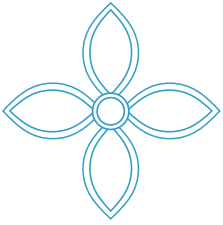


Capitol Area Architectural and Planning Board

COMMUNITY VITALITY TASK FORCE



Recommendations for
Capitol Area Community Vitality Account



These recommendations also comply with 2040 Comprehensive Plan for the Minnesota State Capitol Area policy guidance, specifically aligned to the Holistic 5-Point Lens in Chapter (Principle) 3: *“The Capitol Area aspires to be a living demonstration of innovative development that balances equity, sustainability and environmental responsibility with economic vitality, a strong sense of place, focus on communities and families, and an affordable, healthy quality of life.”*

Overview

In an unprecedented move that marks a significant milestone in the evolution of the Capitol Area, the Minnesota Legislature has initiated a transformative investment aimed at revitalizing the community and economic fabric of this pivotal district. In late May 2023, the legislative body passed a provision that established a Task Force to oversee the strategic deployment of a \$5 million **Capitol Area Community Vitality (CACV) Account**. This initiative is one of three critical investments targeting the Capitol Area, alongside substantial allocations for the enhancement of Rice Street (\$25 million) and the Capitol Mall (\$6 million), which focus on the planning and design of essential physical infrastructure improvements.

The creation of the CACV Account signifies a broader commitment to fostering community and economic vitality within the Capitol Area, boosting the livability, economic health, and safety of the communities it serves. The CACV Account also represents an opportunity to weave the fabric of the community closer together, prioritizing projects that resonate with the values and aspirations of the Capitol Area’s residents and stakeholders. In accordance with the legislation, this report provides recommendations on a program and oversight plan for the CACV Account set forth by the **Capitol Area Community Vitality Task Force** for approval by the Capitol Area Architectural and Planning Board.

A Unique, Diverse Community at the Crossroads of Change

The Capitol Area occupies a unique and prominent place in the heart of Saint Paul. This area, located north of the downtown core, is a dynamic mosaic of cultural, economic, governmental, and transportation influences. Its elevated geography not only provides a literal high ground but also holds sacred significance for many, highlighting its role as a hub for commerce, employment, and public discourse. Yet, amidst this rich tapestry of community life and vibrancy, the Capitol Area stands on the brink of significant change, presenting both challenge and opportunity for its diverse population.

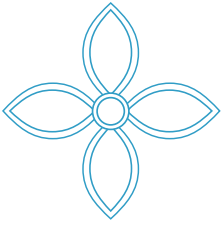
According to the 2020 census, the Capitol Area is home to 6,762 residents across 3,000 households. Among these, BIPOC individuals comprise 54.5% of the population, with Black or African American residents constituting 22% and Asian or Pacific Islanders making up 20%. This diversity is further enriched by the fact that 36% of the area’s population speaks a language other than English at home, and 25% are foreign-born residents. Such details underscore the area’s identity as a cultural and linguistic mosaic, contributing to its unique place within the broader Saint Paul landscape.

However, the community also faces significant socioeconomic challenges. A staggering 20% of the population has a disability, and more than half of the residents live at or below 200% of the Federal poverty line—emphasizing the urgent need for inclusive and supportive policies. The housing situation further compounds these challenges, with 60.5% of the population living in renter-occupied housing and 42% of all residents—and over half of those in rentals—experiencing financial strain due to housing costs. Despite these hurdles, there have been promising trends in community safety, with overall reported crime incidents decreasing by 37.5% between 2020 and 2023. However, this improvement is tempered by a concerning 28% increase in narcotics-related crime incidents in 2023, highlighting a need for focused interventions.

As the Capitol Area stands at this crossroads, the interplay of its rich cultural diversity and socioeconomic challenges speaks to the critical need for thoughtful, inclusive planning and investment. **It is imperative that efforts to revitalize and**

enhance the Capitol Area remain attuned to its diverse population’s needs and aspirations, ensuring the community’s fabric is preserved and strengthened in the face of change.





