



REVITALIZING SELBY

AN INVESTIGATION OF ECONOMIC DEVELOPMENT STRATEGIES ALONG SELBY AVENUE

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Executive Summary

Selby Avenue, between Dale Street and Lexington Parkway, in St. Paul, Minnesota, is a diverse neighborhood ripe for economic reinvestment.

Currently, Selby Avenue lacks several elements of a thriving corridor. It is without a central leader, there is a lack of communication and organization, it doesn't have a defined brand or identity, and there is minimal continuity along the physical landscape. Several vacant lots and facades needing improvement also blemish this Selby Avenue corridor.

An examination of the existing economic conditions of the corridor indicates there is a lack of business development capacity and commercial density. However, when its passionate residents and business owners, transportation connections, and ties to the jazz community are considered, Selby Avenue has great potential to transform into a cultural arts and entertainment hub. The following report outlines short-term and long-term strategies to move the Selby Avenue corridor forward from a street tarnished with vacant and blighted properties to an inviting and inclusive destination.

Realizing a vision of Selby Avenue as an entertainment destination requires a strong foundation of communication, organization, and leadership. Centralized leadership would improve communication among all individuals, businesses, and organizations working in the community, as well as create a mechanism for community advocacy with the City of St. Paul and other external actors. Shared branding and marketing would help to achieve a consistent and cohesive experience, both along the corridor and in the community at large. Business recruitment initiatives should be also be undertaken to highlight development opportunities that exist along the Selby Avenue corridor. Transportation connections to the corridor, including a potential pedestrian connection to the Victoria Street Green Line Station, need to be leveraged to encourage those living and working outside of the corridor to experience everything that Selby Avenue has to offer.

Economic reinvestment actions undertaken on the corridor must embrace the historical and cultural fabric of the neighborhood, while becoming more inclusive. Selby Avenue's rich African American history should be showcased so that residents and visitors have the opportunity to learn about the neighborhood's past.

Reinvestment along the corridor also has the opportunity to embrace new cultural aspects of Selby Avenue. The Walker West Music Academy has a strong presence along the corridor, posing a prime opportunity for additional musicians and artists to migrate to Selby Avenue and create an art district.

The report concludes with four alternatives for long-term economic development on Selby Avenue between Lexington Parkway and Dale Street. These alternatives include maintaining the status quo, implementing a Business Improvement District, implementing the Main Street Approach, and forming a shared-services cooperative.

The
Existing
Selby
Avenue

Introduction

The area surrounding Selby Avenue between Dale Street and Lexington Parkway is an economically, politically, and racially diverse neighborhood. It has an intriguing and devastating past riddled with crime and great stories of perseverance. Currently, this area lacks economic vitality and commercial density needed to rise to its potential. The purpose of this project is to identify the existing conditions of this corridor, and address major concerns and opportunities that will help guide the creation of an economically vibrant and welcoming area. The report will conclude with short and long term strategies to move the corridor from a street tarnished with vacant and blighted properties to a cultural and entertainment destination.



Figure 1: Location of Selby Avenue in St. Paul

In the earliest parts of the twentieth century, the Selby Avenue Corridor was a bustling economic center with great business diversity aided by the streetcar that transported residents and patrons along the street. Fueled by suburbanization and major changes in the public transportation network, this area experienced rapid decline. Add on to that decline the construction of I-94 that displaced large numbers of the African-American residents and Selby was ripe for economic downturn. In the summer of 1968 through spring of 1969, racial tensions erupted into violence resulting in the destruction of buildings and businesses, putting the final nail in Selby Avenue's coffin (Historic St. Paul, 2006). The lack of architecturally interesting buildings and vacant properties that remain today are remnants of that violent time. As businesses vacated, less savory activities moved in, causing Selby Avenue to become known as one of the most dangerous parts of the Minneapolis-St. Paul metropolitan area. Despite its significant progress, Selby Avenue is still regarded as a dangerous place where drugs and violence run rampant. However, through specific and targeted investments into the corridor, Selby Avenue Action Coalition, Rondo Community Land Trust, and other champions inspire to raise Selby Avenue to its former glory.



Photo 1: Selby Avenue, 1975

Existing Conditions

Existing Plans, Reports, and Studies

There are several plans, reports, and studies that have already been completed on the Selby Avenue corridor between Lexington Parkway and Dale Street.

These include:

- The Selby Avenue Small Area Plan (1997)
- Selby Avenue Exterior Improvement Charrette (2000)
- Selby Avenue Exterior Improvement Charrette (2002)
- University-Community Partnership: student service-learning and the African American Heritage Corridor (2007)
- Design Recommendations for the African American Heritage Corridor (2008)
- Selby Avenue Action Plan Draft (2011)

These plans, reports, and studies are complementary of each other and are connected by common themes and ideas. The need for branding, organization, and business development are common throughout several of these documents. There is also a common interest in finding temporary and permanent uses for the currently vacant parcels, improving the aesthetics of the corridor with facade improvements and streetscaping, and creating cohesive connections along the corridor and to surrounding areas. More information about each of these plans, reports, and studies can be found in Appendix A.

Stakeholder Concerns

As part of the existing conditions assessment, our team interviewed Selby Ave business owners, St. Paul government representatives, and economic development experts to identify major concerns and opportunities. Below is a summary of our findings, with a full analysis of the interviews to be found in Appendix B.

Stakeholders identified three major concerns. The first concern centered on Selby Avenue's lack of development capacity and density. The deficit of capital and entrepreneurial ability on the corridor makes it unlikely that vacant parcels will be developed in the short-term. Additionally, the community is very sensitive to the type of development that goes on those vacant parcels. A shared perception among those interviewed was that even one bad business could cause Selby Avenue to lose economic progress that it has made. Another concern was Selby Avenue's lack of a common vision. There is a diversity of opinions on what theme the neighborhood should organize around. This creates inconsistent experiences along the corridor, which perpetuates the negative perception of Selby Avenue. Lastly, Selby Avenue lacks neighborhood places. For residents, this means that basic goods and services needed by its community members, like groceries and household supplies, etc. are generally lacking. This gap forces people to shop outside of Selby Ave, causing dollars to leave the neighborhood. Additionally, very few storefronts are welcoming to outsiders.

Stakeholders also identified Selby Avenue's major strengths and opportunities. Among those was Selby Avenue's diversity of storefront sizes. Selby Avenue has some smaller fronts along the corridor that are great for small businesses as well as larger parcels that could be developed into much larger footprints. The diversity of potential partnerships, including the Green Line LRT, cultural associations, and tourism, was also identified as an opportunity.

As part of the interview, business owners were asked to complete an anonymous willingness-to-pay survey. This survey addressed six service categories: security, aesthetic improvements, marketing, events, maintenance, and total. With only seven surveys, the results are not representative of the corridor, but provide a basic understanding of which categories may be most important to focus on.

| | Security | Aesthetics | Marketing | Events | Maintenance | Total |
|----------------------|----------|------------|-----------|--------|-------------|-------|
| Nothing | 4 | 1 | 1 | 2 | 4 | 1 |
| \$1 to \$100 | 0 | 1 | 1 | 3 | 1 | 0 |
| \$100 to \$250 | 2 | 2 | 2 | 0 | 0 | 3 |
| \$250 - \$500 | 0 | 2 | 2 | 1 | 1 | 1 |
| More than \$500 | 1 | 1 | 1 | 1 | 1 | 2 |
| Average Per Business | \$121 | \$221 | \$221 | \$139 | \$125 | \$264 |

Table 1: Willingness to Pay

The average per business for each category was found using a weighted average. The midpoint of each monetary category was weighted based upon the number of responses the service category received. Based on this survey, aesthetic improvements and marketing are the most important to businesses along Selby Avenue between Lexington Parkway and Dale Street. Businesses do not find security or maintenance to be an issue on the corridor; at least not significantly enough to pay for additional services.

Strengths, Weaknesses, Opportunities, Threats (SWOT) Analysis

Below is a summary of our findings, with a full analysis to be found in Appendix C.

Strengths



Photo 2: Gerald Albright

Selby Avenue has a rich cultural history with ties to the jazz community. Dakota Jazz Club performers frequent the corridor when they are in town; this connection could be the base for Selby Avenue as a cultural and entertainment destination. Jazzfest draws performers like Grammy-Nominated Gerald Albright (Selby Avenue Jazzfest, 2014). In addition, good transit connections make it convenient to visit. Selby Avenue has strong engagement among some of its businesses/residents, so marketing the positives could be leveraged into action.

Weaknesses

Selby Avenue's funding potential may be smaller than other St. Paul areas due to the lack of density along the corridor. Additionally, lack of a holistic community vision and management make marketing the area challenging.



Photo 3: Selby Avenue in the 1970s

Opportunities

Selby's Avenue's property and rent prices make it attractive to potential investors looking to locate a business in St. Paul. Shared marketing services could help businesses with limited resources to reach potential customers. Similar shared services could assist the community with expanding JazzFest or creating new events and festivals, which would attract additional traffic to the corridor. The Green Line LRT, set to open in June 2014, will provide another transportation option for those traveling to Selby Avenue.



Photo 4: Lack of Curb Appeal

Threats

A number of vacant and blighted buildings are located on Selby Avenue. Another challenge is the City of St. Paul's lack of investment in the area—it is currently not a commercial corridor of interest. There are no plans to develop the city-owned parcels at this time.

Characteristics of the Corridor

Understanding the existing conditions of the area is integral to targeted business recruitment, determining service provision, and other components of economic development. Looking at publicly available data can begin to explain what Selby Avenue looks like (at least on paper).

Population

On the Lexington Parkway side of the corridor, population per census block is generally lower than on the Dale Street and even Western Avenue. This can be attributed to the large number of single family homes near Lexington Parkway and the increasingly frequent multi-family buildings on the eastern edge of the corridor.

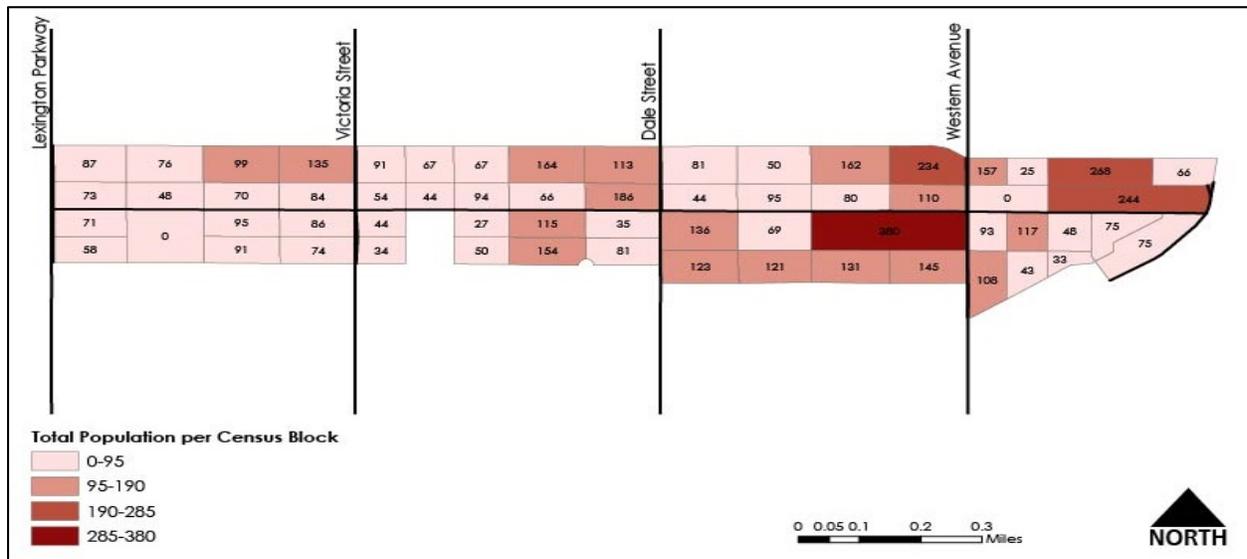


Figure 2: Population per Census Block

As a racially diverse area, Selby Avenue has many Census blocks that are majority minority. Specifically, between Lexington Parkway and Dale Street there are five blocks where the population is between sixty and eighty percent black, with five more blocks with populations that are forty to sixty percent black.

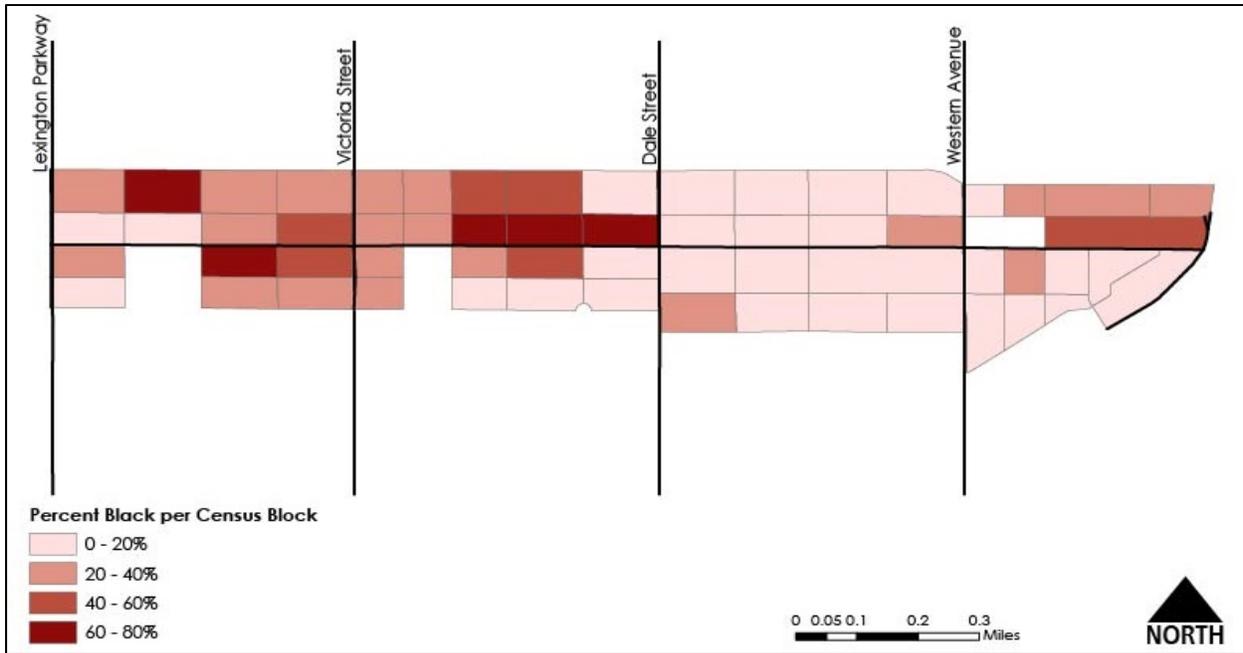


Figure 3: Percent Black per Census Block

Median household income is drastically different in this area too. One of the lowest median household income block groups is along Victoria Street north of Selby Avenue (\$33,802) but across the street on the south side of Selby Avenue is the highest median household income by census block groups along the corridor (\$102,273). The highest home ownership percentage by Census Block Group also corresponds to the highest median household income.

