

Business Improvement District (BID)

Feasibility Analysis:

Saint Paul's West Midway Industrial Area

Prepared for the City of Saint Paul
and the Midway Chamber of Commerce

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- Saint Paul Saints Baseball
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EXECUTIVE SUMMARY

Figure 1: Saint Paul's West Midway Industrial Area

Due to its central location and easy access, Saint Paul's West Midway Industrial Area (Figure 1) has long been an important area for industrial employment for the City of Saint Paul and the Twin Cities region. However, over time the area has aged and lost some of its competitive edge over more modern suburban locations. The Saint Paul Port Authority, in conjunction with the City of Saint Paul, identified a Business Improvement District (BID) as a possible strategy for strengthening the existing industrial businesses as well as attracting new businesses. In order to determine if additional investment was needed, key stakeholders were surveyed and interviewed. This process identified strengths, weaknesses, opportunities, and strengths (Figure 2). This analysis showed that stakeholders desired improvements, and we recommend introducing a BID in the area in order to address those concerns. A successful BID allows for the

rectification of many concerns that the community deems as needing addressing, such as street repair, security, and street beautification. In an attempt to implement a BID in the West Midway Industrial Area, this report describes the BID process using both short term and long term steps. The steps provide the basic BID formation framework. It should be noted that the process is nonlinear in nature, as some steps may be accomplished simultaneously with other steps (Figure 4).

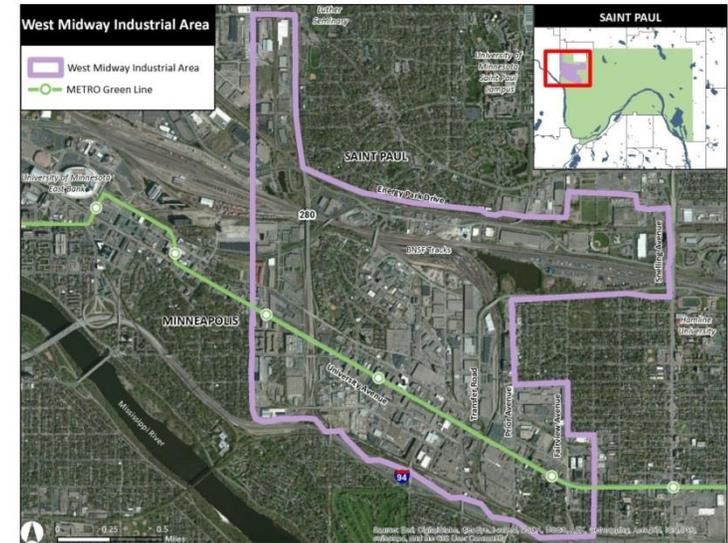


Figure 2 SWOT Analysis

	Positive	Negative
Internal	<p>Strengths</p> <ul style="list-style-type: none"> ● Central location ● Easy access ● Mix of land uses ● History of industry 	<p>Weaknesses</p> <ul style="list-style-type: none"> ● Curb appeal ● Road conditions ● Safety ● Lack of active communication between property owners and city staff
External	<p>Opportunities</p> <ul style="list-style-type: none"> ● Attractive area for redevelopment and infill ● Political support and investment 	<p>Threats</p> <ul style="list-style-type: none"> ● Conversion of industrial uses to other uses ● Lack of large, modern facilities ● Ability of diverse stakeholders to form consensus on area vision

The short term goals are defined as:

- Start an exploratory task force comprised of area property owners.
- Gather start-up funds through grants.
- Hire administrator to manage day to day operations.
- Identify stakeholders and discover their primary needs and wants.
- Engage and educate business owners and the public on BID benefits (Figure 3).

Figure 3 Example of Pervious Community Engagements



Figure 4 Action Plan Timeline

		Year 1												Year 2											
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
Short Term	Start a Exploratory Task Force																								
	Gather Start- Up Funds for Administrator																								
	Identifying Stakeholders																								
	Task Force Community Engagements																								
Long Term	Hire a Consultant																								
	Define Boundaries																								
	Identify Specific BID Services																								
	Revenue Formula and Development of Budget																								
	Gather Momentum and Public Buy- In																								
	Create a Management Board																								
	City Recognition																								

The long term goals are defined as:

- Hire a consultant to guide the BID start-up.
- Define BID boundaries.
- Identify specific BID services (Figure 6) based on feedback from the key stakeholders and property owners.
- Define a revenue formula and develop a budget.
- Gather momentum and public buy-in through continued community engagement.
- Create a management board.
- Receive City recognition.

The process of organizing and implementing a BID can be a slow and time-consuming process, and given the current level of knowledge and buy-in for a BID in the West Midway, this process could take as many as four to five years.

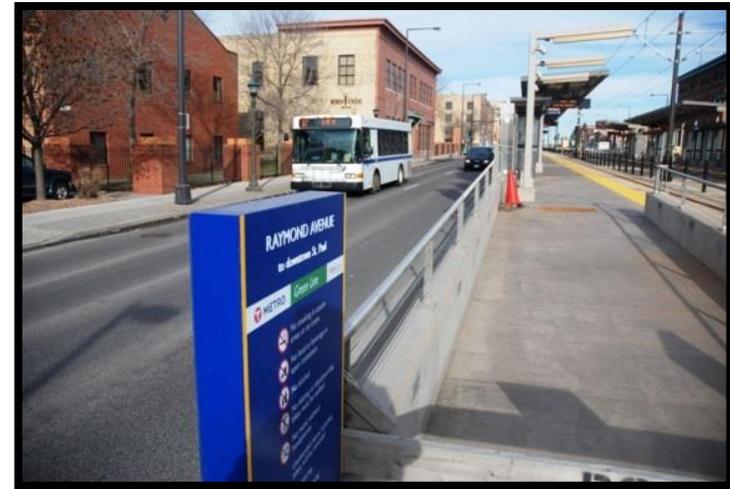


Figure 5 University Avenue and Raymond Light Rail Stop



Figure 6 Street maintenance is an example BID service

INTRODUCTION

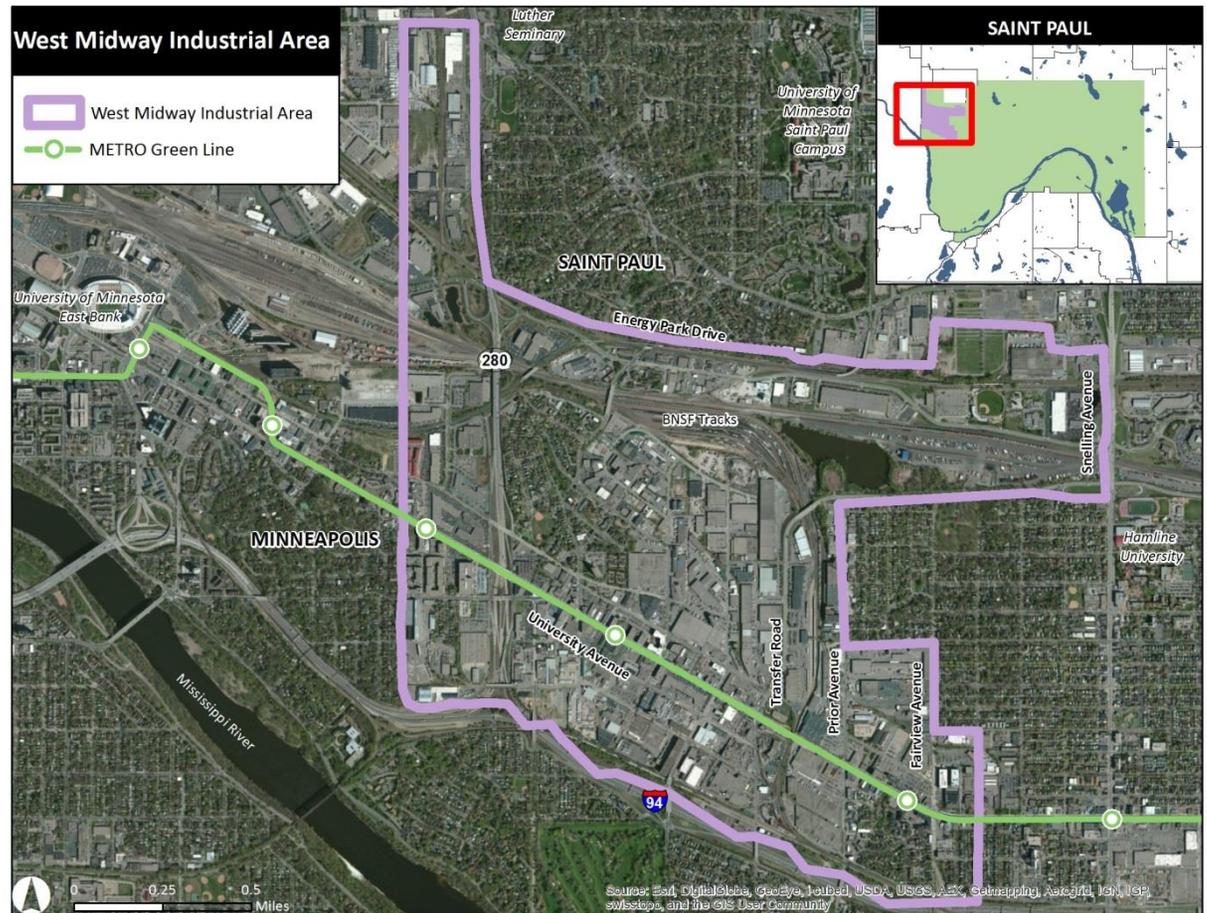


The West Midway Industrial Area of Saint Paul, Minnesota has historically been an important industrial hub for the city and surrounding region. Due to its central location and proximity to transportation routes, industrial businesses thrived in the area of Saint Paul between BNSF's main line track, Interstate 94, Highway 280, and Prior Avenue (Figure 7). Industrial businesses in the West Midway provided well-paying jobs to residents and property tax income to the City for over a century. However, the future of the area's industrial hub is unclear. Conversion to other uses, such as residential and commercial, is seen as a realistic possibility due to the introduction of a major transit system, the METRO Green Line. After conducting an analysis of the area, the City has compiled a list of possible next steps in an attempt to reinvigorate the West Midway's industrial sector. One recommended step is to study

the feasibility of a business improvement district (BID) for the area. This report serves to further study the implementation of a West Midway BID by

examining existing conditions, summarizing appropriate literature, describing a vision for the area, and defining a preliminary action plan.

