



Lowertown Residential Improvement District Feasibility Study

FINDINGS AND RECOMMENDATIONS

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Prepared for the Lowertown Future Fund
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Study Findings and Recommendations

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Executive Summary

A Lowertown Residential Improvement District (LRID) can provide valuable resources for Lowertown residents to invest in their neighborhood. The area is the residential hub of downtown, with the associated benefits and issues. Ensuring a good residential quality of life amidst the hustle, bustle, wear, and tear of a commercial downtown requires a level of investment above typical city services.

could fill this gap in the downtown geography and provide services for the lived experience of Lowertown's diverse population.

This feasibility study centered on a series of interviews with Lowertown stakeholders (mostly residents) to explain the concept of a LRID and solicit their input. The overall feedback from residents was quite positive.

"I am very optimistic about the direction of the neighborhood, and a Lowertown RID is exactly the mechanism this area needs, and now."

Lowertown resident

Improvement districts are a popular tool in downtown areas across the nation to enhance the level of services needed for dense centers of commerce and living.

In 2020, the Saint Paul City Council approved a Business Improvement District (BID) for the central and western area of downtown, which generates annual revenue for investments and services from commercial properties assessments. However, under Minnesota statute, a BID cannot assess residential properties, which form the majority of eastern downtown. A Lowertown Residential Improvement District, based on residential assessments,

They were intrigued by the potential of contributing to an annual fund for goods and services which they would select for the community. The sense of autonomy to make decisions was very appealing. The people interviewed appreciate the time and resources invested in Lowertown by the City of Saint Paul, the Capitol River Council, The Downtown Alliance, and other entities, but feel that those resources and decisions are focused more on the visitor and business experience, than on the residential experience. In addition, the process of applying for funds and implementing things can be cumbersome and opaque. The idea of a LRID appealed to

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Neighborhood youth play a pick-up soccer game in Wacouta Commons Park.

Credit: Merritt Clapp-Smith

them as a more direct, transparent, and resident focused investment mechanism.

The study also surfaced skepticism and concern about an LRID, primarily from large property owners and entities involved in downtown activities and investment. The current downtown landscape is composed of organizations that are trying to collaborate in a sensitive ecosystem, where roles can be fluid over time. The recent formation of The Downtown Alliance and activation of a BID adjusted the landscape. It is likely to take a few years for the downtown ecosystem to rebalance itself. Within this context, consideration of a LRID should be done thoughtfully, transparently and in a fully engaged manner.

How to best serve downtown residents and who should do it can be debated and there may be various pathways to success, but each requires resident leadership and decision-making control. The level of

enthusiasm expressed by residents for a LRID was directly related to the degree of disenfranchisement they felt. The LRID offered the prospect of more influence and power to improve their neighborhood. If there was a mechanism other than a LRID to give residents direct control over investment decisions for the Lowertown community, they would likely embrace it.

The downtown residential population is growing and expected to do so for at least the next decade. The value of downtown and the health of its economy will increasingly depend on a vibrant residential community. In turn, residents should assume more of the leadership roles in downtown and exert more influence over planning, investments, and decision-making.

As Saint Paul builds the next generation of downtown leaders, it can draw from the rich fabric of downtown residents.

Vision for a LRID

To create a self-sustaining fund for Lowertown residents to invest in goods and services that enhance their neighborhood.

The Lowertown area of downtown Saint Paul is a neighborhood. There are thousands of residents nestled in buildings large and small, new, and old, rental and ownership. Residents are a diverse mix of ages, races, incomes, professions, and lifestyles. What unites the residents are the public spaces they share for recreation, socializing or travel. Very few of the residential properties in Lowertown have private outdoor areas suitable to meet people's various needs, which makes the public spaces that much more important for livability and beauty. Providing and maintaining the amenities for a thriving neighborhood in downtown requires resources beyond what the City or County can offer. Individual property owners may or may not be good stewards of cleanliness, lighting, or amenities adjacent to their

buildings. To create a neighborhood wide set of amenities and services for shared public spaces, additional funding is required.

A Residential Improvement District can be this new mechanism for Lowertown. Through annual assessment of residential properties in Lowertown, a substantial amount of money can be invested in public realm activities and amenities that are desired by Lowertown residents.



Interviews and Feedback

The primary research method for the feasibility study was one-on-one and small group interviews. Each interview was conducted as a conversation covering core elements.