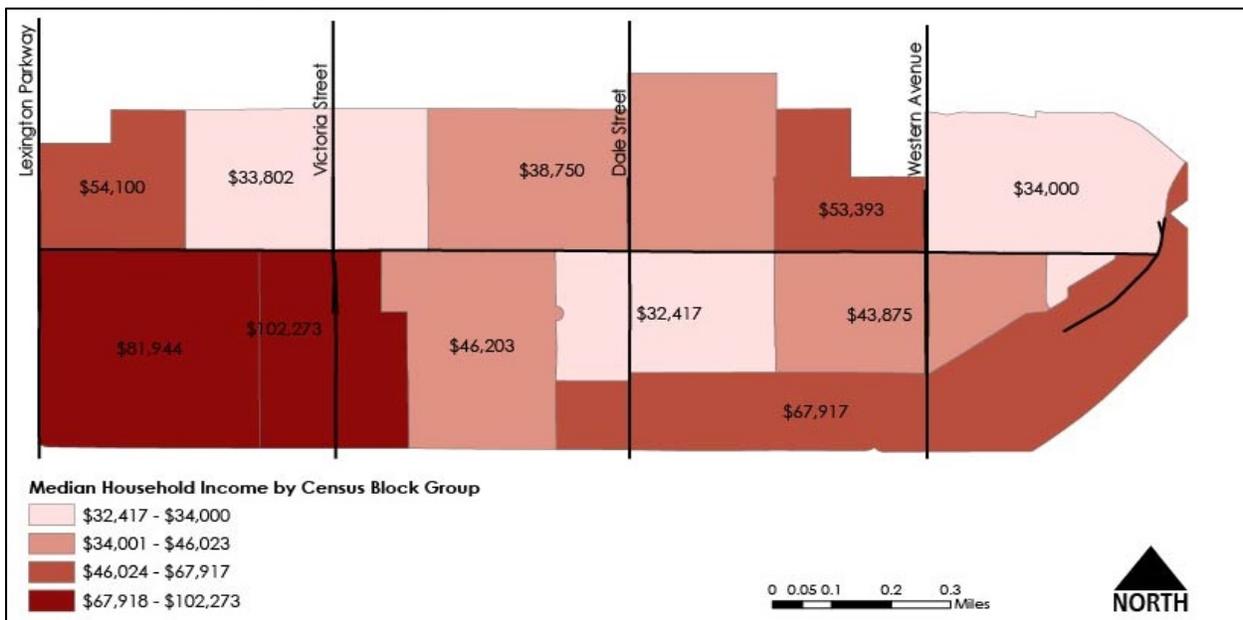


Figure 4: Median Household Income



Photo 5: 1100 Selby Avenue, Melvin Goss Building



Photo 6: Church and Boutique, Selby Avenue



Photo 7: 862 Selby Avenue and Vas Market at 169 Victoria Street North



Photo 8: Selby Commons Apartments



Photo 9: Residential Properties

Building Stock

Understanding the existing mix of building and business types will help begin the organization efforts for targeted business recruitment. The corridor is primarily residential. Similar to other areas in St. Paul, the Selby Avenue area has many non-profits that operate here. Commercial building density is highest on the eastern edge of the corridor surrounding the intersection of Western Avenue and Selby Avenue.

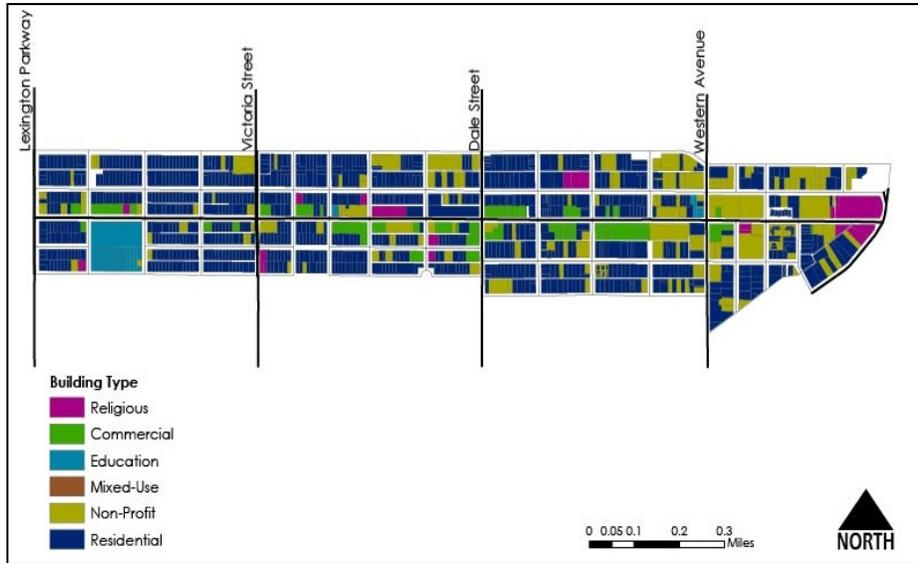


Figure 5: Building Type by Block

The lack of commercial density is a particular problem for the Selby Avenue corridor. Highlighted below are commercial and mixed-use properties along Selby Avenue. On the western edge of the corridor density is much lower than on the eastern edge near Western Avenue.

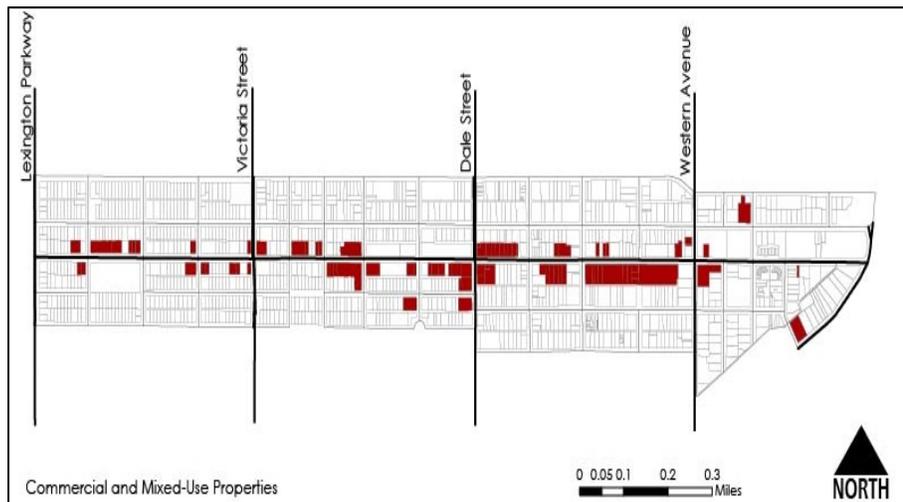


Figure 6: Commercial and Mixed-Use Properties

Selby
Avenue
in 2050



Photo 10: Foodie Night on Selby Avenue draws large weekend crowds



Photo 11: Coordination with Twin Cities Jazz Festival draws record crowds



Photo 12: Record Crowds at Selby Avenue Jazz Fest



Photo 13: Selby Avenue Jazz Fest Logo

Vision

"The Selby and Rondo neighborhoods have always had a wonderful history that revolves around family, community, and togetherness. Folks just simply needed a way to rekindle that spirit."

-Mychael Wright, Owner-Golden Thyme Coffee & Cafe, Founder-Selby Ave JazzFest

Dusk approaches as the breeze and jazz melodies gently caress the small congregation of restaurant patrons turned concert goers on the corner of Selby and Victoria where stomachs and souls are filled alike. Every Friday folks flock to St. Paul's jazz oasis from all over Minnesota—from "just down the block" to the county of Rock. Pedestrians bop along to the music as they pop in and out of Selby Avenue's mix of eclectic shops, boutiques, and art galleries.

The neighborhood is no longer a place that people pass through seeking the quickest route to and from work and other errands, but a **vibrant and welcoming destination that celebrates the history and culture of Selby Avenue**. Previously vacant lots are now home to architecturally interesting and aesthetically pleasing buildings. The laughter of children and music played by Walker West students rises from the pocket parks scattered throughout the corridor. People move up and down the street on their quest for the perfect cup of coffee and one-of-a-kind purchase. Jazz enthusiasts and people watchers, absorbing the constant activity of the corridor, pack the benches along the sidewalks.

In the future, Selby Avenue is a destination that people can reach via many travel modes. Just a few blocks away, Metro Transit's Green Line light rail stops at the Victoria Street Station. Visitors can hop off the Green Line and walk along the designated path between Victoria Street and Selby Avenue, where the stories of Rondo unfold along the way, or they can rent a bicycle and take the bike lane to their favorite Selby Avenue destination. Visitors may choose to make their connection using one of St. Paul's first modern streetcar lines stretching from downtown through Selby Avenue to their favorite late night jazz club. Frequent bus service with multiple stops along the corridor allows for easy access, making Selby Avenue an integral part of



Photo 14: Pocket Park Along Selby Avenue



Photo 15: Selby Avenue Pop-Up Art Exhibit



Photo 16: Walker West Music Academy Expands



Photo 17: Selby Avenue Live-Work Lofts

St. Paul rather than an isolated stigmatized area.

Selby Avenue is home to year-round events that capitalize on the unique character of the neighborhood. The Jazz Fest has grown to a two-day festival featuring local, regional, national, and international music acts, local artists, and the fare from all the neighborhood restaurants attracting almost thirty thousand visitors. It is the single largest event in the neighborhood. Parades, a farmers' market, an art fair, and other events celebrating Selby's history and culture now occur in all four seasons.

Selby Avenue has also become a popular destination for artists. Ceramic artists will be seen in the window of the pottery studio spinning clay on their wheels. Residents from the neighborhood and art enthusiasts throughout the Metro come to buy the exquisite pieces, sold in the attached pottery shop. Jewelry made by local artists can be found in the boutiques along the street, as well as screen printed T-shirts made by local youth. Other artists including graphic designers, architects, and interior designers, have found a home in the live-work units constructed on the corridor.

Beyond the physical changes, Selby Avenue has transformed into a cohesive and well-managed corridor. The community organized around the central goal of creating a vibrant, family and culture-centered neighborhood. A central committee, anchored by local business owners, comes together regularly to discuss emerging issues and opportunities and works collaboratively to solve any issues. They've overseen the implementation of various community plans. Regular communication occurs between the neighborhood and the City of St. Paul, ensuring continuation of their shared vision to mold Selby into a flourishing area. Despite remaining separate from the Cathedral Hill, Selby Avenue now enjoys much of the same customer base. The Cathedral Hill Business Association and the Selby Avenue Business Association hold quarterly meetings to ensure effective communication and to maintain consistent maintenance and pedestrian amenities along the corridor. The sense of family, community, and togetherness is reflected in the murals, musical notes, and laughter that now pack Selby Ave.

Reaching The Vision

Action Plan

Selby Avenue, between Lexington Parkway and Dale Street, has several strengths. There is strong engagement by several business owners and residents, which should make the effort to find “neighborhood champions” to spearhead economic development issues relatively easy. The area has rich cultural roots as part of Saint Paul’s Rondo neighborhood as well as its ties to jazz culture and traditions. Dakota Jazz Club players, as well as thousands of Jazzfest visitors, frequent the corridor each year. However, Selby Avenue struggles to organize around a single vision for the corridor and to communicate that vision and identity to potential investors and businesses.

To make our vision of a thriving Selby Avenue a reality, the community must unite under a single vision and then internally and externally raise funds in the corridor to implement it.

The Action Plan is divided into short-, medium-, and long-term steps. Short-term action steps focus on the “now.” Improving the current state of the corridor can be achieved by uniting Selby Avenue’s competing visions, fostering and centralizing communication and marketing efforts, attracting additional visitors by leveraging existing businesses and transportation connections, and recruiting businesses and investors.

Medium and long-term steps focus more specifically on economic development and business recruitment, as well as and maximizing the resources of the corridor to improve the neighborhood infrastructure and operations.



Figure 7: Short, Medium, and Long Term Actions

Short-Term Actions

There are actions that Selby Avenue must take in the short- and medium-term to improve the current state of the corridor. These must be in place before a long-term economic strategy is pursued.

Communication must be improved among all individuals, businesses, and organizations working along the corridor, and the corridor must become more organized with a distinct leader. Shared branding and marketing along the corridor should also be implemented to achieve a consistent and cohesive experience. The historical and cultural past of the area corridor should also be embraced along the corridor through

historic plaques and self-guided walking tours. Business recruitment initiatives should also be undertaken to show local developers the opportunities that exist along the Selby Avenue corridor. Finally, transportation connections to the corridor need to be investigated, with a potential pedestrian connection from the Victoria Green Line Station. Greater detail on each of these action steps is given below.

Communication

There are many different groups and individuals invested in making Selby Avenue a better place. However, those groups do not always have open lines of communication. When multiple groups are working on the same problems, a duplication of efforts occurs and different, and sometimes conflicting, solutions are found. Therefore, it is incredibly important, given the limited resources and mostly volunteer workforce that all groups work together. Identify any and all organizations that are working on projects that involve Selby Avenue between Dale Street and Lexington

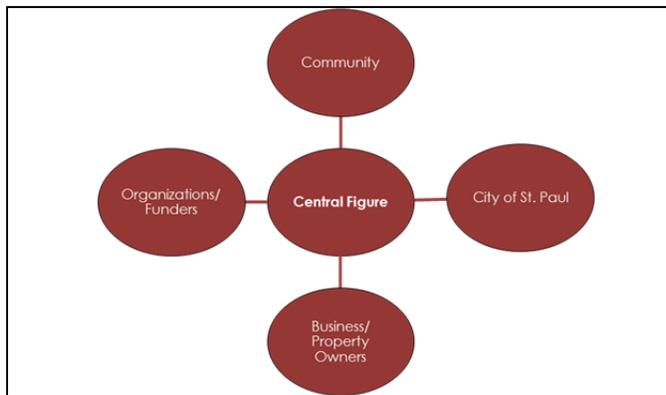


Figure 8: Communication Improvements

Parkway; bring them together for a monthly or quarterly meeting to discuss progress, goals, and solutions to ensure that one consistent vision can be achieved. Presenting a consistent and coherent vision for Selby Avenue will impact the ability to realize the goals and convince the City of St. Paul that Selby Avenue is worth additional investment.

Organization

In order for economic development strategies to be effective on the Selby Avenue corridor, it must improve its organizational structure. One major step for improving its organization is to either appoint or hire a leader for the corridor. This leader would become the point person for all communication along the corridor, help delegate tasks among committees and volunteers (including day-to-day tasks like ensuring that grants are properly written and submitted, grant oversight, etc), and be the primary advocate for Selby Avenue. Creating a more formal corridor-specific board of directors would also improve the organization of the Selby Avenue corridor. This board could either be appointed or elected by Selby Avenue businesses and organizations and would be responsible for making decisions that affect the wellbeing of the entire corridor.