Figure 7 Saint Paul's West Midway Industrial Area



EXISTING CONDITIONS



Within the West Midway Industrial Area, there is a unique mix of industrial, commercial, and residential uses that exist in a semi-harmonious state. Of the 1,450 acres making up the area, 42 percent is industrial use, 16 percent is commercial retail use, and 11 percent is residential use (Figure 8). Despite the area's industrial nature, roughly 3,800 residents lived in the West Midway in 2010¹. While there are a small number of residents, there are a large number of jobs. In 2011, this industrial and commercial mix provided more than 23,700 jobs². The industry in this region is largely based around processed foods, metal manufacturing, and distribution services. Many of these industries, along with smaller industries,

¹ Source: Census 2010

² Source: Longitudinal Employer-Household Dynamics (LEHD) and Ramsey County

Quick West Midway Facts²

- 3,800 residents
- 23,700 jobs
- 1,450 acres
 - 42 % industrial
 - 16% commercial
 - 11% residential
 - 3% vacant

Industrial Facts²

- 107 industrial parcels (out of total 1,026)
- Average lot size: 2 acres
 - Minimum lot size : 0.01 acre
 - Maximum lot size: 25 acres
- Average Annual Tax: \$51,175
 - Minimum Annual Tax: \$346
 - Maximum Annual Tax: \$487,612

are currently seeing an increase in recent performance as the economy rebounds from the Great Recession of 2008. This is countered by these sectors' weak competitive position (Appendix A). In sum, these industries are not currently competitive, but they are gaining strength.

According to the Saint Paul Port Authority's "Industrial Strategy for Saint Paul" report, the Twin Cities have historically had strength in innovative research and development. This is backed by the existence of 21 Fortune 500 companies. Despite this level of innovation, the region as a whole is lagging behind in productivity and wages³.

³ Brookings Institute. (2011). "Accelerate: A Minneapolis Saint Paul regional prospectus for stimulating the entrepreneurial ecosystem". *Brookings Institution Metropolitan Policy Program*. Retrieved from: www.brookings.edu/~media/projects/state%20metro%20innovation/12_metro_business_msp.pdf

Figure 8 West Midway Industrial Area Land Use

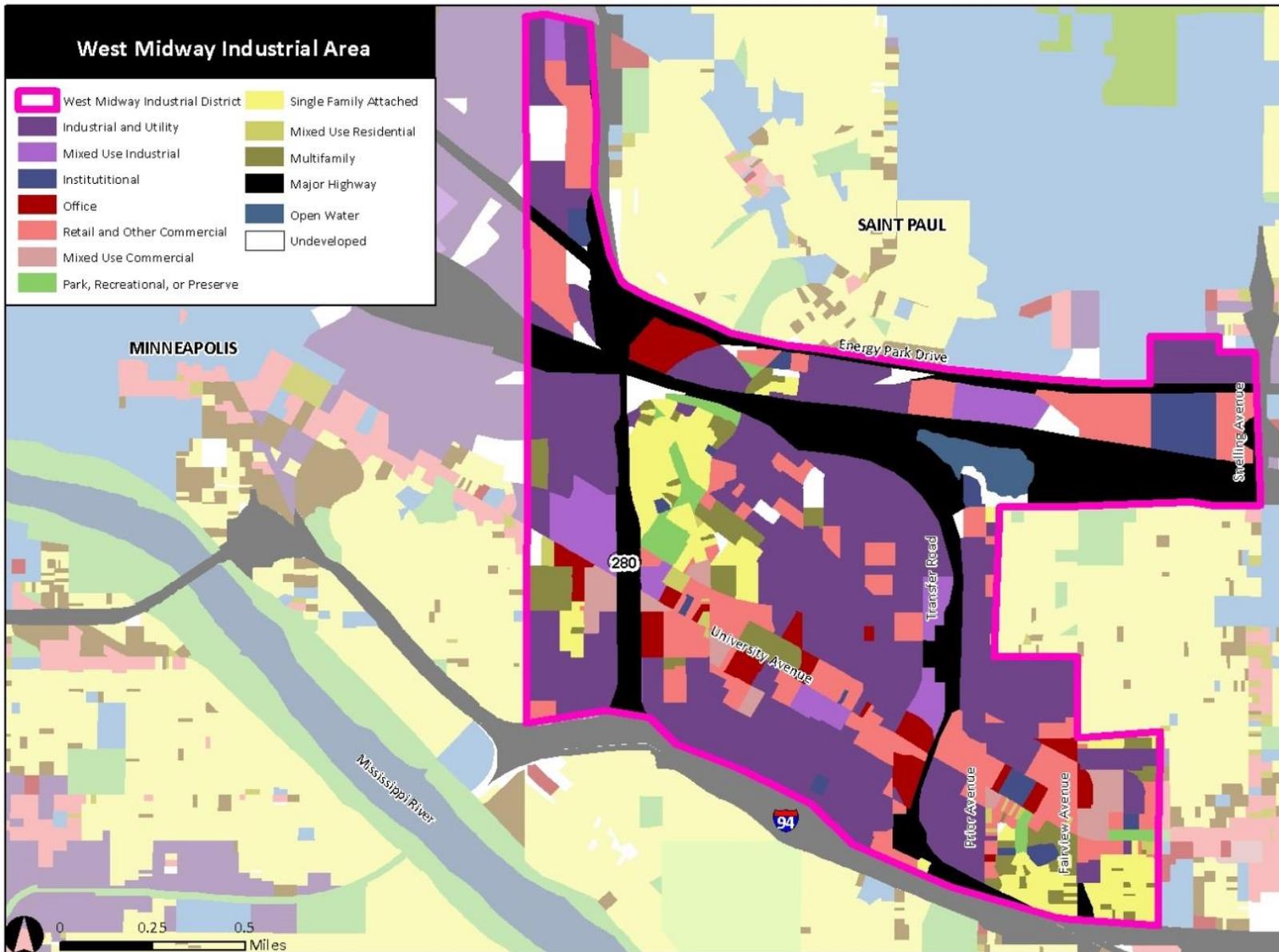
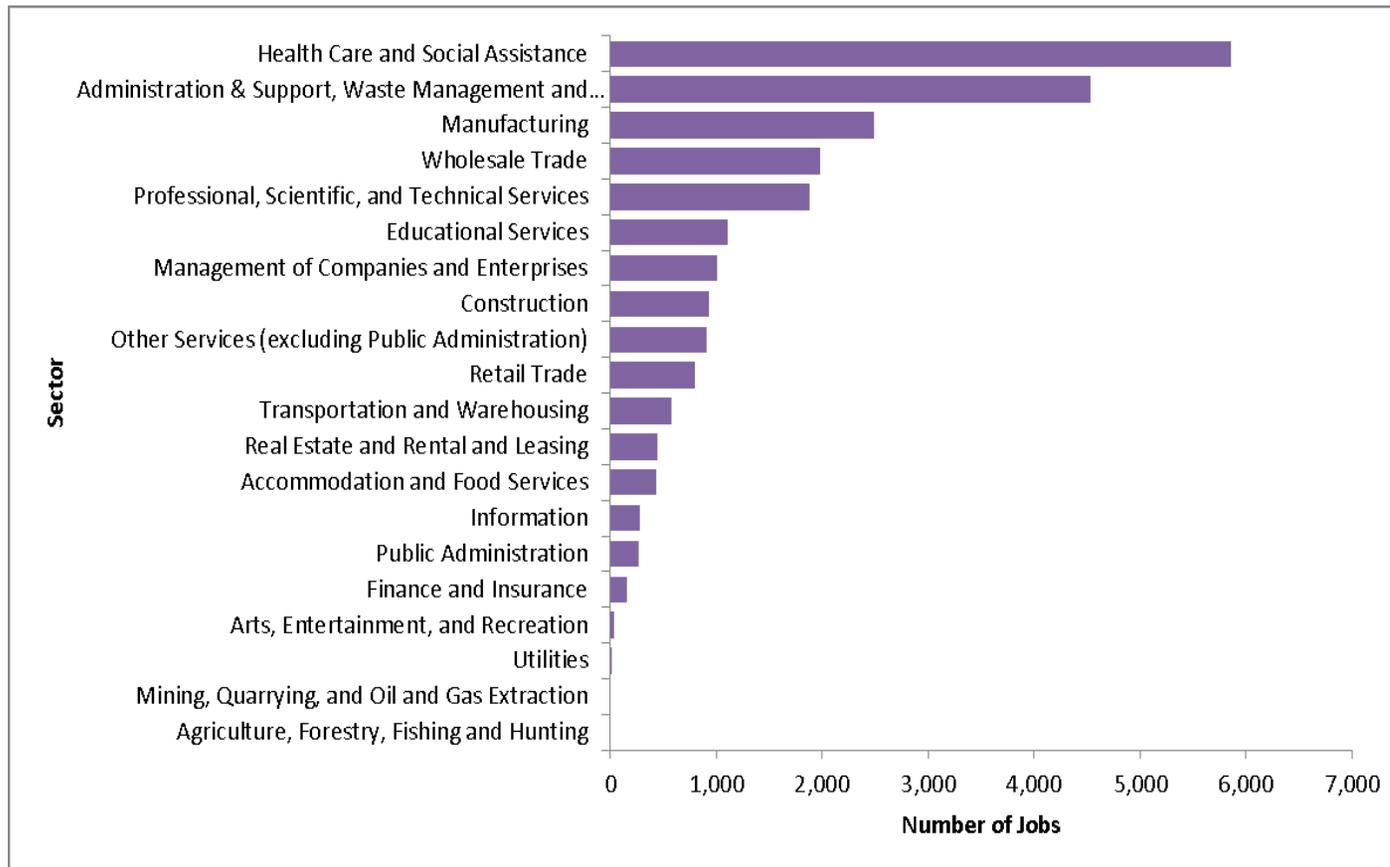


Figure 9 West Midway Jobs by Sector, 2011



While these reports focused on Minneapolis and Saint Paul, it can be argued that the West Midway Industrial Area is a microcosm in the Twin Cities industrial complex. The industrial real estate is aging, and the workforce, while skilled, has moved on to other forms of employment. Currently, health care and

social assistance is the largest West Midway employment sector (Figure 9)⁴. Undoubtedly, this can deter new industrial businesses and stunt growth from existing firms.

⁴ Source: LEDH

However, moderate improvements in the West Midway Industrial Area can lead to industry's reemergence. The building stock can still be renovated despite its age, and the workforce is readily available. A push to invigorate industry can propel the region into higher productivity and better wages.