Interview Format

Introductions

- 1) Interviewer introduces herself and background – professional city planner, downtown resident and employee, lifelong downtown visitor for shopping, museums, events, and entertainment.
- 2) Interviewee asked basic questions regarding their relationship to downtown. Are they a resident, employee, owner or property manager, government official, or other? How long have they been in downtown?

Purpose and Subject of Interview

- 1) Lowertown Future Fund wants to explore the idea of a Lowertown Residential Improvement District (LRID)
- 2) This is an exploratory study to introduce the idea of a residential improvement district and to gauge interest in it.
- 3) Their questions and input help to determine the potential of a LRID.

Overview of the LRID Concept

- 1) Explain what a residential improvement district (RID) is and how it operates.
- 2) List the types of goods, services, and activities that a RID could provide.
- 3) Describe the proposed geography of a LRID and the rationale for it.
- 4) Identify the similarities and differences between a residential improvement district and a business improvement district, and the Minnesota statute governing them.
- 5) Provide examples of how a LRID could interact with other entities such as the downtown business improvement district, the Alliance, the Capitol River Council, and the City of Saint Paul.

Input from the Interviewee(s)

- 1) What they think of the LRID concept.
- 2) The goods, services, and activities they would want a LRID to pay for.
- 3) Specific interests and concerns they have.
- 4) Suggestions on management, staffing, and operation of the LRID.
- 5) Recommendations on who should be involved and in what manner.

List of Interviewees and Affiliation

# of Interview	People Interviewed	Affiliation / Organization	# of times we spoke
1	Tom & Sandra Erickson	The Allen Building, owners	1
2	Clint Blaiser	PAK properties manager	1
3	Rich Pakonen	PAK Properties / Pioneer Endicott & other properties	1
4	Kari Neithery	Sibley Park & Sibley Court, property manager	1
5	Jean Krueger	Union Depot space manager - Ramsey County	1
6	Rental property managers (9)	Lowertown Leadership Huddle	2
7	Ken Smith	Downtown Alliance Board / former renter	1
8	Joe Spencer	Downtown Alliance, Exec. Director	4
9	Emma Burns	Downtown Alliance staff	3
10	Julio Fesser	Downtown Alliance Board, retired from Securian	1
11	Ta-coumba Aiken	Condo owner; independent artist	1
12	multiple people (5)	Condo owners - Great Northern Lofts	1
13	Russ Stark	Condo owner - Great Northern Loft	1
14	Essex Condo Assc Board (7)	Condo owners - The Essex	1
15	Lee Ann LeBore	Friends of Mears Park, co-chair; Condo owner - Airye	1
16	Airye Condo Assc Board (6)	Condo owners - The Airye	1
17	Chris Beckstrom	Renter	1
18	Sara Remke	Black Dog restaurant owner	2
19	Comm. Raphael Ortega	Elected official - Ramsey County	1
20	CM Rebecca Noecker	Elected official - St Paul, Ward 2	2
21	Nicolle Goodman	City of St Paul, PED Director	2
22	Sean Kershaw	City of St Paul, PW Director	1
23	Lucy Thompson	Former St Paul PED Downtown Planner	1
24	Shevek McKee	Capitol River Council, Board Chair	1
25	Ben Shardlow	Minneapolis BID, Exec. Director	2
26	Tabitha Benci DeRango	Capitol River Council, engagement consultant	1
27	Ellen Watters	Consultant on downtown items	2
28	Capitol River Council (10)	Capitol River Council	1

Interviewees Represented Subset of Lowertown Stakeholders

Interviewees were identified through word-of-mouth recommendations from people exploring the LRID concept. They largely reflected current Lowertown stakeholders who are engaged in neighborhood efforts of one type or another such as gardening groups, homeowner associations, or organizations working in downtown.

The people tended to be knowledgeable about past and current efforts to improve Lowertown and had insightful observations about what is working, what is not, and how things might change. They were generally curious and open minded about the LRID idea, which is why they agreed to be interviewed.

Unfortunately, the interviews missed people who are less engaged, and entities who declined an interview because they were skeptical of the LRID idea. Those declining to be interviewed were predominantly large rental property owners and entities working in close partnership with The Downtown Alliance. A LRID was perceived as potentially competing with or unnecessarily duplicating Alliance activities.

If exploration of the LRID concept continues, it is essential to talk to residents who represent Lowertown's demographics by age, race, income, and ownership/rental status. Reaching people skeptical of the LRID

concept will also be critical to understanding the balance of opinions on the community.

