

SAINT PAUL ECONOMIC DEVELOPMENT PARTNERSHIP ECONOMIC DEVELOPMENT STRATEGY ACTION STEP MATRIX

Though the objectives of most economic development plans at their most fundamental level are job creation and wealth enhancement, much of how those objectives are achieved occurs outside of the influence of government. Businesses/organizations create jobs. Educated and skilled residents earn wealth. However, the public sector does play a critical role in ensuring that the conditions for job creation and economic self-sufficiency are present. By creating a climate conducive to growth, through a set of focused strategies and initiatives the City of Saint Paul and its economic development partners can achieve their broad economic development objectives. In today's global economy, economic development and business retention are grounded in safe streets, high quality of life amenities, reasonable taxes, good schools and an equal opportunity for success.

Rely on Partnerships to Leverage Limited Resources

Saint Paul is fortunate to have a strong tradition of collaboration among various sectors and institutions. This two-year plan is ambitious and requires all stakeholders to work together, sharing responsibility for achievement of the objectives. The established formal partnership among the City, Saint Paul Port Authority, Capital City Partnership, Saint Paul Riverfront Corporation and Saint Paul Area Chamber of Commerce, ("the Partnership") is essential to achieving the economic development objectives outlined in this plan, along with scores of other partners including colleges, training institutions, community development corporations, ethnic business groups, among others. Marketing and communications efforts associated with implementation of this plan will be provided by collaborative working groups of the economic development partners.

BUSINESS RETENTION AND EXPANSION

The primary strategy for fostering economic growth in Saint Paul will be to nurture "high road" businesses, industries and clusters – those which compete on the basis of high quality rather than low cost – with the intention of creating, attracting and retaining more and better jobs for Saint Paul residents.

This premise assumes patience, commitment and focus on the part of the partners and understanding that the role of the public sector is limited. It requires a shift away from providing tax breaks and subsidies toward an emphasis on economic opportunity and innovation. It emphasizes Saint Paul's strengths.

Action Step	Responsible Partner	2008/2009 Outcome/Measure
Business Retention Visits The Partnership will conduct business retention visits to strategically selected major employers, "gazelle" businesses, "cluster" businesses and other firms identified by the Partnership. Among other firms, these visits will target many of the largest Saint Paul employers as well as small and minority owned businesses.	The Saint Paul Area Chamber of Commerce will lead this effort and be responsible for carrying it out in conjunction with other economic development partners.	The Saint Paul Area Chamber will complete 100 business retention visits including: 50 visits to St. Paul's largest employers and 5-10 visits to minority owned businesses.
Rapid Response Team A. The Directors of the Capital City Partnership and PED will be notified by the Partnership of critical business retention issues and will jointly determine action steps.	A. PED and the Capital City Partnership will lead this effort.	A. PED and the Capital City Partnership will establish and implement a coordinated rapid response strategy within 24 hours of notification of a business issue.

B. The Capital City Partnership will create a team of CEO-level individuals who will be available to quickly respond to critical issues identified during business retention visits and other similar conversations. This team will be empowered to take appropriate action in order to alleviate the concerns identified.	B. The Capital City Partnership will assemble a CEO team to respond to critical business retention issues and will enlist the other partners when needed.	B. The rapid response CEO team will contact the company within 24 hours of notification. The CEO team will meet within 3 weeks of notification or at the recommendation of the company.
Annual Business Survey The Partnership in association with others, e.g., the University of St. Thomas, Saint Paul College, Minnesota State Colleges and Universities, etc. will conduct an annual business survey to identify concerns and trends in the Saint Paul business community.	The Saint Paul Area Chamber of Commerce will lead this effort and be responsible for carrying it out in conjunction with other partners.	The Chamber will complete this survey in conjunction with the Partnership by December 1, 2008.
Downtown Demographic Data The Capital City Partnership will provide information on employer/employee, visitor and resident demographic profiles including: age, income behavior patterns, spending habits and other information.	The Capital City Partnership will complete the profile report.	The demographic profile report will be completed by December 1, 2008.
Redesign the Business Resource Center Through a redesign of the City's Business Resource Center, the City will offer small, women and minority owned and other businesses easier access to a broader set of resources to address their needs and assist in their growth. The redesign will include consideration of establishing a business concierge and reflect recommendations from the streamlining process discussed below.	PED will lead this effort.	Recommendations will be completed by December 2008.
Back Street Cluster The Partnership will develop a strategy to support "back street" industries and will inventory and assess potential "back street" industries and ensure that policies protect these industries from undue regulatory burdens.	PED will lead this effort.	The "back street" cluster analysis will be completed by December 2008.

