



## **EXECUTIVE SUMMARY**

### ***City of St. Louis Park Business Community***

#### ***Methodology:***

This study contains the results of a telephone survey of 250 randomly selected business owners and managers in the City of Saint Louis Park. Survey responses were gathered by professional interviewers across the community between October 15 and November 22, 2000. The average interview took twenty-one minutes. All respondents interviewed in this study were part of a randomly generated sample of the business owners and managers. In general, random samples such as this yield results projectable to their respective universe within  $\pm 5.5$  percent in 95 out of 100 cases.

#### ***Business Demographics:***

The majority of Saint Louis Park businesses, sixty-two percent, reported they were service enterprises. Twenty-two percent were retail operations, of which ten percent were involved in manufacturing. Six percent were also niche businesses, computer service companies or property management firms.

The typical business had been at their current site for 9.3 years. Six percent began operations there less than two years ago, while forty-seven percent had operated at that location for over ten years. The average business also employed 4.4 full-time workers and 0.7 part-time workers. In fact, forty-eight percent of Saint Louis Park businesses employed one-to-four full-time employees, while twenty-three percent retained five-to-nine "full-timers." Similarly, while forty-eight percent had no part-time employees on their payrolls, thirty-eight percent employed one-to-four part-time people.

Fifty-three percent of the companies in the city have a web page or will establish one in the next two years. Internet access by employees varied extensively. Thirty-two percent reported none of their employees had access to the Internet at work, while the typical company reported about 59% had access. At the high end, thirty-seven percent reported all of their employees enjoyed this access.

In general, then, the Saint Louis Park business community proved to be stable, mature and characterized by smaller service-related businesses.

### ***Future Plans:***

Saint Louis Park establishments followed the pattern of a mature and stable business community when future plans were considered. Only eleven percent reported they would renovate or expand at their current location during the next two years. This number, though, could be increased by a more aggressive effort in communicating the types of programs and financial incentives available through the City of Saint Louis Park for the rehabilitation of commercial property and buildings. Only ten percent of the establishments reported they expected to terminate operations in the city during the next ten years; in fact, only four percent saw an imminent halt during the next two years. And, finally, a very small four percent had current plans to move their businesses to another city; ironically, and at variance with current trends, one-third of this small group were headed back into Minneapolis.

### ***City-Business Relations:***

The primary virtue of Saint Louis Park as a place of business was its “location” — general convenience, and specifically, access to area highways. In addition, the city was also located close to the residences of a large number of business owners who wished to work nearer to their homes. Not surprisingly, “location” proved to be the major reason for moving to or establishing a business in the community.

Local businesses expressed few serious issues facing their enterprises or unmet needs on which the City could be helpful. “High taxes” was a concern for just a handful. In fact, the only modest concern on which the City could prove helpful was speeding the availability of DSL lines. Businesses appeared to be doing reasonably well.

Saint Louis Park businesses were not as connected to the community as enterprises in other suburban communities. Less than one-half felt well connected to their immediate neighborhood. Only eleven percent participated in community service activities, such as task forces, neighborhood groups, Rotary, and other voluntary city- or school district-oriented groups. Interest in future participation also was very limited. Similarly, a relatively low eleven percent contributed funds or in-kind goods and services for community purposes.

There was also only limited interest in engaging in city-sponsored activities through the City Park and Recreation Department. Fourteen percent expressed interest in sponsoring or partnering on special events. Only six percent either currently or were interested in future fielding of a sports team in a city league. And, while a majority of businesses did not feel well informed about park and recreational offerings, only ten percent saw a need for more information on these types of topics.

Both due to the mix of businesses within the community, and perhaps as well, a result of the civic culture, the Saint Louis Park business community appeared more isolated from the city at-large than their counterparts in other suburban areas.

### ***Business-Related Issues:***

The vast majority of Saint Louis Park businesses did not regard the availability of public transportation to be an issue for their enterprises. While ten percent reported employees used public transportation to work, no one felt it was a “serious issue” for them. In fact, these results were further reflected in the unenthusiastic reception of a “reverse commuting” program by those seeing a need for this type of program — only about one-half of the businesses reported a tepid willingness to participate and partially fund it. These responses also mirrored the reaction to the availability of more affordable housing in the community: eighty-eight percent reported it would have no impact on their ability to recruit or retain workers, while five percent saw a positive benefit and four percent projected a negative impact.

Seventy percent of the companies operating within the community rated the general business climate favorably; only twenty percent were more critical. This result was more in line with outer-ring suburbs rather than inner-ring or core cities, where the norm is much lower. In fact, enterprises were so pleased, three-quarters either had no suggestions or thought the City should do “nothing” to improve the business climate or help their businesses. Unusually small numbers, four percent each, focused on “lower taxes” and “better upkeep of business properties.” Overall, though, businesses were very pleased with the climate in Saint Louis Park.

### ***Conclusions:***

The health of the businesses in Saint Louis Park proved to be exceptionally good. Complaints about the City as a venue for business were few and far between. In fact, most owners/managers were very satisfied with their locations, with the current financial condition of their businesses, and saw no major problems, either currently or in the foreseeable future.