



A Downtown Improvement District for Saint Paul

Information and Historical Context

January 2017 – July 2020

Saint Paul Downtown Alliance presentation to Saint Paul City Council
July 15, 2020

WHAT IS A DID?

A downtown improvement district (or DID, also known as a business improvement district/BID or a special service district by MN state law) is a **private organization that is operated to promote business district revitalization and management**. Funding comes primarily from charges determined by the organization's Board of Directors that are assessed by the City and Ramsey County on a fiscal-agent basis against eligible commercial properties within defined boundaries through the special assessment line of property tax invoices.

Voluntary contributions can also be accepted by the organization from properties exempt from assessment, including government, certain non-profit, and residential parcels.

DIDs throughout the country have been created because the private sector recognizes that the public sector cannot deliver the level of service on an affordable basis that private property and business owners demand.

DOWNTOWN VITALITY VISION:

Year+ engagement process

Downtown Vitality Vision | Saint Paul, Minnesota | April 2018



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DOWNTOWN
VITALITY
VISION

DOWNTOWN VITALITY VISION:

Recommendations



Planning and maintaining infrastructure improvements.



SSDs often employ ambassadors to greet visitors and keep streets clean and safe.



Farmers markets, outdoor games, and live cc



Streetscapes, including lighting and street furniture.



SSDs take responsibility for activating and greening downtown spaces.



Vibrant downtowns require public, private together to program space.



SPECIAL SERVICES DISTRICT (SSD) WORKING GROUP

Ensure downtown is a vibrant, welcoming place for businesses, residents, and visitors by creating a public/private partnership to address cleanliness, safety, programming, branding, and beautification.

CITIES RESPONSIBLE FOR?

Maintaining basic infrastructure like streets, street lighting, neighborhood parks, and infrastructure, etc.
Development

WHAT ARE SPECIAL SERVICES DISTRICTS RESPONSIBLE FOR?

- » Ensuring a higher level of service in the downtown area like sidewalk cleaning, special capital improvement projects, beautification, safety and security efforts, and programming, events, and space activation
- » Owning the brand of downtown by marketing and promoting downtowns, supporting in business recruitment and retention, and tracking and publicizing progress

WHO PROGRAMS AND ACT?

- » Conservancy or Special Non-Profit
- » Public Sector
- » Special Services Districts (SSDs)
- » Private Sector

SAINT PAUL DOWNTOWN ALLIANCE LAUNCH

ONE STRONG, VIBRANT DOWNTOWN SAINT PAUL

[Learn More](#)

The Downtown Alliance is the outcome of a year-long community-based process spearheaded by the Saint Paul Riverfront Corporation that brought together government agencies, businesses, residents and other stakeholders to create a vision for the future of downtown Saint Paul.



- Press Release February 28, 2018

SAINT PAUL DOWNTOWN ALLIANCE LAUNCH

NEWS

Mayor Carter, Securian CEO launch Downtown Alliance



By [FREDERICK MELO](#) | fmelo@pioneerpress.com | Pioneer Press

PUBLISHED: February 28, 2018 at 2:03 pm | UPDATED: December 12, 2018 at 10:24 am

Downtown St. Paul has a new advocate with strong ties to the city's business community.

St. Paul Mayor Melvin Carter and Chris Hilger, CEO of the Securian Financial Group, jointly announced the creation Wednesday of [the St. Paul Downtown Alliance](#). The nonprofit board will be dedicated to advocating for the interests of downtown businesses, residents, nonprofits and government agencies.

Carter and Hilger will co-chair the 16-member board, largely composed of the leadership of the St. Paul Area Chamber of Commerce, the Minnesota Wild, HealthPartners and other businesses or business advocates. The nonprofit will seek an executive director.

The board will convene quarterly, though committees will be appointed on an annual basis.

One of its first orders of business will be to pursue a feasibility study on creating a special downtown taxing district, similar to one in Minneapolis. Funds could be used a variety of ways, from staffing special projects to rehabbing older buildings.



St. Paul Mayor Melvin Carter III, left, and Chris Hilger, CEO of the Securian Financial Group

A tax on downtown properties — similar to one in Minneapolis managed by that city's Downtown Council — could be used in a variety of ways, the Pioneer Press' Frederick Melo reported, from staffing special projects to rehabbing older buildings.

“There’s got to be support first and foremost in the community for it,” Hilger said of a possible special downtown district.