Feedback and Observations from the Interviews

Each person interviewed was given the promise of anonymity for their specific responses. Input from the interviews reflects a self-selected pool of people who were open to considering the LRID idea. The summary of feedback that follows represents the input of the 40+ people interviewed.

Residents interviewed (renters and condo owners) were supportive of the LRID idea.

People liked the prospect of stable, self-generated funding dedicated to improving the quality of life for residents.



The beauty of Mears Parks depends on neighborhood volunteers.

Image: Friends of Mears Park website



The historic Hamms building in Lowertown

Large multi-family residential property owners and managers were tepid about the LRID idea, unless they felt assured of a positive Return on Investment (ROI).

It was not surprising to find that large property owners were not enthusiastic about an assessment district to improve Lowertown, following the economic strain of Covid on rental properties. In such times, they seek certainty that any investment will pay for itself with higher values for their property.

LRID leadership and decision-making should be by and for residents.

Plans for downtown tend to be visitor focused on dining and entertainment. Residential needs are treated as secondary to visitor needs.

Downtown resident

Investments should be focused on residential living and quality of life.

- Activities for residents
- Safety
- Beautification
- Public art by local artists
- Parks and small gathering places
- Greening
- Wayfinding and interpretive signage

City of Saint Paul investment in downtown is critical; it should be clearly identified, committed to, and maintained.

- Road and sidewalk maintenance
- Street trees
- Police responsiveness
- Basic care of parks
- Public toilets (inside and outside)

It was important to people to understand the relationship and respective roles of the LRID, the City of Saint Paul, the Capitol River Council, the Downtown Alliance, “Friends of Mears Park”, and other visible downtown actors.

The downtown ecosystem can benefit from a LRID, if roles, responsibilities, and collaboration are clearly identified with other downtown entities.

- RID and BID as parallel and synergistic entities
- City commitment to retain a strong level of service delivery
- Capitol River Council plays distinct role under city funding to provide planning and engagement services to all of downtown, residents, and businesses

We need to create more sense of a “neighborhood” and “community” with social events and local serving retail. It is hard to sell Lowertown as a neighborhood at this point.

Downtown property owner

Advancing a LRID Support Campaign

Strategic marketing and thoughtful engagement are essential to advance a Lowertown Residential Improvement District from concept to support and implementation. The Lowertown Future Fund trustees asked that the LRID Feasibility Study explore and answer four key questions. Each is answered below, based on the findings from the study.

1. What is the strongest case that the Trustees can/should be making for the establishment of a RID in Lowertown?

- a. A LRID gives residents the opportunity to invest in their neighborhood as they think best.

2. How might our talking points be improved?

- a. Emphasize that creating a LRID is the next logical step after having created the BID to improve downtown,
 - i. Since the State Statute does not allow a combined commercial and residential assessment district, covering the largely residential east side of downtown with a LRID complements the BID on the central

and west part of downtown.

- ii. The two districts are synergistic, not competitive.

- iii. The two districts should collaborate where doing so can improve service delivery, effectiveness, and efficient use of resources.

- b. Commit to a LRID that is a new entity with new leadership, with no ties to the Lowertown Future Fund.



Resident Beckstrom started and maintains a lovely garden space on this previously unused corner of public right-of-way along East 7th Street.

Credit: Merritt Clapp-Smith

A RID would have financial resources to get things done.

Downtown property owner

- i. People are most excited about a LRID that they can create and shape from scratch. They are skeptical about it being an adaption of a former entity, or of it having familiar faces that have history (for better or worse).
 - ii. There is a lot of cynicism among residents that the same players (people who currently have influence) would not do something new that really benefits residents. The players seen in a cynical light are the City of St Paul, large rental property owners, corporate leaders, and other entities that are closely tied to any of these. This cynicism is a big reason that the idea of a new entity controlled by residents, a LRID, is intriguing to people.
 - c. Focus on the LRID being a resident driven and focused entity, not an entity that is heavily influenced by large property owners.
 - i. Even though property owners will pay very different levels of assessment to the RID (based on how much property value they own), residents want the LRID management and decision making to follow a one person one vote model. This means that a renter would have as much say on a LRID board as a large landlord.
- 3. What appear to be the most important benefits accruing to the residents, property owners, business owners in Lowertown through the establishment of a RID?**
- a. A new source of funding for local improvements.
 - b. A sense of some control over what is happening in their community.
 - c. A seat at the table with other downtown influencers; as investors with money to spend, their voice and decisions would matter.
 - d. An increase in property values resulting from an improved public realm and neighborhood centered activities.
 - e. An increase in public activity and people using the neighborhood because the LRID investments have made it more attractive, more vibrant, and safer.
 - f. An increase in business spending, as residents spend more time outside in the neighborhood.

