



Mayor Chris Coleman
2013 State of the City
Remarks as Prepared for Delivery
03.25.13

Thank you Kathy for that introduction.

When I watch the video we just saw, I get choked up with pride for my hometown. It's a world-class city filled with world-class people. Let's thank everyone who played a role in what will be Saint Paul's latest marketing tool.

Oftentimes, State of the City speeches are highlight reels where we talk at length about all we've accomplished. And make no mistake, we've accomplished a great deal these last several years. The list is familiar but bears repeating.

We are one year away from the Green Line's first trip down University Avenue. Projects like The Lofts at Farmers Market, the Chittenden & Eastman building, and the Penfield are just the beginning of the development we'll see in the coming years.

This spring, we will break ground on the regional ballpark in Lowertown.

In about nine months, the first bag of groceries from Lund's will be sold to a new resident of the Penfield.

The fact that The Lofts at Farmers Market were 100 percent occupied before we even celebrated the grand opening last summer proved the strength of the downtown housing market.

The beautifully renovated Union Depot opened this past year and we'll soon see Amtrak passenger service at our regional transit hub.

While the public sector has been an important catalyst for the growth we have seen, it is the private sector investment that is really beginning to take off. In every corner of the city, new investment is reshaping the neighborhood landscapes.

One great example is Ward 6, the new pub and restaurant on Payne Avenue. With great food and a fantastic beer selection, it has quickly become the "it" place on Payne.

Eric Foster is one of this new restaurant's two owners. Several years ago, he was living out east when he and his wife decided it was time to find a place they could make their permanent home. They only had a few folks that they knew in the Twin Cities. But Eric and his wife wanted to live

in a vibrant, hip, safe, affordable, welcoming community – and it had to have good beer. They chose the Dayton’s Bluff neighborhood. After moving there, Eric met Bob Parker who had traveled around the globe opening TGIF restaurants. At Ward 6, they’ve created a unique neighborhood pub and a community gathering spot.

Eric and Bob could have opened up a restaurant anywhere in the country. They chose Saint Paul. And along with Kendall’s Ace Hardware, Yarusso’s, Serlin’s, and a host of other great spots, they are reshaping the image of Payne Avenue.

Just ask The Line magazine, which recently ran an article titled, “Our next hot neighborhood? Put your money on Payne Avenue.”

We shouldn’t forget that it takes a lot of long-term work to create a trendy neighborhood. Let’s not forget everyone who fought so hard to build the Phalen Boulevard. That public investment paved the way for the private investment that we are seeing today. Councilman Dan Bostrom played a key role in that battle. Let’s give him a round of applause for representing the hottest new neighborhood in the Twin Cities.

Just a few weeks ago, in this very room, the Mille Lacs Band of Ojibwe announced their purchase of both the Crown Plaza and the Doubletree hotels. Seeking to diversify their holdings, the Band looked for a great place to invest. They found it in Saint Paul. Along with Jim and Ben Graves, of Graves Hospitality, they will transform these two hotels into vibrant destinations downtown, including significant changes to the street presence of both buildings. Jim Graves told me recently that I might be too close to it to understand how dramatically the perception of Saint Paul has changed in the development community.

Well, I’m not too close, but it is nice to hear it validated.

Other investors have jumped on the opportunity created by the Green Line’s rapidly approaching start of operations.

Jim Stolpestad, owner of Exeter Realty Company, plans to convert the old Post Office into 250 market-rate housing units. Jim sees the promise of not only light rail, but all the investments we have made or are making in downtown, including the ballpark.

Rich Pakonen has been a long-time believer in Saint Paul. In addition to the Lowry Building and The Rossmor Building, part of the recent increase in housing in downtown that is creating critical mass, he is now transforming the Pioneer Endicott building into 234 market-rate apartments and 31,900 square feet of commercial space.

