



# INTERFACE

PUBLIC POLICY RESEARCH CENTER

UNIVERSITY OF MISSOURI-ST. LOUIS

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**LIVABLE** communities don't just **HAPPEN**. They are **CREATED** by the **PEOPLE** who **LIVE** in them.

## COMMUNITY COMEBACK TAX: A FRAMEWORK FOR REINVESTMENT?

By: **Mark Tranel**, Director of Research, Public Policy Research Center, UM-St. Louis

On April 3<sup>rd</sup> St. Louis County voters were asked to consider Proposition CC, known as the Community Comeback Act. This ballot measure would impose a sales tax on goods ordered from businesses in other states (called a use tax), when purchases exceed \$2,000. The tax will not directly affect most St. Louis County residents

because it is largely paid by businesses. The projects supported by the tax will, however, benefit residents throughout the County. Developed jointly by County and municipal leaders and staff, the act creates a framework for planned countywide reinvestment in neighborhoods.

### The Tax

Approving the use tax has been called a "fairness" tax because it closes the loophole that favors businesses in other states by equalizing the taxes regardless of the location of the business selling goods. A use tax is a sales tax that applies to goods purchased from a seller in another state. Not having a use tax leaves St. Louis County merchants at a disadvantage. They must charge full state and local sales taxes, while their out-of-state competitors can avoid charging a local use tax. On very large orders for office or factory equipment, a 1-2 percent price break can make the difference between getting or losing an order. Because of the \$2,000 exemption, the tax is largely paid by businesses, which

buy goods and supplies from businesses in other states. It is not an extra tax; it just makes the in-state and out-of-state tax equal.

### The Impact

St. Louis County government conducted a strategic planning process two years ago that involved substantial input from County residents. Issues of community stabilization and economic development, particularly in the older sections of the County inside of I-270, were widely raised. The County is proposing the use tax program as a response to these expressed concerns.

One-half of the proceeds would support existing local government services. This portion of the tax primarily would be distributed to St. Louis County government and municipal governments that currently receive sales tax based on their population size. Many of these municipalities would receive less revenue because of population losses over the last decade. The use tax revenue would replace some of this loss.

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Dear Friends and Colleagues,

In the recent mayoral elections, all candidates agreed that a revitalized downtown is a critical component of both the City and the Region's future. Candidates also shared

their vision of the future of St. Louis. What was not clear, however, were the steps needed to achieve a goal that the vast majority of residents support.

The fact is that both demography and economics have been working to assist downtown revitalization in major cities across the county but, alas, St. Louis has not been keeping pace either with "leading cities" (such as Chicago, Portland, San Jose, Salt Lake or Raleigh-Durham) or "comparable" midwestern areas similar to St. Louis (such as Cleveland, Minneapolis, Cincinnati, Indianapolis or Milwaukee).<sup>1</sup> A critical reason is that public policies in the city and in the region have not been concentrated in such a way as to take advantage of the demography and the economy. Local public policy can exploit, concentrate and guide trends that favor people moving into the downtown. Specifically, downtown revitalization requires a high quality physical and social environment, and downtown housing that has a clear investment motive.

More specific public policy actions include the following<sup>2</sup>:

1. Housing must be downtown's political and business priority.
2. Downtown must be legible, with delineated and recognizable boundaries.
3. Downtown must be accessible.
4. Downtown must have new and/or improved regional amenities.
5. Downtown must be clean and safe.
6. Downtown must reuse and preserve old buildings.
7. Downtown must be able to do business effectively.
8. Resources—public and private—must be dedicated to housing.

9. The edge of downtown must receive attention.
10. Conflicting uses—such as entertainment and housing—must be managed creatively.
11. Downtown must be kept affordable.
12. Retail is critical, both regional and local (serving residents of downtown).
13. Open space is a fundamental ingredient.
14. Downtown must become home for families if it is to reach its full potential.
15. Downtown is never done.

This list gives an indication of the task ahead. Creating a healthy downtown—and maintaining it—takes leadership, commitment and hard work. Leadership can—and must—come from many sources, but clearly the starting point must be the Mayor of the City of St. Louis. We wish him well!