- g. A livelier community that experiences a virtuous spiral of activity – as things get nicer, more people come out, which makes things seem safer and livelier, which then attracts more people outside, as well as more visitors, and the positive energy keeps feeding off itself and growing.
- 4. What communications strategy should be employed to inform people and agencies about the Lowertown RID?**
- a. Draft an action plan for the next phase of pursuing a LRID. Identify the key steps, key stakeholders, people to be involved, funding and timeline.
 - b. Follow up with everyone contacted during the study to thank them for their input and to share key findings. Identify what was heard, ideas for how to proceed, and what big questions remain. State that their seemed to be enough interest in the LRID to explore the idea more formally. Ask if they would like to be involved in that effort in some capacity and how (provide some examples). Ask specifically for volunteers to be on a steering committee for the next phase.
 - c. Talk with key downtown players about the intent to pursue the LRID idea. Ask for their thoughts on it (ideas, concerns, other) and how they want to be involved. Share an outline of the draft action plan and ask for input. (*See section on “Political Context”*)
 - d. Form a steering committee (that is not the LFF) to oversee the ‘building support’ phase of a LRID.
 - i. Select people to be on it in as democratic a fashion as possible, largely driven by who seems truly interested and willing to do the work.
 - ii. Include both property owners and renters on the committee.
 - iii. Include some key players with a get everyone under the tent approach OR include no key players.
 - iv. Allow the committee members to select the committee chairs, by private vote, after a few meetings of getting to know each other.
 - e. Refine the case statement and action plan based on input from the steering committee.

More investment and construction coming to downtown (small and large) shows optimism.

Downtown employee

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- f. Prepare a communication and engagement plan, with assistance from someone experienced in such matters, and review it with the steering committee. Key elements of communication and engagement:
 - i. Website with information on the LRID, what is happening, and how to engage. Keep content fresh.
 - ii. Create a list of people who want project updates and information and send regular communications to them.
 - iii. Focus group conversations and one-on-ones.
 - iv. Grassroots outreach to spread the word; recruit the recruiters.
 - v. Survey
 - vi. Interactive brainstorming sessions or games – how would you spend the money?
 - vii. Regular updates for key players.

Legal Context

I was not able to find someone to speak with me pro bono about the State statute interpretation, though I tried.

I continue to believe that the scant and ambiguous enabling legislation could be interpreted liberally by the Saint Paul City Council, if it chose to, to enable creation of a RID. However, if someone took legal action to oppose it, it may not stand up in court. For this reason, pursuit of a LRID must focus on building friends and allies and avoid antagonizing people who would pursue legal action.

Ideally, efforts should be made to amend the Minnesota statute language to explicitly expand the description of a Housing Improvement District, to differentiate between one that is created in a primarily residential zone and one that is created in a dense, mixed use context such as a downtown. In doing so, it would be helpful to label them differently to emphasize the distinction, using the term Residential Improvement District for the denser, mixed use application. This distinction would better set the stage for further statute amendments to enable combination of BID and RID entities within the same geography.

Any next phase of RID exploration for downtown Saint Paul should include

securing one or more formal legal opinions on the legal viability of creating a RID, beyond any legal opinions already done for the LFF to date.

Political Context

Key players in the downtown landscape are:

- City of Saint Paul (Mayor's Office, the City Council, and the departments of Planning and Economic Development, Safety and Inspections, and Public Works)
- The Capitol River Council
- The Saint Paul Foundation
- The McKnight Foundation, Building Owners and Managers Association
- Saint Paul Area Chamber of Commerce
- The Downtown Alliance and Business Improvement District

The relatively recent emergence of the Alliance and a BID seems to have disrupted the ecosystem and entities are still figuring out how they resettle into shifted roles and responsibilities. This uncertainty creates a nervous landscape of players, who react to the suggestion of a new entity coming into the system as a complication at best and competition at worst.

It was extremely clear during the study that dynamics between the downtown players are touchy. The landscape and respective roles felt a bit shaky, with people acting in a defensive, guarded, or cautious manner. The nascent Alliance and newly established BID are still settling into place, with other

around them waiting and watching for the ripple effects.

