

MAYOR FREY'S VIBRANT DOWNTOWN STOREFRONTS WORK GROUP

Executive Summary

The primary purpose of the mayor's Vibrant Storefronts Work Group was to develop specific, implementable recommendations with the following core intentions:

- Invest in and prioritize people first and foremost
- Catalyze activation that sticks
- Embrace an organic downtown, with strategic solutions
- Create a welcoming and inclusive experience for all people that keeps them coming back downtown

KEY TAKEAWAYS FROM WORKGROUP'S RECOMMENDATIONS:

- **City-Business Partnership:** Create an independent facilitator/concierge role through the MDC/DID who will use knowledge, space inventory, and relationships to match building owners with potential businesses, entrepreneurs, and artists. Pair this facilitator with a City staff person dedicated to strategically catalyzing downtown revitalization. Fund and institutionalize this partnership.
- **Ease of Doing Business:** Evaluate current regulations related to land use, zoning, signage, and permitting, licensing, and fees, and seek new ways to be flexible and make doing business with the City even easier. Focus deliberately on the specific needs of downtown. Be open to new ideas and business models and provide more technical assistance. Continue developing strong partnerships between City staff and business and property owners.
- **Nicollet Mall:** Evaluate the future of Nicollet Mall as a pedestrian-only zone. Explore alternative options for transit service elsewhere through downtown and engage stakeholders to understand the full range of impacts. Brand Nicollet Mall as the "best winter street in the nation" and explore legislation to allow open containers on Nicollet Mall and in other specific areas downtown. As a first step, consider consolidation of the northern-most block (3rd Street to Washington), joining RBC Gateway Plaza and Cancer Survivors Park as a demonstration project.
- **Incentivize Activation:** Implement assessment practices that incentivize active, reduced- or non-revenue uses of commercial retail space as an alternative to vacancies. Recognize that providing lower cost and more flexible leases to emerging businesses and artists reduces rents and property values, while recent (pre-2020) rents and valuations no longer reflect reality and incentivize building owners to keep spaces vacant as opposed to filling them at reduced rents.
- **Focus Resources:** Allocate energy and resources towards implementing interventions at focused intersections to maximize success and build momentum. The Warehouse District, with its history as an entertainment node, adjacency to the lively North Loop, and historic buildings more readily converted to residential uses, should be a starting point for additional study and intervention.

- **Budget:** Beginning in the second half of 2023, invest \$75,000, in partnership with MDC/DID, for a total of \$150,000, to begin this work. In 2024, invest an allocation of \$750,000 to support the ongoing revitalization of downtown Minneapolis and budget this as an annual expense.

NEXT STEPS:

The work outlined in Sections A, B, C, and D will play out over several years, but to start down the road to a revitalized downtown storefront economy, the following immediate steps can and should be acted upon in the second half of 2023 and into 2024:

Immediate Next Steps

- Dedicate an internal team to focus on downtown revitalization efforts to support and encourage new businesses. Assign staff within Planning, Small Business Support, and Business Licensing to focus on downtown revitalization.
- Initiate a deeper dive study of the Warehouse District as a starting point for intervention.
- Invest additional funding with a leveraged match from MDC/DID to begin work immediately.
 - The Chameleon Shoppes program bringing Minneapolis BIPOC entrepreneurs into the downtown market will be expanded and strengthened with additional training and supports;
 - Work in partnership with the City Office of Arts and Culture and other community organizations to introduce cultural and arts-based uses to downtown spaces will commence;
 - Communications between stakeholders (e.g., building owner and managers, brokers, city planning officials, creative community agencies) will be organized;
 - Specific tools identified (e.g., space inventory, node analysis, market analysis) will be started.

2024 Next Steps

- Create a position in CPED that focuses on key geographically focused areas. This position would focus on strategic investments and improvements that would catalyze investment in focused areas throughout the city, with an initial emphasis on downtown revitalization.
- Create an independent facilitator/concierge role through MDC/DID
- The City and the business community will develop and institutionalize a clear communications pipeline, with matching “ombuds” on both the public and private sides to align the best private sector ideas with the City’s policies, and vice versa.
- The City’s Small Business Team will continue to serve as the public end of this pipeline and the MDC/DID should more formally serve as the private end.
- Establish a city-business task force to review and make recommendations for changes to processes and regulations.
- Enact the policy changes outlined in Section B (signage regulations, zoning requirements)
- Convene key staff from City departments and private businesses to assess the status of issues identified in Section D, with particular attention to public safety and skyway wayfinding and hours.