

A light teal background featuring a stylized, white line-art map of St. Louis, showing the city's street grid and the Mississippi River. In the top left corner, there are several vertical bars of varying heights. On the right side, there is a vertical strip containing a stylized illustration of the Gateway Arch and the Missouri State Capitol building, with horizontal lines below them and wavy lines at the bottom.

Pillar #3: **Equitable & Inclusive Development**

Equitable & Inclusive Development

Leverage real estate development and business retention, expansion, and attraction ("BREA") efforts to catalyze equitable and inclusive economic growth.



Real estate development is a key determinant of community well-being, impacting the character and capacity of neighborhoods for decades into the future. A city's development patterns and priorities drive outcomes for businesses and residents alike, and past development choices often act as a barrier to creating livable places in the present-day. St. Louis needs principles, policies, and processes that are purposefully directed toward advancing economic justice. Adopting this strategy will set a course for correcting historical decisions that have exacerbated social inequalities and lay a pathway for equitable and inclusive development in the years to come.

Community-driven development approaches, incentives rooted in community need, and improved data collection and transparency support this vision. Providing channels for neighborhood

groups, citizens, and small businesses to have genuine and impactful participation can improve the decisions shaping development. Agency-level tactics based on current, community-scale data and public input will be more reflective of the needs and opportunities for change and growth. Actively sharing information, updating policies, and creating openings for engagement serve the larger goal of economic justice. SLDC should position real estate development as an economic engine to drive a robust and resilient economy through equitable, transparent, and accountable community engagement practices, benefits agreements, incentive structures, and data collection. These actions are aligned around a strategy of achieving equitable and inclusive development in every neighborhood.

"We need accountability in our community as well as inclusion beyond jobs to further preserve the history and integrity of our neighborhoods."

ECONOMIC DEVELOPMENT INCENTIVE REFORM

Design a More Equitable, Transparent and Accountable Economic Model

1

Employ consistent principles, policies, and processes to ensure all incentivized and subsidized real estate development and BREA projects are aligned with Economic Justice Action Plan priorities

- ➡ Develop a new equitable economic development incentive model, inclusive of national best practices, in partnership with Baker Tilly.
- ➡ Create an online platform that allows for online submission of the application, electronic form completion, online payment of any fees, and completion of annual reports. The platform should be interactive and allow for the integration of application information into a collaborative spreadsheet that allows both the applicant and SLDC to view and update information.
- ➡ Incorporate into the online platform a method of collecting and tracking data and establish a procedure for staff to analyze and publish summaries to the public.
- ➡ Create a system of review by relevant departments to streamline application review and to ensure requests align with all applicable ordinances and plans for both the city and neighborhoods.
- ➡ Ensure projects are included in the project pipeline map and incorporate data from active and completed projects into the annual Economic Justice Scorecard.

2

Incorporate public input and community benefits into major real estate development and BREA projects

- ➡ Post Draft LCRA agenda at least 5-days ahead of the meeting to ensure transparency.
- ➡ For projects exceeding \$50M in total project cost or those receiving incentive valued over \$5M, at least one public meeting should be held in the neighborhood where the project is located, or the developer must demonstrate public engagement that it has undertaken.
- ➡ Create a “menu of options” that can be offered to developers during negotiations to maximize community benefits.
- ➡ Post all recordings for public development board meetings (Port, LCRA, LRA, IDA, LDC) via SLDC YouTube page within a week of the meeting being held.

BREA = Business Retention, Expansion, and Attraction

ECONOMIC DEVELOPMENT INCENTIVE REFORM

3

Update redevelopment agreements to include M/WBE standards, clawbacks, and robust reporting requirements.



Require annual reports from all incentive recipients with a development budget greater than \$1M. The annual reports should gather standardized information from each recipient including anything required by the Development Agreement associated with the specific project, applicable metrics required by State Law, and a standardized set of metrics for SLDC's tracking purposes.



Ensure consistent tracking even when a development is sold.



Enforce penalties for non-compliance with annual reporting requirements.

4

Perform City of St. Louis and St. Louis County disparity study to revise M/WBE and workforce development requirements/ordinances for real estate development projects over \$1M.