Within a sensitive landscape, it is important to present something new to people in a manner that seems low key, non-threatening, and open to influence by them if they wish. The more information people have, the less uncertain and nervous they feel. A very transparent and 'open book' approach will build trust and reduce angst.

Given the tenuous nature of the current downtown ecosystem of actors and stakeholders, it may be prudent to let things settle into place more before initiating a full blown LRID campaign. This is especially true following the disruption of Covid and 2020 economic distress. Downtown Saint Paul is trying to re-emerge and regain the strength it had prior to these circumstances. During the resettling, residents and downtown entities will look to one another for solutions or failure. Introducing LRID in the midst of this might turn it into political football to be damaged before it can be fully evaluated and understood.

Take some time while things settle back into a rhythm to do LRID logistics planning before officially launching a concerted friendraising campaign.

Recommendations for Next Steps

The task of advancing a Lowertown Residential Improvement District from concept to implementation is a big effort that is best approached with a clear work plan and in phases. Each phase is composed of a goal, action steps, actors and roles, deliverables, and a timeline. Work already completed is described in two phases – Concept and Exploration. The recommended next steps follow.



*Downtown residents connect with one another in the parks and public spaces of Lowertown.
Credit: Merritt Clapp-Smith*

Recommended Workplan Phases

Phase I: Logistics Planning (organizational structure, operations, assessments, etc.)

Phase II: Friendraising

Phase III: Pursuit

Phase IV: Implementation

LRID Concept

Prepare a concept for a
Lowertown Residential
Improvement District

January 2020 to January 2021
(This work is complete.)

Action Steps

1. Conceive of the concept
2. Discuss concept with Lowertown Future Fund
3. Examine property assessment data in the district to determine financial viability
4. Test the concept in conversation with anticipated key stakeholders (Cm Noecker, Alliance Executive Director Joe Spencer, Capitol River Council's Jon Fure and Shevek McGee and others)
5. Decide to proceed with exploring the concept further and to hire a consultant to assist
6. Consult with St Paul Foundation on transfer of funds for LRID study
7. Identify consultant to proceed with exploration of the concept (Moxie Consulting hired)
8. Hire consultant to begin work

Actors and Roles

- Lowertown Future Fund Board (John Mannillo, Bill Hanley, Peg Guilfoyle, Chris Thomforde)
- Legal Advisor, John Hoeschler
- Saint Paul Foundation
- Moxie Consulting LLC, Merritt Clapp-Smith

Deliverables

- a. Description of the LRID concept
- b. Data set of all properties, values, owners, and assessment potential in the district
- c. Legal opinion that creation of a residential improvement district is enabled under Minnesota Statutes 428A.01-10 Business Improvement Districts and 428A.11-21-- Housing Improvement Areas
- d. Consultant identified to proceed with Exploration step.

Exploration

Introduce the LRID concept to residents and property owners in the area. Assess level of interest, ask for suggestions, and note concerns.

February 2021 to June 2021

(This work is complete.)

Action Steps

1. Evaluate the legal ability to establish a downtown residential improvement district
2. Identify key entities operating in downtown and where a LRID could fit within the ecosystem
3. Discuss LRID concept with area residents, property owners and a few stakeholders and identify interests, concerns, and questions
4. Consider marketing and engagement strategies well suited to advancing the LRID concept
5. Prepare report of findings and recommendations for the exploration study
 - a. Send thank you email to everyone interviewed in the Exploration phase and ask if they wish to be placed on a mailing list for future updates.

Actors and Roles

- Lowertown Future Fund Board (John Mannillo, Bill Hanley, Peg Guilfoyle, Chris Thomforde)
- Legal Advisor, John Hoeschler
- Saint Paul Foundation
- Moxie Consulting LLC, Merritt Clapp-Smith

Deliverables

- b. Stakeholders and organizations past to present, their role and impact.
- c. Efforts or activities that have been successful or unsuccessful and why.
- d. Constituents' interests and concerns; and
- e. Trends that will/should shape future work in Lowertown by a LRID.
- f. List of people wishing to be emailed about future LRID activities.

Phase I: Logistics Planning

Identify the proposed operational structure for the LRID, including leadership, staffing and management of the nonprofit; assessment and service delivery scenarios; and partnership roles.