**Alan F.J. Artibise**, Ph.D., Executive Director and  
E. Desmond Lee Endowed Professor of  
Community Collaboration & Public Policy

<sup>1</sup> PPRC has developed a list of "leading" and "comparable" cities based on a variety of variables. For further information, contact Mark Tranel, Director of Research.

<sup>2</sup> These steps are drawn from an October 1999 paper by J. Moulton, published as a Discussion Paper by the Center on Urban and Metropolitan Policy, The Brookings Institution. See also John Meligrana, "Downtown Revitalization: Research and Finding," Research Paper #1, Public Policy Research Center, January 2001.

The Research Division has in process a number of multi-year evaluation projects.

- The City of St. Louis, St. Louis County, and East St. Louis, Illinois were approved in 1998 as an empowerment zone. The HUD-administered empowerment zone program provides grant funds and several tax incentives to promote commercial, industrial, and residential development in the designated zone area. The Center was selected by the Greater St. Louis Regional Empowerment Zone Management Corporation, Inc., the nonprofit organization that administers the zone for the local governments, for a two-year contract to evaluate the management of the Zone. The Center will be working with The Center for Organizational Research and Development to monitor the administrative process of the zone's board of directors, community councils, and project advisory committees.
- When welfare reform changed the eligibility requirements for households to receive public assistance, many of those not receiving a cash supplement were able to enroll in MC+, a public health insurance program for children. A regional social services agency, ARCHS, receive a foundation grant to conduct community outreach to inform households of their eligibility for MC+. ARCHS selected the Center to con-

duct an evaluation of their collaboration with St. Louis Public Schools, the Department of Public Health and other agencies to enroll eligible households.

- The University of Missouri-St. Louis College of Education received last year a grant from the U. S. Department of Labor to establish the Regional Center for Evaluation and Work (RCEW). RCEW will organize a collaboration of St. Louis area elementary/secondary schools, employment training programs, and private employers to assure a properly trained workforce. The College selected the Center to evaluate the progress toward achieving the program goals established for RCEW for 2001 and 2002.

For more information about the Research unit, contact **Mark Tranel**, Ph.D., Director of Research, Public Policy Research Center

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The other half of the tax proceeds would be administered through a trust fund established to support economic development projects. Money in the Community Comeback Trust Fund would support economic development projects by providing the source of funds to demolish old deteriorating and vacant commercial buildings, assemble and ready land for redevelopment, rehabilitate historic buildings, and clean polluted sites.

A seven-member board nominated by the County Council and mayors throughout St. Louis County and appointed by the County Executive would administer the trust. The board would establish criteria for communities eligible to apply for project support from the Trust

Fund and criteria for the use of funds in community or economic development projects. The Trust would be required to issue an annual financial report specifying how the funds were used. Every five years an independent, professional management firm would audit the Community Comeback Trust.

Much attention has been given to the so-called urban crisis, inner city areas that experience population and job loss, decline and abandonment of property, and stress on local government services. Inner city boundary lines do not limit these problems. The problems of the inner suburbs are proving to be extensions of the urban crisis. The Community Comeback Act is proposed as a resource to address the challenges St. Louis County is, and will be, facing.

Over the past few months, MIDAS has continued making progress towards its goal of building the capacity to provide to the region data analysis services and information relating to applied public policy analyses. This has included progress in developing a workforce information system (WIS) for use by local Workforce Investment Boards and education institutions that will use the information to do annual planning and to assist workers and students to become better prepared for workforce participation. MIDAS has begun the necessary research and capacity building to provide demographic estimates and projections through the inter-census years and a warehouse of economic, social and land use data and information. Collectively these new demographic and data resources will be used to conduct applied research and to populate websites for the workforce information system and MIDAS. To assist in building these capacities and resources, MIDAS has continued to seek additional staff and external support.

