

# Citywide Economic Development Strategy RFP Draft

*HRA Meeting  
April 23, 2025*



**SAINT PAUL**  
**MINNESOTA**

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## 2025 Budget Allocation: Up to \$200k from the HRA Loan Enterprise Fund

Through an RFP process, select a professional consultant to create a **Citywide Economic Development Strategy** to advance the future of our residents, businesses and non-profits and grow our tax base and economic wealth. In general, the scope of work will include:

- Provide in-depth **analysis of the city's economy**, focusing on the **identification of key opportunities and threats** associated with the city's current economic advantages and long-term sustainability.
- Develop a focused plan that **emphasizes equity** and includes **implementable strategies** for growing the city's economic base.
- Recommend goals for strengthening and **building the city's economy with strategies, tactics, guidelines and timelines for achieving such goals.**
  - **Where are we?** (What is our current economic base?)
  - **Which direction should we go?** (What are the opportunities for economic base expansion and what can we do to more fully share the benefits of economic growth across communities?)
  - **How do we get there?** (These will be the strategies outlined in the report)



## Existing Conditions

In addition to the challenges facing our downtown and the downtowns of most major cities , existing conditions include but are not limited to:

- We recently began funding street projects and parks projects with sales tax, but we don't employ any retail attraction strategies, and we are **leaking retail and sales tax to the suburbs**. Needed investments in our public realm and high property taxes are among concerns we are hearing from prospective retailers.
- **Approximately 22% of zoned land in Saint Paul is property tax-exempt**, including government buildings, colleges and universities, hospitals, and places of worship.
- Our **arena and convention center complex generate over \$500M in annual economic impact**, but the facilities are **25 years old and in need of renovation** in order to retain our NHL team and continue to attract concerts, meetings and conventions. The City is actively seeking funding from the state to assist in this much needed renovation.



## Existing Conditions

- Over the past few years, Saint Paul has been **losing population** even as the MSA has gained population. Our **housing production has decreased**, and market rents have significantly increased, even as we've eliminated parking minimums, eliminated exclusionary single-family zoning, and enacted policies to facilitate the construction of accessory dwelling units.
- **Eviction rates** are historically high, and at the same time existing affordable housing developments are experiencing very high levels of **non-payment of rent**. These same properties are experiencing steep increases in insurance and other operating costs, which introduces the risk of the properties going into foreclosure. The 2025 budget includes a **pilot program for emergency rent assistance to prevention evictions**.
- Several major mixed-use **developments have stalled or are struggling**, though some are starting to see signs of advancement including United Village, Highland Bridge and The Heights. We hear from developers and investors that our **regulatory environment and permitting processes are challenging, complicated and slow**, and result in investments going to other cities.



## Existing Conditions

- Many of our **small businesses and commercial corridors are experiencing challenges**, though many new businesses are opening across the city as well. The 2025 budget includes a pilot program to support the organizations serving businesses in our major **Commercial Corridors**, as a complement to our popular but heavily oversubscribed Neighborhood STAR program.
- Most importantly, our region has **very significant racial disparities in economic opportunity**, including disparities in unemployment, educational attainment, homeownership, business ownership, commercial property ownership, and other areas.



# Economic Development Partner Organizations

We work with several partner organizations in our economic development work, including but not limited to the following, who will be interviewed as part of this strategy:

- Greater MSP
- Saint Paul Downtown Alliance
- Saint Paul Port Authority
- Ramsey County Community and Economic Development
- Visit Saint Paul
- Saint Paul Regional Chamber
- MN Department of Employment & Economic Development (DEED)
- Commercial Corridors –Business Support Organizations and/or District Councils
- Business Review Council
- Others?



## Resources to Consider

Several recent plans and reports will inform this work, including but not limited to:

- Downtown Investment Strategy (2024)
- Ramsey County Economic Competitiveness and Inclusion Plan (2021)
- City of Saint Paul Comprehensive Plan (2020)
- Consolidated Plan (for HUD resources) (2025)
- Small Area Plans
- Anything else?



## Cross-Departmental Effort

- The **Economic Development** team in **PED** will lead the project and the work of the consultant, but the work will involve all of PED and several other departments, including but not limited to:
  - **DSI** – The **permitting process** acts as a gateway for businesses and individuals seeking to initiate new construction projects, expand existing facilities, or launch innovative ventures. When the permitting process is slow, cumbersome, or unclear, it can become a significant deterrent to economic development. A streamlined and efficient permitting process can attract investments, stimulate entrepreneurship, and add to jobs and tax base
  - **Public Works** – The revitalization, expansion, and improvement of **physical infrastructure** improves economic conditions, and is necessary for real estate development, business and job growth.
  - Office of Financial Services, Office of Financial Empowerment, Police, Office of Neighborhood Safety and others





# Proposal Requirements

Proposals must include and will be evaluated based on the following components:

- **Project Understanding:** Demonstrate a deep understanding of Saint Paul's economic and community dynamics.
- **Proposed Approach:** Detailed scope of work and methodology for completing the scope of work
- **Relevant Experience:** Overview of the firm's experience, including expertise in equity-focused economic development.
- **Project Team:** Resumes and relevant experience of the team members.
- **Cost Proposal:** Itemized budget with clear breakdowns of costs.
- **References:** Contact information for at least three previous clients.



# Anticipated Timeline

- **RFP Issued:** May 15
- **Proposal Submission Deadline:** June 30
- **Consultant Interviews (if necessary):** Mid July
- **Contract Award:** Mid August
- **Project Start Date:** September 1



# Questions?