

ADVISORY INFORMATION

Date Prepared: January 24, 2012

Subject: Central Corridor Light Rail Transit (Green Line): Business Marketing Contract

Proposed Action:

That the Metropolitan Council authorize the Regional Administrator to execute the appropriate joint powers agreement(s) with local authorities and a contract with Mod & Company for a two year professional services contract in an amount not to exceed \$1.2 million.

Summary of Committee Discussion / Questions:

Robin Caufman gave a presentation on the item. Councilmember Brimeyer asked that staff provide Council members with a summary of the objectives of the marketing program. Ms. Caufman said that she would make that available with the committee report. The purpose of the program as described in the scope of work is to (1) increase awareness of the diversity of businesses in the Central Corridor; (2) increase customer traffic, and (3) minimize business loss during construction of the light rail project. The marketing contract requirements include highlighting that businesses are accessible, safe and worth visiting during construction.

Council member Munt asked how the Council will know if the program has been successful and asked for an update on the small business loan program. Ms. Caufman noted that the Council will monitor metrics and evaluate the program at the end of 2012 and adjust the tactics, if necessary, for 2013. Ms. Caufman also reported that over 100 applications have been received and \$1.3 million has been awarded to date.

A motion to approve the item was made by Council member Munt, seconded by Councilmember Smith and unanimously approved.

T Transportation Committee
Meeting date: January 23, 2012
For the Council Meeting of February 8, 2012

ADVISORY INFORMATION	
Date:	January 17, 2012
Subject:	Central Corridor Light Rail Transit (Green Line): Business Marketing Contract
District(s), Member(s):	
Policy/Legal Reference:	Council Policy 3-3 Expenditures – Procurement of Goods and Services over \$250,000
Staff Prepared/Presented:	Brian Lamb, General Manager 612-349-7510 Mark Fuhrmann, Deputy General Mgr, 651-602-1942 Robin Caufman, Assist. Director – Administration, Communication and Outreach 651-602-1457
Division/Department:	Metro Transit - CCPO

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to execute the appropriate joint powers agreement(s) with local authorities and a contract with Mod & Company for a two-year professional services contract in an amount not to exceed \$1.2 million.

Background

In April 2011, the Metropolitan Council prepared the Supplemental Environmental Assessment (SEA) for Construction-Related Potential Impacts on Business Revenue. Sections 4.1 and 4.2 of the SEA document the potential short term impacts to access and business revenues due to construction. Studies referenced in the SEA identified a number of suggested mitigation measures to counteract the potential loss of business revenue. These include business counseling, adjustments to construction phasing, traffic management and public relations and marketing activity. Section 4.3 of the SEA identifies six categories of mitigation including promotional and marketing activities to encourage patronage of businesses during construction.

In June 2011, a collaboration of ten business organizations, including St. Paul Area Chamber of Commerce, Midway Chamber, Stadium Village, Southeast Business Association, West Bank Business Association, University Avenue Business Association, Asian Economic Development Association, University Avenue Business Association, U7 and the Metropolitan Consortium and Community Developers, sent a letter to the Metropolitan Council requesting marketing funds. In their letter, they defined effective marketing as “convincing metropolitan consumers to continue to patronize businesses affected by CCLRT construction.”

On September 28, 2011 the Metropolitan Council authorized the use of project contingency and bid underrun funds on project enhancements including \$1.2 million for additional marketing for businesses.

In October 2011, a competitive Request for Proposals (RFP) was issued. The RFP scope was developed with input from an advisory panel of business representatives and staff from Minneapolis and St. Paul. Five vendors responded to the Request for Proposal. Two proposals were found to be non-responsive. The evaluation was based on how well the proposal met the requirements such as building on the existing Discover Central Corridor brand, recognizing the diversity of businesses in the corridor; and proposing strategies that drive customer traffic to the corridor by raising awareness that businesses impacted by construction are accessible.

The Evaluation Panel determined the proposal from Mod & Company to best meets the evaluation criteria. Mod & Company's proposal meets the established DBE goal of 15%.

Because of the nature of the services being provided under the professional services contract for marketing services, it will require joint powers agreement(s) between the Council and the Cities of St. Paul and/or Minneapolis in their respective economic development roles.

Rationale

The Metropolitan Council does not have capacity or experience to implement a corridor wide two-year marketing program.

Funding

Funds for this contract were approved by the Metropolitan Council in September 2011 from project contingency.

Known Support / Opposition

Information about the marketing program was presented to the Central Corridor Management Committee.

A collaboration of ten business groups support the use of these funds for marketing that communicates businesses affected by construction are open and accessible.