Table 1 SWOT Analysis Summary

**STRENGTHS, WEAKNESSES,
OPPORTUNITIES, AND THREATS
(SWOT)**

In order to determine where the area should focus its resources effectively, a strengths, weaknesses, opportunities, and threats (SWOT) analysis was done. This type of analysis includes evaluating characteristics of both physical attributes and current situations in the West Midway at both the internal and external level. Strengths are positive characteristics that should be leveraged. Conversely, weaknesses are negative characteristics that should be addressed. Opportunities are factors or situations that can be used to enhance weaknesses, while threats are factors or situations that hinder growth and improvement.

Interviews and a survey were used to perform the SWOT analysis (for more information see Appendix B). Between

	Positive	Negative
Internal	<p>Strengths</p> <ul style="list-style-type: none"> ● Central location ● Easy access ● Mix of land uses ● History of industry 	<p>Weaknesses</p> <ul style="list-style-type: none"> ● Curb appeal ● Road conditions ● Safety ● Lack of active communication between property owners and city staff
External	<p>Opportunities</p> <ul style="list-style-type: none"> ● Attractive area for redevelopment and infill ● Political support and investment 	<p>Threats</p> <ul style="list-style-type: none"> ● Conversion of industrial uses to other uses ● Lack of large, modern facilities ● Ability of diverse stakeholders to form consensus on area vision

February 7th and April 23rd, 2014, interviews were conducted with city staff, non-profit community leaders, and private sector consultants in-person, over the phone, or by email. A nine question survey was used to collect information from business and property owners within the

area. The survey was created on Survey Monkey and sent to contacts given from the Saint Paul Port Authority, who provided email addresses. Of the 30 contacts with emails, eight took the online survey. An additional 17 were collected at a Midway Chamber of Commerce board meeting. Finally, 11 were collected over

Figure 10 Example of West Midway Public Transit

the phone. Of the 83 attempts at contact, 36 responded, which is a 43 percent response rate. Through these two engagement methods, strengths, weaknesses, opportunities, and threats were collected from the area's stakeholders.

STRENGTHS

Almost every stakeholder stated that “central location” and “easy access” were the area's greatest assets, which is logical since the area is between downtown Minneapolis and downtown Saint Paul and can be accessed via University Avenue, Highway 280, and Interstate 94. Public transit also adds to the area's accessibility, and 56 percent of survey respondents chose it as a strength (Figure 10). Taking transit to this area will be even easier by June 2014 when the METRO Green Line will begin rail service along University Avenue, adding to the bus routes already



serving the corridor. Metro Transit estimates weekly ridership of 45,000 to 60,000 people by the year 2030. That equates to an expanded labor pool of 900,000 potential workers within a 20 minute commute for the industrial area.

Another strength expressed by stakeholders was the mix of industrial, commercial, and residential land uses in the West Midway (44 percent). This mix allows residents to live close to work and shops. Industries are able to get supplies and business from many of their commercial neighbors. The diverse nature of users allows for easy communication. More than 47 percent of respondents said they talk to their neighbors approximately once a week. This could be helpful for future discussions on the area's future.

Lastly, respondents also frequently mentioned the history of industrial use as a strength. Maintaining industry in the West Midway over the last century shows on-going community support for industry. This support can be used to attract new industries to the area.

While not specifically mentioned in the survey, many interviewed stakeholders

mentioned the Saint Paul Port Authority as a community asset. It has strong ties to industrial businesses throughout the city and maintains contact with many West Midway businesses. The Port Authority advocates for continued industrial use and works to maintain a "zero net loss" of industrial land.

Other strengths mentioned were truck access, reasonable rents, and a strong recruiting pool due to the many local universities and colleges.

WEAKNESSES

Acknowledging that this is an industrial area, it is not surprising that "curb appeal" was the most chosen weakness (39 percent) (Figure 11). Industrial areas do not often attract visitors or customers, so industrial developers do not invest funds into landscaping, plantings, or rain gardens. However, curb appeal is desirable

Figure 11 Example of Poor Curb Appeal



for many of the neighbors surrounding these industrial uses. As aforementioned, 16 percent of the West Midway is commercial use and 11 percent is residential. These other uses are spread throughout the industrial area, and they want an attractive neighborhood for their customers and families. Acknowledging this, certain industrial businesses are taking time and funds to create a more aesthetically pleasing curb, as is evidenced by the Port Authority's Midway Business Center (Figure 12).

Road conditions were also listed as a weakness. Poor road conditions make truck and vehicle access difficult, which affects business. Many of the West Midway's roads carry heavy vehicles, which wear roads down faster than typical personal vehicles. Winter conditions also create potholes (for an example see Figure 13).

Safety, or lack thereof, can also affect business. More than 27 percent listed safety as a weakness. In one interview, a business owner admitted to feeling unsafe in the area because of the many people found loitering behind and around buildings in the evening when he closed shop. In addition, others felt there was a lack of pedestrian and bicycle safety along truck routes. Often these routes do not have sidewalks or bicycle lanes. It can be difficult for truck drivers to see these two groups of people, increasing the risk of an accident.

Finally, 31 percent of respondents listed lack of communication with city staff as an area weakness. One interviewee stated that he never knew about city projects until they were already too far along to change and that this frustrated him. Many survey respondents mentioned the METRO Green Line construction and how they felt ignored during construction. This has created a sense of mistrust for some property owners of the City.

Other weaknesses mentioned were traffic, parking, vacancies, truck access, state of sidewalks and bike trails, outdated facilities, poor snow removal, and perceived problems of doing business in Saint Paul.

Figure 12 Midway Business Center



Figure 13 Deteriorating Road Conditions in West Midway

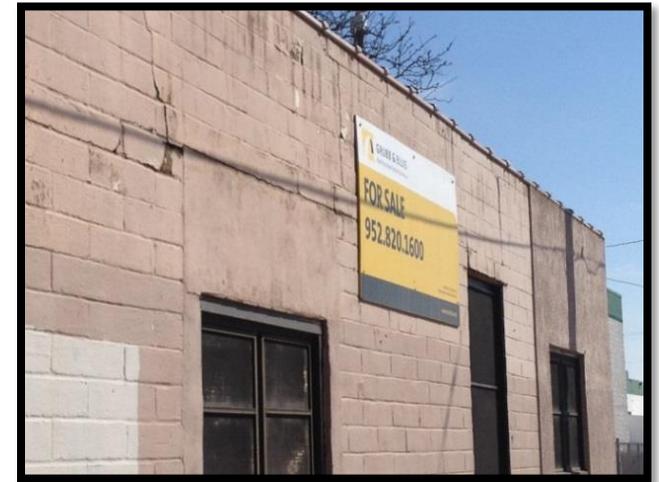


Figure 14 Opportunity for redevelopment

OPPORTUNITIES

The West Midway's biggest opportunity is the political support and investment in the area. Both the Port Authority and City have made industrial preservation a priority. This can be seen through resource allocation and policy. One recent investment is the METRO Green Line, the Twin Cities' second light rail line connecting downtown Saint Paul to downtown Minneapolis. This line will make West Midway jobs accessible to more people than before. Another example is the Port Authority's investment in its Midway and Westgate Business Centers. Between these two centers there are 2,040 jobs and \$3.2 million in property taxes⁵. In addition to resource investments, the City is using policy to support industry in the West Midway.

Currently, the City is working to add a West Midway Industrial Strategy amendment to its comprehensive plan.



⁵ Saint Paul Port Authority 2014

THREATS

The City and Port Authority are not the only parties interested in the West Midway. Developers, attracted by the METRO Green Line, are building mixed-use residential buildings along University Avenue. As noted in the Port Authority's 2012 "Industrial Strategy for the City of Saint Paul" report, there is a possibility some may want to venture into the more industrial areas of the West Midway and convert underutilized buildings into artist lofts or market rate apartments. Instead of the buildings being redeveloped for industrial use there is the threat of residential conversion.

A second threat is the demand for more modern facilities and lower taxes outside of the West Midway. Businesses, such as Aspect Automation, have already left for the suburbs where newer, modern facilities are located.

Lastly, there is a wide array of visions for this area between the area's various stakeholders. Some stakeholders believe the West Midway is successful in its current condition. Others think major investments are needed. For those in the latter, there is debate on how much is needed and how it should be done. Communication between stakeholders is needed in order to create one unified vision.

Figure 15 Example of industrial conversion to residential



CURRENT MAJOR STAKEHOLDERS

As noted above, the West Midway area has a diverse mix of land uses, and subsequently, stakeholders. The list below provides some insight into larger players in this area currently. Note: this is not a complete list, and this list can change often.

REGIONAL AND LOCAL GOVERNMENT

- **Metropolitan Council**
 - Regional policy-making body, planning agency, and provider of essential services for the seven county Twin Cities metropolitan region. This study area is within District 14, so this body's policies apply to area.
- **Ramsey County**
 - County-level governing body that has jurisdiction over the study area. This area is in District 3 and District 4.
- **City of Saint Paul**
 - Local government body that has jurisdiction over the study area. This study region is within Ward 4.
- **Saint Paul Port Authority**
 - Non-profit government agency established by the Minnesota legislature in 1929 to manage the Saint Paul Harbor. It now engages in economic development throughout the city. It has two business centers in the area: Midway and Westgate.
- **Capitol Region Watershed District**
 - Created in 1998 by the Board of Water and Soil Resources, this special purpose local government unit manages and protects parts of the Mississippi River Basin, along with the District's wetlands, creeks, and lakes that drain to the river. This body is interested in the area's storm water management.
- **Minnesota Department of Transportation (MnDOT)**
 - Created in 1976 by the Minnesota Legislature, MnDOT develops and implements policies, plans and programs for aeronautics, highways, motor carriers, ports, public transit, and railroads. This body has jurisdiction over some of the transportation right-of-way in the area.
- **Metro Transit**
 - Operating division of the Metropolitan Council. This agency provides public transit to the seven county metro area. Currently, Metro Transit provides service to the West Midway via Routes 3, 16, 50, and starting June 14, 2014 the METRO Green Line.

NON-PROFITS

- **Hamline-Midway, Como, and St. Anthony Park District Councils**
 - Neighborhood organizations that ensure community participation in the city's planning and decision-making processes.
- **Catholic Charities**
 - Religiously-affiliated nonprofit that works to solve poverty, create opportunity, and advocate for justice in the community. It has a housing facility for addicts in the West Midway.
- **University UNITED**
 - Coalition of Midway residents and businesses that work on economic development along University Avenue.
- **Creative Enterprise Zone**
 - Organization whose goal is to be a recognized center of creativity and enterprise that supports those making a living through their creative capacities.

