



Capitol Area Architectural and Planning Board



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Community Vitality Task Force Meeting February 23, 2024 1:30 – 3:00 p.m. Agenda & Meeting Minutes

AGENDA

Housekeeping & Progress Update

- o **Action: Minutes Approval – 2/13/24 Task Force Retreat**
- o **Community Vitality Framework: 8-page Profile for CAAPB Approval - 3/1/24 Deadline**

Legislative Overview of Task Force

Overview of Recommendation of Vitality Account Memo

- o **Creation in Common**
- o **SDK**

Approve: “Community Vitality” Definition

Legislative: Economic Health, Safety, & Livability; Community: Safe, Open, Healthy, Affordable

- o **Discussion: Is the Task Force’s integrated definition headed in the right direction?**
- o **Action: Vote on Community Vitality**

Approve: Subgroup’s Design

- o **Discussion: Task Force approval of the Subgroup’s memo & direction**
- o **Action: Vote on Subgroup’s Recommendations**

Approve: Community Vitality Task Force: Community Voices Program Approach

- o **Discussion: Task Force approval of Community Voices direction & recommendations**
- o **Action: Vote on Community Voices Recommendations**

Discussion: Governance & Overall Memo

- o **Does the Task Force recommend a statutory change so CAAPB can oversee funds?**

Discussion: Criteria for Potential Recipient Eligibility

- o **Task Force eligibility recommendation**
(ex. Hmongtown Marketplace, Frogtown Community Center)

Adjourn 3:00 pm

PRESENT

In Person: Erik Dahl, Peter Musty, Cindy Kue, Representative Samakab Hussein**, Carlo Cuesta^, Jay Kuvaas^

Virtual: Hannah Hills**, Emmanuel Donaby*, Representative Maria Isa Perez-Vega*, Gloria Contreras-Edin*, Lindsey Burdick^, Josh Bergeron^, Jenie Gao^, Stephanie Devitt^

(* Task Force Members, ** Task Force Chairs, ^Consultants)

MEETING MINUTES

Meeting called to order: 1:36pm

Housekeeping & Progress Update

Action: Meeting Minutes Approval - 2/13/24 Task Force Retreat

Due to the lengthiness of the retreat, the meeting minutes are taking additional time to complete. They will be ready for approval at the next scheduled Task Force meeting on 2/27/24.

Community Vitality Framework: 8-page Profile for CAAPB Approval - 3/1/24 Deadline

Vitality Grant Program ~\$1.5M

Community Voices Program ~3.0M

Implementation & Oversight ~0.5M

Legislative Overview of Task Force

Erik Dahl reminded the Task Force of their charge and the process that the decided upon recommendations will undergo:

- Consider and develop recommendations for the administration, governance, and oversight of a program plan for the Capitol Area Community Vitality Account.
- Recommendations will be going to the CAAP Board for approval, then on through State and local government finance committee.

The recommendations proposed by Creation in Common (CiC) and SDK are believed to fulfill the necessary requirements, while also detailing how the livability, economic health, and safety of Capitol Area communities will be impacted.

Overview of Recommendation of Vitality Account Memo

Creation in Common (See Attachment A)

Carlo Cuesta (CiC) reiterated that the Community Voices initiative seeks to unite and center neighbor voices across a racially and ethnically diverse community. Thus far, the Creation in Common team had conducted over 70 engagements with residents, business owners, and community stakeholders. The central findings of this work are:

- *Address Cost-Burdened Households:* Aid-based grants to families (especially rent and utility assistance); capital grants to support improvements to residential properties; and development of strategies for increased access to groceries and emergency food.
- *Address Drug Use and Addiction:* Access to de-escalation and Naloxone training and resources for community leaders, organizations, and advocates; nonprofit grants to support youth outreach, especially unhoused or drug addicted youth populations; and investment in services such as safe-injection sites for increased social support and addiction recovery.
- *Advance Programming for Youth and Young Families:* Grants to support existing community centers and schools with additional staff and programming activities; organized outdoor activities with paid staff (ex. arts programming, community gardens, and skateboarding); and investment in integrated wrap-around healthcare, education, and workforce development services in community center youth programming.
- *Improve Disability and Accessibility Infrastructure:* Capital grants for ADA infrastructure in businesses; crosswalk safety improvements; and investments in community-based services to improve outreach to homebound individuals.