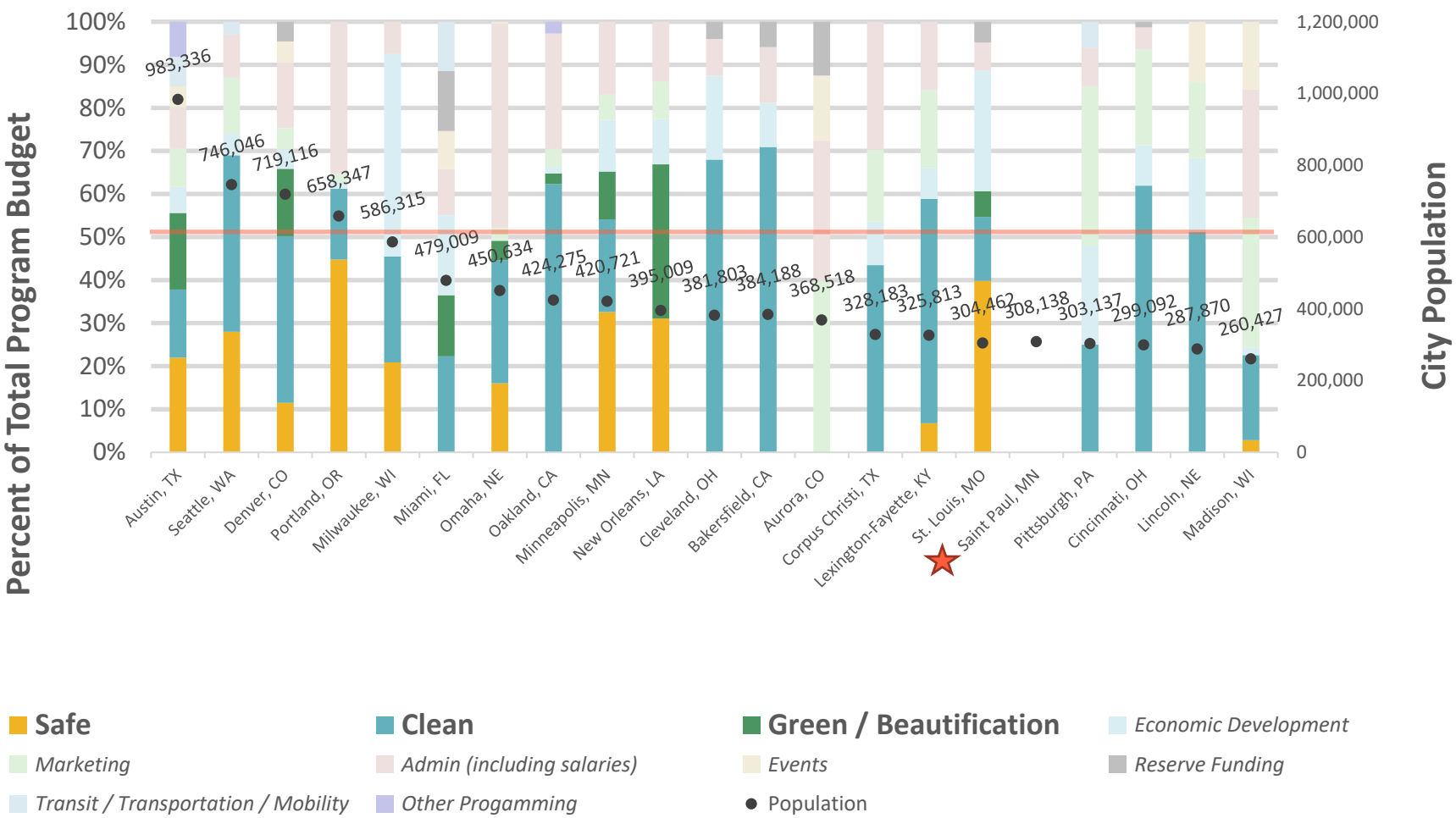
March 8, 2018 Pioneer Press

Editorial about SPDA Launch



SPDA RESEARCH

Special Service Districts / Downtown Improvement Districts Nationally



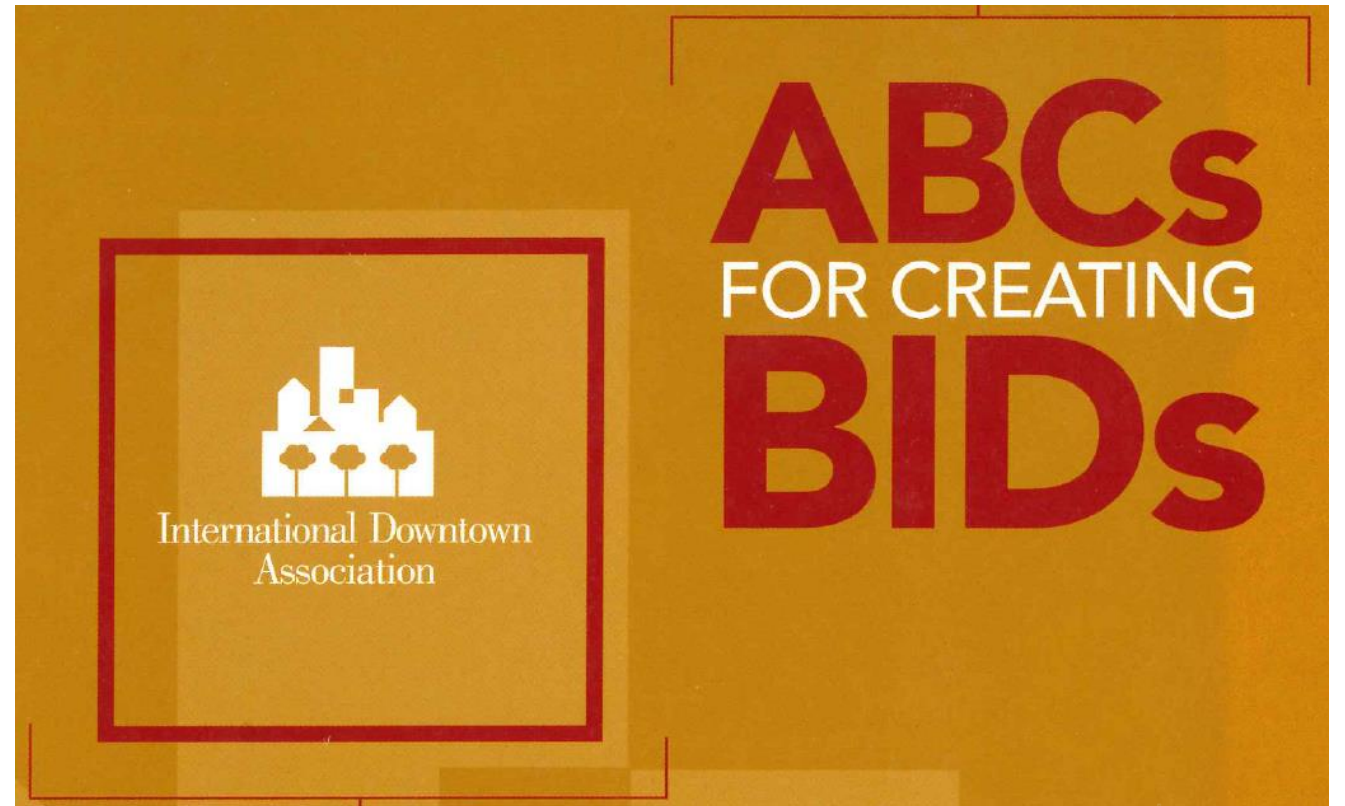
Of the 65 largest cities in the county, Saint Paul is the only without an improvement district.

SPDA Committee Research, October 2018



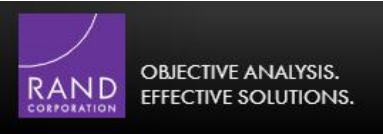
NATIONAL RESULTS

- In Philadelphia crime decreased by 40%
- In Red Bank, New Jersey saw occupancy increase from 65% to 97%
- In El Cajon, California property values increased 20%



NATIONAL RESULTS

TECHNICAL REPORT



Neighborhood Effects on Crime and Youth Violence

The Role of Business Improvement Districts in Los Angeles

*John MacDonald • Ricky N. Bluthenthal • Daniela Golinelli • Aaron Kofner
Robert J. Stokes • Amber Sehgal • Terry Fain • Leo Beletsky*

Table 5.4
Overall Estimated Reduction in Reported Crime from BIDs (%)

Crime-Report Data	Posterior Mean ([1- μ K] \times 100)	95% Posterior Probability Interval	Probability of a BID Effect (P[μ K < 1])
Robbery	12	(-2, 24)	0.96
Robbery + homicide	12	(-2, 24)	0.96
Violent crime	8	(-5, 21)	0.91
Property crime	6	(-5, 17)	0.85
Total crime	6	(-6, 17)	0.86

Findings :
12% Reduction
in Robberies and
other Violent
Crime

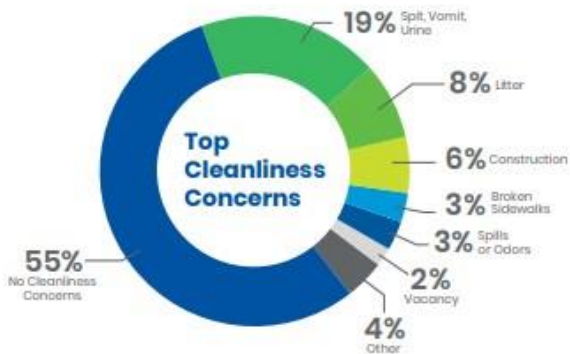
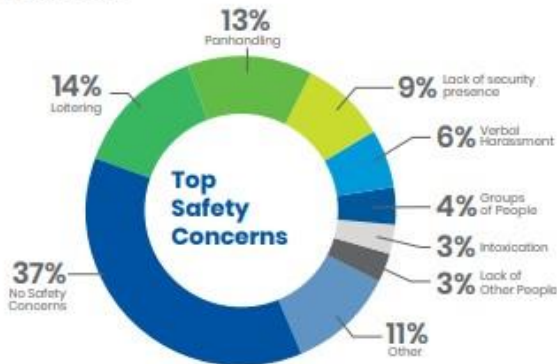


SPDA RESEARCH



2018 Perception Survey

2018 saw a **positive increase** in perceptions of cleanliness, safety and the public realm downtown-wide



DID Service Levels



The District is divided into two service levels: Premium and Standard. These areas were determined based upon the level of pedestrian activity and the resulting need for intensity of service to maintain a consistent standard. These service levels can be modified as need to reflect any land use changes that result in changes to pedestrian activity patterns and intensity.

"I am from New York and could not believe how clean downtown Mpls was. Great job to DID and everyone involved."

- Downtown Visitor



FUSION CENTER:

Downtown Minneapolis

The Mpls DID's Safety Communications Center (SCC / Fusion Center), located within the Minneapolis Police Department's 1st Precinct, serves as a **downtown safety information hub**.

Supporting and Dispatching DID Ambassador Services

Ambassadors create a friendly, welcoming environment for everyone. They can provide maps, guides, directions, and can also provide safety escorts downtown and help with downtown cleaning.

Supporting Downtown Street Outreach Services

The DID SCC coordinates with various outreach services. The DID SCC uses two-way radios and an incident management system to help dispatch appropriate outreach services if it is available.

Communicating and Collaborating with Private Security Teams Downtown

The DID SCC serves as the central point of the RadioLINK system, connecting officers directly with private security teams and outreach teams via a common radio channel. It also expands private security's reach by connecting organizations to one another.