PRIVATE SECTOR

- **Industrial Businesses**
 - Primarily processed food, metal manufacturing, and distribution service businesses that provide the majority of jobs in the area. Examples of large employers include Burlington Northern Santa Fe (BNSF), Protatek International, and Sewall Gear.
- **Commercial and Retail Businesses**
 - Privately-run entities that provide goods to customers. Many are located along University Avenue.
- **Midway Chamber of Commerce**
 - Organization representing business and property interests in Saint Paul's Midway area. There are over 320 member businesses.

INSTITUTIONS

- **University of Minnesota**
 - With 52,557 students, it is the largest university in Minnesota. It provides a large, educated workforce for the West Midway.



LITERATURE REVIEW AND CASE STUDIES

Minneapolis' Downtown Improvement District

WHAT IS A BUSINESS IMPROVEMENT DISTRICT?

A Business Improvement District (BID) is a hybrid organization that is responsible for performing tasks and projects defined by its member businesses. As Hoyt (2003) explains, “BIDs represent a cooperative, bottom-up, flexible mechanism for responding to local needs”⁶. While a BID closely resembles a private enterprise, it is also a governmental organization, as it requires a public process in its formation and uses a public entity for collection and redistribution of user fees. This explains the hybrid term used in the above

⁶ Hoyt, L. (2003). “The business improvement district: An internationally diffused approach to revitalization”. *Department of Urban Studies, Massachusetts Institute of Technology*. Retrieved from:http://www.lorlenehoyt.com/yahoo_site_admin/assets/docs/Hoyt_IDA.325174429.pdf.

definition⁷. In essence, a BID is a Public and Private Partnership (PPP)⁸ that is set up and controlled by a non-profit board and is tasked to perform one or more basic functions. Those basic functions may include marketing services, policy advocacy, maintenance and the physical environment, capital improvements, public space regulation, security, economic development, parking, and social services⁸.

While the term BID is used as the primary acronym throughout the course of this report, there are many other terms that

⁷ Becker, C. (2012), Democratic Accountability and Business Improvement Districts. *Public Performance and Management Review*, Vol. 36:2, pp. 187-202.

⁸ Mitchell, J. (2001), “Business Improvement Districts and the ‘New’ Revitalization of Downtown”. *Economic Development Quarterly*, 15:115.

Los Angeles’ Central City East Association

In Los Angeles, the Central City East Association (CCEA) was started in 1985 to be an advocate for downtown industrial businesses. Since then it has grown into an organization with over 1,000 property owners and 1,200 businesses. CCEA is tasked with providing multiple cleaning services and for providing safety and security for the region. In 2009, the CCEA was approved for another five year term by a resounding 83 percent approval.

carry identical or similar definitions. These alternative terms include self-supported municipal improvement districts, special improvement districts, special business districts, public improvement districts, economic improvement districts, and even parking and business associations⁸. The term Special Service District (SSD) is used in the state of Minnesota to describe such an organization.

The services that are provided by the BID are decided by its members and may change from year to year. The funding to perform those services comes from assessments to all of the businesses within the BID's geographic boundaries. The assessments are above and beyond any taxes that the businesses already pay to their state and local governments. During the BID formation process, the amount charged is determined using different calculations to appropriately distribute fees. Some methods may be based on property size, street frontage, or various other formulas. The assessment funds are collected by the local government but are then passed on to the non-profit board⁹. However, in many cases, the governing board of the BID must submit some sort of

⁹ Mallett, W.J. (1994) Managing the post-industrial city: business improvement districts in the United States. Area 26.3, 276–87.

report (i.e. financial report, performance information, budgets, etc.) to the local government¹⁰.

MINNESOTA STATE STATUTES

Although forms of Special Service Districts (SSDs) have been present in the state since the early 1980s, the State of Minnesota adopted official legislation allowing for the implementation for SSDs in 1996¹¹. The statute gave cities the legal authority to grant approval for SSDs without requiring special legislation. This legislation also provided localities the framework for the proper public process that accompanies a SSD formation. The statute also provides procedure for the

¹⁰ Caruso, G., & Weber, R. (2006). "Getting the max for the tax: An examination of BID performance standards". *International Journal of Public Administration*, 29(1-3), 187-219.

¹¹ Minn. Stat. 428A

Milwaukee's Industrial Corridor Corporation (ICC)

In Milwaukee, there are a number of operating BIDs. One in particular is the 30th Street Industrial Corridor Corporation (ICC). The ICC began in 1989 as a vision by the local business community to address job and business losses in the area. By 1991, the ICC was officially a non-profit organization that worked at addressing business and job retention.

In 2005, the organization was expanded to become a BID, and in 2008 adopted the tagline, "Industrial roots - Progressive Future". At present, the ICC is involved not only in various beautification projects but has also grown enough that they are able to offer small grants, assist member companies secure loans for expansion and/or equipment, offer workforce recruitment, assist members with transportation issues, and help in environmental projects. Moreover, the ICC has helped develop members' employee handbooks and brought guest speakers in for educational and training purposes.

SSD establishment, SSD boundary enlargement, and property owner veto powers. This legislation affords the SSD-granting city the opportunity to form an advisory board to “advise the governing body in connection with the construction, maintenance, and operation of special services in a district”¹².

PROS

Compared to the relatively slow speed of services provided by state and local government, a BID can provide services in a more expeditious way⁷. For example, in order to complete a road rehabilitation project, a city must first acknowledge the need via a long-range plan, usually via a Capital Improvement Fund. Once sufficient funds are raised, the City is obligated to go through an extensive bidding processing.

¹² Minn. Stat. 428A.07

Since a BID is not a public entity, the bidding procedure can essentially be eliminated, and the contract can be awarded immediately once sufficient funds are available. In addition to the expediency advantage, state and local governments provide services such as road repair, storm water abatement, and sidewalk repair, yet they cannot offer the other services that a BID can provide such

Eastchester (Bronx, NY) BID

The city of Eastchester in the Bronx, New York has begun to lay the groundwork for a BID. Supported by the New York City Economic Development Corporation, this new BID would cover roughly a 15 block area that includes about 50 businesses. While some businesses are not in support of the BID, a majority are behind it saying that they want the green infrastructure improvements and marketing functions. They feel these efforts will help to stem the decline of manufacturing in their neighborhood and will position their businesses for the return of manufacturing jobs.

as marketing or landscape beautification, etc. This allows the BID members to choose from any number of projects that will help promote and revitalize the area.

In terms of revitalization, any given business can invest in such things as singular “curb appeal” beautification efforts. While this improves the look of their business it does not help their neighboring businesses. With a BID, projects such as landscape beautification will benefit all BID members, thus improving the look of the entire area, not just that of one business. This emphasizes the strength in numbers appeal of a BID¹³.

There are many other viable functions of a BID, apart from landscape projects.

¹³ Cook, P. & MacDonald, J. (2011). “Public safety through private action: an economic assessment of BIDs. *The Economic Journal*. 121, 445-462.

Projects can include adding security to make the area safer, providing social services such as job placement and training, and marketing. All of these services are an effort to create a more sustainable and successful business area¹³. In Los Angeles, there are BID regions that use their resources solely for security. In these areas, it has been proven that the increased private sector security, working in conjunction with local law enforcement, has helped lower crime. The payoff for decreased crime far outweighs the cost of the BID fees¹³.

CONS

Evidence shows that targeted efforts to improve economically depressed areas do not always improve underemployment, poor housing, and crime rates¹⁴. These

¹⁴ Page 21: Boarnet and Bogart, 1996 - Enterprise Zone and Employment: Evidence from New Jersey.

discrepancies can generally be attributed to research methodology. Some research has also shown that the size of the BID area, both economically and geographically, can affect the outcome of the BID¹³. There is also research that suggests, in regard to crime, there is a spillover effect, meaning that the crime rate in the BID region will decrease, but the crime rates in the areas outside of the BID will actually increase¹⁵. At present, there is no research supporting this spillover effect, but it should be looked into further.

The breakup of a BID can be a messy ordeal, as evidenced by the case study of

Journal of Urban Economics, 1996, Vol.40(2), pp.198-215.

¹⁵ Hoyt, L. (2005). "Do business improvement districts make a difference? Crime in and around commercial areas in Philadelphia". *Journal of Planning*, 25:185.

BID Disbanded: LA's Arts District BID

In downtown Los Angeles, the Arts District Business Improvement District (ADBID) was forced to disband by the end of July, 2013. This ruling came from an argument about the meaning of "special benefits" to certain BID members. California State law states that cities can use assessments to pay for services for those that pay the assessment. In this case, the BID was using assessment funds to run marketing campaigns in an effort to attract outside investors for the purpose of economic development. According to the state law, this constitutes a benefit for more than the BID area members; therefore, the economic development efforts were not legal. When the ADBID was disbanded, a total of 19 BID employees were laid off and all assessments were ceased. As of January, 2014, there were two neighboring BIDs that were attempting to annex the former ADBID region.

the Los Angeles Arts District BID. In this situation; a property owner, who was not properly consulted during the BID formation process, brought legal action against the organization because he felt the BID funds were being used to benefit

non-BID members. The Los Angeles Supreme Court initially determined that the BID must be disbanded¹⁶. After the BID was disbanded, the organizers began to restart the BID process, only to be met with further opposition and resistance¹⁷. While the potential breakup of a BID should not necessarily be a strong reason to not earnestly pursue one, the ramifications of such a negative result should be noted.

¹⁶ Vaillancourt, R. (2013). “Judge orders arts district BID to dissolve”. *LA Downtown News*. Retrieved from: http://www.ladowntownnews.com/news/judge-orders-arts-district-bid-to-dissolve/article_f2c64522-be46-11e2-a811-001a4bcf887a.html

¹⁷ Evans, S. (2014). “Battle for the arts district BID continues”. *LA Downtown News*. Retrieved from: http://m.ladowntownnews.com/news/battle-for-the-arts-district-bid-continues/article_fe627aec-7fd2-11e3-be56-0019bb2963f4.html?mode=jqm

IMPLEMENTATION

While the high level view of a BID seems logical and has proven to be effective in offering certain services to BID members, it must also be said that the implementation is critical. A clear set of objectives, goals, and projects must be clearly defined¹⁸. To tie in with a clear scope, it is also highly important to have a BID director that has an entrepreneurial business spirit¹⁹. This manager must have an innovative management style that

¹⁸ MacDonald, et al. (2010). “The role of community context in business revitalization strategies”. *Public Performance and Management Review*. Vol. 33 (3), pp. 436-458

¹⁹ Grossman, S.A. (2008). “The case of business improvement districts: Special district public-private cooperation in community revitalization. *Public Performance and Management Review*, Vol. 32:2, pp. 290-308.