Carlo noted that support for small and micro businesses did come up during community engagements but is not included in the main findings due to the fact that it will be centralized in the \$1.5M grants program.

A brief overview of the grant administration and governance/oversight included:

- Identification of nonprofit intermediaries to disperse funds (2024).
- Development of a community-elected board and constituent-led system of governance, as well as a philanthropic plan to insert ongoing sustainability (2024-2025).
- Identification of nonprofit intermediaries and community partners to provide expertise and support for these strategies. (2025-2026).

Hannah Hills expressed desire for support and greater clarification regarding the development of the community group. Carlo explained that the vision for this group would be that function on an ongoing basis, and offered to share resources and examples of similar groups that had formed in other communities. Gloria Contreras-Edin underscored the need for inclusion of any existing community efforts/groups in this work.

SDK (See Attachment B)

Stephanie Devitt outlined SDK's recommendations for the grant program. The proposed strategy takes a phased approach - with multiple rounds of granting, spread out through 2027, and could focus on arts, businesses, and first-time homeownership. Stephanie noted technical assistance was also a critical element of the strategy recommendation.

The recommended oversight plan includes:

- Administration of grants through intermediaries who are experts in granting and can provide technical assistance, grant promotion, and management.
- Development of a CAAPB Vitality Grant Selection Committee - seven community-representative individuals (chosen by CAAPB) charged with promoting the grant and making selection recommendations.

Stephanie provided clarity of FY 2025 key action items, including:

- Establishment of fund administration through intermediaries or Donor Advised Fund.
- Finalization of an RFP process and criteria.
- Engagement of area businesses and residents, focused on developing community relationships and awareness of the granting opportunities.
- Cultivation of community member leadership.

Representative Samakab Hussein pointed to housing assistance programs already in place, and requested for focus to be turned toward businesses. He also voiced concern with CAAPB's defined boundaries - stating that they're not inclusive enough and a wider range of businesses and individuals need to have access to this community investment. Representative Maria Perez-Vega underscored this notion and reminded the Task Force about previous discussions about how mobile businesses were going to be included in these opportunities. She also stressed the importance of the granting application process being streamlined and accessible for individuals in the community, and that the funds be as quickly available as possible.

Erik and Stephanie agreed, also reminding the Task Force of the community engagement and grant administration setup and planning that needs to be done to build a transparent, effective program. It was noted that 2024 actions would likely be centered around community outreach, momentum-building, and developing scaffolds for the program's actual rollout in 2025. Peter Musty shared his belief that, while these actions would certainly need to take place, there would also be capacity to make tangible moves on some of the simpler, clear-cut needs - such as improved lighting, contracts for neighborhood clean-up efforts, and elements of public safety. It was also suggested that the Task Force make continued efforts to secure ongoing fundings for these efforts, as opposed to a one-time investment.

Approve: "Community Vitality" Definition

Legislative: Economic Health, Safety, & Livability; Community: Safe, Open, Healthy, Affordable

Is the Task Force's idea of an integrated definition headed in the right direction?

Action: Vote on Community Vitality

Erik brought the community vitality definition to a vote. Hannah and Gloria shared verbal support, and no Task Force members opposed or requested changes.

Approve: Subgroup's Design

Does the Task Force approve of the Subgroup's memo & direction?

Hannah requested clarification about the arts portion, wondering if it would apply to any art that happens in the area - even if the artist is coming from somewhere else. Stephanie affirmed Hannah's understanding that the arts granting could apply to any area art, regardless of the artist's origin. Hannah followed up with a question regarding financial assistance for home and business owners, inquiring as to whether or not this could include general consulting for an individual looking to improve their financial situation. Stephanie clarified that the granting would apply specifically to businesses and individuals who are first-time homebuyers.

