


Amos Harris: Downtown won't improve by keeping the same ol' community improvement district

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By Amos Harris

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Developer Steve O'Loughlin's op-ed Thursday ("Downtown St. Louis might be down, but it's not out") deservedly touted the opening of the St. Louis Aquarium and the many other tourist and visitor amenities that have been added to downtown over the past several years. Despite this massive investment in projects targeted to tourists and visitors, the day-to-day experience of living and working in downtown has deteriorated over the past decade, as evidenced by 15 years of steadily declining and recently plummeting residential and commercial rent and occupancy rates.

The most prevalent comment from tourists, visitors and investors is: Where are all the people? On any given day, unless there happens to be an afternoon Cardinals game or Stanley Cup parade, downtown feels empty.

Talented young people are the ones who populate successful, vibrant downtowns and drive successful regions. The Downtown St. Louis Community Improvement District is downtown's steward. It is the only civic entity funded by and focused exclusively on downtown. Like O'Loughlin, I am a past chair of the downtown district and a real estate developer, and can speak with some authority to why the current district has failed downtown while peer downtowns and other neighborhoods in St. Louis have thrived.

The current community improvement district raises all of its \$3.3 million a year through a surtax on downtown real estate, and yet it is a private entity that claims exemption from the Sunshine Law. It boasts of no strategic plan. Its budgeting and financial reporting practice is obscure, to say the least. It claims to have no limits as to how it can spend its taxpayer dollars, other than the very broad restrictions in the state statute. It has been managed by a board of 30-plus people, the majority of whom do not pay the CID tax and whose fiduciary responsibility runs to the organization itself instead of to property owners who fund it.

The district has spent more than \$30 million in downtown over the last 10 years on an array of initiatives with no coherent strategic purpose, no metrics to track success or failure and, not surprisingly, no measurable impact.

As readers might be aware, the current district expires by its terms at the end of 2021 and can only be renewed by a vote of property owners. The current district leadership has circulated a petition asking property owners to extend the status quo and effectively sign another \$30 million blank check to be funded over the next 10 years. The current petition offers no strategic plan or focus, does not commit to what those tax dollars might be spent on, and does not even indicate who will make these spending decisions, how they will be made or who sits on the board.

Instead, I want to vote for a community improvement district where the underlying documents that authorize its existence recognize that it is raising and spending taxpayer money, that it is subject to Sunshine Law transparency, that its governing board must be of manageable size, that it must engage its constituents annually in developing a meaningful strategic plan and budget, and be knowledgeable of downtown's issues and representative of the people and property types who pay the tax.

It's the vibrancy, density, discovery and diversity that draw residents and visitors and form a successful downtown's hallmark. These downtowns offer the opportunity to casually collide with one another and experience the unexpected. Attracting and retaining young pioneers is critical to the whole region because young people are far more likely to move to a new city or leave one. If you lose young people, like we are, the loss can't make it up on the back side. It means the loss of the baby-makers; the region gets older and the demographic trends become increasingly hard to overcome — a triple whammy.

The St. Louis region has most of the critical elements needed to retain and attract talented young people — inexpensive housing in a diverse array of interesting neighborhoods, a foodie culture, a burgeoning entrepreneurial culture, etc. Critically, it has lacked a vibrant downtown and as a result, St. Louis is continuing its march toward the bottom of the list of most-populous regions.

If well-managed, a \$3 million-a-year community improvement district could leverage other public and private resources to help downtown realize its potential. The current petition just proposes to extend the downward spiral of the status quo. We have the next year to reimagine the district into an effective, transparent and well-managed organization. Why not make it better this time?

Amos Harris is principal of Spinnaker St. Louis, developer of the Laurel, the MX and the National Blues Museum, among other projects. He lives in a downtown loft with his wife, three young children and two beehives. Email: Amos@spinstl.com.