Philadelphia’s Urban Industrial Initiative (UII)

In Philadelphia, the Urban Industrial Initiative (UII) was created in an effort to retain urban manufacturing. Initially established from a grant from the Pew Charitable Trust, the UII was successful in housing development and social services delivery. While these efforts were by and large successful, the neighborhoods were still in a state of decline. Tasked with finding a new and unique way to stop the decline, the UII developed a job ready program aimed at teaching people basic skills necessary to work in an industrial setting. Participants receive a certificate upon completion from the Community Colleges of Philadelphia in conjunction with the Manufacturing Alliance of Philadelphia. This program has been successful in providing living wage jobs for the community and has helped stop neighborhood decline

allows the BID to bridge the public and private realms with ease.

BID governance is done through a board of directors that is comprised of local business owners, members of local government, and other stakeholders. The BID itself can claim federal non-profit status, yet can function more like a public service entity⁷.



VISION

A vision is needed to provide guidance to West Midway stakeholders. This is important for the area due to the diverse set of stakeholders. During vision formation, it is vital to conceive a vision that is concise, non-specific, and most importantly, forward-thinking. Keeping these priorities in mind, the West Midway vision will revolve around three key ideas: Collaboration, Community Benefit, and Flexibility. This report uses a fictional Saint Paul Business Magazine article to describe the West Midway's possible future.

COLLABORATION

Simply put, collaboration is the action of working effectively with other actors in order to produce a beneficial outcome. As there are many actors and participants involved in the West Midway Area's future, the idea of collaboration must be an important ideal to bear in mind. Positive relationships between city

May 30, 2030

St. Paul Business Magazine

West Midway 2030: An integrated, accessible, sustainable, and collaborative economic center



Since early in the 20th century, the West Midway area of Saint Paul has been an important industrial hub and a regional job supplier. However in 2016, several landowners and business owners in the area recognized that a regional "facelift" was required in order to maintain its placement on the St. Paul economic hierarchy. "As a whole, the West Midway region stayed true to its industrial roots, but small changes were needed in order to improve our situation," says longtime business owner Ned Larkin. Larkin played a key role in forming a Business Improvement District, or BID, in the West Midway. He

gathered support for the BID by explaining the community benefits that could be had under the umbrella of a BID. Larkin states, "The idea was met with skepticism at first, which is understandable. I mean, who wants to pay more? However, I think that the turning point for my neighbors was when they started seeing the positive effects of the BID, mainly on their bottom line."

After a formation process of two years, the first BID in Saint Paul began on May 1st, 2016 as 20 property owners banded together. Education on the benefits and flexibility of a BID was the key that brought these businesses together. Twenty years later and there are now four BIDs in the West Midway, each with a different governing board, goals, and objectives. "The simple beauty of the West Midway area is the small, nimble BIDs," says Saint Paul Chamber of Commerce spokesman Marissa Yelich. "The BIDs are able to react quickly to changes and as a whole, the West Midway area benefits as well."

The West Midway Industrial District looked drastically different in 2014 than it currently does. The property owners in the area often experienced streets in disrepair, disjointed pedestrian movements, and other infrastructure challenges. These problems were exacerbated by the general lack of communication in the area between all parties.

However, since the adoption of the BIDs, improved communication has been the most useful and utilized tool in the BID toolbox. Improved communication between business owners has resulted in many minute changes that have improved community appeal. In order to motivate city officials to improve road conditions in the region, a lobbyist was hired and paid for using BID funds for several years to advocate on the area's behalf. The BID board has lead several good-will discussions with the residential areas near the industrial, which has soothed tensions.

government and business leaders, residential and industrial landowners, and many others must be formed and continued with cooperation and empathy. Communication between stakeholders is essential. Without a spirit of collaboration,

BID formation is impossible, as are other forms of group action.

COMMUNITY BENEFIT

Closely tied to collaboration is the notion of community benefit. The guiding rationale behind this concept is the economic principle of externalities, both positive and negative. For example, if one business owner forgoes building maintenance, the value of the building will decrease but so, too, does the value of the surrounding buildings. In contrast, if a block of commercial businesses is perceived to be clean and safe, shoppers are more likely to spend their money in that area. If the West Midway Area at-large grows in significance, each individual member in the area will benefit as well.

FLEXIBILITY

Defined as the ability of an object to morph or change easily, flexibility is an important part of the overall vision going forward. It is beneficial for West Midway

St. Paul Business Magazine

May 30, 2030

West Midway 2030, cont.

Not all industrial businesses are encompassed into the BIDs that occupy Saint Paul's western border. However, the spirit of collaboration has become a fixture since the inception of the first BID. More individual property owners are reaching across the fence to their neighbors in an effort to better their environment. "Once I began talking with our residential neighbors," states Mick Tassle, a local business owner not in a BID, "I was able to change some things and in return, the residential community made some changes that I requested. It was the definition of a win-win. Industrial business owners came together to bring needed improvements to the West Midway, but they were not the only group to see the BID's benefits."

Truckers: Truckers have been able to use the BID's one employee to address truck routes through the city. After years of study and discussion, new truck routes are in place that do not conflict with residents.

Artisans: Artisans benefited from the BID's ability to improve curb appeal and marketing. Many commented that their businesses saw increased revenue because customers were aware of them and felt welcome in what had formerly been a cold and mysterious industrial area. Artisans and industrial owners alike also benefited from the new stormwater management tools through increased maintenance savings.

Working Adults: The West Midway's industrial and commercial workers have better access to their jobs than ever before. They can walk, bike, drive, or take public transit. The improved lighting also helps workers who work later shifts. The BID also provides opportunities to learn new skills at its resource center.

Homeowners: Due to the BID's ability to create buffers between industry and houses, homeowners have seen increased property values. The City has spent fewer tax dollars on administrative work because there are fewer complaints

Elderly Residents: Senior residents are happy to see the BID address needed street improvements, especially to pedestrian infrastructure. Sidewalk connections to major streets, such as University Avenue, allow older residents to have the independence of moving around without having to rely on others. Lastly, increased lighting has also allowed seniors to have a greater sense of safety in their neighborhood during their evening strolls.

Bicyclists: Like the truckers, bicyclists used the BID's employee to advocate for increased bicycle infrastructure in the West Midway. After building support from residents and businesses, the BID employee was able to demonstrate the need, and the City provided a number of new bike lanes and bike parking.



actors to be able to react quickly and effectively to changes in market, political realm, or other various arenas.

Using these three key ideas, the West Midway Industrial Area will be an integrated, accessible, sustainable, collaborative economic center for the City

of Saint Paul. The area will become a destination for people to work, play, and live within this diverse community. The area has many assets that are important to sustain and enhance as years go on; a BID is a possible way to attain this vision.



ACTION PLAN

Figure 16: Action Plan Timeline

		Year 1												Year 2											
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
Short Term	Start a Exploratory Task Force																								
	Gather Start- Up Funds for Administrator																								
	Identifying Stakeholders																								
	Task Force Community Engagements																								
Long Term	Hire a Consulant																								
	Define Boundaries																								
	Identify Specific BID Services																								
	Revenue Formula and Development of Budget																								
	Gather Momentum and Public Buy- In																								
	Create a Management Board																								
	City Recognition																								

Based on survey and interview results, a West Midway BID is recommended. This is due to a number of reasons. First, interviewees and survey respondents indicated that this area needs more investment in addition to what the City is currently providing. Second, there is active communication amongst neighbors; 42 percent of survey respondents said they are willing to pay to make, improvements. In addition, 50 percent said they would be willing to pay if they

knew their neighbors were contributing as well. Third, numerous interviewees also expressed interest in implementing a BID for the area. They agreed that a successful BID has the possibility to bring about positive changes to the area. Finally, and most importantly, a BID is the most effective way of bringing together the key ideas of collaboration, community benefit, and flexibility needed to continue the strong history of an industrial hub for Saint Paul’s West Midway. Acknowledging these

facts, this group recommends launching a BID exploratory task force to start the neighborhood-level conversations that can build the foundational support needed to start a West Midway Industrial Area BID. If this group finds support then the group can start the BID process. An long range timeline is show in the figure above (Figure 16).

SHORT TERM GOALS: FURTHER EXPLORATION INTO A WEST MIDWAY BID

1. START AN EXPLORATORY TASK FORCE

Months One to Three

Being an area leader and business community organizer, the Midway Chamber of Commerce should continue the BID feasibility process by recruiting a group of local BID-supporting property owners to become a BID exploratory task force. This research group has a list of supporters to which the Chamber could engage. According to Dr. Becker and David Feehan, a BID needs to be built by those who will benefit from it; it cannot be a top-down process. It is recommended that the Chamber continue to conduct surveys and interviews of local property owners that this group was unable to connect with

in order to find additional BID supporters. These individuals should then be recruited to join the exploratory task force. The task force will have the knowledge and the resolve to become the driving force behind BID implementation. The task force will also be responsible for representing their area of the West Midway, maintaining active communication among neighbors, and advocating for a BID for their section of the West Midway.

2. GATHER START-UP FUNDS FOR ADMINISTRATOR

Months Four to Six

Once the Chamber recruits 4-5 initial task force members, it will need to find an administrator for the group. Depending on the Chamber's resources, it could use one of its staff members or it could consider a new hire. This person would schedule meetings, communicate with members,

mail information, and maintain files. To find an effective person for this role, startup funds will be required. According to Dr. Becker, task forces may need up to \$30,000 for a year's worth of work, but this number can be lowered depending on what the task force feels it needs. It is recommended that the Chamber look to the City of Saint Paul for guidance on how to obtain funding, such as a grant from the McKnight Foundation. If the Chamber is unable to assist in this endeavor, a task force member would have to volunteer to write the grant.

3. IDENTIFY STAKEHOLDERS

Months Four to Six

One challenge facing West Midway BID implementation is creating buy-in and finding a champion among area stakeholders. There is a strong set of key stakeholders that need to support a BID in order for it to be implemented. These

stakeholders have the most power and interest with a West Midway BID. The following is a list of key stakeholders who have an interest in the West Midway and the power to make a BID happen.

First, the **Saint Paul Chamber of Commerce** would have interest but is not highly invested in developing a BID for the West Midway. Their focus lies in the overall business climate in Saint Paul, as opposed to a specific area. They are important should the West Midway decide they want a BID because the Saint Paul Chamber could be a strong champion.

An organization that would have more interest in a West Midway BID would be the **Midway Chamber of Commerce**. This body has a lot of pull with industrial businesses in the area. If they act as a champion for the area that would greatly improve BID implementation. The Chamber represents area business

interests as well as the area's image. They have great connections to the property owners and active members in the community. As they become educated on how a BID would work for the area, as well as the costs and benefits, they can become a strong advocate.