Branding and Marketing

The misperception of Selby Avenue as the dangerous place it once was hurts the Selby Avenue that may be. Undertaking a large, comprehensive branding and marketing scheme that is both high and low tech, internal and external, will appeal to a broad range of future



Photo 18: Branding Image from Neighboring Grand Avenue

customers. A comprehensive, corridor-specific website will help connect Selby Avenue to an external market. Banners and a consistent experience throughout the corridor can reinforce the image Selby Avenue wants to showcase. The branding should be a modern design that incorporates the cultural and historic aspects of the neighborhood while bringing it into the 21st Century. Marketing should highlight the best aspects of the neighborhood, the kinds of places that will bring people in like restaurants, unique boutiques, and cultural landmarks. It should show Selby Avenue as a place that is clean, safe, and vibrant.



Figure 9: Selby Avenue Banner Concept

Embracing Historical and Cultural Past

For the Selby Avenue corridor to progress forward economically, it must embrace the historical and cultural past of the surrounding area, while keeping a focus on the future and becoming more inclusive. Rondo Avenue, which is the present Concordia Avenue, was previously a thriving African American commercial district. As Interstate 94 was constructed in the 1960s, the businesses that were located along Rondo Avenue were displaced to Selby Avenue and other areas throughout the Twin Cities.



Photo 19: Historical Walking Tour Plaques

While this event is in the past, there are still many emotions associated with the Old Rondo Avenue and its destruction. Therefore, Selby Avenue must unite to embrace this past as it moves forward with its business recruitment, and potentially welcomes in different cultures and backgrounds. One way to do this is commemorate and celebrate historically significant locations along the corridor with plaques and a historical walking tour. Another option is to have a historical walkway from the Rondo-themed Victoria Green Line Station to the Selby corridor so that rail patrons can learn about the area's past as they travel to the present corridor. Events can also be utilized to celebrate the neighborhood's past while uniting current residents, businesses, and organizations together. The corridor could participate in Rondo

Days or host other events that celebrate the neighborhood's cultural history.

Business Recruitment

Selby Avenue has great development potential. The many vacant parcels make this area a blank slate, ready for the right type of development. Generating interest in this Selby Avenue corridor could attract commercial realtors, developers, and regain the City's interest in the area. The corridor needs to organize existing businesses and property owners along the corridor to generate excitement about the area. Recruitment of new businesses is not likely to occur if investors cannot see the vision for the neighborhood and see this area as a development opportunity. The City has expressed that the private market must show interest in Selby before it makes additional investments.

Additionally, the neighborhood champions need to perform targeted business recruitment to attract businesses that the community needs and wants. A market assessment should be completed to determine what types businesses are missing on the corridor. These might include establishments like restaurants, art studios, etc. that will attract traffic to the corridor. Emphasize the lower land costs and rents and other selling points including cultural history and transportation connections. Selby Avenue is a blank slate ready for new businesses.

Transportation Connections

Selby Avenue is served by a multitude of transportation options. Raising public awareness of the ease of accessing Selby Ave could help draw traffic to the neighborhood. Leveraging the existing bus service lines by highlighting the direct connections to Selby Avenue from other places and communicating the front door service to the corridor could assist with this effort. For example, the Route 21, a high frequency route, runs between the Uptown Transit Station, on Hennepin Avenue, and to Union Depot in St. Paul, through Selby Avenue.



Photo 20: Metro Transit's Route 21 Runs Along Selby Avenue

As other existing plans suggested, Selby Avenue should work to strengthen the links to the Green Line LRT stations by connecting Selby Avenue to the Lexington, Victoria, and Dale Stations to attract additional traffic. Connections to the Rondo-themed Victoria Station is particularly important from a cultural standpoint, as well as transportation connection. Additional transportation efforts should be supported, specifically the City's effort to bring streetcar to the corridor to make travelling between other Selby Avenue districts easier for better connections along the corridor.



Photo 21: The Green Line Light Rail Station on Victoria Street

For example, Cathedral Hill has many restaurants. Selby Avenue from Lexington Parkway to Dale Street could become the cultural and arts corridor that patrons visit after dining. Not only does this help a transportation connection, it builds much needed social capital and political partnerships.

Economic Development Alternatives

We propose four alternatives for economic development on Selby Avenue between Lexington Parkway and Dale Street. While the action steps outlined above are all essential in the short term, these alternatives are longer-term strategies. The residents, businesses, and organizations along Selby Avenue must decide which of the

alternatives best aligns with the corridor's resources and the outcomes that they would like to achieve. These alternatives are as follows.

| Strategy | Implementation Cost | Social Cost | Staff Resources | Time Commitment |
|--|---------------------|-------------|-----------------|-----------------|
| Status Quo | Low | High | Low | Low |
| Lexington Parkway to Dale Street BID | Medium | High | Medium | High |
| Joint Selby Ave Cultural/ Cathedral Hill BID | Medium | High | Medium | High |
| Main Street | High | Medium | High | High |
| Shared Service Cooperative (Co-op) | Medium | Medium | Medium | High |

Table 2: Economic Development Strategy Alternatives

Status Quo

One alternative for the corridor is to maintain the status quo. Communication among residents, businesses, nonprofits, business associations, neighborhood organizations, city staff, and elected officials is likely to remain lacking and unclear if this action is taken. Little economic development or change is likely to occur on the corridor, since the City would continue to direct business interest elsewhere. Under this alternative,

most of the vacant lots are likely to remain that way. It is also likely that if no action is taken, people will continue to pass by the corridor on their way to other destinations and won't venture to the corridor from any of the nearby Green Line stations. If action steps are not taken to move the corridor forward, it will likely fall behind as other neighborhoods and corridors continue to develop and progress.

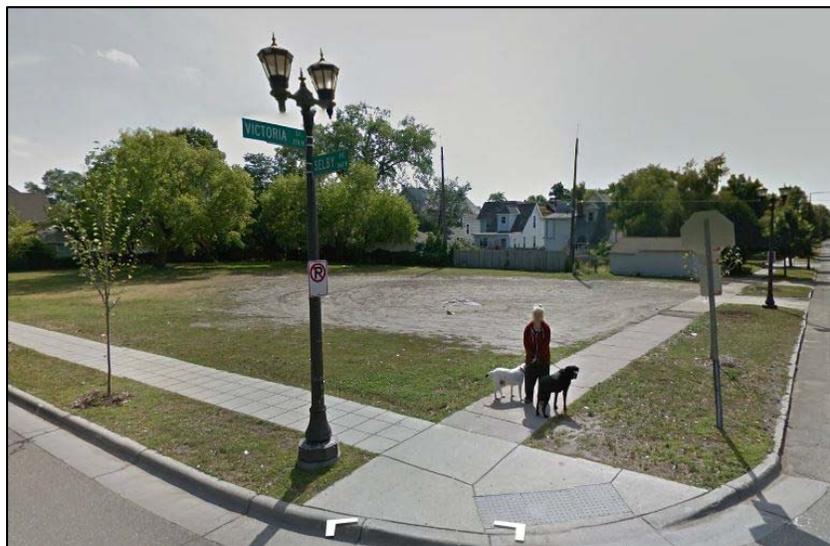


Photo 22: Vacant Lot at Selby Avenue and Victoria Street

Benefits & Drawbacks

The benefits of the status quo are that no effort, change, or resources would be necessary. As outlined above, the drawbacks to this alternative are quite significant. Communication and organization along the corridor would be unlikely to improve, and investment along the corridor would be unlikely.

Achieving the Vision

This strategy is unlikely to make major changes that will help achieve the vision.

Business Improvement District (BID) for Selby Avenue between Lexington Parkway and Dale Street

One alternative is to form a BID exclusive to the stretch of Selby Avenue between the Lexington Parkway and Dale Street. With approval from the impacted property owners, additional revenues would be available for community reinvestment.

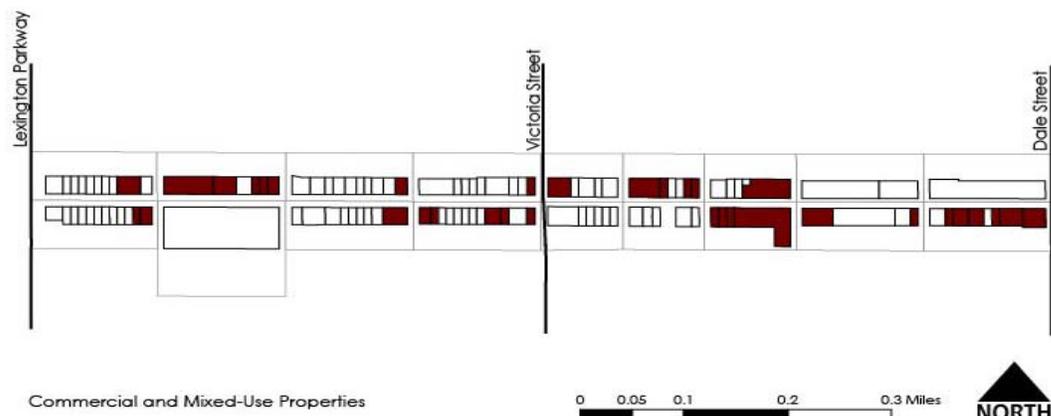


Figure 10: Selby Avenue Business Improvement District between Lexington Parkway and Dale Street

A BID allows the City of Saint Paul to levy additional taxes from commercial properties and businesses along the corridor for the purposes of reinvestment in the community. A co-optive approach where the City and a non-profit organization selected by the Selby community determines projects undertaken and manages funds would be most beneficial in this situation. This would encourage the Selby Avenue community to lead major projects, making its residents and businesses more comfortable with BID implementation, while minimizing the financial and technical obligations of the City of St. Paul.

Action Steps

A few passionate business and property owners need to be selected to act as neighborhood champions. These champions would “anchor” the BID efforts by building and maintaining the social and political capital throughout the formation and implementation phases.

Champions would be also responsible for enacting a community organizing strategy and/or a coordinated planning effort aimed at determining community concerns and potential areas of improvement by holding a series of town halls, design charettes, and

coordinated survey efforts. Community involvement is essential to garnering community buy-in and ownership of the corridor. Additionally, champions would be required to work closely with the City of St. Paul Departments of Planning, Economic Development, and Public Works throughout the life cycle of the BID including formation, administration, evaluation, and renewal to ensure smooth operation.

Once the activities and goals are determined, champions will build a critical mass of business and property owners to support the BID. Minnesota State regulations require that 50% of the impacted business and property owners vote in support of the BID before it is formed. Non-profit organizations, such as the Morning Star Missionary Baptist Church, JJ Hill Elementary, Walker West Academy, and other tax-exempt businesses, should be encouraged to opt-in to the BID even though they are technically exempt.

Once the critical mass is reached, the lead agency needs to follow the City of St. Paul processes of notification; including notifying local press and holding a public hearing where all potentially impacted individuals get the opportunity to provide feedback and vote.

Once the vote passes, the St. Paul City Council assists with the creation of an advisory board that works within the district. Distinct boundaries should be drawn between city-provided services and services that are the responsibility of the BID. A strong district manager/figurehead is needed to manage the BID in conjunction with the City.

Additional information on BID formation and governance models is included in Appendix D. Also included in Appendix D is information regarding Minnesota Regulations and BID requirements.

An assessment amount should be proposed. BID revenue amounts vary by location and property type. As an example, the 180th Street BID in Queens, which stretches 29 parcels raises \$53,000 per year)while the Minneapolis Downtown Improvement District generates \$7,000,000 from approximately 122 blocks (180th Street Business Improvement District, Minneapolis Downtown Improvement District, 2013). Additional information on these and other cultural BIDs can be found in Appendix E. Our recommendation is to implement an assessment based on square footage, meaning that each property included in the BID is assessed based the square footage of its building. This seems like the fairest method of measurement given the existing economic situation.

Benefits & Drawbacks

The benefits of the BID are numerous. It would allow district branding that would be distinct and unique to the Selby Avenue corridor. It would generate funds that could be used exclusively for the enactment of the community vision. The funds could only be used by the corridor for management, business recruitment, and other economic development strategies. Through increased funding and development, Selby Avenue may be able to change the negative perceptions of Selby Avenue. Examples of BIDs being utilized as an economic development tool are included in Appendix D.

However, the BID is not without drawbacks. Implementing a BID is a long and grueling process subject to many legal requirements. Additionally, because of the lack of

commercial density, generation of funds may be very low for many years, limiting the ability to accomplish the identified goals. Only 34 of the total land parcels would be required to pay the additional levy. Increased funds would have to come through the opting-in of non-profits and educational institutions, which may be hard to achieve. This area is also a very small section of Selby Avenue, so improvements that do not extend to adjacent areas may not make sense to visitors.

Between 10 and 12 parcels on this corridor are vacant, including a few owned by the City of St. Paul. Additionally, this corridor is not an identified commercial corridor so the City of St. Paul has no plans to develop their parcels or open them up to development, eliminating any future potential levy source for the Selby Avenue BID.

Ability to Achieve the Vision

Implementing a BID would demonstrate Selby Avenue’s commitment to creating a positive impression of/experience within its neighborhood. The goals and desired services of the BID would be determined by the entire Selby Avenue community, but should be aimed at improving the experience for its residents, businesses, and customers. A Selby Avenue BID would create a sense of shared responsibility in the community—an “everyone pays” mentality.

Currently, this Selby Avenue corridor has a few passionate people determining the course of the neighborhood, financially committing additional business/property owners will help diversify the voices heard and actions taken. As the BID contributors see the direct impact of their investment, a sense of camaraderie will develop and spread throughout the community. Contributors can pressure additional businesses and property owners to pay their fair share. This reduces the “free rider” problem associated with other economic development strategies. For a BID to succeed, business and property owners need to see clear connections between these actions and their profits.

Using a flat rate fee per square foot allows us to estimate the potential revenue associated with a BID. Estimates from fees of \$1 to \$15 are provided below. Of the roughly 17.5 acres only about 10 acres spread across 71 properties are required to contribute. The table below shows the revenue a BID could generate based on a set value per square foot. Affordable fees for the Selby Avenue businesses would probably be between the one and five dollar fee per square foot. If BID-exempt properties contributed, additional revenue could be captured.

| Flat Rate Fee per Square Foot | Potential Revenue |
|-------------------------------|-------------------|
| \$1 | \$6,154 |
| \$5 | \$30,768 |
| \$10 | \$61,536 |
| \$15 | \$153,840 |

Table 3: Potential Revenue from Selby Avenue Business Improvement District

The funds would allow the community to implement a number of pedestrian improvements, beautification projects, and to market themselves to new customers and investors. As the neighborhood's image improves, new businesses will move in and occupy the vacant parcels, generating additional revenue. Information on the types of services typically funded by BIDs and their impact on community satisfaction, safety and crime reduction is included in Appendix D.

The revenue could also help Selby Avenue reach their vision to become a cultural destination by generating additional resources. These additional resources could be used to implement projects that make Selby more attractive location to visit, shop, live, and own a business. For example, funds could be used to add lighting, street furniture, and landscaping.

Our recommendation would be that the BID initially focus on marketing and coordination to drive additional traffic to the corridor and attract additional businesses, tenants, and consumers to the corridor. Funding events like additional jazz concerts and art festivals could provide opportunities to draw visitors.

Business Improvement District (BID) for Selby Avenue between Lexington Parkway and Western Avenue North

One alternative within the BID option is to form a BID that extends further east on Selby Avenue with boundaries, spanning from Lexington Parkway to Western Avenue North. This would include the Cathedral Hill District.