Action: Vote on Subgroup's Recommendations

Erik brought Subgroup recommendations to a vote. Task Force members supported via online chat, and none opposed. .

Approve: Community Voices Program Approach & Recommendations

Does the Task Force approve the Community Voices program direction & recommendations?

Action: Vote on Community Voices Recommendations

Erik brought the Community Voices recommendations to a vote. Task Force members gave support through the online chat, and no members opposed. Erik and Peter offered up the opportunity to provide written feedback via email, if the group wished to do so.

Discussion: Governance & Overall Memo

Does the Task Force recommend a statutory change so CAAPB can oversee funds?

Erik explained current statutory language and how it would, in its current form, not give CAAPB purview to oversee funds. The Task Force agreed to continue discussion at the next meeting.

Discussion: Criteria for Potential Recipient Eligibility

What is the Task Force's eligibility recommendation?

Bordering Entities: Hmongtown Marketplace, Frogtown Community Center, Others

Hannah voiced wholehearted support for recommending these important community locations for inclusion, and suggested that the Community Voices team work to include the Frogtown Neighborhood Association in their engagements. Representative Hussein seconded this.

Meeting adjourned at 3:02 PM.

Attachments:

- A. Creation in Common - Capitol Area Community Vitality Account Recommendations
- B. SDK: CAAPB Vitality Grant Program Design

Attachment A: Creation in Common - Capitol Area Community Vitality Account Recommendations



Capitol Area Community Vitality Task Force

Recommendations for Capitol Area Community Vitality Account

DRAFT – Updated: February 21, 2024

Capitol Area Architectural & Planning Board

Capitol Rice District logo above 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 Pau and CAAPB with consortium of community partners including Ramsey County.

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 and enhancing the community and economic fabric of this pivotal district. In late May 2023, the legislative body passed a provision that led to the establishment of a Task Force dedicated to overseeing the strategic deployment of a \$5 million Capitol Area Community Vitality (CACV) Account. This initiative stands out as 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 are focused 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.

Sidebar: The following recommendations also comply with the policy guidance in the *2040 Comprehensive Plan for the Minnesota State Capitol Area*, with specific alignment on 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."

We are a Unique and Diverse Saint Paul Community at the Crossroads of Change

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

According to the 2020 census, the Capitol Area is home to 6,762 residents across 3,000 households, showcasing a majority BI-POC population at 54.5%, with Black or African American individuals 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 nearly one-quarter (24.9%) are foreign-born residents. Such demographic details underscore the area's role as a cultural and linguistic melting pot, contributing to its unique identity within the broader Saint Paul landscape.

However, the community also faces significant socioeconomic challenges. A staggering 20% of the population lives with a disability, and more than half of the residents exist 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 rental situations—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 positive trend is tempered by a concerning 28% increase in narcotics-related crime incidents in 2023, highlighting the need for focused interventions to address this issue.

As the Capitol Area stands at this crossroads, the interplay between its rich cultural diversity and the socioeconomic challenges it faces underlines the critical need for thoughtful, inclusive planning and investment. In moving forward, it is imperative that efforts to revitalize and enhance the Capitol Area remain attuned to the needs and aspirations of its diverse population, ensuring that the fabric of the community is not only preserved but strengthened in the face of change.

Program Plan for CACV Account (FY 2024-2027) - \$5,000,000

With assistance from CAAPB staff and consultants from Creation In Common and SDK Communications, the Community Vitality Task Force has met to discuss and review existing planning and investments into the Capitol Area, demographic and social/economic data, community engagement findings from one-on-one engagements with over 70 community members, and best practices on governance and grantmaking administration. These discussions informed the following recommendations.

The \$5M CACV Account will focus on three investments:

- **Launch Investments** FY 2024 - \$500,000 – immediate administrative and direct support contracts to assist community vitality
- **Community Vitality Grants** FY 2024-2027 - \$1,500,000 – grant program focused on artists and events, businesses and livability projects
- **Community Voices Initiative** FY 2024-2027 - \$3,000,000 - To unite and center neighbor efforts to develop and implement resident and business owner driven collective strategies to improve community vitality.