The **industrial landowners** have the power to create a BID because they hold the largest percent of the land in the area. There needs to be support by the industrial landowners because they will be paying the largest proportion of BID assessments. They also have a lot to gain by being part of a BID, such as increased security, curb appeal, and improved road conditions. Industrial landowners will need to become active for a BID to be developed.

Additionally, **commercial landowners** are important stakeholders and would participate in the BID. They are a key BID

funding source, so they must be on-board. Commercial landowners must be on board because they are the people who will be funding the BID. There is limited commercial space in the West Midway due to the great diversity of land uses, which makes their support that much more important.

The **Creative Enterprise Zone** is a West Midway non-profit. They are key a player because they are currently researching and looking at BID implementation feasibility in the West Midway but primarily along the commercial strips adjacent to the METRO Green Line. They have knowledge of the area and would be an active partner for the area. The potential for collaboration is high.

Furthermore, the area's **District Councils**, which include St. Anthony Park, Como, and Hamline Midway, represent residents' interests, and residents have a vested

interest in how this area redevelops. It was also stated in various interviews that the City listens to the District Councils, which gives them influencing power.

City council members can act as a strong advocate for a West Midway BID. They will be listening to what residents and property owners have to say about BIDs, and if there is support, council members can become a political champion.

To add, the **City of Saint Paul** has a high interest in seeing the continuation of industrial use in the West Midway and have expressed that they see a BID as a feasible tactic for rejuvenating the area. Although there are currently no BIDs in the City of Saint Paul, the emergence of BIDs throughout Minnesota suggests that a BID may soon become reality in the city.

The **Saint Paul Port Authority** also has a high degree of interest in the West Midway Industrial Area. They have a lot of

connections with industrial businesses, and they want to continue to see them succeed and prosper. They would be able to help in the BID education process.

The **Capitol Region Watershed District** is an important stakeholder because of the immense power that Minnesota legislation entitles it pertaining to water resource protection. From a project planning standpoint, no project can move forward without approval from the affected watershed. However, our group anticipates that the watershed district will not negatively affect the implementation of a BID unless a large amount of pervious surface is converted into impervious or if surface water runoff is substantially modified.

Metro Transit and **MnDOT** are also key area stakeholders. Both are interested in continuing the area's easy accessibility, whether that is via transit, auto, truck,

bike, or foot. They need to be informed and should be included as a partner.

This is not a complete list of stakeholders. As more education happens for the area more stakeholders will appear, and key players will join to help implement a BID. This list highlights known players, and they will be the key to finding additional supporters.

4. ENGAGE COMMUNITY

Ongoing

Initially, the task force members will be responsible for reaching out to their West Midway property owner neighbors to conduct interviews and BID education. BIDs are not well known in this area. Our survey found that 78 percent of people who took the survey had either no knowledge of BIDs or have only heard about them. The interviews by the task force are necessary to develop a stronger

understanding of the attitude toward BIDs. It will also gauge who will vote to support a BID when the time comes. With this clearer picture, the task force will be able to develop a training program that can not only teach current and future BID members but can also aid in bringing property owners into the group that might otherwise be on the fence about joining. The task force should meet monthly to give progress reports and determine next steps.

The task force will develop a list of property owners divided up into set geographic areas and begin a canvassing campaign. This campaign will include surveys and interviews. The task force could also host educational events that provide BID information to interested property owners. The Chamber could help by providing meeting space, information, and marketing support.

Once there is sufficient buy-in from area property owners, the task force can start the BID process. While this happens they will be the first point of contact for the businesses with questions and/or concerns.

Gathering momentum:

- Educational flyers
- Monthly meetings
- Community events
- Interviews with property owners
- Marketing material

LONG TERM: IMPLEMENT A BID BY 2020

The exploratory task force will engage property owners and see if there is a significant amount of property owners willing to pay for needed improvements. If they find that there is a large contingency willing to pay, the long term steps are to define the BID's boundary, identify the BID's services and budget, and elect a management board. The BID will start as soon as 60 percent of the district's property owners vote in favor of it. While the report lists dates, they really are unknown. The process cannot start until adequate support has been gathered.

1. HIRE A CONSULTANT

Month 13

If the task force recommends proceeding with BID implementation, funds should be

dedicated to hire a consultant. The consultant would be in charge of leading the actions to put the BID into action. People such as Carol Becker and Sarah Harris have a lot of knowledge and experience in implementing BIDs in Minnesota.

2. DEFINE BOUNDARIES

Months 14 to 16

As identified through the literature review and discussions with professionals involved with BID implementation, a large part of whether or not a BID is successful is the definition of the district’s geographic boundary. If a proposed BID is too large, the flexibility and responsiveness advantages of the BID are effectively nullified. Large BIDs are accountable to numerous stakeholders, and there may be difficulty in developing a coherent agenda. If a proposed BID is too small, the amount of funds raised may not be sufficient for

large-scale infrastructure projects. In addition, the proportional administrative fees required may be very high, which may not be feasible for BID property owners.

Equally important for the successful BID creation is district’s placement. In considering a proper location, it is imperative to choose an area in which the property owners are most likely to be in favor of a BID. The short-term goals listed above are designed to gather reliable implementation attitudes and will serve to give the task force an idea of which property owners are in favor of a BID.

3. IDENTIFY SPECIFIC BID SERVICES

Months 14 to 17

Throughout the short-term phase property owners will voice the needs of the West Midway Industrial Area. During this BID creation step, a formal list of services shall

- Garbage collection
- Litter pick- up
- Safety services (e.g. bike or vehicle patrol, like Central City East in Los Angeles)
- Employee development trainings
- Cleaning building fronts and sidewalks, along with graffiti removal
- Improving street scape with plantings/ trees/ sidewalks
- Staff at City Hall advocating for member priorities
- Snow removal
- Marketing and branding
- Brownfield cleanup
- Road repairs
- Rain garden creation
- Creation of buffer zones between differing land uses

be generated using the knowledge gleaned from the previous public input. For a hypothetical West Midway service package, let’s assume the services requested are street maintenance (to include street cleaning, general beautification, and snowplowing), and security. For a more comprehensive list, see Figure 17.

4. DEVELOP REVENUE FORMULA AND BUDGET

Months 16 to 18

In order to properly calculate an assessment formula, a budget must first be created. A sample first year budget can be found in Table 2.

At this point, the task force should discuss and define the calculations on which the service charge should be based, with the goal being to define a formula to where the assessment paid is roughly proportional to the services received. A common, viable assessment formula includes the assessed valuation. The other factor of the service charge calculation is the amount that will be assessed to the property. This factor will be largely based on the amount of capital that the services require in order to be provided. For ease of applicability, let's use the assessed valuation formula.

Table 2 Sample One Year Draft Budget

Sample Year One Draft Budget ¹	
	Cost
Services	
Sanitation and Maintenance ²	\$114,000
Security	\$60,000
General and Administrative³	\$78,200
Contingency	\$20,000
TOTAL	\$272,200

1. Adapted from Chicago District 26 SSA Plan
2. Costs include street cleaning, general beautification, and snowplowing.
3. Costs include staff salary, rent, telephone, printing, postage, office supplies, legal, and bank charges.

Proposed Assessment Formula

[Proposed Budget Total] / [Total Estimated Market Value of All Properties BID] = Fee Rate

Example Assessment Formula

\$272,200 / 80,000,000 = .34% Fee Rate

Sample Business EMV= 250,000 * .34% = \$850.63

5. GATHERING MOMENTUM AND PUBLIC BUY-IN

Ongoing

Once a geographic area is decided, it is imperative to gather buy-in from the affected property owners. If the short-term goals (listed above) are followed, gaining consensus easily will be achieved. The group recommends that before an official petition is submitted to the City that a final public input is done to further educate the public on a BID's positive effect. This public input effort also serves to smooth final concerns and to generate positive momentum for implementation. This should take about six months to gather buy-in and to sign petitions to from the property owners.

6. CREATE A MANAGEMENT BOARD

Months 17 to 20

Prior to petition submittal, it is recommended that a management board be established. Although there are many ways to establish a management board, the following is recommended. First, the management board shall consist of a wide variety of business and property owners. This is to ensure that a wide range of views and perspectives are included in the BID's decisions. Second, terms of board members are finite and clearly stated. The object behind this is to ensure continued buy-in from business owners. Third, the board shall follow a group hierarchy that features defined roles. A common group setup is to have a president, a vice-president, a secretary, a treasurer, and at-large members. The specific duties of each role should be established at the onset of the board creation. Once the petitions

are signed, the board should pass them onto the City of Saint Paul. Then two public hearing will be held: the first is to establish the boundaries and the second is to approve the first year budget.

7. CITY RECOGNITION (LAWS)

Months 12 to 24

In the state of Minnesota, the creation of a BID, or special service district (SSD), requires a petition to the governing city, in this instance the City of Saint Paul. Twenty-five percent or more of the property owners in the proposed district must approve the petition. Once an appropriate petition has been received by the City, an ordinance is then prepared by the City, which describes the specific, legal

boundary of the district as well as services provided²⁰.

As is true with the adoption of any proposed ordinance, a public hearing must be held and all business owners in the proposed SSD must be notified of the public hearing, and the notice must include amount of service charges and the proposed services²⁰. The effective date of the SSD must be at least 45 days after the public hearing is held and the geographic boundary of the SSD may be enlarged following the hearing.

Property owners who object to their inclusion into the SSD may either present their case at the public hearing or they may provide written testimony. The City

may agree immediately, which excludes the property owner or may disagree with the testimony for exclusion²⁰. If the City does not agree, the property owner has 30 days to appeal to district court. If 35 percent or more of property owners of the land area oppose, the proposed BID district is effectively vetoed²⁰. If the 35 percent is not reached, the BID is enacted.

Figure 18 Example of a Public Hearing



²⁰ Dyson, D. & Baker, K. (2005). "City special service districts". *Information Brief for Minnesota House of Representatives*. Retrieved from: <http://www.house.leg.state.mn.us/hrd/pubs/cityssd.pdf>. Accessed April 2014.

CLOSING REMARKS

The West Midway Industrial Area is a unique and important place within the City of Saint Paul. For more than a century it has been the city's industrial hub due to its central location and easy access. These strengths have also attracted commercial and residential uses, who have also called this area home. Over time, though, the area has aged and has lost some of its competitive edge to newer suburban locations. To add, many property and business owners bring attention to the lack of curb appeal, poor road conditions, unsafe conditions, and insufficient communication with the City. These weaknesses have recently become more prevalent with the 2008 recession and the METRO Green Line construction.