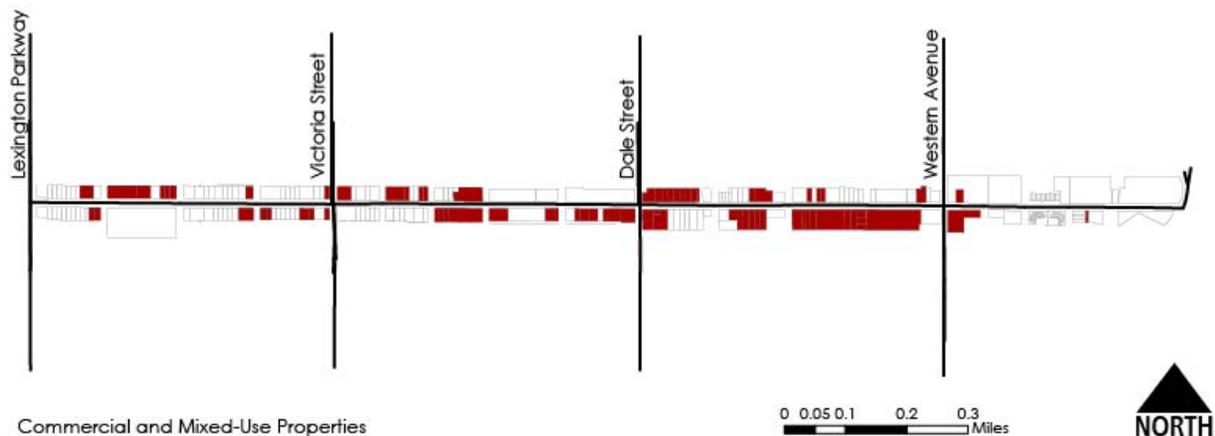


Figure 11: Selby Avenue Business Improvement District from Lexington Parkway to Western Avenue

Benefits & Drawbacks

With the extension of the district to include the Cathedral Hill area, additional revenue can be collected. Creating a larger district can help mitigate any inconsistent pedestrian experience. It would also allow a stronger, louder voice for community advocacy to outside groups including the City of St. Paul. The extension would not mean that the historical aspects of the Selby Avenue corridor would be lost; different banners and marketing could be used for the Cathedral Hill and Selby Area businesses.

There are additional challenges with implementing an extended BID to include the Cathedral Hill area. A joint district would require more coordination, which could be problematic given the history of interactions between organizations representing each district.

Ability to Achieve the Vision

Similar to a BID from Lexington Parkway to Dale, implementing a BID would demonstrate the corridor's commitment to improving its economic development. The willingness of Selby and Cathedral Hill to partner reinforces a commitment to creating a cohesive, unified Selby Avenue. This partnership would signal to the community and other stakeholders that creating a positive and consistent pedestrian experience within the neighborhood is essential. The funds would allow the community to implement any number of pedestrian and beautification projects, and open each segment to new customers and investors.

Establishing joint goals and services needs to be determined in consultation of the entire Selby Avenue community. Additional complexity will occur with two sets of stakeholders. Our recommendation would be that the BID initially focus on implementing two distinct districts with banners, etc., but similar lighting and pedestrian treatments. Joint marketing and coordination should be undertaken to drive additional traffic to the corridor and attract additional businesses, tenants, and consumers to the corridor. These additional resources could be used to implement projects that make Selby more attractive location to visit, shop, live, and own a business. The Selby and Cathedral Districts could host joint "Dinner & Jazz Night" events where goers buy one ticket that includes a meal at Fabulous Fern's restaurant and a jazz concert on Selby Avenue and Victoria Avenue.

A comprehensive BID would create a sense of unity and shared responsibility in the community. This could help to mitigate long-standing relationship issues and allow for shared advocacy efforts.

Cooperative

Forming a cooperative is another alternative for economic development on the Selby Avenue corridor. A cooperative is "a business that is owned and democratically operated by its members" (Bau, 2014). While there are several types of cooperatives, a shared services cooperative would be most applicable to the Selby Avenue corridor. According to the Rural Business and Cooperative Development Service, "a shared-services cooperative is a business organization owned and controlled by private businesses or public entities that become members of the cooperative to more economically purchase services and/or products" (Crooks, Spatz, & Warman, 1995).

Action Steps

There are several steps to starting a shared-services cooperative. First, a meeting must be held to gauge interest in starting a cooperative. If there is significant interest, a steering committee or leadership board should be formed to lead the process. Next, a survey should be administered to potential cooperative participants regarding what services they are interested in and how much they are willing to contribute. The amount that each member contributes significantly influences the services that the cooperative

is able to provide. After analyzing the survey results, a business plan should be created regarding necessary action steps, including the important step of incorporating the cooperative.

The shared-services cooperative can either be legally recognized as a non-profit corporation that operates as a cooperative or as just a cooperative. The decision regarding the type of incorporation will depend on the needs of those involved and the laws. Lastly, the business plan should be implemented to create the cooperative (Crooks, Spatz, & Warman, 1995).

The board of directors or leadership board for the cooperative is democratically elected by the members of the cooperative and sets the organization's policies. Financing for a shared-services cooperative comes from membership fees and debt. As noted, the goal of a shared-services cooperative is to serve the needs of its members, and not to make a profit. If the cooperative makes any profit after servicing its debt, the profits are distributed to the members in equal portions of their financial contributions to the cooperative (Crooks, Spatz, & Warman, 1995).

Benefits & Drawbacks

The largest benefit of shared service cooperatives is that they provide economies of scale for businesses and organizations participating in the cooperative (Bau, 2014). For example, businesses and organizations could opt to participate in shared marketing efforts, or purchase goods and service together, such as snow removal or security, which may cost them more if purchased individually. Based on the willingness to pay survey of the businesses on the corridor, those businesses surveyed were willing to pay an average of \$125 per year for the services that they deemed most important. The revenue generated depends on the number of participants and the agreed upon participation fee. Other benefits of a shared-services cooperative include empowerment, stability, networking, and flexibility (Crooks, Spatz, & Warman, 1995).

There are also challenges with businesses operating in a shared-services cooperative. Especially when the cooperative is first started, it can be financially difficult for the organization to afford many services. If there are businesses that are in competition with one another, it can also be a challenge, since collaboration is needed when operating in a cooperative. Membership is essential to the operation of a shared-services cooperative, so it is detrimental to the organization if this is lacking (Crooks, Spatz, & Warman, 1995).

While there are benefits to be gained from forming a cooperative, it would require organization that does not currently exist along the corridor. It would also require interest from businesses and nonprofits in forming a cooperative. Finally, there is potential for a free-rider problem if some, but not all, of the businesses and organizations along the Selby Avenue corridor form a cooperative since all of the corridor would likely benefit.

Achieving the Vision

A shared service cooperative would facilitate much needed organization. The organization and economies of scale would help provide the services that the Selby

Avenue businesses need to thrive and compete in the marketplace. Since there is no taxation involved with a cooperative, the City of St. Paul is not involved, leaving the Selby Avenue corridor to provide services in the best manner for their needs.

Like the other alternatives, a cooperative is a grassroots organization that would help to provide funds for the projects most important to the corridor, which would help convince the City of St. Paul that Selby Avenue is a corridor worthy of investment.

Main Street Approach

The Main Street Approach is a four point approach that seeks to reorganize, restructure, redesign, and promote an area to help revitalize and grow it into a commercial center. This isn't a one size fits all approach, but something that can be tailored to the needs of Selby Avenue. It is necessary, however, that all four elements are worked on in tandem. This approach could be used on its own or as a framework with a BID or a shared services cooperative. A brief summary of *Revitalizing Main Street* published by the National Trust for Historic Preservation can be found in Appendix F.

Organization

The organizational element is the key to demonstrating how far Selby Avenue has come and what is left to accomplish. It includes three major elements with the mission statement being the vaguest and the annual work plan being the most specific. The organizational element will help ensure efficient service delivery and the ability to demonstrate progress made.

Economic Restructuring

This element is about finding the best combination of businesses to energize Selby Avenue, and it is also the most difficult. This element is data heavy and may be best completed by an economic development consultant. Compiling information about properties, ownership, businesses, customers/ visitors, market niches, and sales gap data can be used for targeted business recruitment.

Design

Under the design element are aesthetic improvements that will make all groups of people feel welcome. Changes can be made to both individual storefronts and more broadly to the entire corridor. Among internal and individual building improvements that may be accomplished are visual merchandising training, maintenance, façade improvement program, and pedestrian improvements.



Promotion

Promotion is more than just branding and marketing, it is creating activities and events that compel people from the neighborhood and beyond to visit. The JazzFest is the perfect example of promotion that has grown over time, but there are many more opportunities. This step focuses on creating a positive image for the Selby Avenue corridor and bringing in special events that brings in visitors.

“Promotion influences attitudes toward the commercial district and can alter consumer habits.”

- Revitalizing Main Street

Benefits & Drawbacks

The Main Street approach is very prescriptive, detailing specific goals that need to be achieved. The publishers are certain that if each step is done in a community- specific and community-driven way, there will be increased economic development. This approach is also incredibly flexible to allow communities to complete the steps in a way that incorporates their culture and values. This approach can be used with other economic development strategies or on its own, adding to its effectiveness. Because the instructions are so detailed, the economic development manager (champion/group/ leader) doesn't need formal training.

The major drawback for this approach is that there is no intrinsic funding method. This means that the ability to complete each step would be dependent on securing external funding. A dedicated staff person is recommended in the text, but there is no internal way to fund that person.

Achieving the Vision

This holistic approach addresses all of the major issues that the Selby corridor is currently facing: lack of organization, lack of buy-in, low business density, inability to attract new businesses, and the need to create a welcoming environment (through façade and pedestrian improvements, merchandising, etc.). By completing this process, the Selby Avenue community would have the opportunity to set a course and determine what resources are required to achieve their vision for a cultural destination. They will also have created very detailed visioning and planning documents that could be used as a tool to market themselves to potential investors, funders, and the City of St. Paul. However, the lack of built-in funding mechanisms could limit continuous progress.

Like the other approaches, this is a grassroots effort that will bring people together. With increased organization, the Selby Avenue corridor may finally be able to convince the City of St. Paul they are worth investing in.

Conclusions

Selby Avenue between Dale Street and Lexington Parkway is a diverse community with an uncertain, but hopeful future. An examination of the existing economic conditions of this corridor indicates a lack of business development capacity and commercial density.

The key to economic reinvestment along Selby Avenue will be the neighborhood's pursuit of partnerships with a focus on building much needed social and political capital. Rising rents in other St. Paul neighborhoods are driving new traffic to the corridor. The Green Line light rail opens soon within blocks of Selby Avenue and is likely to bring additional traffic to the corridor.

A new vision for Selby Avenue depends on the effort of its community and community leaders to promote itself as a unique and welcoming place. In this vision, Selby transforms into an entertainment and cultural destination alive with art, music, and a bustling street. Aside from business recruitment, this vision requires a strong foundation of communication, organization, and leadership.

A distinct leader is needed to improve communication within, across and outside of the neighborhood and to advocate for the corridor. Shared branding and marketing communicate to visitors what Selby has to offer and draws in new people. Business recruitment initiatives should align with the vision and draw businesses that support the arts, music, or cultural elements on Selby Avenue. Current transportation connections should be maintained and new opportunities pursued.

Any economic reinvestment undertaken should honor the historical and cultural fabric of the neighborhood, while becoming more inclusive. Selby Avenue's tie to African American history should be highlighted, so that residents and visitors learn about the neighborhood's past.

The report provided long-term economic development strategies for Selby Avenue between Lexington Parkway and Dale Street. Regardless of the long-term action taken, the neighborhood should be engaged to gather feedback and buy-in for Selby's future as well as determine what ideas the community has for its development and vision.

Appendices

Appendix A: Existing Selby Avenue Plans, Reports, and Studies

The Selby Avenue Small Area Plan (1997)

The most recent Selby Avenue Small Area Plan dates back to 1997. At this time, the following list of issues was developed for the corridor:

- *Too many vacant business buildings and lots.*
- *Poor appearance of buildings and streetscape.*
- *Missing buildings in residential and business blocks.*
- *Buildings turning their backs on the street - long blank walls face the street.*
- *Vacant property at the neighborhood gateway of Selby Avenue and Dale Street.*
- *Perception that crime is worse than it actually is in area (The City of St. Paul, 1997).*

A list of the corridor's assets was also compiled at this time. The assets noted for the corridor in 1997 included:

- *Good and affordable housing stock.*
- *Opportunity for new and expanding businesses in vacant buildings and on vacant lots.*
- *Proximity to downtown and state capitol jobs and cultural institutions.*
- *Well-designed, historic buildings all along Selby Avenue.*
- *Selby Avenue businesses can serve the neighborhood consumer market area between the Grand and University Avenues market areas.*
- *Three distinct parts to Selby Avenue - Western Street to Dale Street, Dale Street to Lexington Parkway, and Lexington Parkway to Hamline Street.*
- *Neighborhood strength through celebrations and organizations.*
- *Diverse population.*
- *Selby Avenue is easily accessible and has strong name identification (The City of St. Paul, 1997).*

The Small Area Plan states that the corridor will remain a relatively equal mixture of residential uses, but improvements to businesses will be the most beneficial for the corridor's improvement (The City of St. Paul, 1997). Specifically, the Small Area Plan targets Selby Avenue between Lexington Parkway and Dale Street as the area for business incentives (The City of St. Paul, 1997).

The Plan also provides important reminders and strategies for economic development along the corridor. One reminder or assumption that the plan provides is that any businesses along Selby Avenue must compete with those along Grand Avenue and University Avenue. Therefore, the trade areas for Selby Avenue businesses are relatively small (The City of St. Paul, 1997). A list of public incentive programs that could potentially be used along Selby Avenue is given in the Plan. These incentives include:

- Citywide and neighborhood commercial loan program;
- Commercial vacant building program;

- Enterprise leverage fund;
- Strategic investment fund program;
- Neighborhood sales tax revitalization program (STAR);
- Capital improvement budget funds;
- Enterprise zone (North side of Selby Avenue between Virginia Street and Lexington Parkway is within enterprise zone);
- Livable communities demonstration program (The City of St. Paul, 1997).

The plan also notes that an organization should be formed with the area's stakeholders. This organization should be responsible for marketing the corridor's vacant parcels, allocating budget funds, applying for grants, fostering minority businesses, improving the streetscape, and keeping the street clean (The City of St. Paul, 1997).

The Selby Avenue Small Area Plan provides design guidelines for new businesses joining the corridor, such as developing the front of the building near the sidewalk, with windows along the front of the first floor of the building, with materials that are complementary to existing buildings on the corridor (The City of St. Paul, 1997).

University-Community Partnership: student service-learning and the African American Heritage Corridor (2007)

In 2007, a design class from the University of Minnesota completed a project on making the street an African American heritage corridor. Some ideas garnered from this project included: an open-air market, a bandshell or gathering space, or commercial development (The University of Minnesota Design School, 2007). Other ideas that came from this report included creating an attractive place that is welcoming to a diversity of people, preventing gentrification, preserving historic buildings along the corridor, connecting people to open spaces, creating connections to other places, improving street trees and painting for connectivity, and providing wayfinding and corridor signage (The University of Minnesota Design School, 2007).