STANDARDIZED METRICS

How many jobs existed?

What was average salary of those employees?

What is the total investment made to date?

What is the occupancy of the building?



NEIGHBORHOOD INVENTORY

As part of the neighborhood planning processes, PDA should produce a neighborhood inventory for each geography, providing suggested needs and priority projects that can be included in future CBAs. The data should be collected in cooperation with BPS, Streets Dept, Aldermen, CDCs, and a public input portal and stored in an interactive format such as a web map through ArcGIS Online so that field teams and GIS staff can perform regular updates to keep a running list of needed improvements for budgetary and planning purposes. Project Inventories could include things like:

STREET & ALLEY IMPROVEMENTS

- ▶ Repaving
- ▶ Restriping
- ▶ Traffic Calming
- ▶ Alley Repaving

SIDEWALK IMPROVEMENTS

- ▶ Sidewalk Paving
- ▶ Street Trees/Landscaping
- ▶ Pedestrian Scale
- ▶ Street Lighting
- ▶ Street Furniture
- ▶ ADA Curb Improvements

TRANSIT IMPROVEMENTS

- ▶ Transit Shelters
- ▶ Trash Cans
- ▶ Benches

ECONOMIC DEVELOPMENT INCENTIVE REFORM

5

Invest in data and transparency around incentives.

- ➡ Investigate needed upgrades to technology system at SLDC offices so board meetings can be recorded and published online in a timely manner.
- ➡ Work with the building division to develop a city-wide property registry to ensure information about properties is up-to-date and available.
- ➡ Aggregate information about TIF Districts, Chapter 99, CID, SBD, planning areas, incentives, and other public funding programs and integrate this data into existing public-facing platforms, such as the Assessor's Property Search and Geo St. Louis.
- ➡ Work with PDA to create and publish an online city-wide development and community asset map.
- ➡ Employ a GIS analyst that will work in the Incentives Department to track and make accessible all data related to incentive projects.
- ➡ Continue the partnership with Mastercard to improve data management and usage.

| EDGE PROJECT SCORECARD | |
|---|-----------------|
| TOTAL JOBS | 40,718 |
| TOTAL CAPITAL INVESTMENT | \$7,590,734,238 |
| NUMBER OF PILOTS APPROVED | 134 |
| MWBE/LOSB TARGET SPENDING* | \$836,370,293 |
| AVERAGE WAGE (PILOTS ONLY) | \$62,678 |
| AVERAGE PILOT TERM | 10 YEARS |
| LOCAL TAX REVENUES GENERATED | \$1,783,251,293 |
| TOTAL TAX ABATED | \$809,600,899 |
| BENEFIT TO COST RATIO | 2.20 |
| INCENTIVE AMOUNT PER JOB PER YEAR | \$3,139 |
| NUMBER OF TIFs APPROVED | 5 |
| NUMBER OF LOANS APPROVED | 78 |
| TOTAL LOAN AMOUNT | \$4,914,330 |
| NUMBER OF BONDS APPROVED | 11 |
| TOTAL BOND AMOUNT | \$540,737,850 |
| NUMBER OF OTHERS APPROVED | 221 |
| *APPLIES TO PILOTS APPROVED PRIOR TO JULY 1, 2017 | |

CASE STUDY

MEMPHIS EDGE PROJECT DATABASE

The Economic Development Growth Engine (EDGE) for Memphis & Shelby County hosts a project database on their website with a scorecard on the projects they have approved for financing and incentives. Users can see a detailed description, metrics, and applicable documents for each project as well as view the combined data for all EDGE activities. Information can be sorted by project, financing type (TIF, Bond, Loan), or location.

PROACTIVE SITE ASSEMBLY & DEVELOPMENT

Identify, Assemble, and Stabilize Property to Attract Catalytic Development

1 *Strategically acquire private and public property for the redevelopment of contiguous sites to meet community needs. Where needed, clear and remediate land and fund site preparation and infrastructure improvements to attract development.*

- ➡ Concentrate on blocks where LRA/LCRA own a high percentage of parcels. Market these parcels collectively to master developers that can facilitate large-scale residential redevelopments that prioritize community assets.
- ➡ Target priority corridors and intersections with opportunities for 4-corner commercial development with the goal of creating additional neighborhood-scale, mixed-use, and walkable corridors with transit access.
- ➡ Target key properties and surface parking lots in Downtown and adjacent areas that are currently underutilized and ideal for more dense development (both residential and commercial).
- ➡ Conduct an analysis of the susceptibility to change of key areas to ensure property assemblage only occurs where development is likely in the near-term.
- ➡ Assemble and prepare industrial sites to create opportunities for new manufacturing jobs.

