

September 14, 2020

President and Members of the Saint Paul City Council
City Hall and Courthouse
Saint Paul, MN 55101

Dear Council President Brendmoen and Council Members Jolahi, Noecker, Price, Thao, Tolbert, and Yang:

I write as part of the ownership of a large downtown building, Custom House with its 202 market-rate apartments and separately-held 149-room Hyatt Place Hotel, to urge you to support the creation of a Downtown Improvement District for a large part of our downtown area as proposed by the Saint Paul Downtown Alliance.

Background

The proposed new Downtown Improvement District has been many years in the making and builds on the efforts of past downtown organizations. In the George Latimer years in the early 1980s, a private sector Downtown Council was formed to bring new businesses to Downtown Saint Paul. This resulted in the Minnesota World Trade Center, now known as Wells Fargo Place. In the mid-1990s, the Downtown Council was replaced by the Capital City Partnership, composed of private sector chief executives mostly based downtown, which brought many projects and improvements to the central business district, including Lawson Commons (now known as Infor). In 2006, Capital City Partnership was folded into a new regional economic development agency known as Greater MSP, which continues to exist today. While this regional focus was important to enable the Twin Cities to better compete nationally for economic development, it left our downtown without an organization to focus on its own unique challenges and needs. The Chamber of Commerce was not able to fill this role because of its city-wide mission and its broader east metro membership, and the Riverfront Corporation could not do so because of its focus on the entire 17-mile Mississippi River passage through Saint Paul.

Then came the Great Recession of 2008-2010, which had a devastating impact on people and communities across the country, including Saint Paul. When the national economy began to recover in 2011 and 2012, downtown still did not have a private sector leadership group to look out for its interests. A few years later, prompted in part by new leadership at BOMA, the Riverfront Corporation initiated a series of listening sessions to not only assess its own future but to try to identify the missing leadership elements of the downtown at that time. Over more than a year, nearly 150 people living or doing business in downtown, along with senior City and County staff and others, participated in dozens of strategy sessions directed by a new Riverfront Corporation executive director and a consulting firm brought in from Pittsburgh. By 2017, these gatherings arrived at a community consensus that a new organization was needed that would be dedicated exclusively to the interests of downtown.

In 2018, as the Riverfront Corporation came to an end and wound up its affairs, the Saint Paul and Minnesota Foundation and others funded the launch of an entirely new organization, the Saint Paul Downtown Alliance. Today, as many of you know, the Alliance is up and running with a strong and diverse board of directors drawn from the downtown private sector and a lean and capable staff. It works closely with the Chamber and BOMA and key City and County departments. It is co-chaired by our Mayor and the CEO of downtown's largest private sector employer, Securian Financial. The Alliance is already making a difference in several ways, including its new Safety Communications Center, that will coordinate more than 100 private security personnel working for employers and building owners in the downtown.

Downtown Improvement District (DID)

Only one of the 65 largest cities in the nation lacks a Downtown Improvement District and that city, regrettably, is Saint Paul. Minneapolis, Duluth, and Rochester each have a DID. More than ever, Saint Paul needs a Downtown Improvement District of its own to deal with the devastating and likely lasting effects of the coronavirus pandemic, which has kept most downtown workers away and is causing many downtown residents to leave. A person has only to walk through the mostly empty and too often littered and unsafe streets and parks of downtown these days to understand why Saint Paul *urgently* needs a DID at this vulnerable point in its history.

I understand that Downtown Alliance staff has presented voluminous materials to all of you that make the case for a Saint Paul DID. To me and many others with ownership interests in downtown buildings, the case is overwhelmingly clear and I respectfully ask for your favorable consideration. Thank you very much.

Very truly yours,



James A. Stolpestad

Senior Principal
Exeter Group LLC