Design Recommendations for the African American Heritage Corridor (2008)

The Metropolitan Design Center also completed a report on design ideas for the proposed African American Historical Corridor on Selby Avenue. Some of the ideas that were produced in this report included embracing murals, public art, and the work of local artists along the corridor, infill development on vacant lots with compatible architectural design, pocket parks, encouraging small businesses, a cultural center or museum, discouraging large, distracting signage in order to increase cohesion along the corridor, and continuing branding along Victoria Street to connect to other areas (The Metropolitan Design Center, 2008).

The Selby Avenue Action Coalition Action Plan Draft (2011)

The Selby Avenue Action Coalition (SAAC) published a draft of its Action Plan in October, 2011. This plan focuses on economic development strategies for Selby Avenue between Lexington Parkway and Dale Street. The Plan outlines four goals for the corridor and SAAC. These include:

- *Organize and unify community connectivity and empowerment;*
- *Facilitate physical space projects and improvements;*
- *Support and nurture small business development ;*
- *Foster cultural tourism as long term sustainable economic driver (Selby Avenue Action Coalition, 2011).*

The Action Plan has short-term and long-term priorities for the organization and the corridor. In the short-term, it aims to develop a brand for the corridor and assess the ownership along the corridor, while in the long-term it hopes to improve the physical space of the corridor and attract new businesses (Selby Avenue Action Coalition, 2011).

Appendix B: Stakeholder Interviews

We identified the following groups, organizations, and individuals as stakeholders in the analysis of economic development strategies for Selby Avenue between Lexington Parkway and Dale Street:

- Business Owners/Building Tenants
 - My-Tana Building
 - E&J Cleaners
 - Tobasi Gas Station
 - Golden Thyme Coffee
 - Mississippi Market
 - The Laundry Doctor
 - Architectural Antiques
 - Selby Wine and Spirits
 - Other Property Owners
- Non-Profits
 - Walker West Music Academy
 - Morning Star Missionary Baptist Church
 - Rondo Community Land Trust
 - Selby Avenue Action Coalition
 - Traveler's Foundation
 - Twin Cities Housing Development Corporation
 - Minnesota Philanthropy Partners
 - Culture Brokers
- Governmental Agencies/Planning Committees/Elected Officials
 - City of St. Paul
 - Policy Director (Nancy Homans)
 - Community Planning and Economic Development (Hillary Homes, Craig O'Brien)
 - Business Development and Finance (Patricia Lilledahl)
 - Ward 1 Council Member (Dai Thao/Noel Nix)
 - Summit University Planning Council (Stephan Wilson)
- BID Administration/Implementation
 - University of Minnesota Foundation (Formerly City of Minneapolis DIDs)
 - Sarah Harris
 - Beth Shogren
 - West Broadway BID
- Others
 - Potential Customer Base
 - Businesses/Building Tenants
 - Commercial developers

The outcomes of the stakeholder analysis provided further direction regarding stakeholders to contact for interviews.

Members of three different groups were interviewed to help understand major concerns and opportunities, as well as suggestions, for economic development between Lexington Parkway and Dale Street on Selby Avenue.

St. Paul Government

Economic development cannot come solely from the champions on Selby Avenue. The City of St. Paul will need to guide and support the direction on the street. This group was asked about economic development strategies, funding opportunities, and perceptions of the area. Members from this group represented the Mayor's Office, Community Planning and Economic Development office, and Summit University Partnership.

Major concerns

- Distrust of Government. Those within the Government, at all levels, had consensus that there is a lot of anxiety, skepticism, and negative feelings towards government intervention that remains because of the I-94 construction.
- Lack of development capacity. While vacant parcels exist, there is very little capital and entrepreneurial ability on the corridor. Additionally, the community is very sensitive to what type of development will go on those vacant parcels, which may drive developers to other areas of St. Paul.
- Lack of commercial density and engagement. There was agreement that this neighborhood of Selby Avenue is heavily residential and that a majority of the businesses are not engaged in the planning and organizing activities that are currently occurring on the corridor.

Major opportunities

- Historically interesting area. The historical events that have happened there provide the opportunity to create a place where people want to go and can help guide the formation of a unique identity.
- Development potential. Many vacant parcels make this area a blank slate, ready for the right type of development.
- The success of Jazz Fest. Jazz Fest could be a catalyst that will spur future events and businesses by bringing people to this area of Selby Avenue.

Suggestions

- Businesses need to organize. Businesses will be the major driver of economic development in this area. If the existing businesses aren't excited about the area, no other businesses will see this area as an opportunity. Additionally, the City isn't interested in subsidizing this area any further until the private market shows interest in it. Further organization will also make any application to grant, loan, and other assistance programs more attractive.
- Targeted business attraction. Understand what's missing on the corridor, like restaurants and traffic drivers. Target them by highlighting opportunities and how they could serve the market and be profitable.
- Make connections. To make a BID or any other economic development strategy successful, business and property owners need to see the clear connections between these actions and their profit.

- The City has indicated that Grand Avenue might be a more ideal place to pilot a BID. There is some support in BID literature of this concept. Grand Avenue has higher property values, property types, and some district organization.

Outsiders with Expertise in Economic Development

People with economic development expertise can objectively look at the conditions along Selby Avenue between Lexington Parkway and Dale Street and help develop new and creative ways to grow the corridor. Contacts from the Minneapolis Downtown Improvement District, Central Corridor Funders Collaborative, and private consultants were asked about economic development in racially and financially diverse neighborhoods.

Major concerns

This group only had one major concern: lack of commercial density. This could impact people's willingness to participate and the amount of funds that can be collected. It may limit success and initial impact and temper people's excitement as changes take longer to make.

Major opportunities

- Existing plans. Many of the business, neighborhood, and cultural associations have existing strategic plans for cultural tourism, links to the Central Corridor, marketing, and engagement.
- Success on either end of this corridor. To make a BID successful in this area, the corridor could be extended to include the areas east of Dale Street.
- Partnerships. Its proximity to the Central Corridor and diversity make it a prime candidate for great partnerships with existing groups in the Metropolitan Area.

Suggestions

- Focus on the historic assets of the area. Cultural tourism is a growing industry and Selby Avenue is poised to capitalize on that.
- Create a consistent experience throughout the entire corridor. Banners, decorative lighting, and pedestrian amenities will entice people to the area.
- Open lines of communication. With all the organizations operating on the corridor, it's important to ensure that everyone is apprised of the plans of other groups. This will prevent duplication of effort and coordination for greatest success in implementation.

Businesses on the Corridor

Businesses and property owners will be the main drivers and beneficiaries of economic development along the corridor. It is important to understand what businesses need to survive. Existing businesses on the corridor were asked a series of questions about the existing business climate and how to attract new businesses. The willingness to pay survey instrument has been included.

Major concerns

- Lack of neighborhood places. Very few storefronts are welcoming to outsiders which doesn't encourage people to just come visit. There are also very few

stores that can provide basic goods and services so people are not shopping in the area.

- Lack of a common vision. It appears that every part of the corridor has its own idea of what the area should look like. This creates different experiences every couple blocks. An inconsistent experience leaves some areas perpetuating the negative perception of Selby Avenue.

Major opportunities

- Great area for small businesses. Small spaces are available for small businesses to serve a diverse community. Suggestions Create destinations and a consistent experience.
- Selby Avenue is one good thing from being great. Consistently, businesses believed Selby Avenue to be a great place to have their business, but in need of one catalyst. One really great destination could be the tipping point of economic development, but one bad business could easily send Selby Avenue back to where they started.

Willingness to Pay Survey

Thank you for taking our survey. The results of this survey will be used to guide our economic development recommendations to the Selby Avenue Action Coalition upon completion of our capstone project.

| | |
|--|---|
| How much would you be willing to pay per year for improved security along Selby Avenue? (Uniformed guards, neighborhood watch, cameras, etc.) | a. Nothing b. \$1 to \$100 c. \$100 to \$250 d. \$250 to \$500 e. More than \$500 |
| How much would you be willing to pay per year for increased pedestrian amenities and aesthetic improvements along Selby Avenue? (Benches, lighting, crosswalks, planters, interpretive signage, façade programs, etc.) | a. Nothing b. \$1 to \$100 c. \$100 to \$250 d. \$250 to \$500 e. More than \$500 |
| How much would you be willing to pay per year for increased marketing and information for Selby Avenue? (Marketing of existing businesses and events, business recruitment, etc.) | a. Nothing b. \$1 to \$100 c. \$100 to \$250 d. \$250 to \$500 e. More than \$500 |
| How much would you be willing to pay per year for increased events along Selby Avenue? | a. Nothing b. \$1 to \$100 c. \$100 to \$250 d. \$250 to \$500 e. More than \$500 |
| How much would you be willing to pay per year for increased maintenance and cleaning along Selby Avenue? (Sidewalk repair and pressure washing, trash pickup) | a. Nothing b. \$1 to \$100 c. \$100 to \$250 d. \$250 to \$500 e. More than \$500 |
| If a Business Improvement District were to be implemented, how much could your business afford to pay each year? | a. Nothing b. \$1 to \$100 c. \$100 to \$250 d. \$250 to \$500 e. More than \$500 |

Appendix C: SWOT Analysis

Strengths

- Strong engagement among some businesses/residents in this Selby Avenue area will make identifying neighborhood champions easy;
- Transit connections;
- Cultural history (African Americans);
- Jazz Festival;
- Attention/Attraction of Dakota Jazz Club players.

Weaknesses

- Potential funding pool may be smaller than other areas due to lack of commercial density;
- Disorganized;
- Lack of communication;
- No central leader;
- No holistic community vision (businesses and residents).

Opportunities

- Cheaper land and low building rents could attract new businesses/tenants from other St. Paul areas;
- Possibility for central brand and marketing strategies;
- Link to Green Line LRT stations (Lexington, Victoria, Dale) to attract additional traffic;
- Additional events and festivals;
- Property owners with resources;
- Potential for centralized district management by existing nonprofits.

Threats

- Lack of City investment and support for this Selby Avenue area;
- No plans to develop city-owned parcels;
- Number of vacant properties and parcels;
- Blighted appearance of some of the buildings;
- Misunderstandings between organizations;
- Not identified as a commercial corridor of interest by the City of St. Paul.

The SWOT analysis produced insight and ideas that were included in the action plan of this report.

Appendix D: Background Information on Business Improvement Districts

Economic reinvestment is needed to make this stretch of Selby Avenue a thriving destination. This initial goal of this report was to examine the feasibility of implementing a Business Improvement District along Selby Avenue between Lexington Parkway and Dale Street and to find examples of successful BIDs in comparable areas. The majority of the background information is included to assist with this effort should it be undertaken by the community. However, the scope now includes additional economic development strategies as well as some general action steps to move the corridor forward.

Business Improvement District and Management Types

Business Improvement Districts (BIDs) are geographically defined areas in which property and business owners form a public-private partnership to collectively fund public services beyond those provided by the municipality. BID implementation and administration are governed by state and local laws. These additional assessments are typically part of a "taxing district," which gives the participants authority to levy taxes within the zone (Morcol & Gautsch, 2013). BIDs take elements from both "special districts" and "special assessment districts" (Morcol & Gautsch, 2013). A special district is an "autonomous government that provide single or limited services." (Morcol & Gautsch, 2013).

In the United States, all property owners that would be impacted by potential additional levies must vote with approval requirements that vary by state. North American BIDs originated in the 1960's in a Toronto shopping area. About 1/3 of U.S. BIDs were established before 1990 (Ward, 2007). BIDs can be structured in several ways. Non-profit management is the most common structure, while quasi-public management is the least common. BIDs working on capital improvements are usually public-private partnerships (Mitchell, 1999). BIDs may also operate as a "public authority," which is a "government corporation" able to raise money "through user fees, grants, and private revenue bonds" with a government-appointed board (Morcol & Gautsch, 2013).

BIDs are a form of public-private partnership. BIDs create an interdependent relationship between a community and its local government. The increasing number of BIDs suggest that local governments are relying more on BIDs for the delivery of local services. BIDs can be a tool for addressing broad public policy goals. BIDs can operate as "quasi-governments," meaning that they act as policy-implementation organizations that operate with public funding, but with no hierarchical relationship (Morcol & Gautsch, 2013). BIDs can also be treated as a "private government," but that would ignore the role that the local and state government play in establishing, governing, and funding (through taxation) BID actions and structures (Morcol & Gautsch, 2013). BIDs can help other stakeholders, such as private and nonprofit organizations, influence public policy and shape collective action, by involving them in the process (Morcol & Gautsch, 2013).

For a BID to be functional, the structure should be “networked,” rather than hierarchical to create as cooperative a working environment as possible (Morcol & Gautsch, 2013). “Negotiation and persuasion,” rather than command and control management strategies should be used (Morcol & Gautsch, 2013). Three types of relationships typically emerge as a result of the negotiation strategy method: collaborative (centered on common values/trust), dominating (imposition of culture and customers on network), and co-optive (network acting in a way that benefits advantaged stakeholders) (Morcol & Gautsch, 2013). The co-optive model would be most beneficial in this situation as it would encourage the Selby community to identify and take the lead on major projects while minimizing the financial and technical obligations of the City of St. Paul.

Relationship management can be a challenge. In addition to business and financial management, BID administrators need to be skilled relationship builders. The ability to build partnerships requires networking, planning and coordination, and an understanding of personal motivation, including assigning rewards and penalties. Working within this type of structure is a challenge for city management (Morcol & Gautsch, 2013).

Business Improvement District Services

BIDs offer a broad-based method of service delivery. BID funded services are typically related to “urban livability,” which encompasses physical, promotional, and surveillance infrastructure. Physical infrastructure spans from capital improvements like lighting, street furniture, and landscaping; economic development, and maintenance activities like trash/recycling pickup, graffiti removal. Promotional activities include marketing efforts such as advertising events, creating maps and newsletters, and policy advocacy and organization, including coordinated lobbying to the city and coordination of activities with other BIDs. Surveillance efforts include “public space regulation” and security services, and may encompass guards and cameras (Ward, 2007).

Services vary based on the needs of the community instituting the BID. Of the BIDs surveyed for the 1999 Mitchell study, 52% of were “very involved” in capital improvements. Capital improvements are the most common reason for BIDs forming in small neighborhoods and towns. Marketing to consumers was a stated purpose of 78% of BIDs. Maintenance was cited by 58% of surveyed BIDs. Other BID activities included economic development, policy advocacy, public space regulation, security, and to lesser extents, parking and transportation and social services (45% and 34% respectively) (Mitchell, 1999).

BID Challenges

BIDs are reviewed and renewed periodically by the members and governance board to ensure that the service goals are being met. BIDs should provide services that benefit an entire corridor rather than particular participants. BIDs allow for innovative and efficient service delivery and problem solving. One reason for this is the reduction of bureaucracy that can accompany city services (Morcol & Gautsch, 2013).

BIDs can have potential downfalls. BIDs need to have the buy-in of the entire surrounding community, not just the contributing business and property owners. This is because BIDs have the potential to ignore the needs of less vocal community members, particularly, residential property owners because they are not subject to the additional taxation. Therefore, social stratification/hierarchy can be created where the business and property owners have more say in what services the neighborhood receives. This could disrupt the social climate of the neighborhood. BID managers need to be held accountable to their members and the governing body they are working with to ensure that services remain consistent and to maintain the trust of their community. (Morcol & Gautsch, 2013).