And in a few years, the vast Sears site will be almost unrecognizable from its current one-building operation today. Quite honestly, when the folks from Sears came in to meet with me, on the heels of the Macy’s news, I was fearful of why they wanted to meet. But not only are they staying open, Sears plans to transform the site into a vibrant, transit-oriented development. In

their first phase of development, Sears has plans to reorganize their existing retail store to incorporate the auto repair center and add new retail, office space, and 130 units of housing and structured parking.

These investments are also happening beyond the borders of downtown and outside the central corridor. At the Schmidt Brewery, buildings are being reconstructed as artist lofts to create a vibrant, mixed-use urban village with affordable housing and commercial and retail space. At the Hamm's site, new businesses are popping up in spaces once thought unusable. In Saint Anthony, Colossal Café has become a new part of a great old neighborhood.

These aren't random acts of investment. People are investing in Saint Paul because Saint Paul is investing in itself – its culture, its infrastructure, and its vibrancy.

One critical investment that is just getting under way is the new concert hall at the Ordway. When completed, it will not only create a world-class home for the orchestra, but will also double the use of the Ordway Center. This means growth and expansion for the Minnesota Opera, the Schubert Club, the Ordway itself, and a chance for new and emerging arts groups to perform at the crown jewel of Saint Paul. Many of us have watched with concern the protracted lockout of the Saint Paul Chamber Orchestra. The SPCO is truly one of Saint Paul's greatest assets. That is why I am so hopeful that we will soon file into our seats to hear our favorite musicians play on the Ordway Stage. This will require sacrifice and compromise for both sides, but at the end of the day, this institution is bigger than any one of us. The most important thing is that we reunite these musicians with their audience.

We have accomplished much. But things are not perfect. The persistence of the achievement gap between white and minority students confounds us. Overall, crime rates are low. But that is little comfort to the person who has been victim of a crime or a family that has lost a loved one to violence. We celebrate the progress on the Central Corridor. But other regions are building out their transit systems at a dizzying pace. While we know private investment in our city is the key to its continued strength, our outdated technology and lack of customer focus makes that too difficult all too often. And though the closing of Macy's may have been inevitable, the loss of the last remaining department store in a city that once had eight is still a reminder that our work is not done.

Yes, we can and we should pause to celebrate all we have accomplished. But, we must not sit back and admire what we have done. Rather, let's accelerate the pace of change and continue to work on all that will make our great city even better.

As the days of large downtown department stores are gone, so too are the days when we could assume every child born in Saint Paul would naturally live here the rest of their lives. We have to work hard to make sure Saint Paul is not only the city where kids born in Saint Paul wish to live, work and raise a family, but also where people from across the country and across the globe want to live, work and raise a family.

The fastest-growing demographic in Saint Paul is 25-34 year olds, making up nearly 26 percent of our downtown population—and that is a great thing. As Eric Foster from Ward 6 first decided he wanted to live in Saint Paul before ultimately deciding to open a restaurant, we know that many people entering the workforce are likely to first choose a city they want to live in, and then to find somewhere to work—not the other way around.

There are a number of ways people refer to this demographic – Generation Y, Millennials – I call them Molly and Aidan. But whatever their name, the truth is always the same: They are the future workforce in our city. They are the residents who will call our neighborhoods home. On one hand, they are risk-takers that keep pushing the envelope on what it means to live in a city. And on the other hand, they are looking for the same things as the rest of us: jobs, transit, safe streets, good schools, affordable housing and a vibrant mix of music, theater and the arts. We have a general sense of what they are looking for. We're doing many things right: Crashed Ice, Jazz Fest, music venues, great libraries, parks and places to eat. But we have to enhance our knowledge of what young professionals are looking for in a city.

That is why, in the coming days, I'll be heading out to Hamline, Metropolitan State and Macalester to meet with young people to ask: What does Saint Paul offer that makes you want to live here? What can we do to attract you for the next decade? Hearing directly from our young people about what they are looking for in a city will help us get an idea of the kinds of things we should be planning in the short and long term.