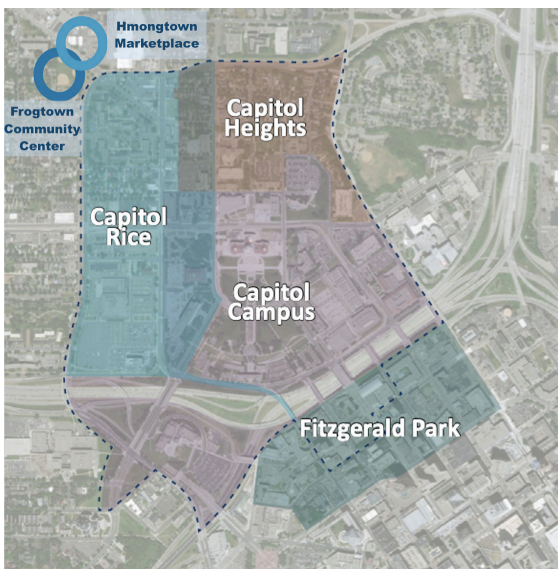
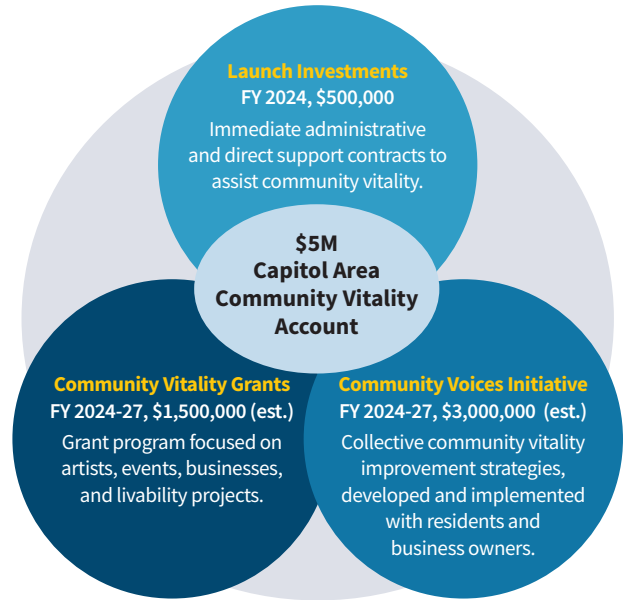
CACV Account Program Plan (FY 2024-2027) – \$5,000,000 (est.)

In partnership with CAAPB staff and consultants from Creation In Common and SDK Communications, the Community Vitality Task Force discussed and reviewed existing Capitol Area planning and investments, demographic and socioeconomic data, findings from one-on-one engagements with 70+ community members, and an online community survey, and governance and grantmaking administration best practices. This work informed the following recommendations for three key investments (outlined in the graphic) and eligibility designation of community anchors.

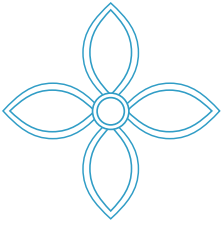
Community Anchor Eligibility

We recommend two CAAPB-identified critical community assets—Hmongtown Marketplace (“the only sizable commercial destination in or near the Capitol area”; pg. 148) and Frogtown Community Center (the area’s central hub for engagement and youth programming; pgs. 93-94)—be designated as eligible to apply for CACV Account funds.

The 2040 Comprehensive Plan for the Minnesota State Capitol Area for the Minnesota State Capitol Area offers ample support for this inclusion, recognizing Hmongtown Marketplace and Frogtown Community Center as key locations and community anchors (pgs. 149, 180)—emphasizing their criticality to area health and vitality. Community members, who are “critical to helping planners understand key assets” that need to be protected and included (pg. 160), affirmed the organizations’ significance. Although they are located just outside the designated area, the 2040 Plan concedes “there are no formal [Capitol Rice] boundaries” (pg. 170)—echoing boundary confusion expressed by community members. By allowing these BIPOC community cornerstones to benefit from CACV investments, CAAPB advances the 2040 Plan’s vision: “[This plan] strives to turn boundaries into connections. [...] The previous plan was organized by geography. This plan seeks to remove boundaries for a truly integrated Capitol Area” (pg. 6).