If MIDAS had a “core” activity, it would be all the work surrounding the development of the workforce information system. This has included the development of a website that would serve as the vehicle through which the workforce information would be disseminated. Decisions regarding its design and formats, are influenced by the features it will offer and the data and information that the system would provide. The MIDAS director and staff met with representatives of the Workforce Investment Boards in the region during February and March to discuss their data and information needs and preferences for design features and formats. From these meetings, decisions were made that have led to the development of a basic website architecture and design. With the basic website design and features now essentially decided, activity has turned to the collection of supporting secondary data and the development of a research strategy for acquiring data relating to the occupation and skill demands of business in the twelve county region.

Because the WIS is focusing on providing on-going and consistent new information regarding the demand for local labor by occupation and the requisite skills, activity has turned to the development of a research strategy. This strategy or research design will be based on an analysis of the regional economy based on a number of criteria. These criteria include a “cluster” analysis of the region to determine the industries or sectors of the economy that provide the region with what is called by economists, “competitive advantage”. Other criteria include a breakdown of local industry by geography, company size and

industry type. The results of this analysis will provide insight into the development of survey instruments that will be delivered through multi-methods. It is anticipated that company size will greatly determine the method by which the survey is implemented. Research on instruments developed by other communities has led to the development of a draft instrument that will be tested after receiving feedback and suggestions by business representatives on the Workforce Investment Boards in the region. It is anticipated that this process will be completed by late May and the data collection effort beginning shortly thereafter.

Complementing the occupation and skill information generated by the on-going survey process will be data and information relating to the regional population and economy. The MIDAS section is developing population and other demographic models that will be used to monitor changes in the region’s population and to conduct analyses with public policy implications. As a product of these models, it is anticipated that estimates for years subsequent to the past census and long-term projections will be developed. This will have applications in a wide range of substantive policy areas including workforce and economic development, social-related issues and land use. Based on a basic population model, it will be possible to develop estimates of numerous populations directly relating to local workforce, such as school age children and young and older adults. This information will be used to provide a context in which workforce and other regional, land use, environmental, economic and social issues can be explored.

As part of providing the context in which workforce information can be analyzed, efforts are underway to develop the capacity to monitor the economy and to provide a basic description of the regional and county economies. As with the demographics and population models, this information will be used to populate the WIS and MIDAS websites through an on-going series of monthly and quarterly monographs. And so as the work continues in MIDAS, it is hoped that the information that is created will be used to raise questions, frame policy analyses and inform public policy debates. It is the goal of the MIDAS section to strive to provide data and information that will advance the economic and social well being of the St. Louis region.

For more information about MIDAS or the Workforce Information System, contact **Dave Laslo**, Ph.D., Director, MIDAS, Public Policy Research Center.



Last summer the U.S. Department of Housing and Urban Development's Office of University Partnerships gathered 85 university and community representatives in Washington, D.C for what they called the "first-ever assembly of community-building curricula programs." HUD's Initiative to Support Innovative Teaching and Learning for Community Building is an effort to advance the development and diffusion of curricula and teaching methods about community building skills, strategies and perspectives. Participants represented universities and communities who are working with graduate, undergraduate, professional development and community leadership development programs that incorporate community building. The Public Policy Research Center participated in the meeting, represented by Community and Neighborhood Development staff.

The term "community-building" is being used more and more frequently as we describe initiatives to engage citizens in community improvement initiatives. According to a 1997 report from the Rockefeller Foundation, community building "... assumes that associations within a geographic area are important for community well-being; that bringing together a broad spectrum of stakeholders will provide a better understanding of problems; that sustainable solutions are based on knowing the facts, building on assets, and having a shared vision of improvement; and that an independent community-based capacity for analysis, planning and convening is essential for success." While these words accurately describe some of the principles underlying the community building process, they don't tell us the important skills necessary for leaders of community building initiatives. A recent competency study completed by the Development Training Institute, in cooperation with the National Center for Community Building,

United Way of America and the Annie E. Casey Foundation, promotes training and skill-building covering eight general themes: community partnering; information-sharing; initiative; community understanding; vision; leadership; conceptual mapping; and listening and understanding.

The University of Missouri-St. Louis will incorporate these skills in a course offered for community residents, paid staff and members of agencies and organizations who work in neighborhoods and participate in community building initiatives. The course, Community Building in Urban Neighborhoods, will focus on understanding the community as a system, and learning practical skills about leadership, joint decision-making, goal setting, meeting facilitation, asset mapping and evaluation techniques.