Through interviews and a survey of area stakeholders, it became clear that many agreed this area needs increased

investment. A business improvement district appears to be a strong fit for addressing the area's challenges. A BID is able to provide the West Midway with a number of new services, above and beyond what the City currently supplies, while also preserving the property owners' independence through a management board. Examples of possible services include street plantings, additional lighting, facade improvements, litter removal, snow removal, and job training courses, security, and, rain garden creation (Figure 19).

Following the short term and long term plans set forth in this report will help start BID implementation. However, there are the key philosophical ideas of collaboration, flexibility, and community benefit that are paramount for success. These are the key motivators behind the plan that will determine success or failure.

Figure 19 Examples of Rain Gardens

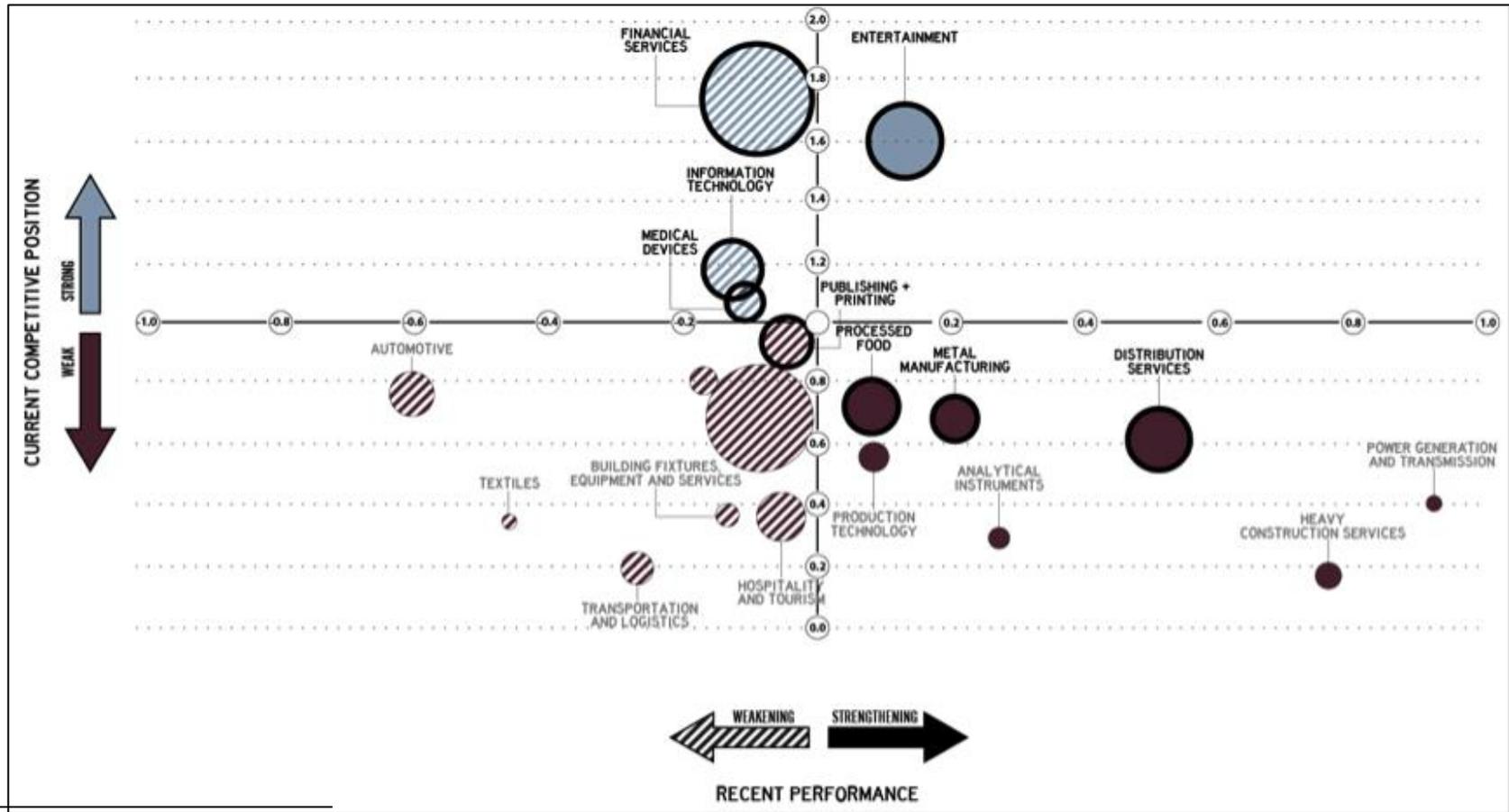


APPENDIX A

Below is a graphical representation²¹ of the placement of different regional industries based on their comparable competitiveness to national averages. Industries below the

horizontal line have a lower concentration of businesses when compared to the US as a whole thus giving them a weak competitive position. However, as industries move to the right of the vertical line they are improving in their share of the employment for that

industry. Improving the competitive position of these industrial clusters will drive them above the horizontal line into the "sweet spot".



²¹ Saint Paul Port Authority

APPENDIX B

In order to efficiently gather West Midway business and property owner insight, a nine question survey was administered via Survey Monkey from March 25 through April 17, 2014. The survey asked for business information, neighbor communication levels, thoughts on area strengths and weaknesses, willingness to pay for improvements, and knowledge level of BIDs. The survey was emailed to business contacts provided by the Saint Paul Port Authority. For businesses without a listed email, phone calls were made. Of the 30 contacts with emails, eight took the online survey. An additional 17 were collected at a Midway Chamber of Commerce board meeting on Friday, March 21. Finally, 11 were collected over the phone. Of the 83 attempts at contact, 36 responded, which is a 43 percent response rate.

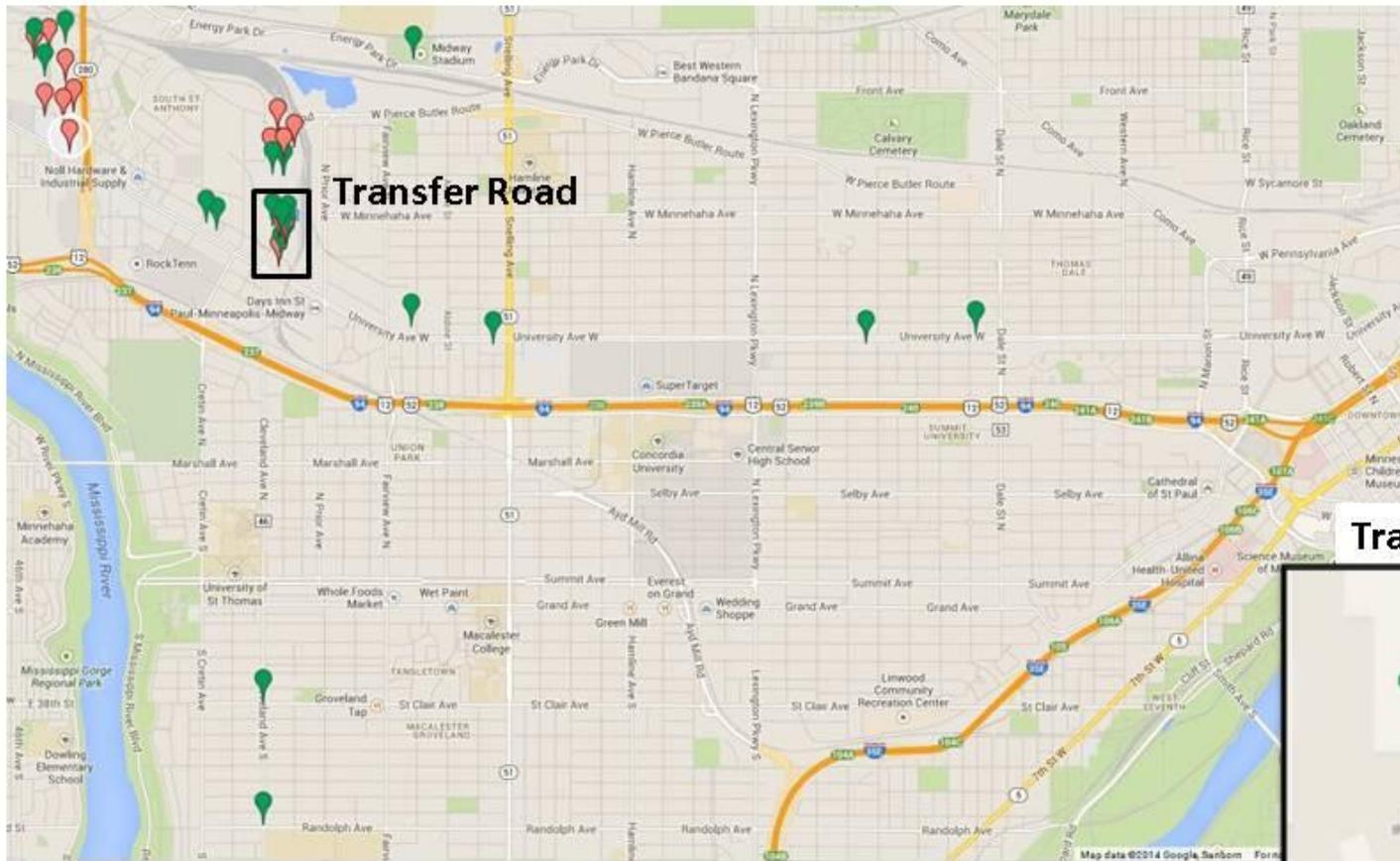
Administered Survey Questions

1. With what business are you affiliated? 36 responses
2. Are you the property owner or do you rent? 19 responses
 - a. I am the property owner. (21%)
 - b. I rent. (79%)
 - c. Other.
3. What type of business are you? 36 responses
 - a. Commercial (61%)
 - b. Industrial (25%)
 - c. Nonprofit (14%)
 - d. Artisan (0%)
 - e. Public organization (0%)
4. How would you describe your relationship with your neighbor? 36 responses
 - a. I know my neighbor and we communicate often (once a week). (47%)
 - b. I know my neighbor and we communicate sometimes (once a month). (36%)
 - c. I know my neighbor and we communicate rarely (once a year). (8%)
 - d. I know my neighbor, but we don't communicate. (3%)
 - e. I don't know my neighbors. (3%)
 - f. Other (3%)
5. What are the strengths of the West Midway? 36 responses
 - a. History of industry in the area (39%)
 - b. State of sidewalks and bike trails (3%)
 - c. Road conditions (6%)
 - d. Truck access (31%)
 - e. Public transportation access (56%)
 - f. Mix of land uses (44%)
 - g. Vacancies (8%)
 - h. Safety (6%)
 - i. Communication among property owners (11%)
 - j. Communication with the City (3%)
 - k. Curb appeal (3%)
 - l. Other (42%)