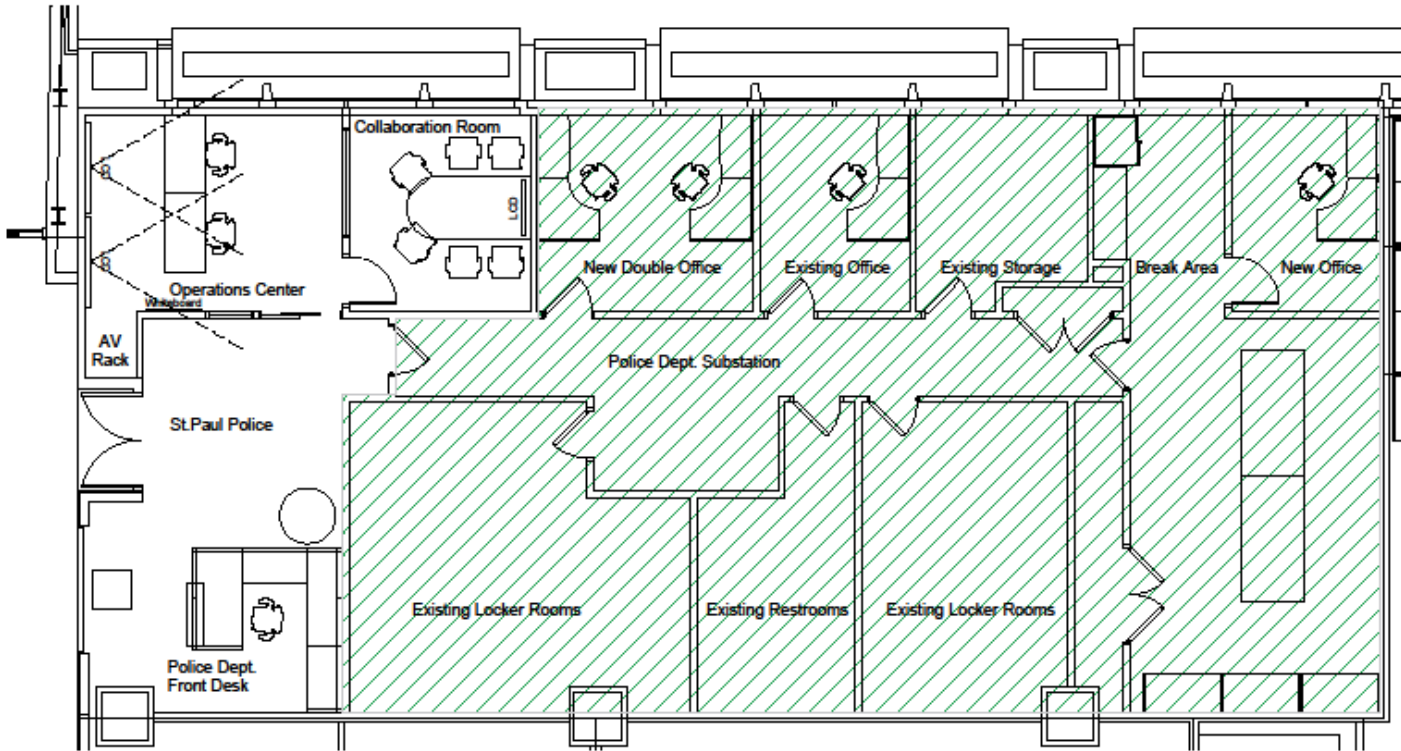
Collaborations with 1st Precinct Police Department

The SCC has a manager who coordinates with the 1st Precinct Police Department daily. A weekly safety meeting is held by the 1st Precinct Inspector to discuss Part 1 crime with the DID SCC and others safety partners in efforts of a coordinated response and plan of action for improvements.



FUSION CENTER:

Downtown Saint Paul vision



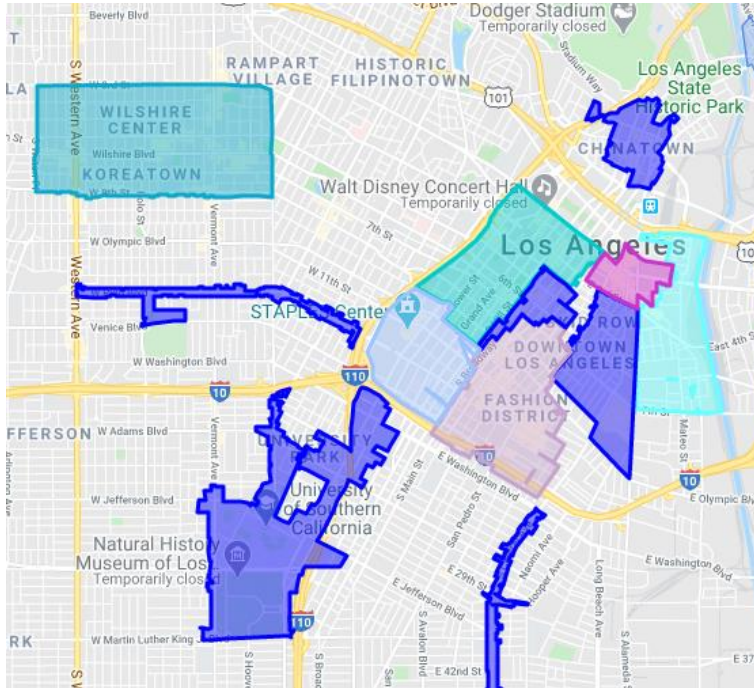
Saint Paul Police Department Downtown Beat Office
Securian 401 Building



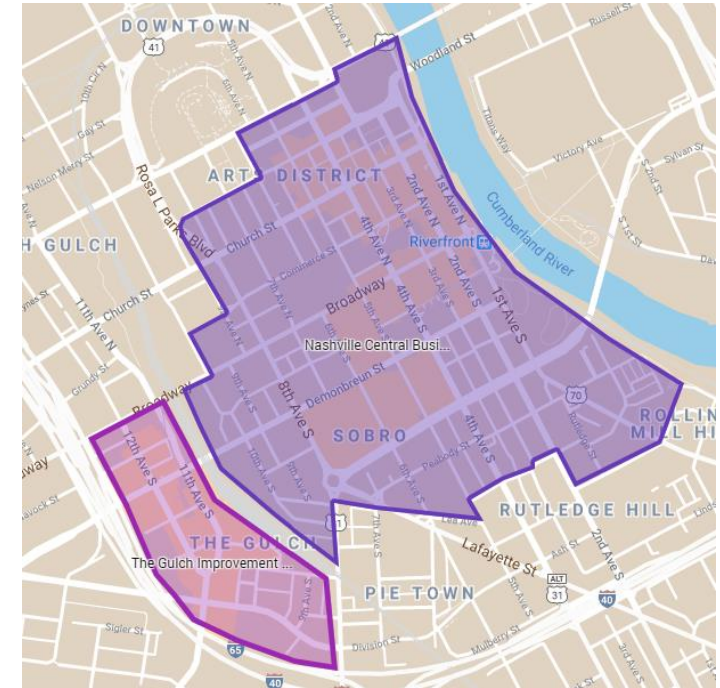
EXPLORING DISTRICT BOUNDARIES



Minneapolis DID was founded in 2007 and covers 120+ blocks with two service levels, standard and premium.



Southern California has more than 100 unique improvement districts each with their own governance structure.

