

Recap of East Downtown Council's Business Forum
Thursday, June 19, 2014
11:30 a.m. – 1:00 p.m.
Day Block Brewing Company, 1105 Washington Avenue South
Downtown East Neighborhood of Minneapolis

- **Welcome and introductions**

Paul Mellblom welcomed the audience to the June business forum and introduced himself as a principal at MS&R Architects located in the Mill District and the newly elected president of the EDC. Then he announced that that we would be hearing from two of the three council members representing the district: Ward 3 Council Member Jacob Frey and Ward 7 Council Member Lisa Goodman.

Paul explained that the EDC had the great opportunity to partner with the Minneapolis Downtown Council to pursue a 1-year, capacity-building pilot project grant from the McKnight Foundation that would fund the services of the EDC's executive director who would pursue implementation of MDC's *Intersections: Downtown 2025 Plan* goals relevant to the businesses and residents of EDC's district. Dan Collison, the former president of the EDC who helped spearhead this process, has been hired as the new part-time executive director of the EDC. As a test, the EDC must think about how to work hand-in-hand with the MDC as this part of downtown is transformed into a much better place to live, work, learn and play. It is a good business proposition for the EDC, and a good way to work more closely with the MDC specifically as we think about integrating into the 2025 Plan.

Prior to general audience introductions, Dan acknowledged the following audience members:

- Phyllis Kahn, State Representative for District 60B (<http://www.house.leg.state.mn.us/members/members.asp?id=10302>);
- Day Block Brewing Company founder and host of the forum, Jeff Hahn, who briefly described the features of his brew pub and event center (<https://www.dayblockbrewing.com>); and
- Hyatt Place Minneapolis sales manager Joshua Clark, EDC's newest member, who briefly described the \$30+ million renovation.

Then the remainder of the audience introduced themselves, of which two announced fundraising activities:

- Daniel Gumnit regarding People Serving People's bid for the \$500,000 "Fans Choose" All-Star Legacy Giving grant by the Minnesota Twins, Pohlrad Family Foundation, and Major League Baseball as part of the 2014 All Star Game (http://mlb.mlb.com/mlb/events/all_star/y2014/fans_choose.jsp); and
- Chris Fleck regarding North Central University's efforts to build a soccer field in Elliot Park (<http://www.northcentral.edu/soccer-field>).

- **EDC Update: The Opportunity Before Us.** Dan Collison explained that now that he has been given the role as the executive director of the EDC and connecting with Steve Cramer of the MDC and his team, the opportunity before the EDC is expansive. He recently attended a meeting that featured Michael Langley, CEO of Greater MSP, who champions a website tool that markets the east downtown district to the United States and international markets. This will be released to the public in the next 3-4 months and is entitled *Downtown East District Strategic Vision* and is indicative of the opportunity that is in front of us.

The 2025 Plan is the initiative that the MDC has invested tremendous time, staff and energy into and they have asked Dan to lead a development committee that is focused on the east downtown district that will be coupled into the 2025 Plan development committee as a whole. This will include forming an asset library containing the Greater MSP Downtown East District Strategic Vision study, the CPED Downtown East Parking Lot study, the EPNI DEEP District initiative, and other studies.

As a working group, they will establish and explore a district market brand, develop a pro forma

portfolio for targeted sites, and build an inventory, set annual objectives, and track progress and interconnectivity to other 2025 committees and all of the built environment including retail, residential, commercial, hospitality, etc.

Dan explained how the audience could become involved. The topics for the next season of business forums from September 2014 to June 2015 (reference EDC Business Forum 6-19-14 document) will be germane and all are invited to attend. They are also invited to join the four EDC working groups: Strategy Committee; Business Forum; Committee, Membership, Marketing and Communication Committee; and Board Development Committee. Then Dan explained the new membership structure for the upcoming season.

Dan also explained the redistricting process that occurred in 2012 that caused an increase in the number of city council members from one to three who represent the EDC district. Then he introduced Ward 3 Council Member Jacob Frey, a freshman in his position having been elected in the fall of 2013, and Ward 7 Council Member Lisa Goodman, the more experienced of the two who is in her 17th year. Ward 6 Council Member Abdi Warsame was unable to attend and sent his regrets.

- ***Perspectives from Ward 3 and Ward 7 City Council Members***

Following are the questions posed:

- *Please describe the demographics of your entire ward and the portion that is in East Downtown?*
Both boundaries were described but visit their respective websites for a detailed map (i.e., <http://www.minneapolismn.gov/ward3/> and <http://www.minneapolismn.gov/ward7/index.htm>).

Frey: His area is quite diverse, but what he has seen particularly along the riverfront are two demographics coming to the forefront: young professionals who have settled in North Loop and Downtown East, and empty nesters. What is missing and what they are trying to bring and retain is the middle demographic comprised of families.

Goodman: Her area is no longer as diverse and is comprised of the more established neighborhoods in downtown with pockets of newer developments, and the more affluent neighborhoods around Lake of the Isles.

