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# Commercial Corridors Program: Recommended Changes

March 2026



# Overview of Guideline Changes

- Corridor Geography: extending boundaries of E 7<sup>th</sup> Street, Ford Parkway, Como/Dale/Front, Cesar Chavez/Wabasha.
- Smith Corridor is considered a micro-corridor and will no longer receive corridor funding.
- Guidelines include language that allows some flexibility when approved on a case-by-case basis.
- Name Change: Saint Paul Commercial Corridors Program
- Award size to reflect additional variables and use Qualified Census Tracts instead of Areas of Concentrated Poverty to determine award size.
- Sub-grants for operating expenses requires reconsideration.



# Award Size Index

- Based on feedback from organizations and HRA, staff re-evaluated how corridor award sizes are determined that is more detailed than simply using ACP vs Non-ACP
- As a result, staff created an index that considers corridors':
  - Density of businesses
  - Density of employees
  - Percent Commercial land use
  - Density of Vacant buildings and HRA properties ready to sell
- Each variable has a maximum score of 25 for a total index maximum score of 100.
- The average score is 46 and median is 42. A cutoff of 45 is used to determine the award size. Nine corridors score less than 45 and eight corridors score higher than 45.



# Award Sizes

- Staff is recommending using Qualified Census Tracts (QCT) vs Areas of Concentrated Poverty to measure underinvestment
- ACP is no longer regularly updated and QCT is a more accurate measure of underinvestment and is used more broadly by all agencies
- 13 corridors are in or adjacent to a QCT and 4 are not.

Size Category	Award Size	
	QCT	Non-QCT
Index Score Below 45 (9 total)	\$79,500 6 total	\$70,500 3 total
Index Score above 45 (8 total)	\$90,000 7 total	\$81,500 1 total

<b>Corridor Name</b>	<b>QCT 2026</b>	<b>Index Score</b>	<b>Award</b>
Snelling and Grand	No	27	\$ 70,500
Selby (east end)	No	40	\$ 70,500
Snelling, Ford, Cleveland	No	41	\$ 70,500
Como and Dale	Yes	12	\$ 79,500
Suburban Avenue and Old Hudson Road	Yes	19	\$ 79,500
West Seventh Street (West End)	Yes	20	\$ 79,500
Snelling and Selby	Yes	38	\$ 79,500
White Bear Avenue	Yes	41	\$ 79,500
Rice Street	Yes	42	\$ 79,500
Grand (east end)	No	72	\$ 81,500
Payne and Seventh	Yes	49	\$ 90,000
West Seventh Street (East End)	Yes	56	\$ 90,000
Arcade and Seventh	Yes	57	\$ 90,000
University (East End)	Yes	73	\$ 90,000
West Side	Yes	74	\$ 90,000
University and Snelling	Yes	79	\$ 90,000
Downtown (not factored into the index)	Yes		\$ 90,000



# Subgrants for Operational Expenses

- Generally, operational support is not an eligible use of business subgrants because it does not satisfy Public Purpose and Economic Development criteria.
- Exceptions may apply when a business experiences a disruption beyond its control, in which case certain operational expenses may be eligible.
- Staff is recommending updating the guidelines to allow for operational expenses to be an eligible use when there is an unexpected and significant disruption on a corridor.
- Proposed language:
  - *Operating expenses may be considered for business stabilization and retention along the corridor when substantial and documented business disruption impacts the corridor as a whole. Documentation must show a unique and substantial impact on the corridor. Documentation may include: number of businesses impacted, photographs of the disruption, business bank statements or other financial documentation showing substantial revenue or sales decline and direct correlation to the disruption. The recipient must provide documentation showing how key economic development indicators will be met and tracked.*



# Questions and Discussion

