

CRESTWOOD ECONOMIC DEVELOPMENT STRATEGY

Prepared by the Crestwood Economic Development Commission



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Crestwood Economic Development Strategy

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INTRODUCTION

This Strategy sets forth an ambitious yet achievable economic development program for the City of Crestwood. The following documents provide both a planning context as well as base information that will serve as a foundation for this strategy:

(1) *2005 Watson Road Commercial District Plan* - the comprehensive plan for Crestwood's primary commercial corridor, the plan includes recommendations for identified "key property areas" as well as for the entire corridor in general.

(2) *Technical Memorandum: Watson Road Redevelopment Project Areas (2002)* - provides an overview of properties within the City that have been identified as potential redevelopment areas.

(3) *Retail Market Study for the Watson Road Commercial District* - a market feasibility study describing the market potential of the Watson Road Commercial District (District). The final report was presented to the Crestwood Mayor and Board of Aldermen in September, 2005. The study describes specific strategies that should be implemented in order to protect and improve the District. In particular, the report emphasizes that improvements to Westfield Crestwood Center (the mall) are necessary if the Watson Road Commercial District is to improve. The market feasibility study's recommendations are incorporated in this document.

PURPOSE

The primary purpose of an economic development strategy is to articulate a set of measurable strategies and actions to facilitate continued economic growth and new opportunities for the City's businesses and neighborhoods, and to clearly define the roles and responsibilities of staff, appointed and elected officials, and others in achieving successful outcomes. The Strategy will serve as a work program for the City's economic development team, providing focus and direction for future resource allocation and decision-making. Ultimately, throughout the process of implementing this Strategy, the City will realize the underlying goal of generating additional sources of revenue.

The Crestwood Economic Development Strategy will help Crestwood capitalize on its many existing strengths and enhance the City's economic stability and vitality. The strategies recommended here are intended to help the City attract and retain businesses that provide amenities and services for the city's residents and workforce, as well as revenue to support the delivery of high quality city services. Through the implementation of this strategy, Crestwood intends to strengthen its residential and commercial base to ensure the city remains both a vibrant residential community and a viable hub of retail activity in southwest St. Louis County.

The importance of focusing economic development efforts as a means of generating new and additional sources of city revenue has become increasingly evident as Crestwood, like many St. Louis County communities, faces flat or declining sales tax revenues coupled with increasing operating costs. Despite economic recovery on the national level, sales and utility tax revenues for communities throughout St. Louis County remain flat. The Crestwood Economic Development Commission (EDC) and city staff initiated the preparation of this strategy with the goal of identifying specific and realistic actions for strengthening and expanding Crestwood's economic base.

A number of factors are responsible for the narrowing sales tax base, including Internet sales, a net out-migration of people and income from the region, a shift from sales of taxable goods to services, as well as "weakening" of the sales tax due to legislative changes creating sales tax exemptions. This means that cities must not only focus economic development efforts on competing for sales tax revenues, but seek new sources of revenue as well.

COMMUNITY OVERVIEW

Located within southwest St. Louis County, Crestwood, Missouri is an established suburban community with a population of approximately 11,863. With its housing quality and variety, beautiful neighborhoods, ample parkland and walking trails, superior community services, and premier educational opportunities, the quality of life in Crestwood is excellent.

Crestwood is a post-World War II suburb that was essentially built out between the late 1950's and early 1960's. It is expected that within this decade as the city's population continues to age, residents will seek housing alternatives such as condos, townhomes and the like. This demographic trend started in the late 1990's and is expected to peak towards the end of the decade. With this turnover, the City anticipates an influx of younger families with children.

Crestwood's economy is principally commercial with numerous retail establishments and restaurants. Within the last several years, the City has aggressively pursued retail commercial oriented development and redevelopment opportunities. Additionally, the City is starting to see an aggressive "in-fill" housing market, with several small subdivisions of 10 – 20 homes. These homes are being marketed in the mid \$300,000 range. There are also several office buildings and some warehousing facilities in the City.

The majority of the City's businesses are located on Watson Road (State Route 366), which is a major thoroughfare traversing the City. Crestwood is a developed community that is mostly surrounded by other incorporated areas. As such, new development opportunities are limited to scattered vacant parcels and to redevelopment of existing properties.

The majority of Crestwood businesses employ fewer than 50 employees. In fact, there are fewer than 15 Crestwood businesses employing more than 50. The makeup of Crestwood's businesses base should be considered a strength as small businesses often have strong ties to the community. In addition, this business base ensures greater stability in the event a business closes or relocates.