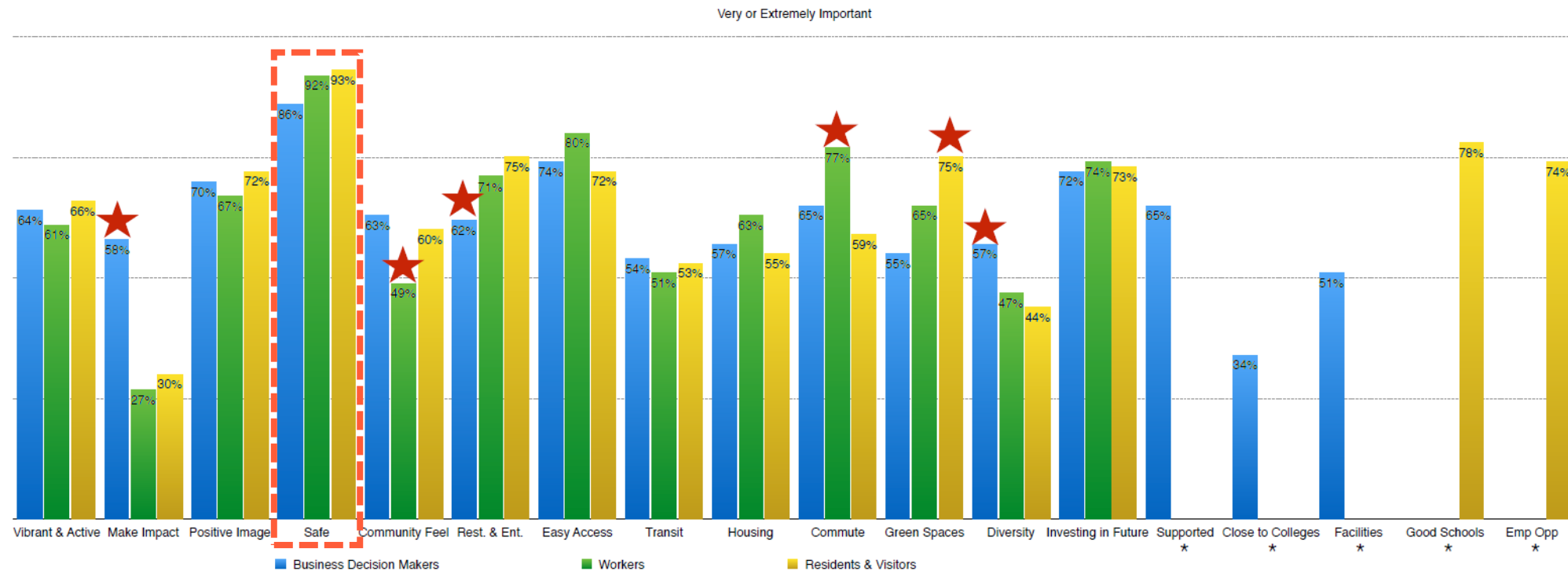


Nashville Central Business Improvement District was founded in 1999 and expanded in 2007. Also in 2007 the Gulch Improvement District was founded just south of downtown and contracts with CBDID for staffing and ambassador services.

SPDA RESEARCH

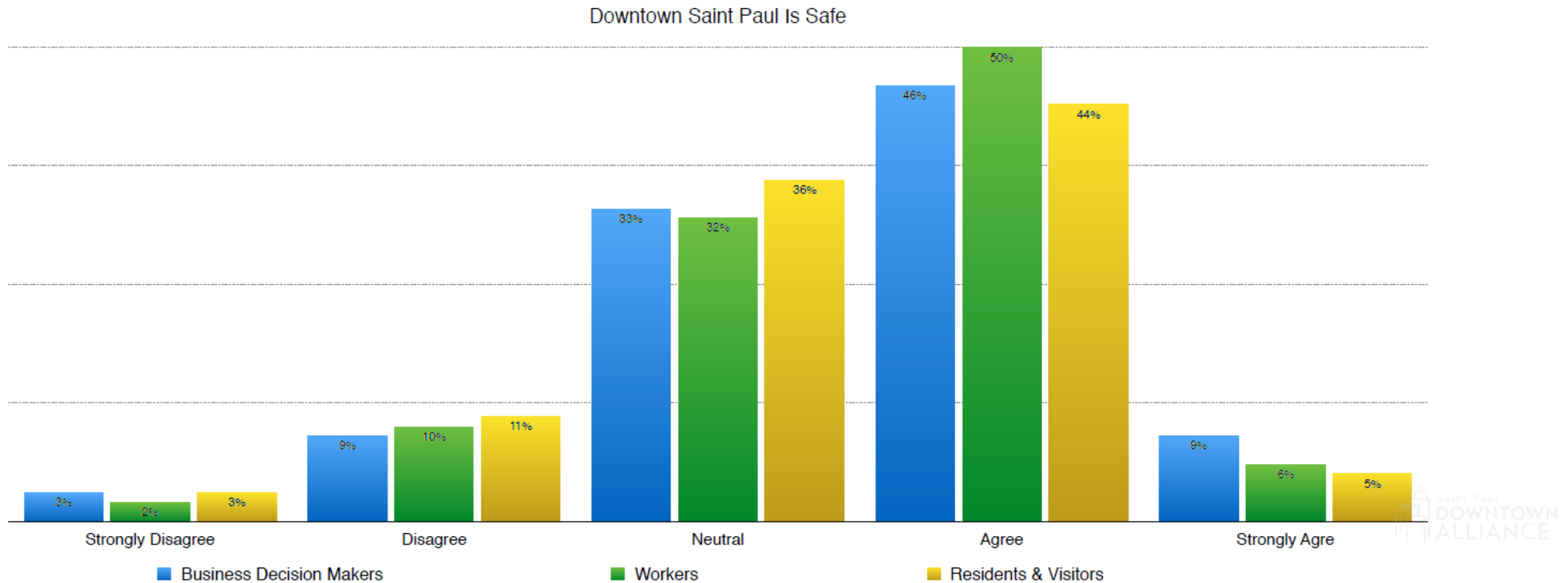
SPDA Branding Research, January 2019

Many of the attributes are seen as very or extremely important



SPDA RESEARCH

SPDA Branding Research, January 2019



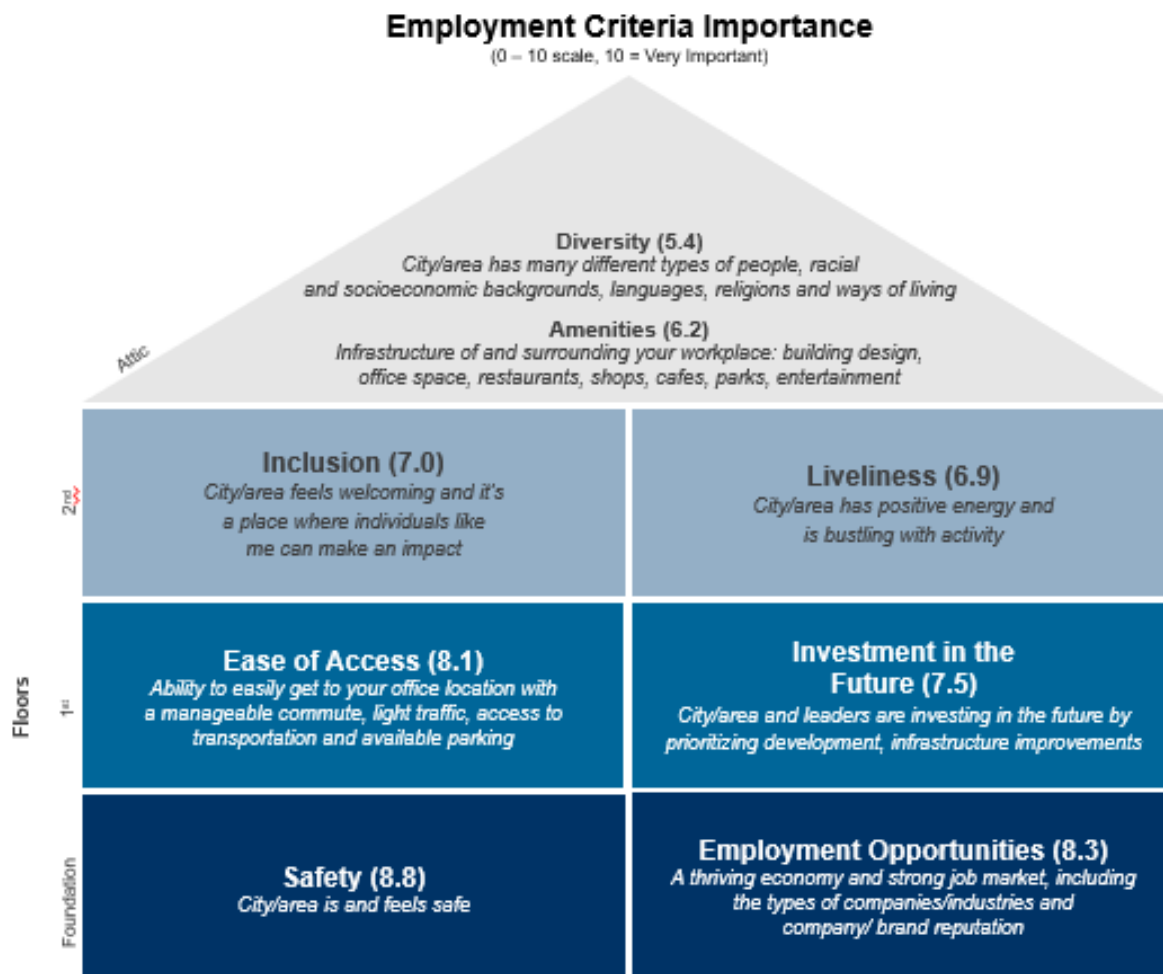
SPDA RESEARCH

SPDA Branding Research, March 2019

SMS RESEARCH ADVISORS | Consumers

Criteria Importance

- Safety and employment opportunities are foundational criteria for job seekers
 - Neither criteria drives additional value, but being unsafe and a lack of hiring opportunities acts as a barrier to consideration
- Ease of access and investment in the future are the greatest opportunity to drive differentiation
 - Both criteria reinforce the viability and security of the employment opportunities long-term, including potential growth
- Inclusion, liveliness, amenities and diversity can add value, but only once ease of access and investment in the future are met
 - These criteria are largely situational – based on unique preferences
- Investment in the future, diversity, inclusion, and liveliness are significantly more important to people of color than their white counterparts