2 *Proactively market parcels and development opportunities identified as community priorities to developers with incentives with pre-established guidelines.*

- ➡ Work with the team at SLDC to market these opportunities to minority-developers in the City of St. Louis.
- ➡ Market unique and high potential development opportunities nationally.
- ➡ Stabilize and complete pre-development of properties already owned by an SLDC agency or the City to include, but not limited to, Wellston Loop Station, Sara Lou Cafe, Club Imperial, Chuck Berry House, Municipal Courts, and the former St. Louis Metropolitan Police Headquarters.



COMMERCIAL CORRIDOR REVITALIZATION

Remove Barriers and Expand Equitable Access to Economic Growth through the Development of Commercial Corridors



Invest in infrastructure improvements to create safer connections between neighborhoods.

- > Ensure needed infrastructure investments are incorporated into future Development Agreements.
- > Require investment in adjacent transportation assets for developments seeking incentives with a total project cost exceeding \$10M.
- > Prioritize infrastructure improvements that connect Downtown and the surrounding neighborhoods.
- > Allocate a portion of the Economic Justice Fund to invest in infrastructure in EJI-1 and EJI-2 areas to encourage development.
- > Prioritize using Tax Increment Financing to finance costs related to infrastructure, such as street paving, streetlights, sidewalk improvements, and improving public places.
- > Encourage use of CID/ TDD to invest in ongoing infrastructure needs in alignment with neighborhood plans.



INTEGRATING TRANSIT INTO REDEVELOPMENT AGREEMENTS

Designating LRA properties for transit hubs and transit-oriented amenities now will pay dividends in the long run as EJI-1 and EJI-2 areas build out and redevelop. For areas where this is not possible (or where LRA properties are scarce or poorly situated), stipulating that a redevelopment project require such amenities through the associated Redevelopment Agreement may achieve the same objective.

Just as Redevelopment Agreements often require infrastructure investment in the form of utilities, sidewalks, and street paving, SLDC should integrate improvements to transit stops into future Redevelopment Agreements for projects over \$10M in total estimated project cost. For a relatively small investment, these developments can have a large impact on the rider experience and transit access. Integrating rider amenities such as benches, bike racks, and shelters can help improve the experience and encourage the use of public transportation.

SLDC should coordinate with Bi-State Development to identify public transit needs. Incorporating Bi-State Development into the planning for the Economic Empowerment Center will help ensure that transit riders have access to needed services.

COMMERCIAL CORRIDOR REVITALIZATION



Develop the MLK corridor into an innovation, cultural, arts, and business district that promotes the advancement of Black residents and businesses.

- ➡ Open the Economic Empowerment Center on the MLK corridor to offer access to resources to residents.
- ➡ Facilitate the redevelopment of commercial buildings on the corridor by incentivizing those that will offer low-cost rental options to local business owners.
- ➡ Utilize ARPA funding to implement the Great Streets roadway improvements, seeking to create a dense, pedestrian-safe environment with increased transit access.

CASE STUDY

SET UP SHOP – ANCHORAGE

The Anchorage Community Land Trust (ACLT) focuses their efforts on community wealth building through investments in commercial corridors and supporting and developing strong, locally-owned small businesses. Though originally formed to work with the community of Mountain View as a more traditional community land trust with some added focus on economic development, for the past five years ACLT has expanded its work to include five communities in northern Anchorage and prioritizes economic development ahead of real estate development. ACLT focuses on four strategies: organizing, neighborhood improvements, targeted programs, and real estate. ACLT commits to being involved with the neighborhoods and communities in which they work longterm and empowers residents to guide their priorities and focus their work. The ACLT portfolio consists of a number of commercial properties, but the commercial properties are intended to support their economic development goals and the desires of the communities.