Demographic Profile

Size	3.57 square miles
Population	11,863
Median Age	44.9
Median Household Value	\$130,800
Median Household Income	\$54,185
Per Capita Income	26,793
Households	5,111
Education Attainment	68 percent some college or higher

Source: U.S. Census Bureau, 2000 Census

Building and Construction Data

The following table indicates the number and value of building permits issued by the City for the past four years.

Figure 1.

Fiscal Year	Total Permits	Residential Permits	Residential Value	Commercial Permits	Commercial Value	Total Value
2001	169	97	\$3,731,355	72	\$14,501,400	\$18,232,755
2002	147	99	\$3,015,401	47	\$4,062,380	\$7,077,781
2003	186	128	\$5,882,114	58	\$6,894,671	\$12,776,785
2004	173	123	\$3,459,188	50	\$6,311,754	\$9,770,942

Source: City's Department of Public Works

DEVELOPMENT STRATEGY

Crestwood's development strategy is intended to protect community assets and strengthen community character. To this end, Crestwood's "big picture" focus should be on the challenge of improving the community's livability, quality of life and pursuing redevelopment of older, underutilized properties for a variety of land uses, both commercial and residential. New residential development is needed to "create a market" for existing and new retailers plus provide housing alternatives for existing and new residents. A variety of available housing types makes it possible for existing residents to remain in the community when their housing needs change. It also attracts new residents to the community.

In conjunction with the pursuit new residential development, Crestwood should capitalize on the City's low commercial tax burden, location and the demographic profile (buying power) of the trade area to attract high quality retail uses to the District and thus fully realize the District's potential as a major retail hub for near-southwest St. Louis County.

MISSION STATEMENT

Seek opportunities to ensure the city's long-term financial stability and expand and strengthen the city's economic base by making Crestwood a community that is attractive to and serves the needs of residents, businesses and workforce.

GOALS FOR ECONOMIC DEVELOPMENT

The following goals guide the Economic Development Strategy:

1. Foster outreach efforts to retain existing Crestwood businesses.
2. Promote Crestwood's positive image in the region to attract and retain residents, businesses and workforce.
3. Ensure the government/regulatory climate fosters positive interactions with businesses and residents.

G1: Foster outreach efforts to retain existing Crestwood businesses.

Objective:

- ✓ Improve communication with the local business community

Approximately 80% of an area's economic growth is through existing firms. This is why communication with existing businesses is a key component of a city's economic development program. The strategies

listed below are intended to improve communication through the continuation of existing efforts plus the addition of a “Business First” campaign. This program includes direct contact with individual business owners and/or representatives on a regular basis. Enhancing the business license application will assist with this effort by helping staff maintain up to date contact information. The Business First campaign should include systematic site visits to businesses, business surveys and networking opportunities. In addition to fostering positive relationships with existing businesses, the Business First campaign is also an opportunity to forward information about local and state business enhancement programs (job training, small business assistance programs, etc).

Strategies:

- Initiate a “Business First” campaign
- Host two forums with business community each year to provide an opportunity for discussion about current issues/concerns.
- Inform businesses about the Economic Development Commission and encourage participation.

Objective:

- ✓ Maintain a database of Crestwood businesses

Staff has developed a list of Crestwood businesses based on the city’s business license and occupancy permit databases. This list should be updated regularly as new information is available. A detailed and up-to-date list of existing businesses will support Crestwood’s business retention and marketing efforts.

Strategies:

- Continue to develop and update a database of existing businesses, including primary contact information and number of employees.

G2: Promote Crestwood’s positive image in the region to attract and retain residents, businesses and workforce.

Objective:

- ✓ Encourage and support Westfield’s redevelopment and rehabilitation of the mall.

Strategies:

- When available and appropriate, support use of economic development tools available to the city via state statute.

- Improve public perception of the mall (security, retailer mix/quality, mall viability).

Objective:

- ✓ Expand Crestwood's residential base by promoting the development of a diverse mix of new housing that meets the needs of existing and new residents.

Strategies:

- Encourage and support the preparation of a community-wide comprehensive plan for Crestwood that would include identifying areas to encourage residential development and/or redevelopment.
- Educate elected officials, residents and the public about housing trends and the role of housing in Crestwood's economic development program.

Objective:

- ✓ Improve access along Watson Road in Crestwood.

Strategies:

- Develop an access management plan for Watson Road.
- Work with MoDOT and state and elected officials to ensure all opportunities to improve access (removal of medians, consolidation of curb cuts, cross-access) are pursued.