BUSINESS ATTRACTION

The Partnership intends to be strategic in its business attraction efforts and will target and concentrate its efforts on:

- *Sectors with the greatest potential for job creation based on the City's existing industry strengths, i.e., healthcare, life sciences, manufacturing and governmental support.*
- *Industries less likely to be outsourced, i.e., the so-called "high road" industries.*
- *Industries which benefit by City actions to create a climate for growth and investment in its human, physical and cultural infrastructure.*

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<p>Life Science The Partnership will develop a plan to leverage investment already made in the University Enterprise Laboratories (UEL) and convene a private sector task force to evaluate opportunities for UEL spin-offs.</p>	<p>PED will lead this initiative with support from the Port Authority</p>	<p>PED will send letters to UEL tenants and meet one UEL tenant per month. Inventory UEL businesses and create data base by December of 2008. Inventory existing MENLO Park businesses and create data base by the first quarter of 2009 and meet one Menlo Park business per month. PED will partner with the Port Authority to identify bioscience space needs by October 1, 2008. PED will work with the Bio Business Alliance, Port Authority and Minneapolis to determined St. Paul's role within a regional strategy and complete the analysis by December of 2008. PED will determine the feasibility of investment in future UEL phases by the first quarter of 2009. PED will identify and meet with 3 venture capital firms; one per quarter in 2008.</p>
<p>Hi Tech and Green Manufacturing The Port Authority will lead efforts to recruit and grow green manufacturing and high tech manufacturing firms. The City will continue to recognize the importance of the manufacturing sector and ensure that City policy, especially land use, is supportive of this cluster. The Port will market industrial redevelopment sites and provide technical assistance to manufacturers regarding financing, workforce, site selection and industry opportunities.</p>	<p>The Port Authority will be responsible for this effort with assistance from the Mayor's Office and PED.</p>	<p>The Port will participate in a manufacturing association to increase awareness and create marketing opportunities. The Port will conduct 3 meetings per month (36 meeting in CY 2008) with manufacturers.</p>
<p>Ethnic Businesses Recognizing the shifting demographics of the region, Saint Paul will develop a strategy to attract and support the growing ethnic clusters in the City. The City will explore obtaining foundation assistance to support a new program to utilize the business and professional experience of recent immigrants. Through its Minority Business Development and Retention (MBDR) program, the City will continue to increase Minority Business Enterprises (MBE), Women Business Enterprises (WBE) and Small Business Enterprises (SBE) participation in business opportunities generated by PED and the HRA. Entrepreneurial counseling, business planning and marketing, mentorship opportunities, and wealth building/homeownership equity for business start up counseling etc. will be provided as well as seminars, etc.</p>	<p>PED will be responsible for this effort with support from the Saint Paul Area, Midway, and seven ethnic Chambers of Commerce, the Minnesota Minority Supplier Diversity Council, Assoc. of Women Contractors, National Assoc. of Minority Contractors, and the multi-jurisdictional Vendor Outreach Programs/CERT. PED will also lead the effort of Minnesota Small Minority and Women Owned Business Network within the website www.getgmn.org.</p>	<p>Provide counseling to 500 businesses. Provide ethnic marketing seminars to 275 businesses. Engage 6 CDCs to provide contracted services. Serve 220 individuals and families with Access Saint Paul. Provide homeownership counseling, foreclosure prevention and home rehabilitation assistance.</p>

<p>Metro MSP Regional Economic Development Website The Partnership will participate in a public private collaborative to establish a GIS based regional/11 County economic development website that can be used by business locators, governmental agencies and real estate professionals. PED will serve on the steering committee, PED and the Port Authority will serve on the stakeholder committee.</p>	<p>PED will be the lead St. Paul economic development partner with support from the Partnership.</p>	<p>PED will participate on the Metro MSP Steering and Stakeholder Committees and facilitate communication about Metro MSP with the ED Partners.</p>
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INVEST SAINT PAUL AREA INITIATIVES

Building on the Invest Saint Paul Initiative, the City will work with neighborhood community development corporations (CDCs) in Invest Saint Paul areas to support micro-entrepreneurs, business growth and strategic redevelopment.