The course will also be offered for graduate credit for students enrolled in Masters programs in Public Policy Administration, Sociology, Social Work and Nursing. Participants will have opportunities to apply community building theory to actual neighborhood projects. Course instructors include Dr. George McCall, professor of Sociology and Public Policy Administration, Miranda Duncan, University Outreach and Extension Community Specialist, Kay Gasen, Public Policy Research Center Director of Community and Neighborhood Development, and Debbie Kiel, assistant professor at Barnes College of Nursing.

For more information call **Kay Gasen**, M.P.P.A., Director of Community and Neighborhood Development, Public Policy Research Center or **Miranda Duncan**, M.A., Community Development Specialist, University Outreach and Extension.

## CND LAUNCHES COMMUNITY FELLOWS PROGRAM

The Community and Neighborhood Development unit is proud to launch a unique and innovative program designed to link people, resources, and institutions to maximize the effectiveness for each in achieving region-wide change. **The Community Fellows Program** provides just this type of support. It links University of Missouri-St. Louis resources and community leaders to develop and implement collaborative projects that will strengthen or improve their organizations or communities.

The program acknowledges the unique and extensive first-hand experience of community leaders in addressing issues and developing innovative solutions to problems facing the St. Louis area. By building linkages and encouraging greater cooperation between community leaders and University researchers, the Community Fellows program is designed to increase our collective capacity to produce positive change for the St. Louis region. For more information visit our website at <http://www.umsl.edu/services/pprc/index.htm>.

## ***Maya Lin: The Civil Rights Memorial, Southern Poverty Law Center***

To celebrate Black History Month, the PPRC Gallery recently had on display photographs by Neil Michel and Maya Lin, as well as an architectural model of the Civil Rights Memorial, dedicated in 1989 at the Southern Poverty Law Center in Montgomery, Alabama.

This remarkable architectural piece was designed by Maya Lin, whose Viet Nam Memorial in Washington, D.C. has received international renown. The show ran from February 1—March 30, 2001. The opening lecture was presented by James Buford, President and Chief Executive Officer of the Urban League of Metropolitan St. Louis Inc.

This show is one example of the types of shows in the ongoing series of photographic exhibitions that focus on public policy concerns. The current exhibit, ***City Abstractions*** features the work of Thomas E. Patton, Professor of Art and Art History, UM-St. Louis. The exhibit will run April 5—June 28, 2001.

Admission is free of charge and open to the public weekdays from 8:00 a.m. – 5:00 p.m. Please stop by the Gallery during your visit to the University of Missouri-St. Louis campus.



## **STLOUISATWORK.COM**

The Public Policy Research Center at the University of Missouri-St. Louis in connection with the St. Louis Regional Chamber and Growth Association (RCGA), postnet.com and Austin-based Hire.com have joined forces in an innovative civic venture to create StLouisAtWork.com, a region-wide technology-driven workforce talent portal.

The site is designed to become the ultimate online career destination for the St. Louis region's employers and job candidates by combining job postings and job candidate profiles, company profiles, links to education and training programs and educational opportunities, workforce-related Web links, employer Web links and a variety of other products and tools. StLouisAtWork.com is a focused effort to attract, retain and train a multi-skilled talent pool for employers in the region.

"Each of our business partners has made a significant investment in StLouisAtWork.com," according to Colette Hogan, president and chief executive of postnet.com. Hire.com powers the e-Recruiter software engine of StLouisAtWork.com that matches applicants with employer-provided job qualifications, screens candidates to employer specifications and notifies the employer and employee of potential matches. During December 2000, for example, our Web site received over 13 million page views."

StLouisAtWork.com creates a common platform to benefit both job candidates and the region's many employers, and strategically addresses the challenges of today's highly competitive labor market in new and creative ways. It is a unique regional asset that will be a significant tool for numerous educational institutions, civic institutions, skills training programs and other community-based organizations. Civic organizations from the public, private and educational sectors are currently being enlisted as "channel partners." Channel partners will receive a link from StLouisAtWork.com to their Web site. They will also benefit through association in advertising and promotional materials, and will have the opportunity to refer potential job candidates into the StLouisAtWork.com database.