Objective:

- ✓ Encourage and support projects and new developments that provide "quality of life" amenities for residents and businesses.

Strategies:

- Support construction of Grant's Trail through Crestwood.
- Seek opportunities to capitalize on the trail, including connecting trail to existing and future residential, retail, civic and entertainment uses.
- Develop a streetscape plan for Watson Road that could be implemented as redevelopment occurs and/or as funds are available.

Objective:

- ✓ Strengthen Crestwood's residential base by preserving existing residential neighborhoods.

Strategies:

- Encourage and support the preparation of a community-wide comprehensive plan for Crestwood.
- Support Crestwood's continued participation in the Community Development Block Grant Program (CDBG)
- Identify neighborhoods "at risk" for deterioration.

Objective:

- ✓ Encourage and support efforts to attract tourism and entertainment related uses.

Strategies:

- Collaborate with adjacent communities to create and promote a "Tourism Corridor" along Grant's Trail (Grant's Farm, Grant's Home, Sappington House, Fr. Dickson Cemetery, The Magic House).
- Encourage and support Westfield's efforts to redevelop and rehabilitate the mall with enhanced entertainment venues that attract shoppers to support existing and new retailers.
- Continue pursuit of additional museum and entertainment uses in Crestwood, particularly along Grant's Trail.
- Incorporate Missouri Location One Information System (LOIS) into city website's economic development home page.

Objective:

- ✓ Prepare a comprehensive marketing program for Crestwood.

Strategies:

- Develop marketing materials, including information package to respond to inquiries and leads (available parcels, economic profile, handouts)
- Promote Crestwood through partnerships with local, state and regional ED organizations
- Coordinate with local, regional and state marketing efforts (Missouri Growth Association, International Council of Shopping Centers, St. Louis County Economic Council, Missouri Department of Economic Development) and attend trade shows and conferences, as appropriate.

G3: Ensure the government/regulatory climate fosters positive interactions with businesses and residents.

Objective:

- ✓ Identify opportunities to improve city policies and procedures

Crestwood's effort to update and improve local codes is an ongoing process, consisting primarily of periodic amendments to the zoning ordinance and sign code and cyclical review of the *Watson Road Commercial District Plan*. These efforts will be enhanced by reviewing city codes, plans and development review procedures with the city's economic development goals in mind.

Strategies:

- Review existing informational materials about the City's development review process and update if necessary
- Post information on Crestwood website
- Seek opportunities to streamline the development review process, including "One Stop Shop"

MARKETING STRATEGY

CRESTWOOD'S COMPETITIVE POSITION

Crestwood is positioned as a leading residential community due to its geographic location, housing stock and location within the Lindbergh School District. Historically, Crestwood has been a major retail hub for southwest St. Louis County. Maintaining and improving these strengths is the overall goal of the economic development strategy, as attaining this goal will ensure long-term economic vitality. The following list highlight's some of Crestwood's advantages:

- Regional mall
- Existing and planned park and recreation facilities
- Full service community services
- Award winning school district
- Low tax burden
- Strong housing market/starter housing stock
- Median HH income of Crestwood and surrounding area
- Proximity to I-44 & I-270
- Quality access roads
- Watson Rd. corridor (good traffic flow, recent and planned improvements)
- City's awareness of and willingness to utilize ED tools (political climate)
- Defined redevelopment areas/detailed plans in place
- Positive relationship with local chamber of commerce

Crestwood's primary advantage will continue to be its central location and excellent school district. Efforts to strengthen the quality of existing housing stock, to create a diverse mixture of housing opportunities, and to provide services and amenities that enhance the quality of life for residents and workforce, will only increase Crestwood's attractiveness to both residents and businesses.

EXISTING EFFORTS

City Newsletter

As part of its efforts to encourage business retention and expansion, a portion of the City's newsletter, which is distributed to all Crestwood residents and businesses, is dedicated to economic development news. To date the newsletter has highlighted information about new and existing businesses. Future efforts should include updates on any development projects planned or underway, and on the Economic Development Commission's efforts/accomplishments. It may also be helpful to remind residents and the business community about Crestwood's many strengths.

City Website

The city's website contains a full range of information about the city and its various departments, committees, services, amenities and current projects. Meeting minutes and monthly meeting schedules are posted as well. The "Business" tab on the city's home page provides direct links to the city's most popular economic development and business related information. There is also a dedicated Economic Development home page, which includes information about the City's economic development program, including contact information for the City's full time economic development staff.