BIDs might generate some tax-related situations. Some will not want to contribute to the BID due to feelings that taxes assessed should provide some basic city services, many of which are covered by BIDs. Some will view additional assessments as additional payments for the same services. Governments may be reluctant to enact BIDs because they complicate the tax codes and “violate the principle of uniform taxation” for all (Morcol & Gautsch, 2013).

Accountability is vital to a functional BID. The BID organization and service providers are accountable to the local government, the BID participants, and other communities and stakeholders impacted by the BID’s activities. Analysis on the performance of the BID should focus on tools rather than an individual program or organization. Performance success should be tied to the activities and outcomes of the BID, such as the economic state of the BID and the community in which it works, number of tasks/services provided, impacts like business recruitment, responsiveness to property/businesses/residents, and quality of life within the BID (Morcol & Gautsch, 2013). Performance measurement is limited. Only half of BIDs surveyed by Mitchell had established performance benchmarks (Mitchell, 1999). Any BID implemented on Selby Avenue should have easily quantifiable performance standards to demonstrate success to the City and property owners.

BIDs as Economic Development Tools

BIDs can be used as an economic development strategy. Economic development focuses on promoting economic stability in a community by creating and retaining community wealth and employment, and thus reducing poverty (Gross, 2005). When a BID is formed, the city levies additional tax and then returns it to the area to fund the programs and services agreed upon by the participants. BIDs are, in this way, the opposite of other alternative business recruitment strategies, such as tax abatements. Tax abatements are tax deductions to incentivize businesses to locate in an area (Gross, 2005).

These BIDs tend to be located in areas that need economic development and are experiencing issues such as declining business investment, low property values, and decreased foot traffic. Low-income BIDs tend to expend more resources in promoting their community than wealthier neighborhoods (Gross, 2005).

Low-income BIDs tend to be community-oriented. This is because there is typically less concentrated wealth and political clout. BID leadership must work through community

organizing and group facilitation to gain an understanding of the community's needs and vision for the future. It is important to be visionary and inclusive to garner community buy-in and ensure that the BID is successful. The Lower East Side BID, in New York City, is an example of a successful BID in a low-income area. The Lower East Side BID, a main street BID, is located in an immigrant community with a median household income of \$26,000. This BID allocates much of its resources on community development, including advocacy, technical assistance, and training for local merchants (Gross, 2005).

Meltzer studied BIDS in Los Angeles and New York to understand optimal conditions for BID success and what results can be expected. Microdata, including property characteristics and voting information, of those located within Los Angeles BID areas were examined. Within Los Angeles, there was found to be consistently less than unanimous support for BIDs, especially among owners of smaller properties. Additionally, the study found that "anchor participants," or those business/property owners that can cover the initial fixed cost of forming a BID, as well as promote it long term, is crucial to its ongoing success (Meltzer, 2012). BIDs located within New York were also examined. BIDs are more likely to form in New York neighborhoods that are experiencing economic stability and growth. Other factors included consensus over service type and spending. BIDs tended to form in communities with higher numbers of commercial properties (Meltzer, 2012).

Generally, BIDs are most successful in areas that have higher property values. Property values are a better predictor of BID formation and success, than property type (commercial, office, retail, etc.) (Meltzer, 2012). BIDs can increase the amount of traffic to an area. Residential properties are not subject to the BIDs assessment, and typically do not opt in, but may be subject to the outcome of the BID's activities through increased noise or traffic (Meltzer, 2012). A successful BID requires the support of a "critical mass" of successful properties. These "anchor businesses" are needed to flex their political and social capital to garner support through the BID formation process, provide the seed money, and continue to work with businesses to build comfort with and support for the BID. This includes easing the fears of successful businesses that they will bear a larger portion of the tax assessment (Meltzer, 2012).

BIDs in Residential Communities

Residential and non-profit organizations are not subject to the additional taxation associated with BIDs. However, there is potential demand for BID-like services in residential areas. There are very few Residential Improvement Districts (RIDs) in the United States. A Mercatus Center study discusses the potential benefits of Residential Improvement Districts (RIDs) and describes a RID that is operational in St. Louis, Missouri.

RIDs allow residential property owners to act collectively to improve their neighborhood. Many residential neighborhoods desire city services, like additional trash pick-ups, beyond the base city level (Nelson, McKenzie, & Norcross, 2008). This happens because the city must provide the same service levels to all communities, regardless of neighborhood preferences, composition, etc.

RIDs could help homeowners establish consistent maintenance and service levels. This serves as an incentive for home\property owners to improve the appearance of their property. Individual property owners might not have the incentive to expend resources to improve their property if they are surrounded by properties in ill repair. This is especially true in a neighborhood that is blighted or needs a lot of physical improvements (Nelson, McKenzie, & Norcross, 2008).

In Baltimore's Charles Village Improvement, 14,000 residents contribute to the BID that is in place. St. Louis, Missouri has "neighborhood privatization" program that allows residents to determine their service levels, maintenance and other improvements managed the streets, etc. In 1867, Benton Place became the first privatized street in St. Louis. By the 1950s, two more areas – Pershing and Westminster Avenues also privatized. By 1986, there were over 400 private streets in the St. Louis area. A 1989 U.S. Advisory Commission on Intergovernmental Relations (ACIR) stated that "the physical closure of streets and their legal association together act to create social cohesion, stability and security" (Nelson, McKenzie, & Norcross, 2008).

RIDs could also undertake marketing and branding efforts. Cohesive marketing promotes a stronger sense of neighborhood community and identity. Similar to BIDs attracting additional consumer traffic, these promotion activities could increase interest in a particular area and drive up property values (Nelson, McKenzie, & Norcross, 2008).

Some RID-like organizations are already operational. For example, homeowner's associations and private community associations have gained in popularity. Half of the housing built in the US between 1980 and 2000 was subject to some kind of association (Nelson, McKenzie, & Norcross, 2008).

BID Impact on Safety, Pedestrian Infrastructure, and Vacant Lots

BIDs allow businesses to help manage public spaces. Crime and safety improvements affect an area's customer base, tax rates, and real-estate prices. Customers will not visit businesses that they do not perceive are safe; business owners want to create a safe environment for themselves and their employees (MacDonald, et al., 2009).

The condition and appearance of buildings, and paved surfaces affect the perceptions of residents and patrons. Blighted properties, vacant lots or brownfields and abandoned buildings can make an area unattractive. A lack public space ownership and natural surveillance make it easier for "misuse of the city environment" (RAND). Parking availability helps customers access the businesses more quickly and decreases traffic (MacDonald, et al., 2009).

BIDs can improve an area's physical appearance. This may be through graffiti removal, enhanced street lighting, cameras, etc. making them more attractive to business and less attractive to potential criminal activity. BIDs can also fund private security or "public ambassadors" that keep the area clean and safe, leading to better control of public spaces. These strategies are closely linked to "crime prevention through environmental design" (CPTED), which seeks to reduce "opportunity structures and community conditions on violence" (MacDonald, et al., 2009).

Some research demonstrates that BIDs reduce crime and assist with “place-management.” In Philadelphia, a study found that BIDs were associated with lower property crime rates. A similar study found that BIDs in Los Angeles lowered crime rates by 6-10% (MacDonald, et al., 2009).

Implementing a BID indicates that the business and property owners are committed to an area’s economic development and to the community. BIDs help to improve a community’s physical environment, which increases the economic viability and employment (MacDonald, et al., 2009).

San Francisco, California has BIDs operating in 12 of its neighborhoods. BIDs are located in Greater Union Square, North Market/Tenderloin, Fisherman’s Wharf Landside & Portside CBDs, Noe Valley, Castro/Upper Market, 2500 Block Mission, Central Market, Yerba Buena, Ocean Avenue, Civic Center, and the Moscone/Tourism Improvement District. These BIDs are part of a revitalization strategy aimed at improving commercial districts. The funding collected through the BIDs is used for street cleaning, public safety, street/landscape improvements, marketing/promotions, and district advocacy. These improvements help to attract pedestrians and new businesses (Ellicot & Pagan, 2012).

This additional traffic begins to improve the economic condition by generating higher revenues for businesses; higher property values, new jobs within the district, and safer and cleaner streets. San Francisco’s Communit Benefit Districts (CBD) and BIDs assessment investments increased from \$1 million per year in 2004 to over \$9 million per year in 2012. The BID generated \$21 million in assessment income from hotels (Ellicot & Pagan, 2012).

Measurable program goals are established and tracked. CBDs/BIDs received higher marks on cleanliness, safety, etc. Streets and sidewalks were cleaner and graffiti was reduced. Three quarters of districts saw improvements in street sanitation scoring results—50 percent of the time district scores were higher than the average district score. Crime rates were lower than non-BID regions 68 percent of the time. Property values, sales tax, and vacancy rates were lower than non-BID locations in San Francisco throughout the 2007-2009 recession. Communities within the BIDs also experienced increased public involvement via \$7.4 million in grants donation and in-kind support, as well as increased community involvement with board participation and community leadership positions. Coordinated marketing and outreach efforts increased events held in the community (Ellicot & Pagan, 2012).

Best Practices for BID Management

BIDs must have an associated governing body responsible for decision-making and service delivery. These bodies can be public and private. The type and size will be determined by each individual case (Morcol & Gautsch, 2013). The most common models are BIDs governed by autonomous public entities/organizations, nonprofit corporations, or through a public-private partnership.

For example, a BID operated by a subunit of local government would have a designated body composed of individuals within the specified geographic. This could be the city council, mayor, or county commission. This body levies the additional

assessment and is responsible for service delivery. This method does not create an autonomous board, but depending on state law, may have the ability to appoint special advisors (Morcol & Gautsch, 2013). Additionally, an independent board may be formed.

BIDs may also operate under independent, third party control. This typically means that a nonprofit corporation is appointed and authorized, by local government to control decision-making and deliver supplementary services to the designated district (Morcol & Gautsch, 2013).

The governing model used depends on state requirements. The public authority model is the most popular one, followed by the subunit of local government model, and then the nonprofit model.

BID-related laws are found in almost every state. Louisiana, New York, and Texas, Alaska, Alabama, Pennsylvania, Florida, Vermont, Virginia, California, Kansas, Missouri, Tennessee, and Texas and Wyoming all have some form of BID regulation (Morcol & Gautsch, 2013). "Business improvement district" is used in only 38 percent (26 of the 68) laws analyzed in Morcol's 2013 study (38 percent). Variants, such as "improvement district" ("business," "capital," "commercial," "community," "economic," "general," "municipal," "neighborhood," "public," and "special" improvement districts) are much more commonly used (51 of 68 laws/75 percent) (Morcol & Gautsch, 2013).

Minnesota District Definitions

State of Minnesota Statutes 365A, 375B, and 428 govern BID requirements and implementation. These statutes apply to "special service districts," "subordinate service districts" and "county subordinate services" depending on the application (Dyson & Baker, City Special Service Districts, 2011). Those are defined as:

"Special service districts" (SSDs) are "a defined area within the city where special services are rendered and the costs ... are paid...within that area" (Dyson & Baker, City Special Service Districts, 2011). These districts may be established at any location within a city, but only property identified/zoned as "commercial, industrial, utility" can be charged for the services (Dyson & Baker, City Special Service Districts, 2011).

"Subordinate service districts" are "... [an] area within...[but]...smaller than the entire county or town, in which the county or town provides services at a higher level than are provided generally...or are not provided at all.... [it] must be a compact, contiguous area" (Dyson & Biggerstaff, Subordinate Service Districts, 2014).

"County service districts" are "...a compact and contiguous district within the county in which...governmental services or additions to countywide services are provided...and financed from revenues secured from within that district. The boundaries ... may not embrace an entire county" (Office of the Revisor of Statutes, 2013)

Minnesota BID Establishment Criteria

For a BID to be created, specific criteria must be met. To be considered for a BID, 50 percent of the properties in an area must be commercial or identified as public utilities for the current tax year. If this is met, an additional service charge can be added to each property based on net tax capacity.

Once the 50 percent threshold is established, a petition can be issued. Petitions must be supported by either “(i) owners of 25 percent or more of the net tax capacity of property that would be subject to the charges, or (ii) owners, individuals, and business organizations that would be subject to 25 percent or more of a proposed charge” (Dyson & Baker, City Special Service Districts, 2011).

An ordinance is then created by the city that describes the district area and the proposed services to be provided. Notice of the proposed BID must be given to local newspapers and to impacted property and business owners. Tax exempt business/property owners, and/or those subject to taxation must also be contacted. The effective date must be at least 45 days after the city adopts the ordinance. The city must hold a public hearing on the BID.

A public hearing is required. Property owners are given information on the boundaries and cost implications of the proposed district and allowed to voice their approval/concerns. The BID may be adopted if 51 percent of the impacted businesses approve it. Once the district approves it, the city governing body has six months to approve it.

Property owners who object the BID have the opportunity to raise their concerns and request to be excluded from the BID. BIDs can be vetoed if 35 percent of property owners in the proposed area file an objection prior to the effective date (Dyson & Baker, City Special Service Districts, 2011).

If the BID is approved, the city council may create an advisory board to advise the governing body. The advisory board is responsible for the operations, maintenance, and service activities within the district (Dyson & Baker, City Special Service Districts, 2011).

Appendix E: Case Studies

Jamaica Center

The Jamaica Center is a BID is located in Queens, New York that was founded in 1979 and is characterized by its history of famous musicians, particularly from the genres of jazz and hip-hop. Currently, there are three theaters in the district, as well as several historic landmarks, two colleges, and many independent businesses. This BID provides several services, including street cleaning, marketing and advertising, and economic development (*Jamaica Center, n.d.*).

NoHo Arts District

The NoHo Arts District is located in North Hollywood that was established in 2007 and is one square mile in size with 167 businesses. The district is a diverse mixture of artists, businesses, and families, with several art galleries of various genres, dance studios, and more than 30 theaters. The district has invested simultaneously in housing, transportation, and social and cultural ventures. Thus far, the NoHo Arts District has improved the cleanliness and safety of the area, made it more aesthetically inviting and pedestrian friendly, has increased awareness of the area, and has unified those living, working, and playing in the area (*NoHo, n.d.*).

The Flatbush Nostrand Junction Business Improvement District

The Flatbush Nostrand Junction Business Improvement District is located in Brooklyn, New York and is home to a culturally diverse population and a blend of small businesses and big businesses, professional services, and restaurants. The Junction BID focuses on street cleaning, economic development, advancement of small businesses, and storefront improvements (*Junction, n.d.*).