One example of a young adult that has come from afar to become part of Saint Paul's vibrant music scene is with us today. Spencer Succa recently moved from Ronan, Montana to Saint Paul—actually, our house. As a bass player, he's met with local musicians, toured McNally Smith, and is heading over this afternoon to check out the Walker West Music Academy. Saint Paul has a lot to offer young musicians like Spencer.

For me, the work ahead can be summed up with Five Ts: tracks, trails, talent, technology and traction.

First, tracks: While this coming year will give us one of the greatest reasons to cheer in a long time, the opening of the Central Corridor light rail line after 30 years of discussion, we must fight to make sure that the east metro receives its full share of transit investment in the coming years and decades.

A critical first step came a few weeks ago. With the leadership of Councilmembers Stark, Tolbert and Thune, the city formally requested that the Ramsey County Regional Rail Authority conduct a study of the Riverview Corridor. This study is the first step in completing the transit triangle that will connect downtown with the airport and the Mall of America. Discussion about this corridor has been delayed too long. I am thrilled we are working together and moving this plan forward.

We are also moving forward on streetcars in the city. The first of three phases of a streetcar study is now complete. Smaller than light rail and sharing the road with motor vehicles, streetcars are great at connecting neighborhoods to neighborhoods.

Imagine taking a train from the East Side to downtown Saint Paul to catch a show at the Ordway, or having a short streetcar ride from your home on the North End to a baseball game at the Lowertown Ballpark. Combined with transit options like light rail, hour cars, bus rapid transit and bike sharing programs, streetcars have the potential to truly launch Saint Paul onto the international stage of world-class transportation systems.

One clear lesson we learned as we fought to build the Green Line was that if we in the east metro are not fighting hard for transit investment, we can't expect anyone else to do it. When we came together to advocate for the Central Corridor, we were a force to be reckoned with. Together, as the East Metro Transit Alliance, we made sure the Central Corridor was the second light rail line built.

Business and philanthropic leaders, as well as state and local elected officials from across the East Metro - from Forest Lake to Red Wing, Maplewood to Stillwater - stood together to demand that investment in transit was regionally balanced. We need to jumpstart our transit advocacy in the East Metro again.

Therefore, I have asked Matt Kramer of the Saint Paul Area Chamber of Commerce and Ramsey County Commissioner Jim McDonough to reconstitute the East Metro Transit Alliance. Together, we will advocate for equal transit investment on this side of the region. I am so grateful that Matt and Jim have agreed to lead the charge.

We also know that trails, the second T, are an important part of the transportation infrastructure. We are blessed with incredible biking, walking and running paths. One can bike along the river on Shepard Road, run on Mississippi River Boulevard, walk around Como Lake, or commute to work down Summit Avenue.

It's important to remember that trails aren't just great ways to get exercise. They are a growing method of commuting for many. In 2008, only 31 percent of 16-year-olds and 77 percent of 19-year-olds had a driver's license — numbers dramatically lower than the 1978 numbers of 50 percent and 92 percent, respectively. Ease of commuting by bike is a critical component of making our city attractive to a new generation of workers.

In the coming year, we will examine how we can add more bike lanes throughout Saint Paul and in downtown. Doing so will not only make commuting easier; it will increase the number of trips taken by Nice Ride bike share users.

I'm committed to expanding Nice Ride throughout the city. It's a great way to get around at lunch time. But it will be a very good choice for people going to this summer's Northern Spark Festival, concerts at Mears Park or going to shop at the Saint Paul Farmers Market on weekends.

In addition to our work creating a more bike friendly downtown, I am also requesting that our staff work with Minneapolis and Hennepin County officials to build a direct connection between the Greenway in the West Metro to the Gateway and Vento Trails in the East Metro. These trails are like bike super highways. But right now, there is a large gap between them. Imagine if we

can create a seamless connection that will allow someone to bike from Stillwater to Excelsior. Or from either end, hit the Munger trail to Duluth. We have the opportunity to create one of the most extensive bike trail systems in the country. It would continue the region's reputation as the best biking city in America and would show we're serious about expanding trails for future generations.