July 2021 to June 2022

Action Steps

1. Determine role of LFF and its members in the next phases of the LRID effort.
 - a) The LFF should continue its financial support to pursue the LRID concept, in the hiring of consultant(s) to assist with Phase I and II efforts, and the production of electronic or physical materials related to the work.
 - b) LFF Board members should elevate new leadership to help lead the LRID effort and shift into support and advisory roles with consultants and volunteers.
 - c) Assign one or two LFF board members to serve on the Steering Committee recommended in Action Step 2.
2. Form a LRID Concept Steering Committee
 - a) Prepare a description, goals, and proposed timeline for the future Steering Committee.
 - b) Identify potential candidates for the Steering Committee in consultation with Capitol River Council, the Downtown Alliance, Cm Noecker's office, and the Lowertown artist community.
 - c) Invite/recruit identified candidates to apply for the committee.
 - d) Select Steering Committee members and convene first meeting.
3. Position Steering Committee to lead remaining Phase I activities and Phase II Friendraising.
 - a) Use first couple of meetings to discuss Steering Committee purpose, goals, organization, operation, leadership, and roles. This may be best accomplished with assistance from someone skilled in task force facilitation or organizational start-ups.

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4. Discuss, revise, and finalize Phase I Work Plan.
5. Hire consultant(s) as needed to assist with Phase I activities. Consultant(s) would be paid for with LFF funds and overseen by the committee.
6. Create funding formula scenarios
 - a. Re-evaluate and update property owner data and values
 - b. Create three scenarios for fee levels and revenue generation, based on all properties being assessed at the same percent level as one another.
 - c. Create one or more scenarios that assess subsidized affordable (as opposed to naturally occurring affordable) rental properties at a lower rate, to consider the impacts of fee redistribution to the market rate property owners in the district.
 - d. Identify a sample basket of LRID goods and services that can be purchased under the different revenue generation levels.
 - e. Summarize data in an informational 'fact sheet' showing various scenarios and sample assessment levels based on property value. This can be shared with people in future conversations.
7. Create list of potential goods, services, and activities that a LRID could fund, based on input to date.
 - a) Estimate price to secure and delivery/deploy each item.
 - b) Identify items that could be provided by or with other downtown partners, such as The Alliance, the Business Improvement District, the City of Saint Paul or private philanthropy, and any associated costs for the LRID.
 - c) Create a few sample "basket of goods" that could be purchased by a LRID at different funding levels.
8. Identify other actors in the downtown ecosystem that the LRID could collaborate with.
 - a) Identify the actors and their role (current and potential) in serving Lowertown residents.
 - b) Consider partnership and collaboration opportunities for each.
 - c) Describe proposed partnership with each, to discuss with them.

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9. Develop Organizational Model for the LRID
 - a) Identify potential staffing needs and models (direct staff, consultant, other).
 - b) Estimate annual expenses under multiple scenarios and identify pros and cons for each.
 - c) Identify options for Board structure and membership.
 - d) List expected responsibilities for Board, staff, and other engaged parties.
10. Prepare informational packet on the LRID addressing:
 - a) assessment and service delivery scenarios.
 - b) proposed organizational and operational structure for the LRID; and
 - c) partnership and collaboration opportunities.
11. Create contact list for property owners and residents in Lowertown

Actors and Roles

- Lowertown Future Fund
- LRID Steering Committee
- Consultant(s), if needed

Deliverables

1. Updated spreadsheet of property values and ownership in the LRID area
2. A few sample “basket of goods” to be purchased by a LRID
3. Assessment and service delivery scenarios
4. proposed organizational and operational structure for the LRID; and
5. List of potential partnership and collaboration opportunities.
6. Informational packet summarizing the above information

Phase II: Friendraising

Build strong support for starting a LRID and agreement from owners of at least 60% of LRID property value that they will formally sign on to an assessment district.

June 2022 to ?*

(*To be determined in Phase I Work Plan)

Phase III: Pursuit

Secure support, signatures, and approval from the Saint Paul City Council to establish a LRID.

(Actions and details TBD)

Phase IV: Implementation

Establish and begin operation of a LRID.

(Actions and details TBD)

Action Steps

1. Prepare Work Plan for “Friendraising” Phase
2. Do a stakeholder analysis with anticipated interests, concerns, and level of influence
3. Prepare a communication strategy and engagement plan, with assistance from someone experienced in such matters, and review it with the steering committee.
4. ...*further actions to be identified in the work plan...*

Actors and Roles

- LRID Steering Committee
- Potential consultant
- *Other?*

Deliverables

To Be Determined

Conclusion

Based on the 28 conversations conducted during this feasibility study with downtown residents and property owners, there is strong enough interest in the LRID idea to pursue it further. People supported the general vision of an assessment district by and for residents to improve the quality and experience of living in Lowertown.

