TOPICS AND PRESENTERS

GREATER MSP, PETER FROSCHE
MAYOR’S OPEN FORUM DISCUSSION

Caren Dewar called the April 13, 2020 virtual RCM meeting to order.

PETER FROSCHE, CEO GREATER MSP:

LINK TO PRESENTATION
LINK TO MSP REGIONAL INDICATORS DASHBOARD
https://www.greatermsp.org/

- Tracking the changes across the Greater MSP economy due to COVID 19
  - Large companies are accelerating the use of technology
    - “Future of Work” is going to be here sooner than we expected
    - We should not expect the same economy on the other side of this. Expect fewer available jobs on the other side of this downturn.
  - Inequality is getting worse
    - Most job losses are among low-wage workers.
    - Efforts on racial inclusion in the workplace have shifted from offense (let’s make it better) to defense (prevent backslide).
- The world of real estate is changing fast
  - Employers have already hit the “pause button” on major new expansions so they can re-evaluate how much office space they’ll want post-crisis.
  - Telework might be a bigger component of the future, but there is also a need to survey employees about their desire to be back in the office.
  - Industrial real estate demand has increased, immediately driven by a shift from “just-in-time” distribution to “just-in-case” inventory approach.
  - Hospitality and retail are both hit hard during this crisis.
- Quiet conversations about recovery have started
  - Minnesota may be one of the first states in the U.S. in a position to make decisions about what the “next normal” will look like for our economy.
  - We may not have the benefit of looking at what others are doing in the US. We need to look globally. Austria is an example to look to.
- Greater MSP Response to COVID-19:
  - Securing federal support:
    - Qualifying the regional economic development strategy with the U.S. EDA to apply for millions in federal funding.
    - Cross-sector campaign to promote utilization of new federal Payroll Protection Plan and other federal programs.
  - Creating a united front
  - Connecting the region:
    - Communicating weekly insights & resources to all investors and partners (including through new weekly e-news)
1-on-1 outreach to 200 partners in 10 days to hear about their priorities and emerging challenges.
• New problem-solving forum for entrepreneurs through Forge North.

• Meanwhile, most of the planned work continues.

Qualifying the Regional Strategy with the Federal Government:
• WHAT: By summarizing the work our region has already done to create our strategy, the U.S. EDA will accept it as an “alternative” to a standard Comprehensive Economic Development Strategy.
• WHY: The U.S. EDA received $1.5 billion in the latest federal legislation, and more is expected in the next bill. EDA told Greater MSP last week that counties, cities and nonprofits in this metro area will not be able to apply for most (or possibly any) of this funding without a qualifies strategy.
• HOW: Keep it simple + Do it soon.
  ▪ Summarize the regional strategy
  ▪ Add a few additional forms
  ▪ Review with partners
  ▪ Regional Council of Mayors (RCM) letter of engagement (if possible)
  ▪ Met Council adoption

MAYOR’S OPEN FORUM DISCUSSION:

• Is there a solution your city has developed over the past few weeks that others might benefit from hearing about?
• Is your city facing a challenge and looking for potential ideas or support from other leaders/organizations in the region or state?

Challenges:

• Impact on revenues (Mpls = $200 million loss, St Paul = $50 million)
  ▪ Loss in sales tax revenue, loss of entertainment tax revenue, loss in hotel tax revenue, loss of visitor taxes
  ▪ Drop in utility usage and billing from decreased downtown workforce in Mpls.
  ▪ Ability to make bond payments that were based upon local sales tax revenue
  ▪ Longer term - loss of property tax revenue due to anticipated valuation reductions

• Legislature:
  ▪ Recent legislation on workers compensation for first responders, but without specifics on who pays for that. At this point it on the city. Reach out to your legislators.
  ▪ Bemidji has bond requests in for water treatment plant – immediate need in community.
• Lack of guidance on federal funds coming to cities through the state - 500,000 population limit
• Housing insecurities – rent and mortgage support
• Food insecurities
• Larger impact/contraction of COVID on underrepresented communities of color and homeless populations
• Homeless - unsheltered encampments; need to be able to record locations for coordinated services.
• Goods supply chain – Target: panic buying seems less and restrictions on many items are being lifted. Local mandates also affect how they can serve customers, varies state by state.
• Rochester – Mayo Clinic layoffs – Large impact, long time frame.