CAAPB recognizes “good planning and design respects physical assets” (pg. 160) and understands that “going forward, there’s continuing opportunity to respect the existing community, assets, and context in the Capitol Area” (pg. 16). **Listening to neighbors’ lived experiences teaches us that, in the context of the Capitol Area, Hmongtown Marketplace and Frogtown Community Center are invaluable assets—and therefore shouldn’t be excluded from CACV Account funds based on arbitrary boundaries.**



CACV Account Program Oversight: Administration and Governance

In accordance with the fund-authorizing legislation, the oversight structure below would be responsible for identifying, selecting and approving grant funds.

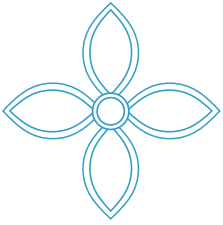
Administration: CACV Account grants will be administered through the City of Saint Paul (pending City review and letter of confirmation). The city's role will include posting, managing an application process to select grant projects (posting materials, collecting applications, etc.), conducting due diligence, processing payments, and maintaining paperwork or records required for reporting to CAAPB and Legislature.

Governance: These grants are an opportunity to build capacity in the neighborhoods surrounding the Capitol Area and support ongoing community leader engagement. The Capitol Area Vitality Grant Committee will be 3-5 people, in a group time-limited until the program sunsets, chosen and facilitated by the CAAPB staff. Members will be eligible for a per meeting per diem.

Committee members will assume the following characteristics:

- *Represent the CACV Account Grants and Encourage Application.* All Committee members will help promote grant applications and champion vitality of the Capitol area, broadly.
- *Reflect Neighborhood Stakeholders.* Only residents, business owners, or workers based in the Capitol area are eligible to serve.
- *Make Selection Recommendations.* The Committee will review and vet all applications. Once selections are made, the slate of grants will be provided to CAAPB for review and final approval.
- *Ex Officio – City of St. Paul.* St. Paul staff responsible for administering the grant program will participate in Committee and CAAPB meetings about CACV Account grants to provide information.





Launch Investments (FY 2024-2025) – \$500,000

Transferred to and administered through CAAPB. Covers the following:

CAAPB Project Management

- CAAPB Temporary Start-Up and Management Contract. A two-year temporary contract that facilitates work with the City of Saint Paul; Objective: Initiate and establish all CACV Account grant elements—applications to approvals.
- CAAPB Staff Fellow(s). This position follows a model of four previous CAAPB Fellows since 2017; Objective: Assist CAAPB Staff and Temporary Contracted Manager (listed above) and City of Saint Paul grants administration staff.
- This team, working with the City and following a CAAPB-City of Saint Paul operating agreement, implements all CACV Account uses under the governance and oversight model described above.
- CAAPB funding request not to exceed \$150,000 over two years.

Clean-Up Contracts

- Public: Contract to extend the Safety Communications and Street Team of the Saint Paul's Downtown Improvement District.
- Private: Contracts for individual private property or block ownership group

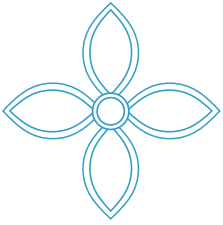
Public Safety Contracts (as needed)

- Public Safety (coordination with SPPD, Capitol Security, or Metro Transit Police)
 - Premise surveys (SPPD)
 - Community event contracts fund
 - Additional community or neighborhood patrols
 - Safety Technologies / Cameras / Lights / Trailers

Professional and Technical Assistance Contracts (as needed)

- Professional services to potential applicants in support of CACV Account Grants
 - Applicant pre-grant direct assistance (up to \$5K business owner or property owner): Design/space planning, as-builts, business planning, estimates, contracting assistance, communication/Interpretation
 - Service in support of grant administration





Community Vitality Grants (FY 2024-2027) – \$1,500,000 (est.)