Bed-Stuy Business Improvement District

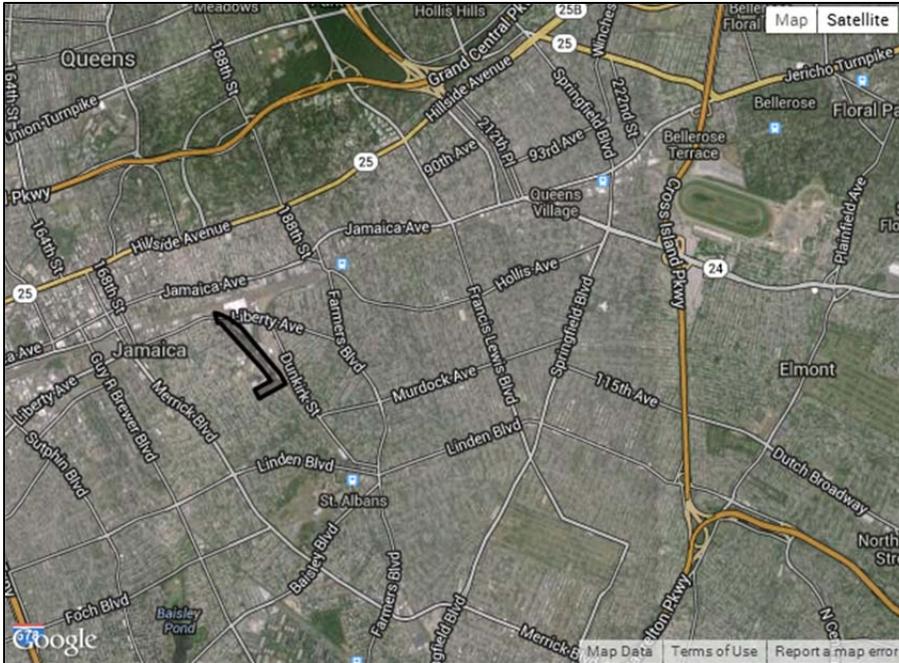
The Bed-Stuy Business Improvement District is located in Brooklyn, New York and stretches for a 29 blocks and a total of 1.5 miles. Bed-Stuy is a culturally diverse district with an eclectic mixture of business and people. There are a total of 443 properties within the BID and 373 businesses. The main focuses of the Bed-Stuy BID are supplemental sanitation, supplemental security, and marketing (*Bed-Stuy, n.d.*).

125th Street

The 125th Street Business Improvement District is located in Harlem, New York and is the area's main commercial street. It possesses a wealth of history and is home to many cultural institutions and great artistic legends. The district has several programs, including sanitation and street maintenance, public safety, marketing/promotion, strategic planning, and networking (*125th Street, n.d.*).

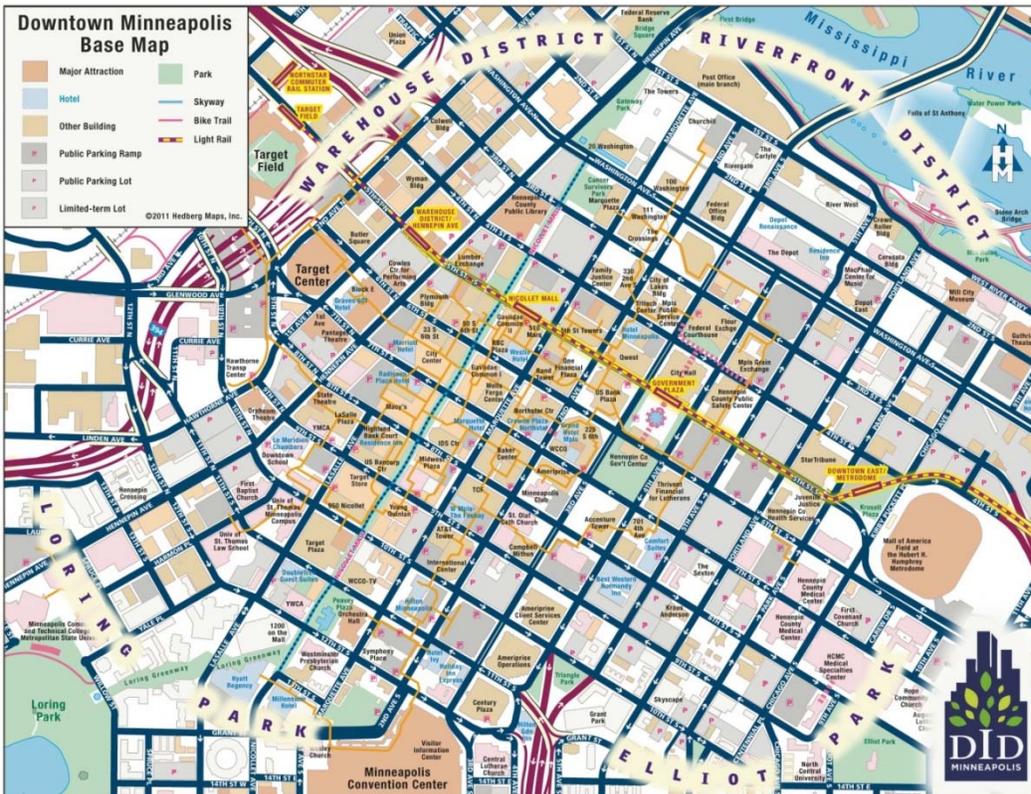
180th Street in Queens New York

The 180th Street BID in Queens stretches 29 parcels and raises \$53,000 per year. A map of the BID is below, pulled from their website (180th Street Business Improvement District).



Minneapolis Downtown Improvement District

The Minneapolis Downtown Improvement District (DID) generates \$7,000,000 from approximately 122 blocks (Minneapolis Downtown Improvement District). A map from their website is below.



Appendix F: Additional Information on the Main Street Approach

Organization

The organizational element is the key to demonstrating how far Selby Avenue has come and what is left to accomplish. It includes three major elements with the mission statement being the most vague and the annual work plan being the most specific.

1. **Mission Statement.** The mission statement declares who Selby Avenue is and explains their purpose. This statement is unlikely to change over time. It should be short and thoughtful. It may be featured in business recruitment information, on marketing materials, and in any other official documents.
2. **Vision Statement.** The vision statement is a collective goal or set of goals that will guide future efforts in creating a vibrant Selby Avenue. This vision statement is a shared statement between businesses, nonprofits, and residents along the corridor that may address issues like how to change, what to change, and what Selby Avenue will look like.
3. **Annual Work Plan.** The annual work plan explicitly lays out the tasks that need to be accomplished that year. This includes goals for committees, specific objectives and activities with time frames. The development of the work plan also serves to show what is being accomplished in the area. For example one item on the annual work plan might be to attract two new businesses to Selby Avenue in 2015. To do this they would (1) gather census data about the neighborhood, (2) determine the market need by cataloguing existing businesses, (3) conduct a market analysis or market niche study, (4) identify all available building space and what it is equipped to serve (restaurant, retail, office), (5) contact different local or national businesses that fit the market needs on Selby Avenue and sell them on the neighborhood.

Through all this work, it will be important to demonstrate the progress that is being made. This is accomplished through benchmarking. Benchmarks should be easily measured and quantifiable. So if the annual work plan includes attracting new businesses as an element, the benchmarking should count the number of active businesses on the corridor, the number of vacant buildings, and the number of vacant parcels. The ability to directly demonstrate the impacts of this work on the community will help garner support, and potentially funds (National Trust for Historic Preservation, 2009).

Economic Restructuring

This element is about finding the best combination of businesses to energize Selby Avenue, and it is also the most difficult. This element is data heavy and may be best completed by an economic development consultant. Items that can be done in house are:

1. **Compile updated information about the properties along Selby Avenue.** This should include ownership, tenancy (or vacancy), size, preferred uses, physical condition (age, history, special features), zoning.

2. Compile updated information about the businesses along Selby Avenue. Business type, major product(s), number of staff (full- and part-time), business hours, size.
3. Compile updated information about the visitors. Demographic profiles should be completed on both current customers and their habits and preferences, and neighborhood residents and their habits and preferences and where they shop (National Trust for Historic Preservation, 2009).

Items that a consultant could provide:

1. Information about the number and types of businesses the neighborhood could support. To inform this, the consultant would look at the buying power of residents, buying power of potential customers, and barriers to entry for businesses and customers.
2. Market niche study that would show what Selby Avenue can specialize in to make their small commercial district into a destination. This may be a jazz and culture hub, but further research would be necessary.
3. Sales gap data. While this could be done by internal staff, a more complete picture could be painted by a consultant. A sales gap analysis would show where money is leaving the community, which would indicate what type of businesses would be best suited to Selby Avenue.
 - a. Once the data is collected, further planning can be done to choose the types of businesses would thrive on Selby Avenue and they can be targeted.

Design

Under the design element are aesthetic improvements that will make all groups of people feel welcome. Changes can be made to both individual storefronts and more broadly to the entire corridor. Among internal and individual building improvements that can be pursued are:

1. Storefront improvements and visual merchandising. For retail establishments, this is the first opportunity to entice customers in. Experts for workshops on merchandising and other technical aspects could be brought in. This may be a long-term option when there is more retail on the corridor.
2. Maintenance. Under a Business Improvement District, general maintenance along the corridor could be provided; however, with this approach there are no funds to provide those services. General maintenance guidelines and information about City laws for sidewalk sweeping, snow clearance, and general appearance should be provided to businesses.
3. Facade improvement program. Generally, the architecture along Selby Avenue between Lexington Parkway and Dale Street is not as interesting as it is as you move east toward the capital. With that said, facade improvement program loans and matching grants is a way to invest in the properties that have an architectural value to the area. Seeking to put buildings on the State or National Registry of Historic Places may open up additional funding sources for this project. To encourage private investment even further, work with the City of St. Paul to create incentives. This may be a hard sell; staff from St. Paul

has been very vocal about the decision to no longer subsidize the neighborhood.

4. Pedestrian improvements. Creating a consistent pedestrian experience is really important in the creation of a destination. Planters, signage, awnings, benches, and lighting are relatively low-cost items the neighborhood can pursue to make Selby Avenue a more welcoming place for pedestrians (National Trust for Historic Preservation, 2009).

Promotion

“Promotion influences attitudes toward the commercial district and can alter consumer habits.” - Revitalizing Main Street

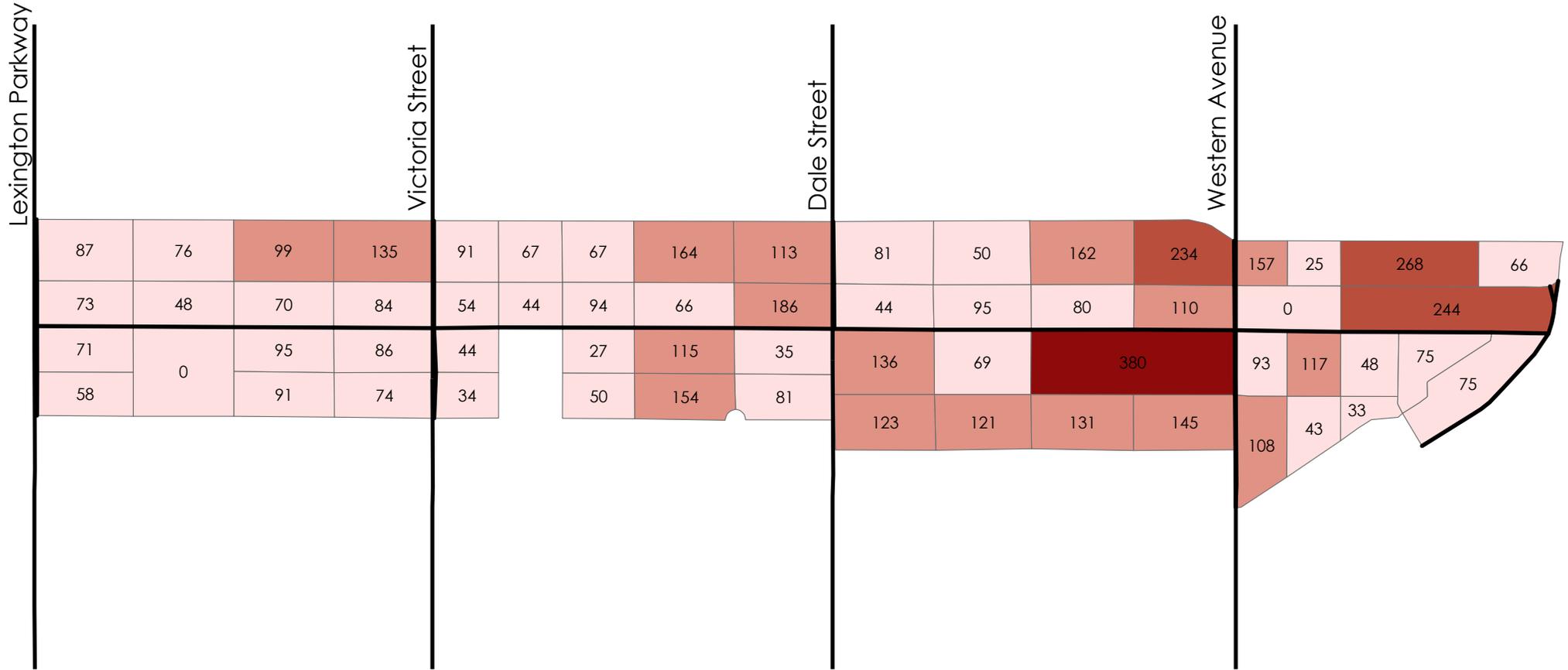
Promotion is more than just branding and marketing, it is creating activities and events that compel people from the neighborhood and beyond to visit. The JazzFest is the perfect example of promotion that has grown over time, but there are many more opportunities.

1. Changing the image. Focus on all the positives that Selby Avenue has, and highlight the uniqueness and the history. Creating neighborhood souvenirs like reusable shopping bags, t-shirts, coffee mugs, etc. would allow people take a piece of Selby Avenue outside the neighborhood. These keepsakes, will hopefully create more demand to visit the neighborhood.
2. Special events. This is this biggest opportunity, and risk, under the promotion element. Expanding the JazzFest to include local artisans, local food vendors, and others can make the JazzFest a destination for more than just jazz lovers. It is important to create events more than just once a year to keep people coming back. This is another opportunity to showcase the unique historical and cultural aspects of the neighborhood (National Trust for Historic Preservation, 2009).