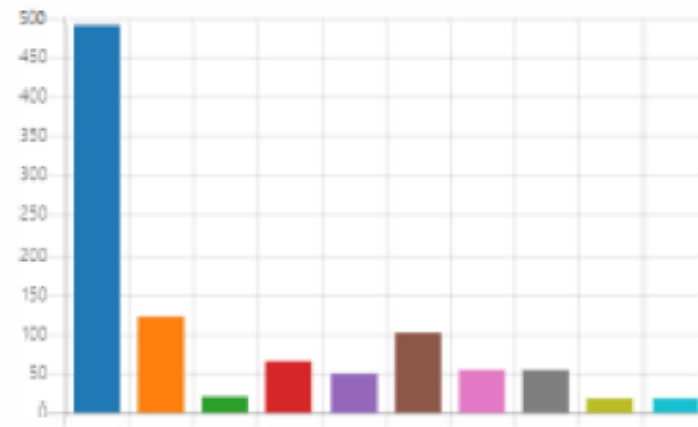


SPDA RESEARCH

SPDA & BOMA Research, April 2019

Which of the following items is most important to you?

Public Safety Services	492
Mental Health Services	122
Traffic Enforcement	20
Traffic Congestion	66
Transit System	50
Pedestrian Friendly	103
Street & Sidewalk Maintenance	55
Cleanliness & Landscaping	54
Building Maintenance	18
Wayfinding/Signage	18





**STREETS OF
SUMMER**

SAFE AND CLEAN PILOT PROGRAM

June – August 2019

ABOUT STREETS OF SUMMER

Streets of Summer was a pilot Safe and Clean program modeled on proven strategies from across the country for improving safety outcomes and downtown user experience. **The pilot covered about four square blocks and occurred in two priority zones – Central Station and the area around Rice Park, Landmark Plaza and Hamm Plaza** – and helped us explore a potential business improvement district for Saint Paul’s city center.

In addition to hiring the full-time Street Team staff, Streets of Summer included place making activations like art installations, music and social engagements, providing a multiplier effect for all the efforts and investments aimed at building a vibrant downtown.

Streets of Summer received funding from the Knight Foundation, the City of Saint Paul Cultural Sales Tax Revitalization Program, John and Ruth Huss, and Dr. Lowell Hellervik.