Inclusion of Community Anchors: In addition to the investment recommendations, we recommend the CAAP Board designate critical community assets, particularly Hmongtown Marketplace and Frogtown Community Center, as eligible for area investment opportunities. Though they are located outside the area designated by initial legislation, CAAPB's 2040 Comprehensive Plan names Hmongtown Marketplace (the only sizable commercial destination in or near the Capitol area) and Frogtown Community Center (the area's central hub for community engagement and youth programming) as "Community Anchors" - underscoring how critical these establishments are to area health and vitality.

Launch Investments FY 2024 (extendable to 25): **\$500,000**

Approved or granted through CAAPB or Administration in 2024-25, Administered through CAAPB with assistance of intermediary manager agent/agency. Amt would cover the following items in addition to a state-contracted manager:

- **Clean Up Contracts**
 - Contract for Extension of Saint Paul's Downtown Improvement District (public realm (street located)), specifically, the Safety Communications and Street Team: [SCC — Saint Paul Downtown Improvement District \(spdid.org\)](https://spdid.org)
 - Private Clean Up 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 (offered free or contribution? SPPD)
 - Community Event Contracts Fund
 - Additional Community or Neighborhood Patrols
 - Safety Technologies / Cameras / Lights / Trailers
- **Professional and Technical Assistance Contracts (as needed)**
 - Professional Services Contracting in Support of Launching **Community Voices** Initiative organization (Community Development Corporation?)
 - Professional Services Contracts in Support of **Community Vitality Grants** Program
 - Applicant Pre-Grant Direct Assistance (up to \$5K business owner or property owner): (Design and Space Planning, As-Built, Business Planning, Estimates, Contracting Assistance, Communication/Interpretation)
 - Service in Support of Grant Administration
- **Community Building Activity Support**
 - Meetings and Planning Support Costs
 - Recording, Convening and Publishing Meetings, Venue/Space
 - Community Event Support Costs
 - Planning and Promotion, Venues, Artists, Food, Event Security

Community Vitality Grants
See Attachment A

Community Voices Initiative (FY 2024-2027) - **\$3,000,000**

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.

“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.”

The investment of \$3 million of the CACV Account will enable community-driven solution building through the completion of the Community Voices engagement process and creation of an ongoing Capitol Area community group to provide oversight of the dispersal and use of these funds over a 24-month period.

The Community is Finding their Voice in the Process

“Homelessness and drug use are interconnected because—someone could be stably housed and fall into addiction and lose their housing because they are using, and then they end up homeless. Or someone ends up homeless and ends up more susceptible or at risk to using drugs and using that as a way to cope.”

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 the 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.

Community Voices: Address Drug Use & 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. While there is a desire for greater policing and prosecution of drug dealers, members from across the community also called for a compassionate stance toward drug users through support. Solutions offered by community members include:

“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.”

- 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.

“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: 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 outdoor 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.

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's Administration and Governance/Oversight

The following are administration and governance for advancement of the \$3 million investment in the Community Voices Initiative between April 2024 and April 2026.:

- By April 2024, the Community Voices Initiative will complete the community engagement process. At that time, Capitol Area Planning Board will receive recommendations from community members to invest \$1 million on the specific strategies they identified. Steps include:
 - Completion of interviews and gatherings and the delivery of community recommendations to the Capitol Area Planning Board for approval.
 - Identification of key nonprofit intermediaries by CAAPB staff to disperse funds into the community.
 - Quarterly reports to Capitol Area Planning Board regarding use of funds and impact delivered.
- Between April 2024 and April 2025, it is recommended that Community Voices Initiative support the formal organization of an ongoing Capitol Area community group that is inclusive of the district's diversity. Steps include:
 - Deployment of a task force to develop a community-elected board of directors and constituent-led system of governance to oversee operation and strategic implementation.
 - CAAPB staff to oversee the appointment of a nonprofit fiscal sponsor to ensure financial integrity while the neighborhood group formally organizes.