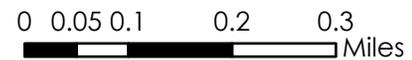
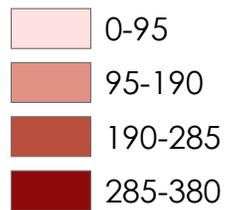
| Strategy | Implementation Cost | Social Cost | Staff Resources | Time Commitment | Benefits | Drawbacks |
|--|---------------------|-------------|-----------------|-----------------|---|--|
| Status Quo | Low | Low | Low | Low | <ul style="list-style-type: none"> Requires few staff/monetary resources | <ul style="list-style-type: none"> Lack of communication No economic development Vacant lots remain Neighborhood is a pass through |
| Lexington Parkway to Dale Street BID | High | High | High | High | <ul style="list-style-type: none"> Create unique, district branding/marketing Generate funding to enact community vision for corridor Centralized district management Increased advocacy Better public perception of Selby | <ul style="list-style-type: none"> Lack of commercial density. Non-profit / BID-exempt properties reluctant to opt-in. City of St. Paul has no plans to develop their vacant parcels Requires time and financial resources for startup. Non-intuitive BID boundaries Competing neighborhood visions/priorities Distrust of government could make challenge to implement |
| Joint Selby Ave Cultural/ Cathedral Hill BID | High | High | High | High | <p>Same as above, but adding:</p> <ul style="list-style-type: none"> Additional revenue generation Consistent pedestrian experience on Selby Avenue Coordinated/joint marketing/events | <p>Same as above, but adding:</p> <ul style="list-style-type: none"> Requires highest coordination Interpersonal challenges between organizations representing each district Selby vs. Cathedral Hill priorities |
| Main Street | High | Medium | Medium | Medium | <ul style="list-style-type: none"> Create consensus on major items including vision and aesthetics Focus on joint marketing and events Create evaluation benchmarks | <ul style="list-style-type: none"> Requires time and financial resources Competing neighborhood visions/priorities |
| Shared Service Cooperative (Co-op) | Medium | Medium | Medium | High | <ul style="list-style-type: none"> Generate funding to enact community vision for corridor Centralized district management No government involvement Increased advocacy Better public perception of Selby Additional revenue generation Consistent pedestrian experience Coordinated/joint marketing/events | <ul style="list-style-type: none"> Competing neighborhood visions/priorities Lack of commercial density from Lexington/Dale Number of rent-controlled properties Potential free-riders |

Appendix G. Full Size Maps

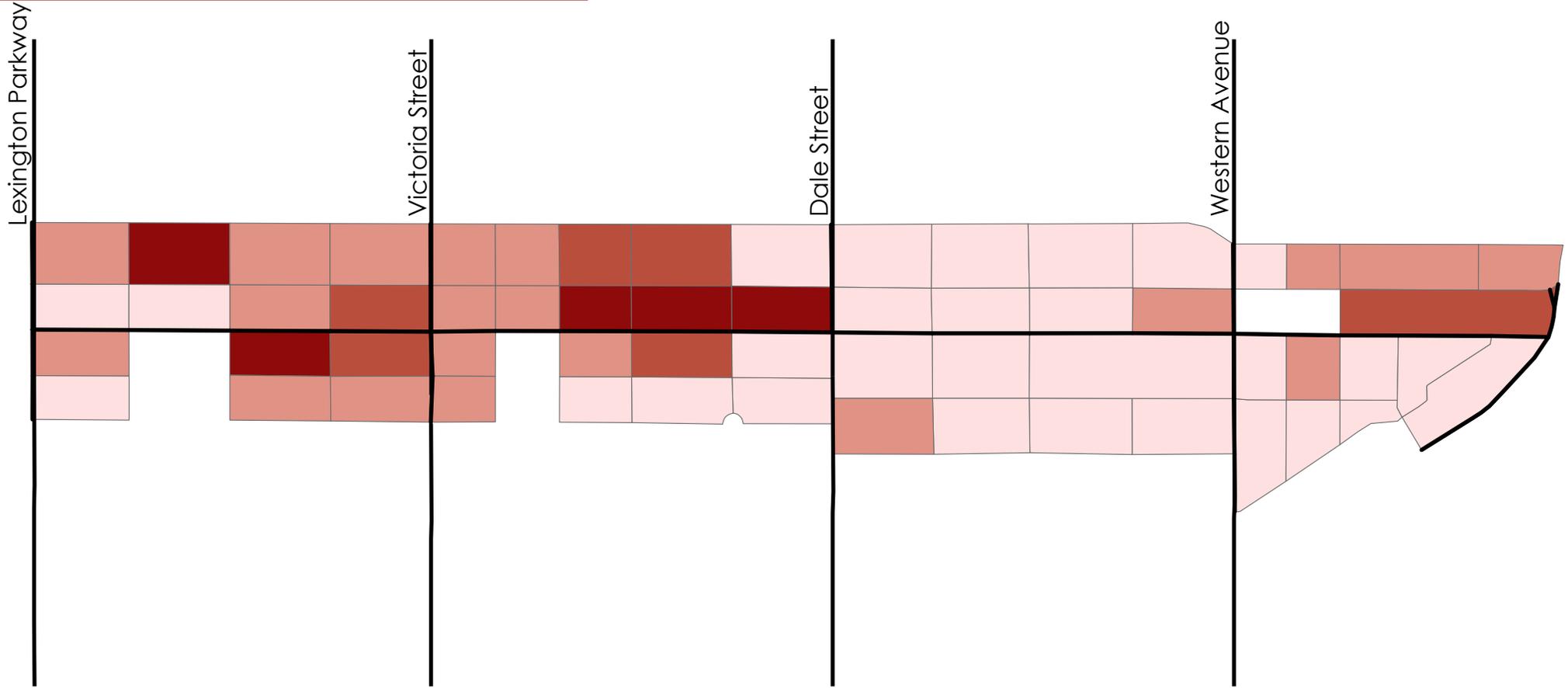
Selby AVENUE



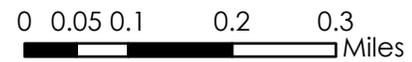
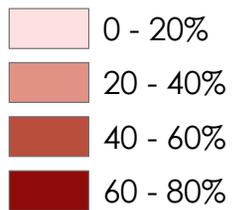
Total Population per Census Block



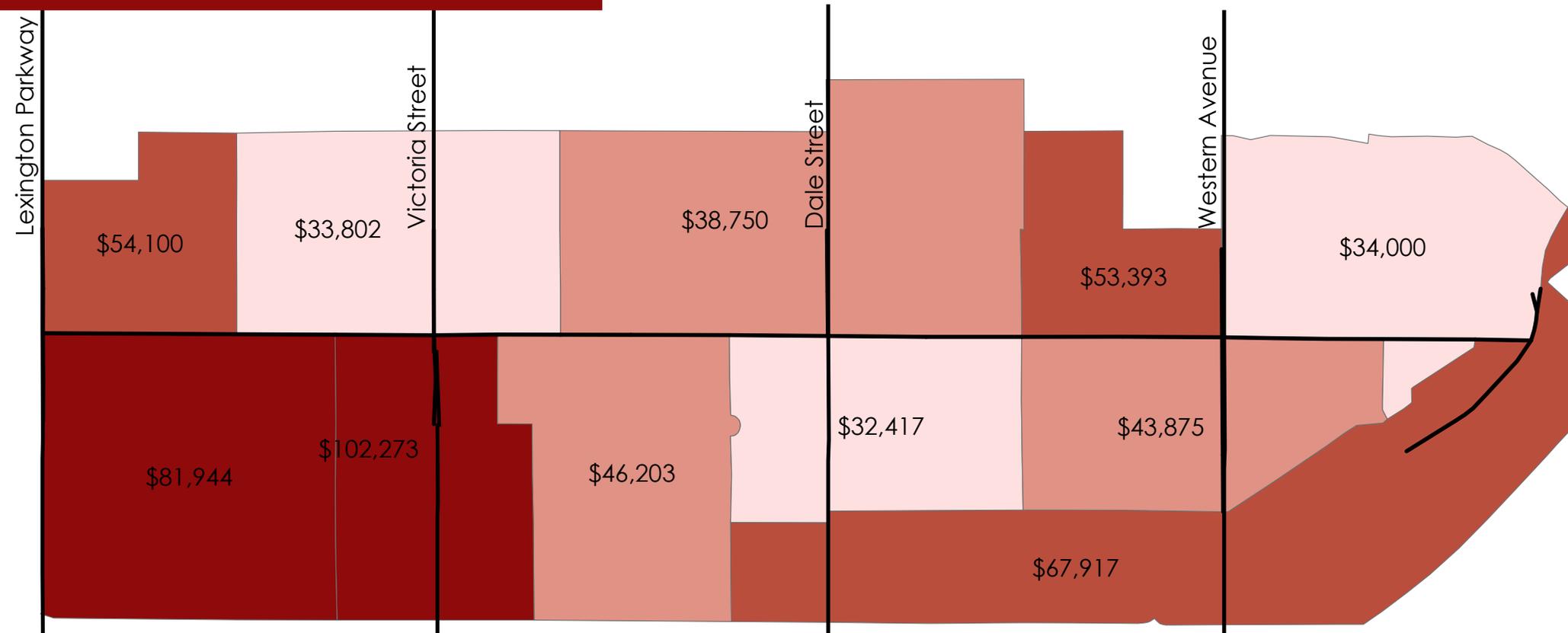
Selby AVENUE



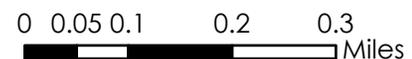
Percent Black per Census Block



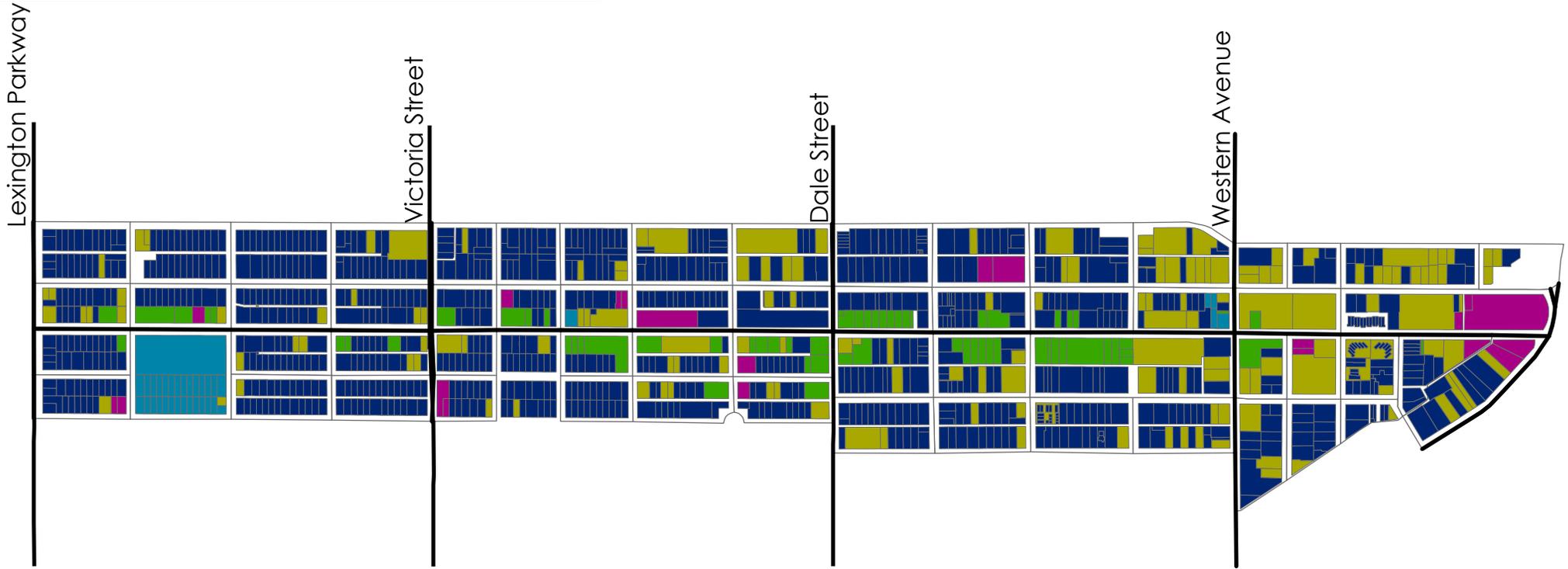
Selby AVENUE



Median Household Income by Census Block Group

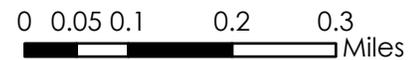


Selby AVENUE

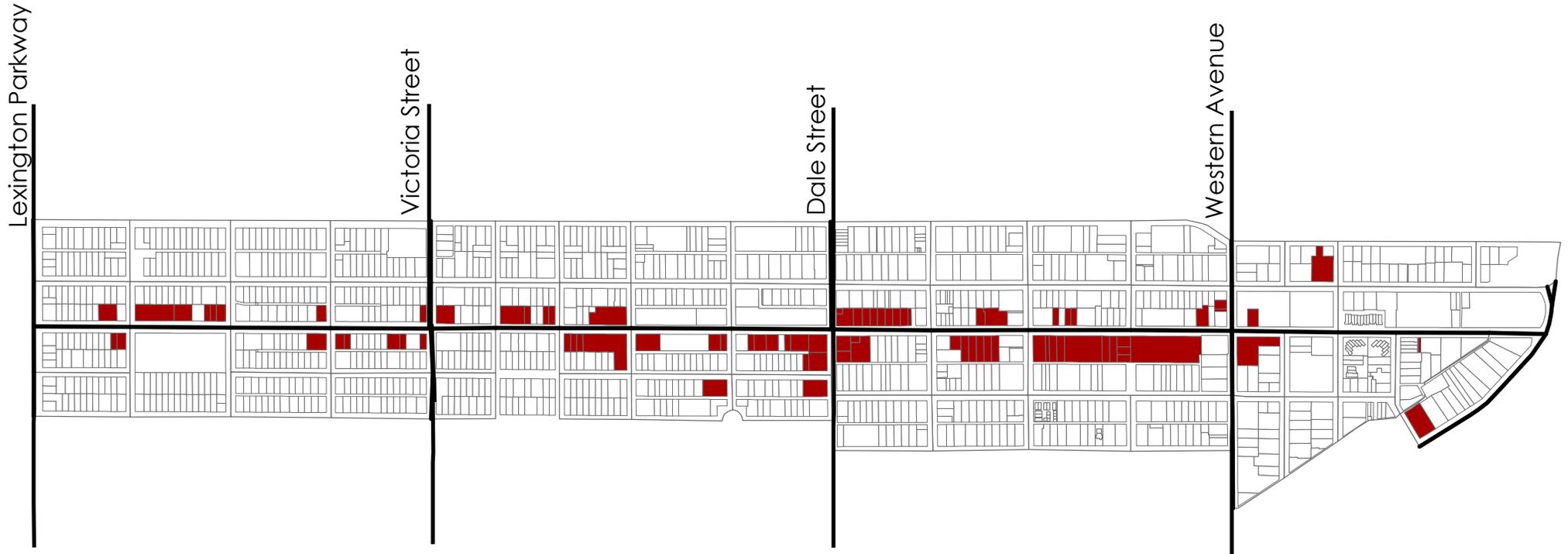


Building Type

- Religious
- Commercial
- Education
- Mixed-Use
- Non-Profit
- Residential



Selby AVENUE



Commercial and Mixed-Use Properties



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These photos utilized in this report originate from these sources.

Cover, Photo of Intersection of Selby Ave and Victoria St. Google Maps, Retrieved May 2014 from: <https://www.google.com/maps/@44.946605,93.136128,3a,75y,270h,90t/data=!3m4!1e1!3m2!1shN4eEui7lieP-4Y2fJnfew!2e0!6m1!1e1>

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2. Gerald Albright, Retrieved May 2014 from: <http://www.selbyavejazzfest.com/>

3. Selby Avenue, 1970, ID Number, 01248-14a, Courtesy of the Minnesota Historical Society, Retrieved May 2014 from:

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4. Selby Avenue Corridor, Lonetta Hanson, May 4, 2014

5. Selby Avenue Corridor, Lonetta Hanson, March 1, 2014

6. Selby Avenue Corridor, Lonetta Hanson, March 1, 2014

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