Safety Statistics



1580

Hospitality
Assists



188

Program Info



146

Business
Contacts



255

Escort Assists

Cleaning Statistics



544

Graffiti
Removed



382

Garbage
Cans cleaned



121

Block faces of
Weeds
Removed



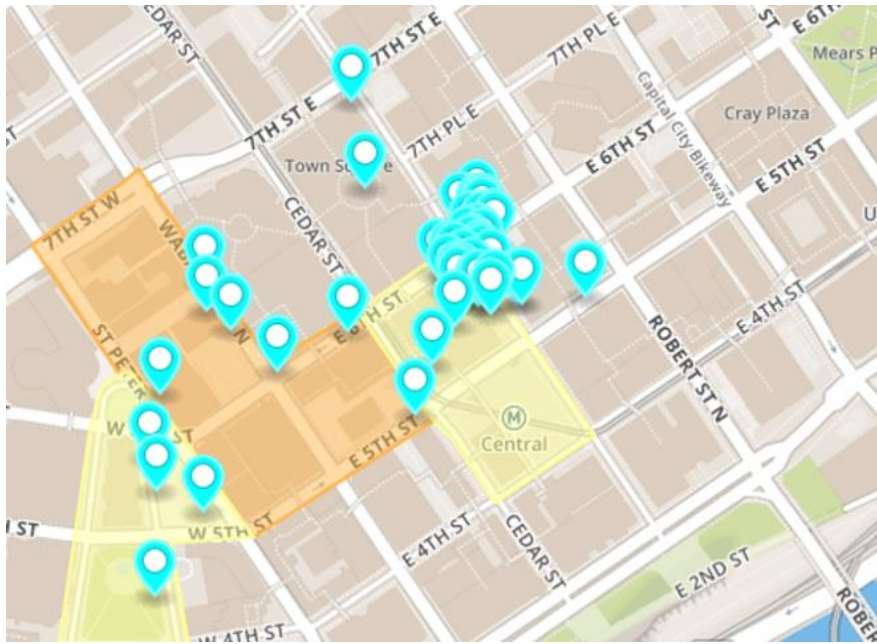
5300 +

Gum spots
removed

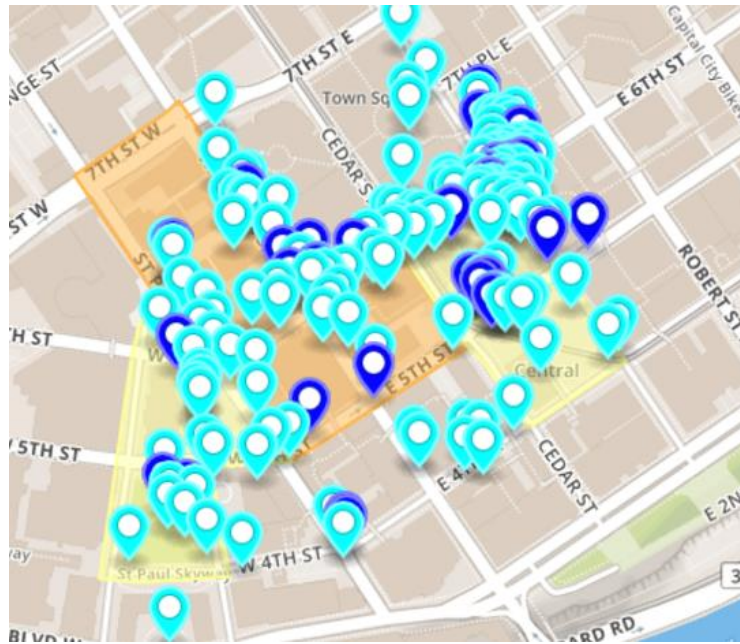


84

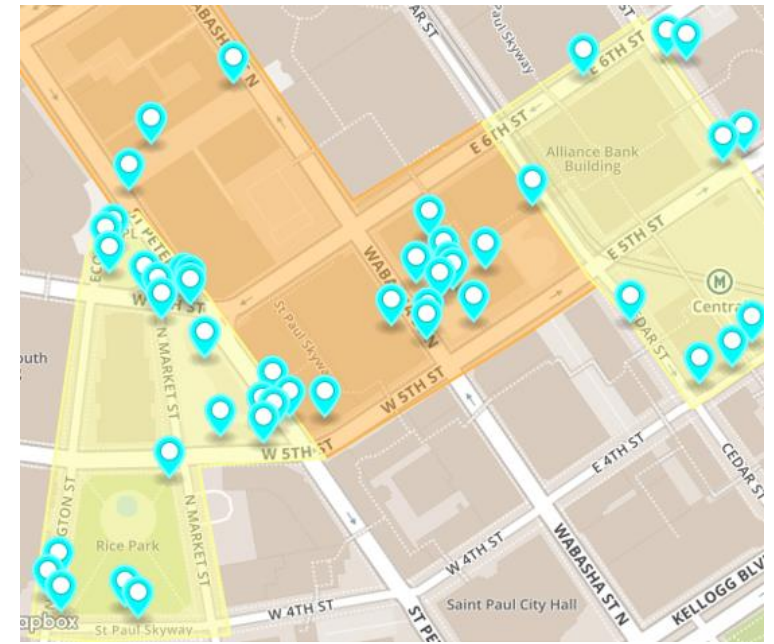
Bags of trash
collected



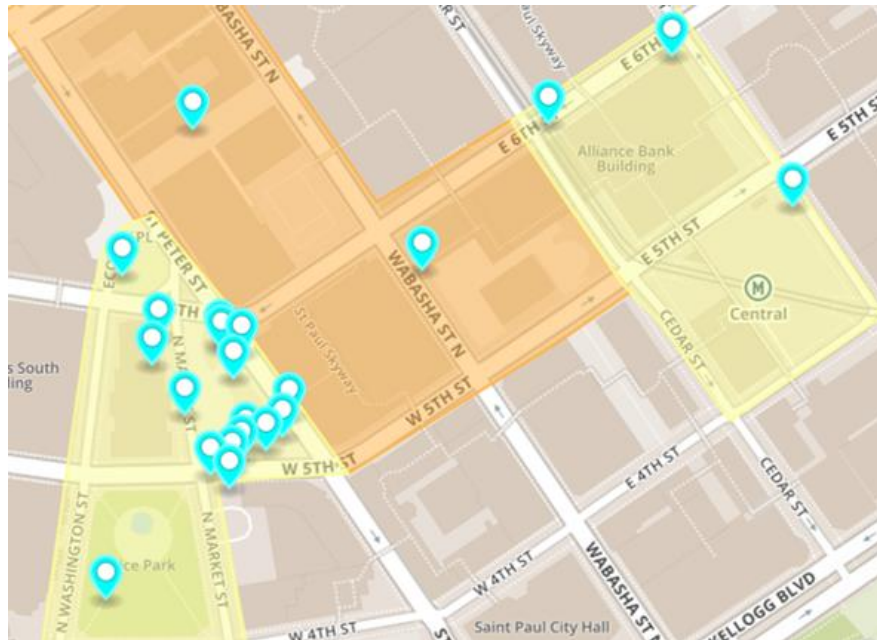
Escorts provided, August



Hospitality assists and program info, August



Fixtures painted,, July



Weed abatement, June

GEOTAGGED DATA MAPPING



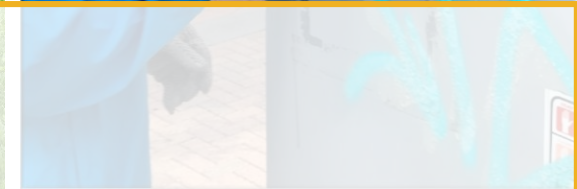
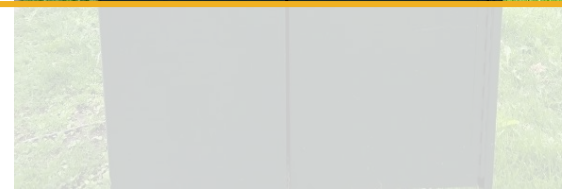
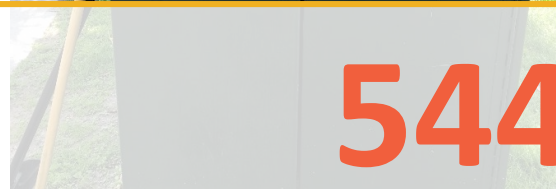


1580 HOSPITALITY ASSISTS



“The Street Team is incredibly impactful – it's a huge deal to see friendly faces all around downtown!”

- survey response

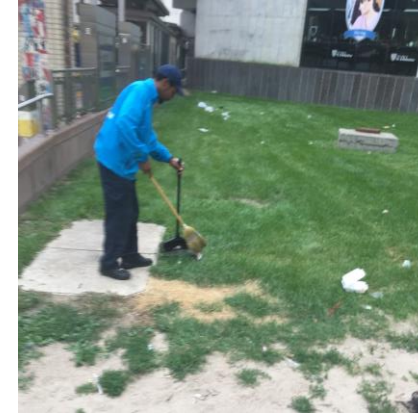
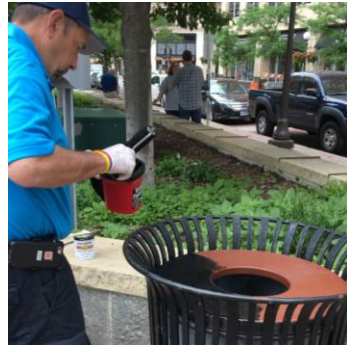


544
GRAFFITI TAGS REMOVED





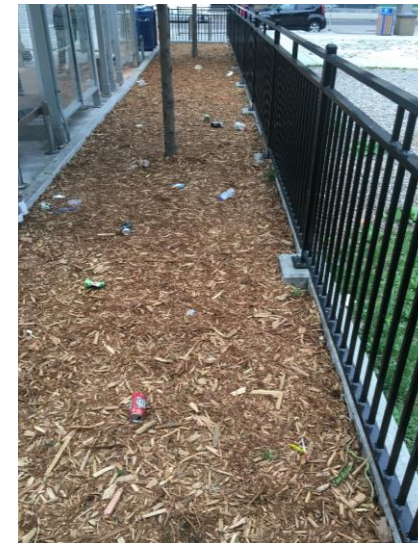
**UTILITIES
REPAINTED**

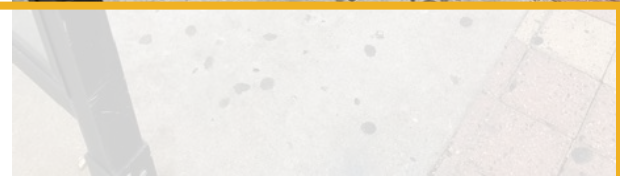
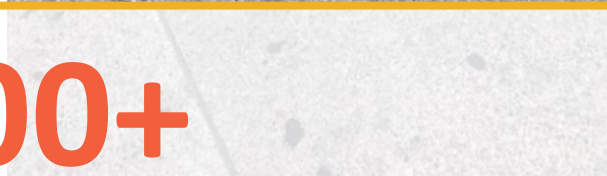


“Streets are cleaner.
Uniformed staff is very
friendly and all smiles.”

- survey response

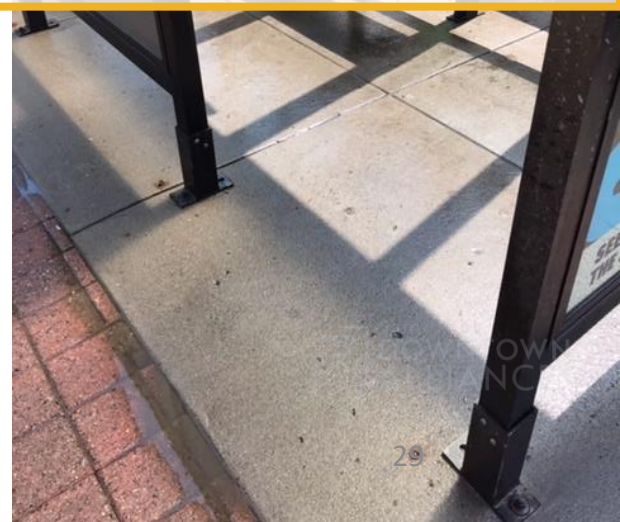
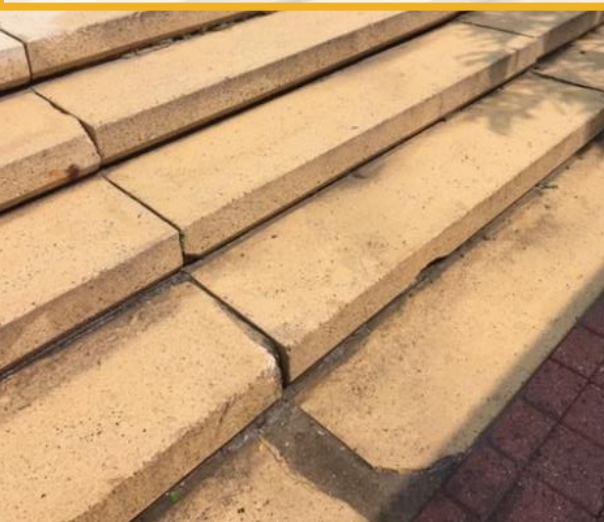
**84
BAGS OF
TRASH
REMOVED**





