vets are at or near retirement age, and younger veterans, fresh from duty in Iraq and Afghanistan, are entering the system.

**"It's not only a good project for us because we own the land, but it's a feel-good project for us as well."**

- Alex Young, MSP Commercial

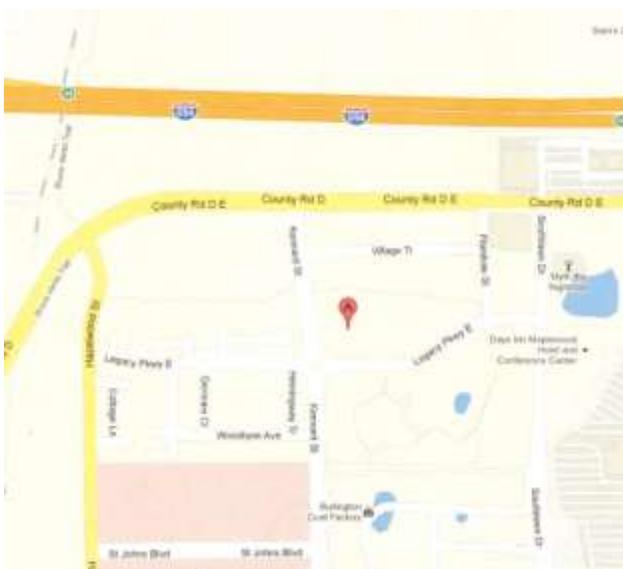
## VA Increasing demand from veterans of all ages drives clinic construction

Heussner said he Minneapolis VA and its 10 community based outpatient clinics now serve 93,000 enrolled patients – up from 38,000 in 1988.

Services to be offered at the new Maplewood clinic include primary care, behavioral health and specialty telemedicine, and the clinic will be equipped with a laboratory and radiology equipment, Heussner said.

“We try to locate these outpatient clinics in areas where we serve a lot of veterans,” Heussner said.

“We are glad that the veterans will have a new clinic. It’s an important piece of our health care system.”



The site of a new VA clinic in Maplewood.

From a construction standpoint, the VA has certain requirements, including Leadership in Energy and Environmental Design (LEED) silver certification for the core and shell and the use of shatter-resistance glass, Young said.

Tom Ekstrand, senior planner for the city of Maplewood, said the project team for the clinic has been in discussions with the city but has not officially submitted its plans yet.

However, Ekstrand said he planned use appears to be consistent with the city’s vision for the area.

“It looks like an attractive use of the property,” he said. “I don’t see any holdup’ in the city approval process.”

The project team includes Minnetonka-based Welsh Construction and its design arm, General Architecture. Lou Suarez of Colliers International in Minneapolis brokered the deal.

Young said the new clinic will be close to MSP Commercials existing 44,000-square-foot medical building in Maplewood.

“It’s creating a little campus for us,” Young said. “It’s a great location.”

He said its’ a good project for a variety of reasons.

“The people (at the VA) are great to work with, and you feel like you are doing everything for the right reason,” he said. “It’s not only a good project for us because we won the land, but it’s a feel-good project for us as well.”