- *What are the priorities for your ward and how do you see them interacting with the other two in East Downtown?*

Frey: The first overarching priority is bringing population growth back into downtown by providing a school for families with children and providing affordable housing with 2- to 3-bedrooms. There are major businesses (i.e., the stadium, Ryan Companies development) coming to this area as well as a park that will hopefully tie it all together. Having a collaborative partnership that brings diverse communities together is extremely important. The level of community engagement, especially in Wards 3 and 7, is extraordinary and using that asset helps to incorporate progress into the city.

Goodman: Job #1 is constituent service. A top priority is to answer phone calls promptly, assist with problems in dealing with the city, or just take feedback. Her constituents are very high taxpayers and when they complain she helps them understand what the city system is all about. Other priorities include tax base growth, which is alarming to the very rich and very poor, and how to figure it out from a holistic point of view in order to spread the burden. Her personal priority is to continue the work she has done on the issue of affordable housing and to make sure the city partners with all of the nonprofits, community development, and financial institutions in order to provide for those at 30 to 50 percent of area median income. As chair of the Community Development and Regulatory Services Committee (Frey is vice chair) she is in favor of small business development,

working on funding small businesses, and making sure people have a place to live and call home.

- *How can the businesses and neighborhood associations of East Downtown work together with City Hall to ensure that the rapidly changing built environment in East Downtown is diverse and equitable?*

Frey: While the city is incredibly diverse, it also is incredibly segregated. We need to find ways to live amongst each other; finding ways to incorporate affordable into middle and upper income areas which will help not only those living in affordable units but the rest of the community as well as you will have eyes on the streets throughout the day due to varying schedules. One way to help, when the opportunity arises, is to welcome affordable housing into your neighborhood. Another way is to increase city funding that saves tons of money in terms of welfare and additional care.

Goodman: It is embarrassing that we have \$150 million in public/city money going into a Vikings stadium and \$100 million going into a Target stadium when we could be giving \$250 million to small businesses to see how many jobs they can create. While she does believe the Vikings stadium will be good thing for this neighborhood, and she's trying to help make it work, it is obscene the amount of money going into this development while very small ethnic minority businesses on Lake Street have to fight for a pool of \$400,000 in small business grants.

As an example of what is going well is the outcome of HCMC's desire to purchase a block in the historic 9th Street district to build an ambulatory care center. On that block sits a 30-unit, low-income apartment building with rents at \$450 a month. To prevent displacement of the tenants, Goodman spoke with Dr. Pryor who investigated the building and surveyed the tenants and subsequently decided against the purchase but indicated they would build around it. Thereafter, the owner became disappointed because his out was the sale of the building. This is an issue arising from the rapidly changing built environment in this neighborhood and we will see more of these situations unless partnerships are developed to solve this problem. Ultimately, Goodman was able to negotiate with Beacon Interfaith Housing Collaborative who will purchase and rehab the building, keep the tenants in the building, and allow the owner to rightfully cash out.

Frey followed up by noting that one of the big rapidly changing built environment is retail. Retail is alive and well but it has dramatically changed. We are no longer in a world where you can have this 30,000 square foot space, whether it's a Saks, Macy's or Ann Taylor, and survive because the rents are expensive. What they are looking for is small, locally-owned and operated businesses and are experiencing a huge amount of space as in the North Loop and moving over to Downtown East. What we can do to enable this rapidly changing environment thrive is to shop locally. You can do whatever you need to do in downtown and in east downtown.

- *How should the proposed park for Downtown East be built that is best representative of the needs of downtown Minneapolis?*

Frey: It is somewhat controversial and there are a lot of different interested parties, however, he believes we share common ideals and the same sort of site should be the end game. There is general consensus of who should own it and it should be in public hands long term, i.e., the MPRB. The big question comes under operations and maintenance. He has been an outspoken advocate of the conservancy model that has been extraordinarily in other cities, e.g., Bryant Park (<http://www.bryantpark.org/>). The other piece is money and this park, in and of itself, is not going to generate tons of money you need to find other sources, e.g., a conservancy model, Minneapolis DID.

Goodman: She agrees with Frey. It needs to be a private/public partnership. If she were the MPRB she wouldn't want it because if they own it and don't maintain it as they do with other parks in the

system, it will cause confusion and create an “us versus them” attitude. In the end, it will not be a public park and will be operated by the MSFA at a minimum 10 to 40 days throughout the high point of the season. Look at the National Mall in D.C., the lawn is trampled and is not thriving from a park point of view due to heavy usage. This park will require a conservancy model to operate and manage it and she is more actively involved in figuring out a permanent solution to Gold Medal Park, Peavey Plaza and Nicollet Mall reconstruction. She is more of a “solve an old problem” person before you get into the new shiny thing that everyone wants to work on.

A brief Q&A ensued.

- **Conclusion**

Dan thanked Frey and Goodman for their perspectives, availability and high engagement, Jeff Hahn for hosting the event, and the audience for attending. Then he announced the following:

- Monday, June 30th, 4:30-7:00 p.m.: I-94W to 7th Street Ramp Project Open House at Bethlehem Baptist Church.
- To look for membership renewal materials in the middle of July 2014.