5300+

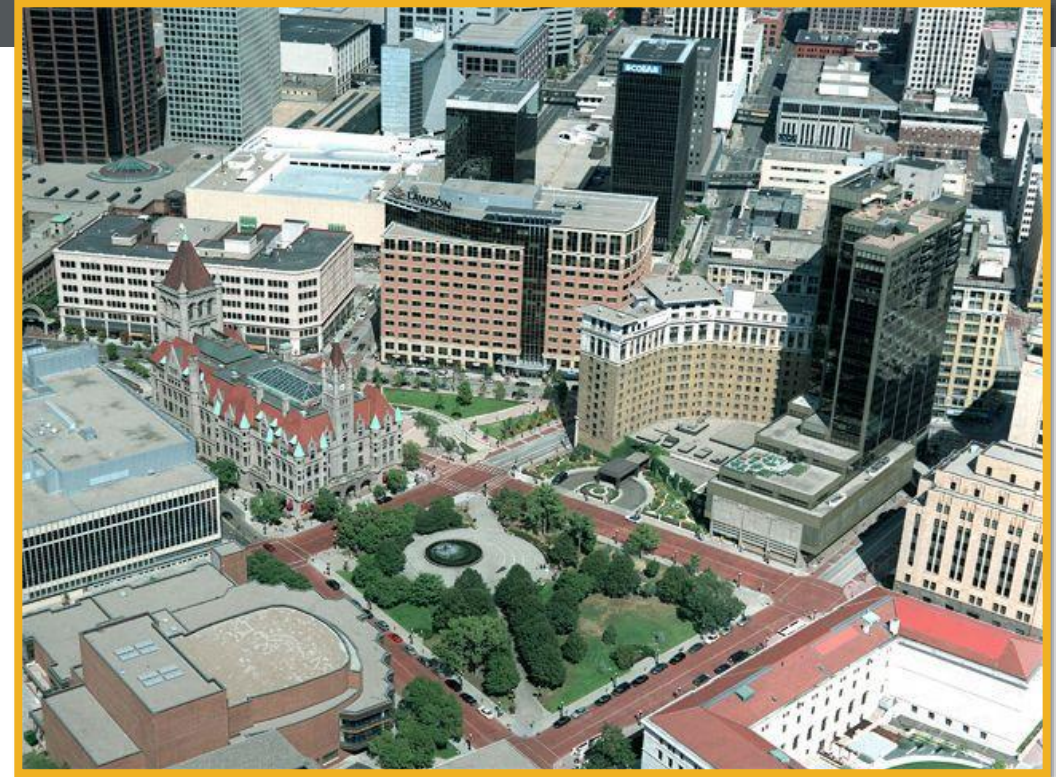
GUM SPOTS REMOVED



SPDA RECOMMENDATIONS TO BOD

The Alliance moves forward by **convening a working group with property owners from the area with the strongest support** and meets with them over the next four to six months, with a **goal of finding a consensus** about the details of a program they would like to implement.

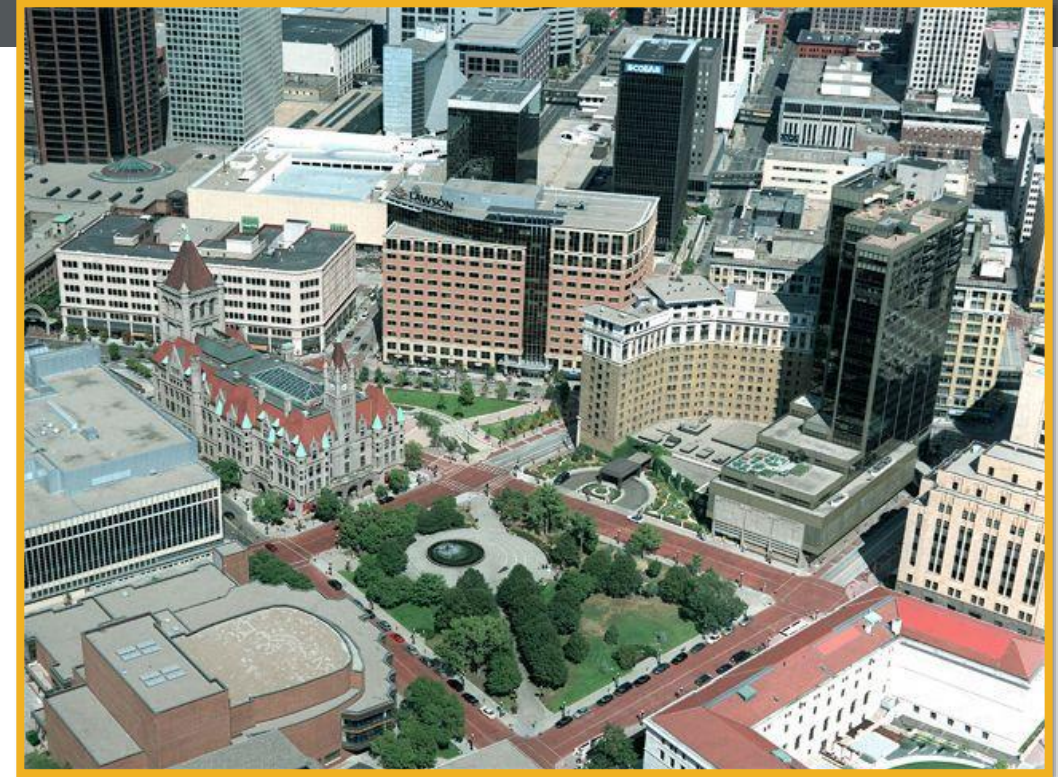
If consensus is reached, engage nearby property owners and adjacent blocks with the specific details and gauge potential support to enlarge or proceed with the original property owners.



SPDA RECOMMENDATIONS TO BOD

Further, the Alliance will **engage a consultant team** with expertise with improvement districts to help us through this process, for the implementation group to determine whether any district should move forward.

If it is to move forward, to determine specific services, scope, a fee structure and costs.

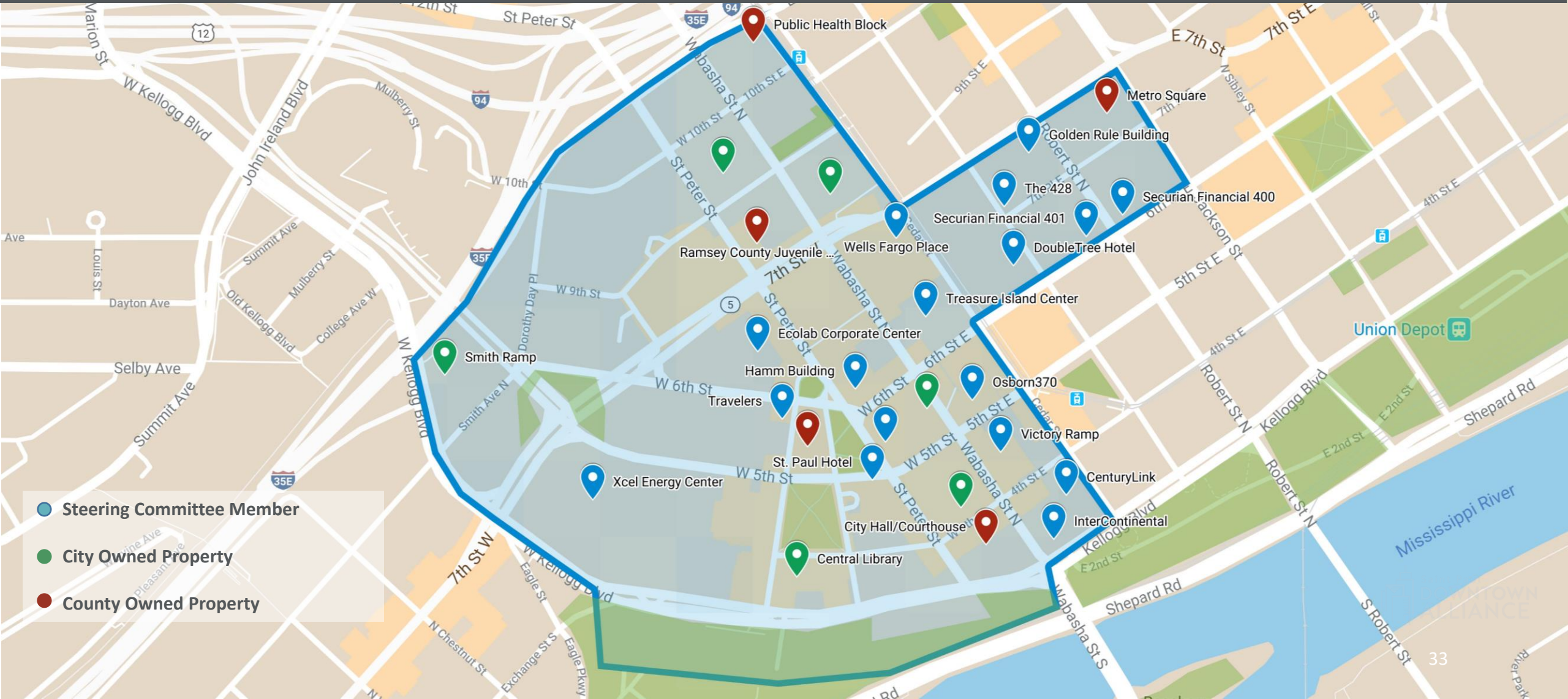


STEERING COMMITTEE

Representatives from commercial properties who had previously expressed interest or support in creating a Saint Paul Downtown Improvement District (SPDID) began meeting in October 2019 to explore ideal programming and budgets.