Action Step	Responsible Partner	2008/2009 Outcome/Measure
<p>Business Outreach Organize an outreach and marketing effort to provide enhanced access to capital and technical assistance in support of area micro-entrepreneurs.</p>	<p>PED will lead with support from the Port Authority.</p>	<p>PED will meet monthly with business associations and neighborhood CDCs to coordinate outreach and marketing activities and offer assistance to businesses for development of business plans (4 per month).</p>
<p>Economic Analysis Conduct a comprehensive analysis of economic development in neighborhood commercial corridors. The analysis will identify operating businesses as well as vacant and underutilized properties.</p>	<p>PED will lead with support from the Port Authority.</p>	<p>Work with the CDCs to inventory all vacant and for sale buildings by December 2008. Work with the neighborhood organizations to review the viability of current commercial space and potential for clustering at key nodes. Work with the CDCs to assess the viability of reuse of vacant structures (4 per month). PED will work with existing businesses to assess their buildings' conditions and develop improvement ideas (4 per month). Work the CDCs and business associations will assess the need for common parking opportunities and development (4 per year).</p>
<p>Strategic Acquisition Plan PED, in cooperation with our partners, will plan for the strategic acquisition of properties to support implementation of the central corridor development strategy, which includes the World Cultural district initiative, and will support redevelopment efforts in the Invest St. Paul target areas.</p>	<p>PED will lead this effort with support from our community and economic development partners.</p>	<p>By December of 2008, two to three properties will be identified for potential acquisition.</p>

STREAMLINING THE DEVELOPMENT PROCESS

A smooth development and permitting process is key to facilitating investment. The private sector responds best when the rules are clear, are consistently applied and efficiently implemented. Inconsistent, confusing and overly detailed processes cause delays, raise costs and discourage investment.

Action Step	Responsible Partner	2008/2009 Outcome/Measure
Formalizing the ED Function. Hire a lead ED staff person to lead Economic Development initiatives and collaborate with our economic development partners.	PED will lead this effort.	PED hired an Economic Development Manager in June of 2008.
Streamlining the Process. Convene a panel of private sector experts in business process to examine the City's development approval process, including the credit review process and the DSI review, and develop recommendations to streamline the approval processes.	PED will convene the Streamlining the Process panel with support from the Chamber of Commerce	The Panel will be convened, and an analysis of the credit review and DSI review process will be completed, and recommendations will be determined by the first quarter of 2009.

WORKFORCE DEVELOPMENT

An educated and skilled workforce is one of the most important factors in an area's ability to attract businesses and help an area grow and prosper. Job creation efforts have the greatest impact on the economic condition of the community when the jobs created can be filled by unemployed or underemployed local residents. Building the skills of our most competitive asset---our human capital---is critical for success. The partnership will support the efforts listed below.

Action Step	Responsible Partner	2008/2009 Outcome/Measure
Enhance PK-12 Education Saint Paul will continue to develop initiatives designed to prepare our future workforce, including early education scholarships for high quality early learning experiences; Second Shift positive youth development opportunities; promoting college access and providing resources to meet this via libraries and recreation centers.	Mayor's Education Initiative	Scholarship Project Goal: 300 hundred children will be deemed eligible to receive scholarships and or allowances. Program Outputs <ul style="list-style-type: none"> • Parent mentors, prenatal to age 5 • Scholarships for low income children to attend ECD program at age 3 or 4 • ECD program rating and monitoring Short term Outcomes Child <ul style="list-style-type: none"> • At age 3 or 4 participating in high quality ECD program • At developmental norm or above for social-emotional and cognitive skills Parents <ul style="list-style-type: none"> • More enriching interactions with children • Active in child's development and education, including selecting high quality EC program Programs <ul style="list-style-type: none"> • Improved ECD program quality