Everyone thought that Lowertown had the right bones and fabric to make a great neighborhood. They felt that it is generally a nice place to live (except during Covid) but has lots of room for improvement. There was optimism about the future of Lowertown if key stakeholders take an active role in the work and investment needed to get there.

People questioned how a LRID would fit into the landscape of other actors in downtown, with the City of Saint Paul and The Downtown Alliance being most mentioned. They wanted to be sure that a LRID would not let the City off the hook for expected services, nor compete with or duplicate services of The Downtown Alliance and Business Improvement District. If the LRID is additive and complements existing efforts, then people are comfortable with the idea of establishing it.

What people were adamant about was that a LRID must be led by residents. They did not support a residential assessment district if decisions about how the money was spent was driven by large residential property owners, the City, or commercial and corporate entities in downtown. The Alliance was seen as being too tied to corporate and commercial interests to be a trusted advocate for residential need. Similarly, the Capitol River Council which they appreciate for its resident focus, was seen as too closely tied to the city.

Support for creation of a LRID will be based on demonstrating that it will be resident controlled, collaborative, and can deliver the goods and services that justify the investment.



*Toy left on a boulevard by one of Lowertown's many young residents.
Credit: Merritt Clapp-Smith*

Appendix A: Notes from Interviews

Interviewees for this report were assured that their input and comments would not be directly attributed to them. This summary of input organizes comments from all interviews by topical area and retains repeat content to show the prevalence of certain themes.

1. Desired goods, services, and activities

RETAIL

- More dining
- More small retail shops on the street level (unique; boutique; chains do not take off in downtown).
 - The pet store is nice to have
- Medium size stores for everyday goods and services
 - Mini Target
 - Hardware store
- Retail
- Marketing for the local businesses – better identify who the market is.
- Leverage things that are here already with better marketing.
- Former Handsome Hog and adjacent spaces could be used for an incubator.
- What type of retail can bring people downtown?

SERVICES

- Curbside composting

- Better sidewalk cleaning
- Cleanliness
- Beautification
- More trees (What is the ratio of planted trees per capita in city neighborhoods versus downtown?)
- Safety
- Security
- Set up and advertise additional level of safety services
- Safety and security
- Safety -- There is an increasing sense that it is not safe in the area. How do we address the perception? Covid has made that perception so much worse.
- Residents might like using a RID to help pay for mental health services for the troubled folks downtown.
- Need for parking.
- Communication network - create residential email for people in the district.

PUBLIC REALM

- Outdoor seating areas with wi-fi, in parks or elsewhere, for working outside
- Indoor public areas like atriums with wi fi, for working inside but out of the office
- Small community gathering spaces would help. Those spaces have not

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grown as the population has grown. Indoor spaces too. (Kelly's was a big loss.)

- Activating the street level. De-emphasize the skyway activities.
- Close streets and activate them! (Too many streets for too few cars.) Experiment with things.
- Activate – activate! More stuff could be happening at Union Depot and anywhere downtown.
- Lighting and art
- More greenery and trees
- Better maintenance of the MnDOT ROW at 7th and Wall St. (Litter, landscaping, etc.)
- Reduce street speeds (like on Kellogg) to make them more like a neighborhood instead of like thru ways to parking lots.
- There are several streets that are wider than needed based on volume. Narrow them.
- Opportunity to narrow streets and reduce maintenance costs.
- Kellogg and 3rd Street Bridge – provide movement improvements.

ACTIVITIES

- Lowertown Master Plan should inform investments in RID activities
- Workday hangouts like coffee shops, atrium areas
- Create visible node(s) of shops, dining, and activities to create hubs of activity

- RID could help with things like Music in Mears and similar events
- Programming activities – specific to the area and its residents, like fairs
- Programming of activities
- Lowertown as an area has so much history and every building has a story. Put a plaque on the outside of old buildings sharing their history. (For example - Janitorial store has old horse stalls still in the building.)