## METROPOLITAN ISSUES FORUM

On a monthly basis, PPRC conducts forums to discuss issues relevant to the St. Louis metropolitan region.

### The Final Spring 2001 Forum is:

- April 23                    **Is St. Louis Safer? Community Policing and Crime Reduction**  
Jennifer Joyce, Circuit Attorney, St. Louis City  
Srgt. Robert Heimberger, Special Projects Director, St. Louis Metropolitan Police Dept.  
Scott Decker, Professor, Criminology Department, University of Missouri-St. Louis

## APPLIED RESEARCH SEMINARS

In order to support the work of our Fellows, the Center sponsors monthly forums to discuss new and interesting research projects and papers related to public policy.

### The Spring 2001 Applied Research Seminars are:

- April 25                    **City Streets & Neighborhood Identities**  
Dr. Andrew Hurley, Associate Professor, History Department

**Both the Metropolitan Issues Forum and the Applied Research Seminar Series are Free and Open to the Public.**

The Public Policy Research Center will resume its regular schedule of activities beginning September, 2001. Be looking for our notice in the mail. If you do not receive information about our Metropolitan Issues Forums, Applied Research Seminar Series, PPRC Gallery openings, and other events, call us at (314) 516.5273 or e-mail [pprc@umsl.edu](mailto:pprc@umsl.edu).

## MORE LINKS MEANS MORE INFORMATION

Through the efforts of the PPRC Web Team, the Center has launched its newly redesigned web page. Information regarding upcoming PPRC events, public policy news, and PPRC projects is now available on-line. The Center is also planning to launch the Metropolitan Information and Data Analysis Services data site and the Workforce Information System in the coming months.

To visit the site go to: <http://www.umsl.edu/services/pprc/index.htm>

## PPRC STAFF UPDATES

On March 12, **Mark Tranel**, Director of Research was interviewed on Newsmakers, the Charles Jaco program on KMOX to discuss stress factors that effect city governments and households relative to the recent tragedy of the mauling death of Rodney MacAllister, Jr. in Ivory Perry Park on March 5, 2001.

On March 13, **Mary Mobley**, Communications Coordinator participated in a panel interview on the role of philanthropy in the St. Louis region on 88.1 KDHX. Other panelists included Bridget McDermott-Flood, Executive Director of the Incarnate Word Foundation and Kathryn Nelson, former Program Director of the Danforth Foundation. This event was a prequel to a March 21 Metropolitan Issues Forum on the same topic which featured Ms. McDermott-Flood, Jerry Paul, Executive Director of the Deaconess Foundation and Kathy Doellefeld Clancy, President of the Metropolitan Association for Philanthropy.

The European Institute for Comparative Urban Research (EURICUR) featured St. Louis in the recent *City and Enterprise: Corporate Social Responsibility in European and US Cities* Perspective 2000. The article described the state of corporate social responsibility in the St. Louis metropolitan region. The authors focused on two aspects of the region's overall economic health, the involvement of private enterprises established in St. Louis including: Ameren UE; Bank of America; and UPS, and various non-government organizations including: The Metropolitan Association for Philanthropy (MAP); Civic Progress; The St. Louis Inner City Competitive Alliance; and St. Louis 2004.

The report asserts that there is a growing trend in St. Louis toward a more 'strategic philanthropy' role which includes pro-active rather than re-active attitudes. Further, it was found that social involvement is being used as a way for companies to distinguish themselves from their competitors from both an economic development and social collateral framework. Finally, it was noted that mergers and take-overs have had great conse-

quences for the local commitment of companies and keeping pace is the unrelenting task of the non-governmental agencies.

To request a copy of the article, contact PPRC at (314) 516.5273 or e-mail us at [pprc@umsl.edu](mailto:pprc@umsl.edu).

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***PPRC also maintains and publishes other material. We currently have a variety of Policy Briefs, Occasional Papers, Research Reports, and Legislative Updates. To view full text versions of all of our PPRC publications visit our web site at:***

***<http://www.umsl.edu/services/pprc/index.htm>***

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