		<ul style="list-style-type: none"> • Increase supply of high quality ECD programs <p>Second Shift: 30+ Parks and Rec Centers will have a “No School Day Program” in place for Saint Paul school release days and the City residents have come to expect it. These No School Days will be intentionally linked to the Saint Paul School District in terms of outreach, staffing, funding and in-kind donations.</p> <p>Resource Center Goals:</p> <ol style="list-style-type: none"> 1. Increase the meaningful <i>access to information</i> about educational opportunities beyond high school 2. Engage youth in postsecondary planning by <i>building relationships with trusted individuals</i> 3. Increase the number of Saint Paul graduating high school students <i>attending postsecondary</i> educational opportunities <p>Open up 3 pilot community based college access resource centers in the city.</p>
<p>Increase Post-Secondary Educational Achievement The City will promote greater linkages and seek more affordable efforts to connect residents to the array of post secondary institutions located in and around Saint Paul through “The Power of You” and other efforts. Further, the Mayor has convened a working group of representatives of k-12, higher education systems and institutions to create a framework for community-based college access and workforce preparation centers in Saint Paul libraries and recreation centers.</p>	<p>Mayor’s Education Initiative</p>	<p>Education Roundtable Goals: Identify concrete strategies and objectives regarding several issues including:</p> <ul style="list-style-type: none"> ▪ Academic rigor ▪ accessibility/affordability ▪ retention in postsecondary ▪ “opt-out” idea as a HS graduation requirement ▪ setting bold and explicit goals
<p>Promote Access to Technology Information technology has revolutionized the workforce. Nearly all workers today must be equipped with basic computer skills. The City and the Ramsey County Workforce Investment Board will work to create a partnership of private sector firms to develop and guide a major computer literacy program across the City.</p>	<p>Mayor’s Education Initiative</p>	<p>Establish partnership with MN Computers for School to provide computer equipment and technical support to Doorway Centers allowing for young people to access college access information, employment and career exploration opportunities and employment searches.</p>
<p>Youth Workforce Preparation The City will provide summer workforce training opportunities for youth in partnership with the Department of Parks, the Mayor’s Office, PED and Ramsey County Workforce Solutions Department.</p>	<p>PED will lead this initiative with cooperation from the Department of Parks and Recreation, the Mayor’s Office and the Ramsey Workforce Solutions Department.</p>	<p>The City will provide summer youth employment for 400 economically disadvantaged residents.</p>

<p>Customized Job Training Employer Solutions, Inc (an organization owned by the Saint Paul Port Authority and Chamber of Commerce) will implement a customized job training program that will provide training opportunities for disadvantaged workers.</p>	<p>Employer Solutions will implement the disadvantaged worker job training program.</p>	<p>The customized disadvantaged worker job training program will be implemented by the third quarter of 2008.</p>
<p>Customized Job Training PED will link St. Paul College-A Community and Technical College and businesses to create customized training programs for new and existing workers.</p>	<p>PED and the St. Paul College will implement this initiative.</p>	<p>The customized job training collaborative will be implemented by the first quarter of 2009.</p>

DOWNTOWN REVITALIZATION

A vital downtown is critical to the economic health and well being of the entire City. It can be an important recruiting tool to businesses working to attract “creative class” employees. An attractive, active downtown also increases land values and the tax base.

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<p>Create and Implement the Office Occupancy Plan Phase II (OSOAP) The Capital City Partnership will create a matrix of action steps from the 2006 Office Occupancy plan and will coordinate the Phase II. Phase II will focus on retention of downtown tenants with leases expiring in 2008/2009 and recruitment of tenants as outlined in the Office Space Occupancy Plan.</p>	<p>The Capital City Partnership will lead with support from the Saint Paul Area Chamber of Commerce, BOMA and PED.</p>	<p>Phase II of the OSOAP will be created and approved by the Development Partners. The strategies will be implemented by the third quarter of 2009.</p>
<p>Short Term Retail Strategy* The partnership will develop a short-term strategy to enhance retail vitality in conjunction with the 2008 Republican Convention.</p>	<p>PED will lead this effort with support from the Chamber of Commerce.</p>	<p>A joint strategy was implemented in June of 2008.</p>
<p>Downtown Façade Improvement Program This program will provide funds to building owners for improvements to the facades of buildings located in the B-4 and B-5 downtown zoning districts. Funds will be available on a first come basis and will be repaid through a special assessment on the building being improved.</p>	<p>PED will lead this effort.</p>	<p>By December of 2008 there will be \$2,000,000 invested in façade improvements.</p>

* The economic development partners recognize that it’s not possible to artificially force or “create” a market for increased downtown retail development. Over the long term, increased growth of downtown retail will be dependent upon our success in filling office space and attracting new residents to downtown. Downtown retail success will also depend upon the success of our broader revitalization strategies which include public infrastructure improvements, investments in the arts and entertainment and investments in downtown redevelopment.