- Creation and implementation of a philanthropic development plan to ensure initial support for the ongoing sustainability of the group.
- Provide quarterly progress reports to the Capitol Area Architectural Planning Board.
- Between April 2025 and April 2026, the remaining Community Voices Initiative funds will be dispersed by nonprofit intermediaries to launch and enable specific strategies developed by community members through the work of the Capitol Area community group. It is envisioned that these strategies would reflect the needs and challenges residents, business owners, and community stakeholders wish to address and reflect the solutions that they co-create. Steps include:
 - Community group documentation of strategies, budget, action plan with timeline, and evaluation plan.
 - 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 by group to Capitol Area Architectural Planning Board for approval.
 - Quarterly progress reports to the Capitol Area Architectural Planning Board regarding the use of funds and its impact.

Summary Table of Oversight and Administration

CACV Account	\$5,000,000	Oversight	Governance	Administration
Launch Investments	\$500,000	CAAPB		State (CAAPB or ADM) and/or outside intermediary
Community Vitality Grants	\$1,500,000	CAAPB		State (CAAPB or ADM) and/or outside intermediary
Community Voices Initiative	\$3,000,000*	CAAPB		State (CAAPB or ADM) and/or outside intermediary and/or new Community Development Organization

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

Toward a Vibrant Future for the Capitol Area

The strategic investments outlined reflect a deep commitment to nurturing a community that is inclusive, resilient, and vibrant. 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. Looking forward, the

implementation of these recommendations will require continued engagement, innovative thinking, and dedicated oversight. Here is a path 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 not only a hub of governmental and economic activity but a beacon of community vitality and social cohesion.

Attachment B: SDK - CAAPB Vitality Grant Program Design

Memorandum

To: Community Vitality Task Force

From: Grant Work Group / SDK Communications + Consulting

RE: CAAPB Vitality Grant Program Design

Date: February 22, 2024

The CAAP Board engaged SDK in Jan. 2024 to conduct research and make recommendations for design of a community grant program. Design elements include topical focus and disbursement strategy. SDK worked in close coordination with a Grant Work Subgroup of Capitol Area Vitality Task Force members to design the program. This memo summarizes the recommendations of this work and reflects input and direction received from CAAPB staff, Work Group, and discussion with the Capitol Area Vitality Task Force.

The governance and administrative approach proposed here assumes working within the existing legislative capacity of the CAAPB, to the extent known from information provided. It also assumes that community capacity-building to enable governance would aim to build relationships and ongoing engagement of community members to guide distribution of grants, and the approach could be extended to the full Community Vitality Framework if that is the Task Force's choice. An alternate approach detailed by Creation in Common draws from similar elements but would deepen community capacity by incubating a community-based organization to shepherd the work. Both approaches will be described to the Task Force on Feb. 23 as part of the final review process.

Grant Approach

The **Community Vitality Grants** will distribute \$1.5 million to the CAAPB Area at a time when the Capitol Area will also see unprecedented investments including: \$6 million for the Capitol Mall Framework and related works, including key improvement projects which will be built in 2024; and \$25 million for Rice Street redesign and reconstruction (2028-2029). The CAAPB Vitality Fund will also invest another \$3.5 million in projects detailed in a parallel memo of the Vitality Framework.

The Community Vitality Grants will deploy with the following strategy:

1. **Take a Phased Approach.** Unprecedented investments in the small geography of the CAAPB area present an incredible opportunity for businesses and residents who live in the area – or the money could pass through the community and be usurped by other, bigger projects. Taking a phased approach will entail thoughtful start up to introduce the Community Vitality Grants. Next, a first grant round in early 2025, a second grant round for 2026 to 2027, and a final grant round timed to support Rice Street corridor businesses through construction. The phased approach will balance funds across the project timeline.

