

Council Members,

I am Chuck Repke and I am here today representing Dave Brooks the owner of the Minnesota Club Building 317 Washington Ave, in the proposed district.

There are multiple reasons to not approve the ordinance. The current covid crisis is not the time to increase the taxes on commercial property owners downtown while our restaurants are going out of business and tenants are either leaving downtown or demanding discounts because their work force is working from home and not going into their offices.

More so you should not approve the ordinance that targets only half of downtown because it was not able to win the majority of downtown building owner's support. It failed to win that support because its focus is on trivial issues like sweeping sidewalks while the real problem of security and safety is only marginally addressed.

This proposal misses the spirit and intent of Chapter 428 - Special Service Districts. The idea is to have a clearly defined area that desires certain services and are willing to impose a fee on themselves to have those services delivered.

This gerrymandered district was designed this way because most downtown commercial property owners do not support the proposal.

Though this service area appears to be for the western half of downtown, they added six blocks East of Cedar where the building owners supported the tax to be able to impose this special tax on the western half of downtown. The fact that the district has no logical reason to be shaped that way, nor any shared interest between the properties, did not dissuade them from moving forward.

Because of the shape the district and the types of services that are proposed within the district its establishment and taxing authority are ripe for litigation. It will be difficult to prove what direct advantages that commercial property owners get out of visitors being directed to the Ordway or why buildings with a significant amount of square footage but limited street frontage should pay more than a shorter building with the same street frontage to have their sidewalks swept.

You also need to consider the opportunity costs of locking in this partial district for the next five years with the proposed services when the current security concerns could stimulate a Downtown Improvement District that could make some real impact.

Every building owner in Downtown Saint Paul is concerned about security issues on the streets and in our skyways. If the Downtown Alliance would have a real proposal for enhanced security we could put together a district that included every commercial building downtown.

There is no way to improve security downtown with the proposed map. The bulk of the skyway system is outside of the map and Kellogg, Mears Park and the 5th and Cedar train station are not included. Nobody can view any proposal that did not include all the skyways as a serious proposal. Any coordinated camera system that only included the district would be useless and a camera system that serviced non-taxed buildings would once again open challenges from buildings within the district to the tax being imposed on them for services delivered outside the district.

They can't tax my client to provide services outside the district.

This proposal to tax commercial property owners to fund greeters and sidewalk sweepers has remained the same from its inception. Despite the resistance from the owners of better than half of the commercial properties downtown they have pressed forward with a gerrymandered district that will have marginal impact. The current covid crisis has closed many businesses and has put a strain on all commercial buildings that have leasing tenants. It has also made the security concerns in downtown Saint Paul clear to everyone. Now is the time to bring forward a serious proposal to use this tool to address the security issues facing downtown.

Finally, this proposal depends on 25% of the funding coming from the City of Saint Paul and Ramsey County taxpayers. More than \$155,000 this year and more than \$353,000 a year for the rest of this districts' life is projected to be picked by the taxpayers. Your properties downtown are tax exempt they expect you to just "donate" the money.

And, by definition, this is for services that other taxpayers don't get. This is a special service district that is supposed to be exclusively funded by commercial buildings in the district. But since they don't have their support they expect you to have the residents of Saint Paul pick up the tab.

It is up to the City Council to show leadership, turn down this proposal and send the Downtown Alliance back to develop a proposal that can be supported by all of downtown.