Solutions:

• Share local strategies that make the state stronger; Do not reinvent the wheel.
• We are stronger as a state - this is a key moment to think strategy as a state!
• Need a regional network of free/ trusted counselors to help residents & small businesses access state & federal aid while avoiding predatory scams.
• City level cost containment strategies: non-essential hiring freezes, non-essential contract procurement freezes, possible pay freezes
• Equity - City of Saint Paul hopes to host one big central conversation and have further breakout conversations surrounding COVID equity issues.
• Look to Minnesota Mayors Together (MMT) to help with conversation about the workforce and what the “Future of Work” looks like.

• Food:
  o Food banks, school meal programs, etc…
  o Utilize large city arena for storage of pallets of food to become a distribution hub. Volunteers from United Way.

• Housing/Homelessness:
  o Contributions to VEAP for rental assistance
  o Securing hotels to house homeless or serve as isolation centers.
  o Social distancing and sleeping distancing.
  o More options for sanitation

• Small Businesses:
  o Saint Paul Bridge Fund
  o Using city’s revolving loan fund to serve as a line of credit for small businesses – no payment or interest for a period of time.
  o DEED redistributions
  o Need for retail and business to plan for what a gradual return to business means – we still need social distancing.

• #BeTheLightMN: Mayor Jim Hovland’s “Mayors Minute” Script –celebrating the graduating class of 2020 by turning on high school stadium lights and neighborhood porch lights.
  o What is Be the Light MN?
• Bring collective RCM ideas to Great MSP board. Further steps to be intentional about the relationship with Greater MSP and RCM.

Additional Links to Share:
Letter from Gov. Walz – Extension of COVID-19 peacetime emergency

ULI MN have been virtually connecting City staff weekly regarding city response to COVID 19; resident and business resources. Below are key links for resources that they have collected and shared:

- https://www.mhponline.org/covid-19
- https://www.fhfund.org/covid19/
- https://www.metrocitiesmn.org/covid-19-resources-for-city-officials
- https://www.lmc.org/resources/covid-19-resources/
- https://www.hud.gov/coronavirus
- http://www.nahro.org/coronavirus
- https://www.housinglink.org/List/covid-19
- https://www.housinglink.org/HousingResources/covid-19-resources-for-renters
ATTENDANCE

MAYORS

James Hovland  City of Edina (co-chair)
Mike Maguire  City of Eagan (co-chair)
Rita Albrecht  City of Bemidji
Tracy Bertram  City of Becker
Kurt Briggs  City of Prior Lake
Anne Burt  City of Woodbury
Melvin Carter  City of St. Paul
Jacob Frey  City of Minneapolis
Mary Gaasch  City of Lauderdale
Shep Harris  City of Golden Valley
Courtney Johnson  City of Carver
Marvin Johnson  City of Independence
John Keis  City of Little Canada
Chris Lund  City of Hamburg
Julie Maas-Kusske  City of Maple Plain
Tim McNeil  City of Dayton
Carlie Miner  City of Long Lake
Kim Norton  City of Rochester
Rhonda Pownell  City of Northfield
Dan Roe  City of Roseville
Randy Stille  City of Saint Anthony
Janet Williams  City of Savage

GUESTS

Alfonso Cornish, Target; Molly Cummings, Metropolitan Council; Peter Frosch, Greater MSP; Chris Heineman, City Administrator for City of Little Canada; Michael Huber, BCBS; Andrea Kajer, Comcast; Jay Lindgren, Dorsey & Whitney; Jason Wadel, City of Prior Lake, ThaoMee Xiong, Office of Melvin Carter, City of St. Paul.

ULI MINNESOTA

Caren Dewar, Cathy Bennett, Rachel Keenan

NEXT MEETING

Monday, May 11, 2020, 11:45 a.m. to 1:00 p.m.
Virtual Meeting using Zoom