The CAAPB engaged SDK Communications to collaborate with a Task Force Grant Subgroup to conduct research and make recommendations for design of a community grant program. This section summarizes the recommendations of this work.

Additional Task Force discussions with Legislative leaders have led to the decision to extend this administrative and governance approach to all CACV Account grants—those with an open application process, and investments directed by community members engaged.

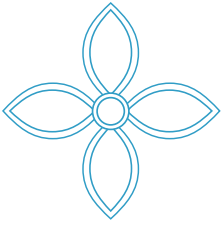
Grant Program Strategy

The Community Vitality Grants will distribute \$1.5M (est.) in the Capitol Area, utilizing the following strategy.

- 1. Phased Approach.** Unprecedented investments in the small geography of the Capitol area present an incredible opportunity for businesses and residents who live in the area. Taking a phased approach will ensure a thoughtful start up to introduce the Community Vitality Grants and balance funds across the project timeline. Grant rounds will take place in early 2025, 2026 and 2027, and the final will be timed to support Rice Street corridor businesses through construction.
- 2. Focus Areas:** Art, Businesses and Ownership. The Community Vitality Grants will make direct grants in the areas of art and business vitality, as well as future funds to support first-time homeownership in the Capitol Area.
 - a. Size Range:** Arts grants will range \$5,000-\$50,000. Business grants will range \$5,000-\$75,000. Down payment / ownership grants for first-time home or business owners will range \$5,000-\$25,000.
 - b. Eligibility:** Arts grants will cover artists' time and materials for murals, sculptures, art installations, and events in the Capitol area. Business grants will cover operating equipment or façade improvements for existing storefront businesses in the Capitol area; nonprofits with storefronts or making space improvements to the Capitol area will be eligible. Additional eligible business items include consulting services (such as planning, marketing, or finance) to help Capitol area businesses grow, and specific operating expenses that meet certain criteria may qualify. Ownership grants will provide a portion of down-payment/ first month(s) rent payment for businesses beginning or relocating to the Capitol area and first-time home buyers interested in moving to the Capitol area or pursuing ownership of a current rental.



- 3. Ensure Technical Assistance.** In addition to direct grants, the Community Vitality Grant program will fund technical assistance to support people, businesses and artists living in the Capitol area as they take advantage of the Community Vitality Grant. Technical assistance may include staff time to help Capitol area businesses, artists and residents apply for grants, and navigate any permits needed for adding arts, events, or facades. Technical assistance providers will also provide general consultation on various management topics to Community Vitality Grant grantees.



Community Voices Initiative (FY 2024-2027) – \$3,000,000 (est.)

The purpose of the Community Voices Initiative is to unite and center neighbor efforts, across a racially and ethnically diverse community, to:

- Self-determine the best ways to address the community’s challenges.
- Develop and implement resident and business owner driven strategies.
- Sustain the benefits of investment in the Capitol Area for the long term.
- Ensure proper governance and oversight of state support.

The investment of \$3 million (est.) of the CACV Account will enable community-driven solution building through the completion of the Community Voices engagement process and creation of a Capitol Area community group to provide oversight of the dispersal and use of these funds.

Been here all my life. There are no grocery stores. Nowhere to shop. Nothing for the kids to do. See them in the streets. Need programming for the kids. Losing kids to drugs. Kids of all backgrounds. Would love to keep the community together. Don’t see that now. Neighbors don’t talk to each other anymore. Kids don’t play in the streets anymore.

OVERVIEW: PHASE ONE OF COMMUNITY ENGAGEMENT

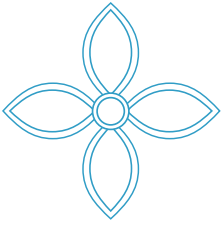
Over 70 Capitol Area residents, business owners, leaders, and young people participated in the initial round of Community Voices engagement process. Overall, they want a safe, open, healthy, and affordable community. They recognize that the area’s vitality is caught in a “bad feedback loop”, where economic stress, drug use, and lack of safety have disempowered families from walking in their neighborhood and claiming public spaces as their own, locked the doors of businesses, and kept visitors and state government workers from venturing far beyond the Capitol Mall. The following are key areas of solution building that were consistently raised through the Community Voices process so far:

Community Voices: Address Cost-Burdened Households

Engagement sessions highlighted stress and challenges faced by residents due to the high cost of housing, the state of disrepair in some residential properties, and the lack of access to an affordable grocery store in the area. Solutions offered by community members include:

- Aid-based grants to families providing rent and utility assistance.
- Capital grants that support the fixing and improvement of residential properties in disrepair.
- Developing strategies to bring an affordable grocery store into the area and to enhance access to emergency food through pantries and food shelves.

Homelessness and drug use are linked. Someone might be stably housed but fall into addiction, causing them to lose housing and become homeless. Or someone becomes homeless for other reasons and turns to drugs as a coping strategy.



Community Voices: Address Drug Use and Addiction

In addition to drug use being recognized as a significant public safety and livability challenge in the Capitol Area, community members are also concerned about its impact on young people, ages 14 to 17. The community expressed strong desire for multifaceted, tangible actions to be taken to support drug users and reduce drug-related safety concerns. Solutions offered included:

- Resource access to de-escalation and naloxone (medication to save someone from a drug overdose) training for community leaders, organizations, and advocates.
- Grants to nonprofits to support outreach to youth who are unhoused and dealing with drug addiction.
- Investment in services offered by safe-injection sites to increase social support and addiction recovery.

Most daytime hours the bus stop is used by drug users. Need more people, not necessarily police but street interventions. Transit ambassadors, street ambassadors, seems siloed. Need people that can work across the issues and disrupt the patterns.

Community Voices: Advance Programming for Teens, Kids, and Young Families

Programming for teens, kids, and young families is identified by community members as an essential priority to bolster community vitality and redirect young people away from “unsafe options.” Young people expressed high interest in gyms and physical recreation centers, public libraries, and public parks and green space. Also, youth involvement as part of initial community engagements showcased the opportunity to center their leadership as part of the advancement of the Community Voice Initiative. Solutions offered by community members include:

- Grants that support additional staff and programming activities at existing community centers and schools.
- Organized activities with paid staff such as skateboarding, arts programming, community gardening, and bicycling.
- Invest in wrap-around services that integrate healthcare, education, and workforce development as part of community center youth programming.

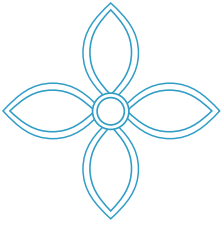
Support for out of school programming would offer more variety, make students more willing to hang out at school after school, so they’re less likely to choose unsafe options.



Community Voices: Improve Disability and Accessibility Infrastructure

Lastly, improving disability and accessibility infrastructure was highlighted as a key concern, which is consistent with the finding that one in five individuals living in the Capitol Area has a disability, twice the national average. The need for financial assistance and resources to enhance the community’s accessibility, ensuring that all residents, regardless of ability, can participate fully in community life is seen as a priority. Solutions offered by community members include:

- Capital grants for ADA infrastructure such as installing automatic doors could help businesses with older properties upgrade to meet accessibility needs.
- Improvement of crosswalk safety through the Capitol Area.
- Investment in community-based services to improve outreach to homebound individuals.



Community Voices Initiative Start-Up and Next Steps

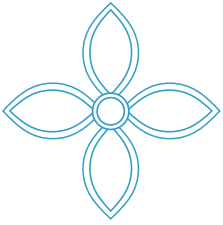
The following are administration and governance for advancement of the \$3 million (est.) investment in the Community Voices Initiative between 2024-2026.

- **Spring 2024:** Community Voices Initiative will complete the community engagement process. At that time, CAAPB will receive recommendations from community members to invest \$1 million on the specific strategies they identified.
- **2024-2026:** The remaining Community Voices Initiative funds will be dispersed by the City and CAAPB staff in partnership to launch and enable specific strategies—developed by community members—that address needs and challenges of residents, business owners, and community stakeholders and reflect the solutions that they co-create. Steps include:
 - Documentation of strategies, budget, action plan + timeline, and evaluation plan.
 - Potential Identification of nonprofit intermediaries needed to provide expertise and community partners, from within and outside of the Capitol Area, who will provide services to support these strategies.
 - Presentation to CAAPB for approval.
 - Quarterly progress reports to CAAPB regarding the use of funds and its impact.