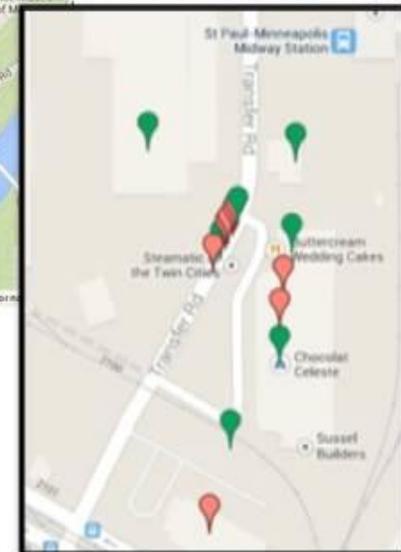
6. What are the weaknesses of the West Midway? (36 responses)
 - a. History of industry in the area (3%)
 - b. State of sidewalks and bike trails (14%)
 - c. Road conditions (31%)
 - d. Truck access (17%)
 - e. Public transportation access (3%)
 - f. Mix of land uses (3%)
 - g. Vacancies (25%)
 - h. Safety (28%)
 - i. Communication among property owners (3%)
 - j. Communication with the City (31%)
 - k. Curb appeal (39%)
 - l. Other (31%)

7. Would you be willing to pay to make improvements to the West Midway Industrial Area? (36 responses)
 - a. Yes (42%)
 - b. No (58%)
8. Would you be more willing to pay for improvements if you knew your neighbors were also contributing? (36 respondents)
 - a. Yes (50%)
 - b. No (50%)
9. Have you heard of or have knowledge of a business improvement district (BID)? (36 responses)
 - a. Yes, I have heard of it. (31%)
 - b. Yes, I have heard of it and have knowledge of it. (19%)
 - c. No, I have not heard of it. (47%)
 - d. Unsure (3%)

West Midway Survey Results



Transfer Road



Outreach Summary Midway

Property Owner	Address	Result
ACS Imaging	680 Transfer Rd	Phone not in service and no email
ARM of MN	No longer in area	
Aspect Automation	1185 Willow Lake Blvd, Vadnais Heights	Interviewed
AudioQuip	800 Transfer Rd	Took survey online
Chocolat Celeste	652 Transfer Rd	Took survey over the phone
CPAM	No longer in area	
CTS, Inc.	800 Transfer Rd	Took survey online
Dakotaland Autoglass	2077 Ellis Ave	Took survey over the phone
Down Syndrome Assoc. of MN	656 Transfer Rd	Emailed survey; no response from follow up calls
Eco Garden Supply	800 Transfer Rd	Took survey over the phone
eCullet	2075 Ellis Ave	Emailed survey; no response from follow up calls
Egan Companies	No longer in area	
Heritage Crystal Clean	800 Transfer Rd	Took survey over the phone

Hirte Transfer & Storage	2077 Ellis Ave	Follow up calls unanswered.
Hospitality Institute of Tech	670 Transfer Rd	Survey emailed.
Iron Mountain	2085 Ellis Ave	Follow up calls unanswered.
Kid Wind Project	No longer in area	
Local 1M	678 Transfer Rd	Survey emailed.
Lube Tech	858 Transfer Rd	Survey emailed.
MCCD	2099 University Ave	Survey emailed.
Minnesota Flexible Corp	803 Transfer Rd	Follow up calls unanswered.
Parking Marking	666 Transfer Rd	Not interested
PCA North Central Regional Office	No longer in area	
Petterson & Assoc.	830 Transfer Rd	Follow up calls unanswered.
Propertykey.com	672 Transfer Rd	Follow up calls unanswered.
Sealy of MN	825 Transfer Rd	Took survey online
Steamatic Anubis	666 Transfer Rd	Took survey over the phone
Steamfitters- Pipefitters Local 455	700 Transfer Rd	Took survey over the phone
PCA North Central Regional Office	No longer in area	
Petterson & Assoc.	830 Transfer Rd	Follow up calls unanswered.
Propertykey.com	672 Transfer Rd	Follow up calls unanswered.
Sealy of MN	825 Transfer Rd	Took survey online
Steamatic Anubis	666 Transfer Rd	Took survey over the phone

Steamfitters- Pipefitters Local 455	700 Transfer Rd	Took survey over the phone
Stewart Forest Products	803 Transfer Rd	Took survey over the phone
Sussel Builders	654 Transfer Rd	Follow up calls unanswered.
T.E.A.M, Inc	700 Transfer Rd	Follow up calls unanswered.
Tempur Sealy		Took survey online
TG Wholesale	680 Transfer Rd	Took survey online
The Buttercream Collection	682 Transfer Rd	Took survey over the phone
Tightrope Media Systems	800 Transfer Rd	Follow up calls unanswered.
Twin Cities Siding Professionals	664 Transfer Rd	Took survey over the phone
Twin City Pipe Trades	700 Transfer Rd	Follow up calls unanswered.
Two Men & a Truck	No longer in area	
Wright Building	2233 University Ave	Took survey online
Westgate		
Allina Home Care	2055 Westgate Dr	Follow up calls unanswered.
Anchor Paper Express	2575 University Ave	No longer in area
Aspen Medical Group	No longer in business.	
Augeo Affinity Marketing	2561 Territorial Rd	Follow up calls unanswered.
Baxter/Synovia Life Technologies	2575 University Ave	Follow up calls unanswered.
Childrens Hospital	2577 Territorial Rd	Took survey online
Cimo Nano Tech	1000 Westgate Dr	Follow up calls unanswered.

Colder Products Co	1001 Westgate Dr	Took survey over the phone
Colon and Rectal Surgery Assoc.	1055 Westgate Dr	Took survey over the phone
Encompass Group	2609 Territorial Rd	Survey emailed.
Impressions, Inc	1050 Westgate Dr	Took survey online
Prevolv	2635 University Ave	Survey emailed.
Prosar	2635 University Ave	Survey emailed.
Prota Tek International	2635 University Ave	Survey emailed.
UEL	1000 Westgate Dr	Survey emailed.
Visual Horizon	2055 Westgate Dr	Survey emailed.
Other Saint Paul Survey Takers		
American Engineering Testing	550 Cleveland Ave N	Took survey at Midway Chamber Board meeting
Avant Garde Marketing Solutions	1451 Van Buren Ave	Took survey at Midway Chamber Board meeting
Bank Cherokee	985 Grand Ave	Took survey at Midway Chamber Board meeting
Bywater Business Solutions	716 University Ave SE	Took survey at Midway Chamber Board meeting
Fenske Law Office	239 Cleveland Ave N	Took survey at Midway Chamber Board meeting
Latuff Brothers Auto Body	880 University Ave	Took survey at Midway Chamber Board meeting
Loucks Assoc.		Took survey at Midway Chamber Board meeting
McDonald's	1570 University Ave	Took survey at Midway Chamber Board meeting
Midway Chamber of Commerce	1600 University Ave	Took survey at Midway Chamber Board meeting
Saint Paul Saints	1771 Energy Park Dr	Took survey at Midway Chamber Board meeting

Virginia Asset Management		Took survey at Midway Chamber Board meeting
Wells Fargo	3430 University SE	Took survey at Midway Chamber Board meeting
Western Bank	663 University Ave	Took survey at Midway Chamber Board meeting
Visual Communications	475 Cleveland Ave	Took survey at Midway Chamber Board meeting
YMCA	1761 University Ave	Took survey at Midway Chamber Board meeting

Photo and Image credits

Title Page: [http://forum.skyscraperpage.com/showthread.php?t=202738\](http://forum.skyscraperpage.com/showthread.php?t=202738)

Executive Summary: <http://www.mprnews.org/story/2010/05/28/university-avenue-biking-central-corridor>

YMCA Midway Community gardening http://api.ning.com/files/*HLEuecomY94T80ElwglgiHlbz1saas0JzWJf9S2d2ZlImVT0deZvFAUiaQwjhja5q3iWNRsgcf79-SduJe1TQtX3efxbKBs/June14GardenBuildandPlantDay.JPG?width=750

Street sweeping <http://chronicle.augusta.com/news/metro/2012-12-10/downtown-business-improvement-district-lacking-support-renewal>

Introduction Title Page: <http://chronicle.augusta.com/news/metro/2012-12-10/downtown-business-improvement-district-lacking-support-renewal>

Existing Conditions Title Page: <http://www.floortech-inc.com/spotlights.html>

Public Transit Image: Metro Transit

Poor Curb Appeal Example: Kate Christopherson

Saint Paul Port Authority Midway Business Center: Google Street View

Deteriorating Street Conditions: Laura Holey

Redevelopment: Kate Christopherson

Industrial Conversion: https://www.google.com/search?sa=G&tbm=isch&tbs=simg:CAQSZRpjCxCo1NgEGgIIAwwLELCMpwgaPAo6CAISFI0bihDbI7ckjxu2J_10agRvWJP4aGiCSq-R_18r1KWpfFQtS317HSQQsa3N4Mc3kBPmpqc8WnR0gwLEI6u_1ggaCgoICAESBKimQrgM&ei=_s1nU_mYDMmG8QHQRoGAAg&ved=0CCQQwg4oAA&biw=1196&bih=739

Literature Review Title Page: http://cdn3.sportngin.com/attachments/photo/1572/1621/DID_06_09_11_116_medium.jpg

Vision Title Page: <http://www.jetsongreen.com/images/old/6a00d8341c67ce53ef0120a64afa7f970c-800wi.jpg>

Vision Image 2: http://3.bp.blogspot.com/_NjNaVK75Wp8/S76cGTIJfjI/AAAAAABz0/Gz3Z7TN80Nk/s1600/BNY-render2-9452.JPG

Vision Image 3: <http://parlayenterprises.com/wp-content/uploads/2013/08/BLD-B-DAY.jpg>

Vision Image 4: <http://urbanmilwaukee.com/wp-content/uploads/2009/04/2ndstreetafterfinal.jpg>

Action Plan Title Page: https://lh6.ggpht.com/oshQ5UebZB2LS9WZ7TAGZQMOfavo_I5qPO9Bzn-VyIxtxK5Q5gPvNjahRSItuKD9-kx_Zg=s128

Action Plan Image 1: http://www.cowbellkingdom.com/wp-content/uploads/2013/01/city_council_meeting_kings.jpg

Rain Gardens https://lh6.ggpht.com/d4m5BzaXI-Ubwme5xD_OiBu_0SMChfjwYOocoDLIeenuDxyPKwyT2mEomvLUIInb2-ZufvA=s85