2. What's going well in downtown now?

- Good dining, CHS field, and Union Depot programming, great Farmer's Market
- When there are people, it's good downtown
- Investments in stadiums and LRT
- Great Northern Building
- Farmers market
- Jobs and residential together – can walk to work
- Proximity to natural areas like river
- Bike trail hub
- Transit, biking, walking (goal is to not have a car)
- Restaurants
- Cultural attractions (SPCO and Park Square members)
- Diversity of income and race
- Distant sounds of trains and boats

3. What's not going well in downtown now?

- When there aren't many people around (during Covid)
- Doesn't feel completely safe
- Homelessness, particularly women and children; it's heartbreaking.
- Covid impacts; will take a long time to come back
- Crime issues have caused massive economic impact; people are choosing not to come downtown
- Vacancy in downtown St Paul is 10-15% (commercial and residential)
- There isn't a critical mass of shops for residents. Existing retail can be hard to find, is too expensive, or does not get enough foot traffic.
- Pay for parking is a problem and the lack of parking.
- Limited space in which to grow.
- Endless surface parking lots
- MnDOT ROW areas are not maintained. They are overgrown, full of litter and feel unsafe. RID could buy a lawnmower or groundskeeping for unkempt areas.
- It's hard to have a nice outdoor space due to damage from vandals and thieves, and dogs peeing on things.
- Young trees struggle to live due to vandals and/or lack of watering.
- Full range of people ride transit to downtown, although some people don't like that.
- Amount of unsheltered homelessness – makes him concerned; not personally uncomfortable
- Safety and security are a concern now; he and his wife felt it some when they lived downtown; only some incidents of aggressive behavior downtown, particularly near Central Station.
- Parking visibility: Parking is fine – people need to learn where to look for it; but it needs to be affordable for shopping.
- Tension between artists community and “new” residents (non-artists). Tension in how the community is perceived or used. Gentrification concerns. Social media really highlights the tension. Artists population is declining. Springboard moved out of downtown and to Creative Enterprise Zone. It's a fractured artists community now.
- Lack of retail is disappointing, even buying a greeting card. She's talked to Rebecca Noecker and she says it's lack of density (she says 12,000 pop is the tipping point and currently there are 10,000 population now). She likes to walk to places, but she doesn't have enough to walk to. Lack of retail is true through all of downtown.

- Problem with crime - Negative perceptions; Businesses have been very negatively impacted.

4. Hopes for the future of Lowertown

- Match downtown residents' time and talent with some money to get things done.
- Twins at CHS will attract more visitors and activity
- DEED offices could move to Lowertown
- It's been a long time since downtown was a retail destination. But neighborhood serving should be possible.
- Build on the 24-7 activity – live, work, play
- Growth of the residential population – starts to feel like a neighborhood
- Good neighborhood feel will attract visitors and employers
- Helping downtown grow up into an identified neighborhood
- More neighbors and people activity
- Make the area fun for office workers with events, nice dining, and an attractive streetscape to keep them around for lunch and dinner.
- Could a RID invest in land banking, underwriting retail space?

5. RID Management and Operations

- Do not duplicate what the city, Alliance or other people should be doing.
- The BID is good because it pays for new services that have not been available before. The RID should do the same thing; do not create a RID to backfill for services the city used to offer and has withdrawn from (like policing for safety, ROW investments, etc.).
- Big difference between what short-term renters want and what long-term renters and condo owners want. RID should have strong representation from long-term residents.
- A RID can better organize people and ideas. Organic organizing. An invested residential population could volunteer to do things in exchange for a match of investment from the city.

6. Roles and Partnerships

- It would be good to try a BID and RID separately, before combining them.
- Creative partnerships with the Saints and other organizations. Make the neighborhood attractive for visitors and residents.
- RID should not be created to replace basic city services; focus on taking things to the next level.

- Do we push the city harder to do things or do we do more ourselves?
- CRC is a political entity that serves both businesses and residents, so it cannot focus on resident needs. They are paid by the city to do with the city wants.
- It has really been a struggle in Lowertown to get an entity or group in place that is an umbrella for coordinated efforts. A RID could serve this role.
- Bring collective voices together
- Create 1-, 3- and 5-year plans
- Skyway is a great example of what happens when businesses serve business interests instead of residential interests. Will the BID prioritize helping businesses on the skyway that only operate during workday hours?
- Downtown Alliance seems to drive Chamber type businesses and large companies with 8 am to 5 pm interests. It is hard to imagine have a strong residential voice in those conversations. Business has the ear of the city more than residences.

7. Messaging

- Clearly identify what items CANNOT be provided by a RID
- Frame the conversations as a creative problem-solving exercise – what do you want to solve and what are the tools?
- Focus on what the residents want, not what the landlords want. The residents should buy in and then pressure the landlords.