Set Up Shop, ACLT's primary economic development program, offers training, technical assistance, and financial lending programs for entrepreneurs and small businesses. Set Up Shop offers six-week training courses for cohorts of 10-15 people, and has graduated 17 cohorts since the program began. Additionally, Anchorage Online Bootcamp is a free program offered through Set Up Shop that helps businesses improve their online presence. Set Up Shop also supports entrepreneurs through a lending program that provides small business loans for entrepreneurs. The loans are targeted at businesses and entrepreneurs that cannot access traditional capital due to market constraints or credit challenges, and since its inception, the program has lent over \$300,000. Additional consultation support is provided through Set Up Shop at discounted rates or pro-bono to help individually address the needs of each entrepreneur or business. Set Up Shop also supports businesses in finding real estate for their work through consultations, lease reviews, leasing out CLT property, and other services.


ACLT has broken out of the traditional land trust model to address the needs of the northern Anchorage community. ACLT focuses on building generational wealth from within neighborhoods and supports this with their emphasis on supporting small businesses and entrepreneurs. These efforts are then complemented by the ACLT's land ownership, allowing the lease of commercial space at affordable rental rates.

COMMERCIAL CORRIDOR REVITALIZATION

3

Support commercial development in the core of Downtown, Downtown West, and Near North Side.

- Continue to offer the façade improvement program to assist property owners with renovation and improvement of retail façades.
- Incentivize retail development in these areas to activate street frontage and provide services for residents.
- Utilize ARPA dollars to stabilize large unoccupied buildings in Downtown and help facilitate future renovations.
- Support the development of new products to the residential market (i.e., live-work units, micro-units, etc.).



“Give us a chance to buy in our neighborhood without riding on our back to hurry up and fix it up and without giving us money to help us fix it up.”

OUTCOMES & IMPACT

The following outputs/impacts are aligned with ARPA funding through 2026.

ECONOMIC DEVELOPMENT INCENTIVE REFORM

Design a More Equitable, Transparent and Accountable Economic Model

- ▶ Utilize incentives to attract or facilitate **10 new commercial or industrial developments** in EJI-1 or EJI-2 areas.
- ▶ Employ consistent principles, policies, and processes to ensure incentivized real estate development is aligned with Economic Justice Action Plan priorities.
- ▶ Seek to incorporate at least 1,000 community members into public input sessions related to major real estate development projects each year.
- ▶ Update redevelopment agreements to include M/WBE standard, clawbacks, and robust reporting requirements.

PROACTIVE SITE ASSEMBLY & DEVELOPMENT

Identify, Assemble, and Stabilize Property to Attract Catalytic Development

- ▶ **Assemble at least 2 sites** suitable for community-focused commercial development.
- ▶ Identify and stabilize priority redevelopment sites throughout the city including Wellston Loop Station, Sara Lou Cafe, Club Imperial, Chuck Berry House, Municipal Courts, and the former St. Louis Metropolitan Police Headquarters.
- ▶ Actively assemble underutilized industrial parcels to create larger “ready to build” sites of more than 5 acres able to support the creation of accessible quality jobs.
- ▶ Acquire residential properties in high priority areas (according to factors like 50-75% existing LRA ownership; proximity to existing assets/ community assets; increased likelihood of attracting redevelopment).

COMMERCIAL CORRIDOR REVITALIZATION

Remove Barriers and Expand Equitable Access to Economic Growth through the Development of Commercial Corridors

- ▶ Reduce office and retail vacancy in Downtown, Downtown West, and Near North Side by 10%.
- ▶ Reduce commercial vacancy by 10% in key north city commercial corridors identified in Board Bill 82.
- ▶ Support access to affordable for-sale housing options in areas proximate to these corridors through the Housing Stabilization and Neighborhood Access Revolving Loan Fund.
- ▶ Complete Project Connect area street improvements including the Jefferson Corridor, Cass Avenue, 20th Street, St. Louis Avenue, and 22nd Street.
- ▶ Support the expansion of Northside/ Southside MetroLink to provide better access to downtown from north and south St. Louis neighborhoods along its route.