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 CAAPB Area. Relevant details include:
 - a. *Size Range:* Arts grants will range from \$5,000 to \$50,000. Business grants will range in size from \$5,000 to \$75,000. Down payment / ownership grants for first-time home or business owners will range in size from \$5,000 to \$25,000.
 - b. *Eligible Items:* Arts grants will cover artists' time and materials for murals, sculptures, art installations, and events in the CAAPB area. Business grants will cover operating equipment or façade improvements for existing storefront businesses in the CAAPB area; nonprofits with storefronts or making space improvements to the CAAPB area will be eligible. Additional eligible business items include consulting services that can help CAAPB area businesses grow such as planning, marketing, or finance. Ownership grants will provide a portion of down-payment / first month rent payment for businesses beginning or relocating to the CAAPB area and first-time home buyers interested in moving to the CAAPB 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 CAAPB area as they take advantage of the Community Vitality Grant. Technical assistance will include staff time to help CAAPB 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 business and grant management to Community Vitality Grant grantees.

Oversight:

As requested by the Legislature and statute authorizing the funds, the oversight structure below would be responsible for identifying, selecting and approving grant funds.

Element 1: Administration- Community Vitality Grants. The CAAPB Vitality Grant will be administered through intermediaries. Here, intermediaries will be experts in the granting topics and provide technical assistance as well as grant promotion and management. Intermediaries would also identify specific grant reviewers with relationships or expertise in the grant focus-area and facilitate their work. Intermediaries would be selected by a Request for Proposals process managed by the Department of Administration. An example of this model is Neighborhood Development Center's Entrepreneur Training Program.

Element 2: Governance- Community Vitality Grants. The CAAPB Vitality Grant is an opportunity to build capacity within the neighborhood surrounding the Capitol Area and support ongoing engagement with community leaders. The CAAPB Vitality Grant Selection Committee will be a group of 7 people, in a time limited group until the program sunsets, chosen by the CAAPB, and will assume the following characteristics:

- **Represent CAAP Vitality Grant and Encourage Application.** All Committee members will help promote Grant applications and champion vitality of the CAAPB area, broadly.
- **Reflect Neighborhood Stakeholders.** Only residents and business owners in the CAAPB area are eligible to serve. CAAPB staff will support the group.
- **Make Selection Recommendations to Staff and the Vitality Funds Selection Committee.** The Committee will review and vet all applications. Once selections are made, the slate of grants will be provided to the CAAP Board (or a subcommittee of) for review and final approval. Approval by the CAAP Board will be required via Consent Agenda to authorize administration of grants.

Start-Up Actions

Mobilizing funds and people to maximize the CAAPB Vitality Grant will take substantial effort over the coming year. Additionally, taking on these actions with attention toward building community relationships and enthusiasm can build positive momentum for the grant – but also requires added orchestration and effort. Key actions expected for FY 2025 (Jul. 1, 2024 – Jun. 30 2025) include:

- **Establish Fund Administration.** The CAAP Board will see the Vitality Fund total released to the Dept. of Administration by the Legislature in 2024. Whether engaging intermediaries or deploying money via a Donor Advised Fund, CAAPB will take steps in summer 2024 to begin deploying the money.
- **Finalize Request for Proposals Process, Criteria.** CAAPB and its partners will develop the final Request for Proposals application and criteria. If CAAPB chooses to work through intermediaries, the intermediary RFP will be created first. CAAPB will seek a first round of community grants in early 2025.
- **Engage Businesses + Residents.** The new grant program is a significant opportunity, but it will require early work to build community awareness if the Vitality Grant's full potential is to be realized. This work would encompass strategic outreach to businesses and residents to understand people's desired simple projects. Depending on resources allocated to staffing the effort, this outreach could include sharing information about grant opportunities currently available from other sources (e.g. city, NDC) and/or, it could also encompass identifying quick vibrancy and beautification projects to be executed en masse by fall 2024.
- **Cultivate Leadership for Ongoing Governance.** Finally, outreach will also include cultivating leadership for the group of community members 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 of this outreach will vary slightly depending on which administrative structure CAAPB chooses but will include early relationship building work.