An economic profile of the City should be developed and posted on the website. This feature would pull together much of the information already available in various locations on the website, making it more accessible to users. Information in the profile would include Crestwood's employment data, land use and development information, market dynamics, demographics, housing, educational facilities, business resources, public safety, transportation, recreation and cultural activities and a listing of key local, regional and state contacts. The profile should be updated periodically as needed.

Morning Coffee Program with Businesses

Business retention through improved communication is a key component of the city's economic development efforts. With this purpose in mind, the City hosted a "Coffee with the Mayor" series in February and March of 2005. Every Crestwood business was invited to attend these events, held on four consecutive Fridays. The purpose was to give businesses an opportunity to meet with the mayor as well as city staff to discuss key issues affecting the City of Crestwood and area businesses. Attendees had many comments and questions during the event, primarily regarding the Watson Road Corridor and the city's efforts to strengthen and improve this area, including the mall.

Staff followed up with those who attended by mailing each a survey. Information gathered from the coffees and the survey responses will help the city improve its relationship with businesses and better understand some of business' concerns. The Economic Development Commission plans to host this and other events in the future in an effort improve city-business communication.

Partnerships with other ED Organizations

The City of Crestwood partners with a number of different local, regional and state organizations. The city’s economic development program should consist of strengthening existing partnerships and developing relationships with new organizations in order to be successful.

Figure 2. lists local, regional and state economic development organizations, their roles, and the extent to which the city is or will be in contact with that organization.

Figure 2.

Organization	Programs/Roles	Degree of Contact
Crestwood-Sunset Hills Chamber of Commerce	The Chamber encourages business retention, promotes business growth and works to improve the city's attractiveness for new business development through its publications, programs, events and interaction with all levels of government.	The City maintains a close relationship with the Chamber. The City appoints a liaison to the Chamber from the Board of Aldermen. The BOA liaison and ED Specialist are active members of the Chamber’s Economic Development Committee. Mayor, Aldermen and staff regularly attend monthly Chamber luncheons.
St. Louis Regional Commerce and Growth Association (RCGA)	Chamber of commerce and economic development organization for the bi-state St. Louis region (12 counties in Illinois and Missouri).	Currently contact with RCGA staff is primarily through involvement with the Economic Development Network.
St. Louis County Economic Council (SLCEC)	Job creation, business growth, industry diversification, and strategic redevelopment in St. Louis County.	Staff maintains ongoing communication with SLCEC staff and participates in quarterly SLCEC meetings.
Missouri Growth Association (MGA)	Monitors the activities of state and local governments. Supports legislation and initiatives that strengthen Missouri’s economy or improve conditions for the commercial property industry.	City has participated in the annual fall meeting in the past, and should continue utilize this opportunity to promote Crestwood.
Missouri Department of Economic Development	Business attraction and expansion, job creation, workforce development, tourism, community development assistance, redevelopment, and business licenses.	Staff maintains regular communication by attending conferences and via phone to obtain information when needed.

Missouri Chamber of Commerce	Works with member companies, local chambers and other business organizations to preserve a positive business climate, promote a healthy economy, and ensure that the principles of private enterprise are turned into public policy.	Currently no ongoing/direct contact.
Missouri Economic Development Council	Supports economic growth through its own program initiatives and in collaboration with other economic development entities (professional and organizational development, public policy, communications and marketing)	Staff maintains regular communication by attending conferences and via phone to obtain information when needed.
Greater St. Louis Economic Development Network (RCGA)	The Greater St. Louis Economic Development Network is a partnership of regional economic development professionals working toward the common goal of greater economic growth for metropolitan St. Louis.	Staff participates in monthly meetings.
Urban Land Institute (ULI) – St. Louis Council	St. Louis chapter of the Urban Land Institute (ULI).	Staff participates in periodic educational meetings and networking opportunities.

IMPLEMENTATION

ORGANIZATIONAL PLAN

The Crestwood Economic Development Commission guides economic development efforts in the City of Crestwood with oversight from the Mayor and Board of Aldermen. Under city administrator's supervision, the city's economic development specialist is responsible for the day-to-day management of the city's economic development program.

Staffing

The city's Finance Department provides support for economic development efforts as well, and consists of the Finance Director and administrative support staff. The Department of Public Works provides additional assistance, overseeing development review and staffing the planning & zoning commission.

It is important to establish a primary contact person in the city and to include this contact information in all marketing materials. Identifying a point or points of contact conveys to existing and prospective businesses the city is committed to economic development efforts and has an active economic development program. Dedicated ED staff will also help ensure implementation of the strategy.