- *Wells Fargo Place*
- *Infor Commons*
- *Ecolab*
- *Treasure Island Center*
- *InterContinental & Double Tree Hotels*
- *The 428 & Golden Rule*
- *Securian Financial*
- *Travelers*
- *St. Paul Hotel*
- *Century Link*
- *Hamm Building*
- *Victory Ramp*

SPDID BOUNDARIES



PROGRAM CONSENSUS

Based on best practices and lessons learned from improvement districts around the country programming should focus on improving safety and security perceptions and outcomes and creating a **safe and clean downtown.**

SAFE PROGRAM

- Joint Safety Communication Center / Fusion Center
 - Collaborative space for public safety resource deployment
- Highly visible street ambassador hospitality team
 - Eyes and ears, force multiplier, relationship building on the ground

CLEAN PROGRAM

- Highly visible street ambassador clean team
 - Graffiti removal, trash and litter removal, sidewalk sweeping etc

OTHER PROGRAMS

- Public space activation, stakeholder communications, placemaking

PROGRAM REQUIREMENTS

Downtown Improvement Districts are designed by business to function like a business. The Steering Committee has the following expectations to ensure its success :

PUBLIC SECTOR PARTICIPATION

- The City and County both own significant amounts of property in downtown, they will be expected to contribute their fair share through a voluntary contribution.

SOLE SOURCE PROCUREMENT

- Using the Minneapolis DID as a model, the district will have sole source provider exemptions included in ordinance language that allow the district to expedite vendor relations and contracts.

SERVICE COMMITMENTS

- Public realm maintenance or improvements performed by DID staff will be **supplementary** to existing City services and not replace them. Downtown will receive service levels at consistent levels to the rest of the city.

COVID-19

In early March 2020, the first petitions were returned in favor of implementing a DID in 2021.

As the financial uncertainty around COVID-19 grew the steering committee reconvened in April to evaluate next steps for downtown Saint Paul.

Steering committee expressed their desire to move forward but with two-year phased in approach. The 2021 budget has been significantly reduced and there is clear path forward toward ramp up to full program implementation in 2022.

TIMELINE

ORIGINAL TIMELINE	19 Q3	19 Q4	20 Q1	20 Q2	20 Q3	20 Q4	21 Q1	21 Q2
Streets of Summer pilot								
Board Decision								
Outreach/Engagement								
Petitioning								
Ordinance								
Operating Plan and Budget								
Bid Solicitation								
Fee Collection								
Program Launch								

REVISED COVID-19 TIMELINE	19 Q3	19 Q4	20 Q1	20 Q2	20 Q3	20 Q4	21 Q1	21 Q2
Streets of Summer pilot								
Board Decision								
Outreach/Engagement								
Petitioning								
Ordinance + Operating Plan and Budget								
Bid Solicitation								
Fee Collection								
Program Launch								

PHASED PROGRAM & BUDGET

OPERATING PLAN SUMMARY

The name of the proposed Property-based Special Service District is the **Saint Paul Special Service District (the "District")**. The District is being established pursuant to Minnesota Statutes CHAPTER 428A. SPECIAL SERVICE DISTRICTS, herein after referred to as State Law. Developed by the Saint Paul Steering Committee, the Saint Paul Special Service District Management Plan is proposed to improve and convey special benefits to assessed parcels located within the Saint Paul Special Service District area. The District will provide activities, including Clean, Safe, and Beautiful, Communication/Public Space Activation, and Administration/Advocacy/Office. Each of the programs is designed to meet the goals of the District; to improve the safety of each individual assessed parcel within the District, to increase building occupancy and lease rates, to encourage new business development and attract ancillary businesses and services for assessed parcels within the District.

Boundary: See Page 8.

Budget: The budget for full program implementation is \$1,413,689 and is the planned for year two, 2022.

The total District budget for the 2021 year of operation, which has been reduced to address the COVID-19 pandemic financial issues, is approximately \$610,716.

TOTAL BUDGET

	Year 1 2021	
Non-exempt property assessments	\$ 455,036.00	\$
City voluntary assessment contribution	\$ 83,460.56	\$
County voluntary assessment contribution	\$ 72,219.54	\$
Total	\$ 610,716.10	

Urban Place Consulting Group, Inc. 5.18.20

Improvements, Activities, Services

SAFE & CLEAN	Year 1 2021	Year 2 2022
Percent of Total Budget	54.87%	78.34%
Non-exempt property assessments	\$ 249,690.27	\$ 840,297.00
City + County voluntary assessment contribution	\$ 85,425.73	\$ 282,792.00
Total	\$ 335,116.00	\$ 1,123,089.00

Enhanced Safe Programs

A Saint Paul Special Service District Safe Team of ambassadors to address crime prevention for parcels in the District will consist of some of the following:

- Joint public safety communications center (Fusion Center)
- Bicycle Patrol (limited year 1)
- Foot Patrol (limited year 1)

Enhanced Clean and Upkeep Programs

A Saint Paul Special Service District Clean Team of ambassadors will consist of some of the following:

- Sidewalk Sweeping (limited year 1)
- Sidewalk Pressure Washing (limited year 1)
- Graffiti & Handbill Removal (limited year 1)
- Trash Removal (limited year 1)
- Landscape programs (limited year 1)

COMMUNICATION + PUBLIC SPACE ACTIVATION	Year 1 2021	Year 2 2022
Percent of Total Budget	18.83%	10.46%
Non-exempt property assessments	\$ 85,684.90	\$ 112,230.00
City + County voluntary assessment contribution	\$ 29,315.10	\$ 37,770.00
Total	\$ 115,000.00	\$ 150,000.00

Communication/Public Space Activation programs will consist of some of the following:

- Stakeholder Communications
- Website
- Branding and Marketing (limited year 1)
- Public Space Activation (limited year 1)
- Placemaking Projects (limited year 1)

Urban Place Consulting Group, Inc. 5.18.20

ADMINISTRATION + ADVOCACY/OFFICE

Percent of Total Budget	Year 1 2021	Year 2 2022
Non-exempt property assessments	26.30%	11.20%
City + County voluntary assessment contribution	\$ 119,660.83	\$ 120,161.00
Total	\$ 40,939.57	\$ 40,439.00
	\$ 160,600.00	\$ 160,600.00

Administration staff expenses are allocated according to generally accepted accounting job costing procedures and are allocated to the specific areas in which staff works. The improvements and activities are managed by a professional staff that requires centralized administrative support. Management staff oversees the District's services which are delivered seven days a week. A well-managed District provides necessary Special Service District program oversight and guidance that produces higher quality and more efficient programs.

consulting Group, Inc. 5.18.20

RATES & FEE STRUCTURE

Two property assessment variables are used in the calculation :

Building square footage = 70% total assessment

Linear front footage = 30% total assessment

Total Program Budget = \$610,716.00

Total Universe of building square footage = 10,710,206

↳ **2.99 ¢ per square foot**

Total Universe of linear front footage = 22,964

↳ **\$6.11 per linear foot**

SUPPORT THRESHOLDS

State Threshold Marker	Goal
25% Petition in Favor	65% Support (more is even better)
Silent/No Position	
35+% Actively Object or Oppose	