While attracting talent – our third T – to Saint Paul is an important focus of our work, it is secondary to the work that we must do to make sure that every child born in Saint Paul has the tools he or she needs to be a successful and productive citizen in our city. Great transit systems and trails, music festivals and ballparks help us attract talent. Education helps us grow it.

As I frequently say, education is my economic development strategy. It's my public safety strategy. It's my neighborhood development strategy.

Since 2006, we have redefined how the city is involved in education. Whether as a partner to Superintendent Valeria Silva in her work to build strong schools and strong communities, or, through Sprockets, leading the build out of a citywide network of quality out-of-school-time programs, our work has become a nationally recognized model of cooperation.

Through our work in the Saint Paul Promise Neighborhood, we have learned of the importance of coordination and community involvement in our efforts. With the leadership of Councilmember Melvin Carter and the support of the Wilder Foundation and its leader May Kao Hang, we have made real progress in the Promise Neighborhood. The disappointment we feel in not receiving federal backing to expand our work there does not lessen our resolve to change outcomes for our children. We are laser-focused on preparing children for kindergarten, making sure they can read by third grade, helping them on the road to college and supporting family stability.

The lessons we have learned in the Promise Neighborhood must be shared across Saint Paul. While every neighborhood has a large number of great programs, we will begin to help create the kind of collaborations we are seeing in Frogtown and Summit University. The power of the Promise Neighborhood approach will unite community partners across the city to close the achievement gap.

Another way we will help grow our talented workforce from within is to make sure our kids are career-ready. Workplace readiness is something we know many students lack upon graduation from high school. Partnering with our local businesses to engage these students before graduation has proven vital to workplace preparation, and we plan to strengthen and broaden that relationship with a crucial new initiative called "Right Track."

This is a new partnership between the City of Saint Paul's Youth Job Corps, the school district, Genesys Works and our local business community. Companies will hire students who have had at least one job already through the city's summer Youth Job Corps program. Those students receive career-readiness training and coaching from Genesys Works and also may attend career-

specific classes at selected high schools. In their senior year, they are eligible for a full summer of career preparation and college readiness training, followed by a year-long paid internship at one of many local companies.

In order for this program to truly have the impact that we know it can, we need every possible business to step up and help. If any of the business owners in this room can help, I am asking you to commit to be a part of this critical program, and to ask your friends in business to join you.

One business that has already stepped up to help is GovDelivery and its CEO Scott Burns. Scott understands the necessity of having a talented workforce here at home. I want to thank him for his leadership on behalf of our future workforce.

Catherine Penkert from our Parks Department and my education coordinator Jane Eastwood are both here today, and they can tell you how to get involved.

Please reach out to them and join in this effort.

As we prepare our children for their future, we as a city government must live up to the standards of preparedness that we are laying out for our students—that means being a city that values technology, our 4th T, and has the flexibility to adapt to the future.

The pace of technological change is stunning. Just as soon as I mastered texting, tweeting became one of the most important communication tools. Things like mobile apps used to be looked on as frivolous—considered to be more entertainment than anything else. Today, they are necessary tools, and being able to utilize and understand them is an essential piece to competing in a 21st-century marketplace.

In this era of rapidly changing technology, people often ask if libraries really are relevant anymore. But, in fact, it is the Saint Paul Public Library that is leading us to the 21st- century digital world. Offering e-magazines, e-books, free digital music, and a mobile app that is nearing one million visits per year, we can truly be proud of a library system that is keeping both our youth and adults educated on the most recent technology.