Toward a Vibrant Future for the Capitol Area

These strategic investments reflect a deep commitment to nurturing an inclusive, resilient, and vibrant community. These initiatives promise not only to address the immediate challenges faced by the Capitol Area but also to lay the groundwork for a future where all residents and businesses can thrive. Recommendation implementation will require continued engagement, innovative thinking, and dedicated oversight. This path advances toward a Capitol Area that empowers community members and truly reflects the values, needs, and aspirations of its residents and community stakeholders. In embracing this opportunity, we reaffirm our commitment to creating a Capitol Area that is a hub of governmental and economic activity, as well as a beacon of community vitality and social cohesion.





Appendix

A. Summary Table of CACV Account Program Oversight and Administration

B. Start Up Actions in Support of Community Vitality Grants and Community Voices Initiative

C. Glossary

** Note: The Capitol Rice District logo on the title page of this document is by commissioned community artist Witt Siasoco in support of 2017-2020 Lower Rice Street Commercial Vitality Zone planning, grant, and projects implementation process by City of Saint Paul and CAAPB, with consortium of community partners including Ramsey County.*

***Note: The graphic used in the upper corner of each page throughout this document mirrors one of the symbols included in the tiling and name plaque at the Spiral for Justice — Roy Wilkins Memorial; located on the Capitol campus. It is a reference and tribute to African symbology.*

“We must truly see others as ourselves and all as our nation —
our common and glorious heritage built upon man and his
freedom. For this is what our country is about.”

– Roy Wilkins, 1966

Summary Table of CACV Account Program Oversight and Administration

CACV Account	\$5,000,000	Oversight	Governance	Administration
Launch Investments	\$500,000	Determined by list: CAAPB – Not to exceed \$150k over a two year period City of Saint Paul - \$X	CAAPB and City of Saint Paul staff leads following all agency regulations for similar contracts or work	CAAPB Vitality Projects Contractor and CAAPB staff Fellow working in partnership with City of Saint Paul PED staff
Community Vitality Grants	\$1,500,000 (est.)**	City of Saint Paul	CAAPB and City of Saint Paul (administrative approval if meeting certain size requirements, or Board approval through consent agenda)	Agreement will define: <ul style="list-style-type: none"> • Generally, CAAPB and City of Saint Paul both develop applicant relationships, promotion, and communications (as defined in agreement) • City of Saint Paul minimum is the application processing and fiscal agent/ disbursement, and reviews any construction as they otherwise would • CAAPB reviews all applications for compliance with Rules and 2040 Comp Plan
Community Voices Initiative	\$3,000,000 (est.)*, **	CAAPB (Board Approval)	CAAPB and City of Saint Paul supporting Capitol Area Vitality Grant Committee, when formalized	CAAPB and City of Saint Paul in structured working agreement

*\$1,000,000 identified in spring 2024.

**The City of Saint Paul will retain 10% of competitive grants and 5% of non-competitive grants for administrative costs. (Therefore, it is estimated (and subject to change) that the City will retain between \$300,000 and \$450,000 depending on the final mix of competitive vs non-competitive grants until \$4.5M funds are disbursed in the community.)

