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## Rehab guru targets St. Paul site

Premium content from Minneapolis / St. Paul Business Journal by Sam Black, Senior reporter

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Minneapolis developer [Peter Remes](#) plans to redevelop a half-century-old complex in St. Paul into a modern office complex.

The 5.3-acre site, at 558 Vandalia St., along Interstate 94, includes nine buildings totalling 205,000 square feet and an old water tower.

Remes (pronounced rem-ish) plans to keep all of the structures in place as he undertakes a multimillion-dollar renovation so it appeals to creative-type agencies and

technology firms.

The deal is similar to Remes' other redevelopment efforts because it reuses buildings that the market has largely forgotten.

Remes' company, Minneapolis-based First & First is the developer behind the \$8 million transformation of the Ice House Court building at 2540 Nicollet Ave. S. in Minneapolis into the Vertical Endeavours Indoor Rock Climbing Facility. That project includes restaurants, apartments, a coffee shop, a bar and one of the nation's biggest climbing gyms.

"I enjoy taking older buildings that have been left for dead and infusing new life and energy into them," Remes said.

His other developments include:

- The Van Buren Building at 1400 Van Buren St. N.E. in Minneapolis, a former textile factory he turned into an office building,
- The soon-to-start redevelopment of the former Suburban Chrysler dealership near the Maplewood border at 1891 Suburban Ave. in St. Paul into a \$15 million retail project,
- Redevelopment of the former Jeune Lune theater on First Street in downtown Minneapolis into an event space called Aria at The Jeune Lune that's used for weddings and parties, and
- Renovation of a 60,000-square-foot former paper warehouse at 945 Broadway St. N.E. in Minneapolis into office space.

Remes describes himself as a lifelong entrepreneur and not a developer. He started and sold various companies over the years, including multiple outdoor advertising companies.

He tries to be innovative and creative with his projects and said they often include unusual elements.

"I create spaces that I'd want to hang out in," he said. "My thinking is, if I want to spend time there, maybe other people want to, too."

His approach often leans heavily on details that lend ambiance to the overall project. His company bought granite stones salvaged from the old Minneapolis Metropolitan Building. Torn down in 1960, the stones had been in storage for decades. Remes used a few of them as architectural features at the Ice House redevelopment, and plans to use them in other projects.



Nancy Kuehn | Minneapolis/St. Paul Business Journal

L to R: Peter Remes, First & First; Dean Dovolis, DJR Architecture; Realtor Melissa Gorman and Mark Krogh, Java Properties

"I probably spend more money on [atmosphere] and obsess over details more than most; however, the finished product and overall enchantment of the space is extremely important to me," he said.

"Peter comes at it from a different perspective. He's an art collector and is big in the art community ... and he incorporates art in the buildings," said [Chad Blihovde](#), vice president at Minneapolis-based Java Properties who is marketing space in the Vandalia site along with Java's [Mark Krogh](#).

Remes also is persistent. He finds projects by keeping his eyes on certain distressed properties, especially at busy intersections, and then he goes after them, Blihovde said.

Remes spent about three years waiting for the opportunity to buy the Vandalia site. Over the past six months he worked to buy the site from two banks, Roseville-based North Star Bank and Bloomington-based United Bankers' Bank, which had foreclosed on the property last year.

Stillwater-based **Central Bank** financed Remes' \$3.3 million purchase of the Vandalia site. There are about 60 small tenants in the space, which is about half-full now. The largest is a charter school called the High School for Recording Arts that occupies about 30,000 square feet.

First & First

Principal: Peter Remes

Headquarters: Minneapolis

Employees: 5

Business: Real estate development, mainly office/warehouse and retail

Founded: 2010

Broker: Java Properties, javaprop.com, (952) 403-9595

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Sam Black covers real estate, manufacturing, food, and economic development