A new partnership of the Library and the Saint Paul Community Literacy Consortium, called the Northstar Digital Literacy Project, is an example of an innovative initiative to address the issue of digital literacy. It improves workforce skills and helps job seekers, employers and community organizations alike. Since its launch late last year, over 31,000 people have taken an assessment on the public website and 5,450 through a sponsoring agency. Fifty-one organizations in 13 cities now offer the Certificate of Completion, including libraries, community organizations, technology centers, schools, and job training centers. In recent weeks, two agencies – in Chicago, Illinois and San Jose, California – have become the first non-Minnesota sites to offer a Northstar Certificate.

Technological excellence is no longer a choice. It is a necessity. In this digital age, we must meet residents where they are – and they're on their smart phones. We can use this fact to make our

city more responsive to our residents. Today, the city launched ‘Saint Paul Connect,’ our own mobile app available on Android and iPhone. Have a question about traffic lights? Encounter a pothole? It’s all right there.

You can find more information on Saint Paul Connect by going to our home page, www.stpaul.gov, and clicking on the “Mobile Saint Paul” button. The link will take you to a dedicated webpage where we are featuring recommended apps that no resident, visitor, or business person in Saint Paul should be without. Whether it’s looking for events going on in the Capital City, or connecting to your neighborhood library, or wanting to report a pothole that needs repair, we believe these apps will enhance everyone’s experience in Saint Paul.

All that we have accomplished, all the work we have commenced, whether on the physical infrastructure or the social network of support for children, gives us reason to celebrate in Saint Paul. But too often, we have taken a step forward and then sat back and admired our work.

Having the tracks, trails, talent and technology means nothing if we don’t gain the traction – our final T – to sustain our work.

Ten years ago, many of us worked hard to keep Dayton’s open. While not the only game in town, the loss of it would have been a serious blow to a city that was struggling before the Xcel opened or the Science Museum was complete.

The Saint Paul of today looks much different. Now, the current Macy’s block represents an opportunity to prove that our momentum is real. We must make the most of this opportunity. In a core downtown that is limited in geography, we have to maximize every opportunity to bring business to downtown. In addition to this critical site, several other key opportunities for redevelopment must be seized, including the Wabasha Court site and the West Publishing Building.

While I have plenty of thoughts about how to develop these areas, what I think isn’t nearly as important as what a business owner or a developer thinks. While I’d love to see a tall class-A tower rise out of the old Macy’s site, we should understand if that’s a vision rooted in future business needs.

To help us better understand the potential, I have asked Ecolab’s CEO Doug Baker, together with Greater MSP’s head Michael Langley to lead a task force to explore the highest, best and most practical uses of these sites. This group will include other business and community leaders, and will move quickly to implement the vision. Let’s thank Doug and Michael in advance for their work.

We have made business-friendliness a priority for Saint Paul, and more and more local businesses are choosing to invest here. But as many of our councilmembers and local business

owners know, navigating the permitting process can be tricky. We as a city can and must do better. A program we're calling "Permit Saint Paul" would electronically guide potential business owners and investors in Saint Paul through the process of applying for permits to build or grow a business in the city. Imagine sitting on your couch and applying for a permit to build a garage or put up a chicken coop in the backyard. Imagine being a business owner looking to start in the city and having a system in place that guides you every step of the way. This is a business-friendly and resident-friendly solution whose time has come. I look forward to working with Councilmember Brendmoen and Council President Lantry to make this program a reality.

There is no better way to keep the up the momentum, to maintain traction, than to make it easier for businesses to invest in our city.

I can say with conviction that the state of our city is strong and growing stronger. Our accomplishments over the past several years have been remarkable. We have built a city that is vibrant, safe, welcoming to all residents, friendly to families and a leader on a national stage.

We have a choice to make. We have two hands, and we are standing on a ladder of success. We can either use one of those hands to pat ourselves on the back and feel good about what we've done, or we can decide to keep climbing and reach for that next rung. To me, the choice is clear.

We've come a long way, and we have a lot to be proud of. Let's take a moment to enjoy our successes. But let's keep moving forward. Together, we will build on our accomplishments and truly make Saint Paul the most livable city in America.

Thank you.