Start Up Actions in Support of Community Vitality Grants and Community Voices Initiative

Community Vitality Grants Program (\$1.5M est.)	Community Voices Initiative (\$3M est.)
<p>Mobilizing funds and people will take substantial effort over the coming year – added care and attention must be taken to build community relationships and enthusiasm. Additionally, the inclusion of St. Paul as administrator and fiscal host of all Vitality funds will require important start-up work to ensure effective, efficient functioning.</p> <p>Timing: FY 2025; 7/1/2024 – 6/30/2025</p>	<p>The Community Voices Initiative will complete the community engagement process. At that time, CAAPB will receive recommendations from community members to invest the first \$1M of the \$3M (est.) on the specific strategies they identified.</p> <p>Timing: Spring 2024</p>
<p><i>Establish Fund Administration and Supporting Interagency Agreement.</i> The CAAPB will see the Vitality Fund total released to the City of Saint Paul by the Legislature in 2024. CAAPB staff will continue to promote grant opportunities, connect vitality investments to other planned projects, and facilitate engagement of community members' to select and champion Vitality Fund projects. A written Interagency Agreement will provide role clarity, identify grant regulations that could create barriers to residents/business owners accessing funds; improve community accessibility processes to; identify explicit processes to resolve differences of opinion and seek grant approvals; and details to ensure successful agreement implementation.</p>	<p>Complete Community Voice Engagements - Steps include:</p> <ul style="list-style-type: none"> • Complete community member interviews. • Appointment and convening of Capitol Area Vitality Grant Committee • Formation of recommendation on use of first \$1M of \$3M (est.) • Recommendation and approval by CAAPB • Reporting as necessary to CAAPB regarding use of funds and impact delivered.
<p><i>Finalize Grant Application Process, Criteria.</i> CAAPB, the city of Saint Paul, and any partners will develop the application for Community Vitality grants. CAAPB will seek a first round of community grants in early 2025.</p>	
<p><i>Engage Businesses + Residents.</i> The new grant program will require early work to build community awareness, including strategic outreach to businesses and residents to understand people's desired simple projects. Depending on allocated resources, this outreach could include sharing information about grant opportunities currently available from other sources (e.g. city, NDC) and/or identifying quick vibrancy and beautification projects to be executed by fall 2024.</p>	
<p><i>Cultivate Leadership for Ongoing Governance.</i> Outreach will include early relationship building in order to cultivate a group of community members leaders (Community Vitality Grant Committee) who will provide input on grant selection and serve as governance and community connections for the grant over the life of the project. The exact steps will vary depending on the administrative structure CAAPB chooses.</p>	

Glossary

CACV Account	<p>Capitol Area Community Vitality Account</p> <p>\$5M; Legislature-designated; Set aside to fund projects and investments that will foster community and economic health and vitality, boost livability, and safety of the Capitol Area communities.</p>
CACV Task Force	<p>Capitol Area Community Vitality Task Force</p> <p>Created by the Minnesota Legislature in 2023, this is 11 appointed individuals (representing CAAPB Staff, the House of Representatives, the Senate, and Capitol Area residents/ business owners/ members of local orgs), tasked with engaging consultant expertise and collaborating with contracted consultants to develop CACV Account fund usage recommendations.</p>
Capitol Area Community Vitality Launch Investments	<p>\$500k of the CACV Account's total \$5M; Initial investments that will be made during FY 2024-2025 to develop necessary CACV Account fund management supports, as well as readily available startup funding for immediate community assistance projects and investments.</p>
Capitol Area Community Voices Initiative	<p>One branch of the Capitol Area Community Vitality Account planning and implementation efforts.</p> <p>Consultant: Creation in Common</p> <p>Purview: Engage community members to gain understanding of the community's strengths, challenges, needs, and potential solutions; use these insights to develop community-driven recommendations for how best to utilize \$3M (est.) of the CACV Account's total \$5M.</p>
Capitol Area Vitality Grant Program	<p>One branch of the Capitol Area Community Vitality Account planning and implementation efforts.</p> <p>Consultant: SDK Communications</p> <p>Purview: Conduct research and develop recommendations for the design of a community grant program, including approaches to grant administration and governance — helping to determine how best to utilize \$1.5M (est.) of the CACV Account's total \$5M.</p> <p><i>It has been decided that these administration and governance recommendations will be extended to all CACV Account grants, including those resulting from the Community Voices Initiative.</i></p>
Capitol Area Vitality Grant Committee	<p>Proposed group of 3-5 Capitol Area residents and business owners who will play a role in CACV Account grant governance and application selection processes.</p>