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Kline Group plans to turn vacant auto dealership into multi-tenant retail project on University Avenue

by [Scott Carlson](#) Staff Writer

Twin Cities' auto seller Rick Kline plans to transform his vacant car dealership along University Avenue into a multi-tenant retail development.

Dubbed "University Commons," the project will offer nearly 25,000 square feet of pedestrian street-level retail as well as auto-oriented retail opportunities, said Dean Dovolis, CEO of DJR Architecture Inc., which is designing the project for Kline.

"This development by the Kline Group is the first new retail project on the north side of University and Snelling avenues in St. Paul," Dovolis said. "This is the first step in what will be restructuring of that whole retail area" in the Midway district.

Dovolis said Wednesday that he expects the Kline Group to submit site plans for city review within the next month.

"If we hustle, we could have parts of this [project] ready to go this fall, renovating the buildings and maybe even having a couple tenants in place," he said.

The new development plan would renovate and put new facades on the two existing buildings on the site, and combine the separate parking lots into one large common lot with about 60 parking spaces, Dovolis said.

Kline, president of Kline Auto World, could not be reached for comment.

Most recently, the Kline site at University Avenue and Pascal Street has been home to an auto parts store and a laundromat.

Mark Krogh, a principal at Minneapolis-based Java Properties, said Wednesday that he is close to leasing space at University Commons for a national restaurant. He declined, however, to identify the prospective tenant.

Asked why the Kline Group is redeveloping the site, Krogh said, "It is not the highest, best use right now. They are sitting on a city block with a huge opportunity to capture more rent. This is great property."

The Kline project is just a small piece of what officials expect will be a major transformation along University Avenue, which will serve as the route of the Central Corridor light rail transit (LRT) line connecting downtown Minneapolis and St. Paul. Construction on the LRT central corridor is expected to begin this summer with the line in service by 2014. Kline's property on University Avenue is next to a future light rail stop.

Up until about the 1990s, University Avenue had a long heritage as the home to several auto dealerships.

Brian McMahon, executive director of University United, said the LRT line now could spawn as much as \$100 million in development near each of corridor's 10 rail stations.

"We need to capture this valuable public investment in transportation with development where we will see more housing, jobs, taxes and more of the benefits that everyone wants," said McMahon.

McMahon contended that's more likely to happen when property owners come up with development plans that encompass one to three blocks at a time.