

Enhancing Economic Vitality

Maryland Heights is home to more than 27,000 residents and 2,000 businesses, making it a major employment center for the region. These businesses represent a wide range of industries, including financial services, distribution, biomedical, education/career development facilities, and advanced manufacturing, which make up more than 50,000 quality jobs in the St. Louis region. With close proximity to the Lambert - St. Louis International Airport, the City is host to nearly 4,000 hotel rooms and numerous dining, recreation and entertainment opportunities. As a hospitality and entertainment destination, Maryland Heights hosts Westport Plaza, Hollywood Casino and Amphitheater, Centene Community Ice Center, Creve Coeur Lake Memorial Park, a variety of other sports and recreational facilities, and a variety of hiking and biking trails available to all types of users.

Maryland Heights has many advantageous qualities that provide business with opportunities for growth and success. The City of Maryland Heights is accessible by Interstate 70, Missouri Route 364 (Page Avenue Extension), Missouri Route 141 (Maryland Heights Expressway), and Interstate 270. These major highways provide commuters with a variety of travel options from many other local municipalities, which can encourage people to travel to the City for employment.

In addition to being highly accessible, Maryland Heights is affordable for both residents and business owners. The City does not levy a property tax for residents or businesses, and the utility tax is ~5.5%. In addition, the business license fee is approximately \$0.02 per square foot of usable space, which is reasonable for a business of any size. While business is a large part of Maryland Heights' success, entertainment venues play a large part in maintaining the City's economic health. Facilities including parks, such as Creve Coeur Lake Memorial Park, concert venues, a casino, and other entertainment venues provide residents of all abilities, stages of life, and interests with the opportunity to enjoy the City.

Each city has its own unique set of strengths, weaknesses, opportunities, and challenges - and Maryland Heights is no exception. Being able to identify the current economic trends of the community can help the City move forward with their economic success. Further, businesses that enhance the social, environmental, and economic qualities of Maryland Heights are necessary for creating a sustainable and resilient community. These types of communities promote unity, diversity, health, flexibility, and growth, which are qualities that can help promote and sustain a high quality of life for all citizens living and working within the region. This Chapter of the Comprehensive Plan strives to provide current and future business owners and developers with a framework for increasing the economic vitality of Maryland Heights.

Goal: Increase economic resiliency and innovation as part of a globally competitive, business-friendly region, comprised of healthy communities that sustain a high quality of life.

A community is said to be resilient when it is able to respond to and recover from adverse situations. A resilient community facilitates this ability through careful assessment, anticipation, and planning. With proper planning these communities are able to offer a high quality of life for residents and successfully

adapt to changes in market trends, technology, or major sources of revenue. For Maryland Heights, it is imperative to think critically to plan for any situation which it may encounter. In strengthening the City's economic resiliency and diversity, Maryland Heights strives to produce a unique, resilient, and sustainable community for both businesses and residents.

Maryland Heights can increase its economic resiliency, while remaining competitive in the global market, through fostering a strong and diverse business community. Providing opportunities for businesses of all sizes and degrees of establishment can create a welcoming environment for future development. Supporting a diverse business network further helps the City support vibrant regional growth. A diverse business community can provide opportunities for seasoned workers, while also generating new jobs for younger generations.

In addition to drawing a strong workforce to the area, creating a diverse business sector that produces quality jobs for residents of all levels of education and skill is essential to provide a high quality of life in Maryland Heights. Having businesses that provide opportunity for growth can incentivize residents to work and live in Maryland Heights. A diverse business sector also provides goods and services to local and regional residents, which helps to keep revenue local. Through their employment, the community will remain economically balanced and resilient to economic shifts.

Objective: Encourage a diversified mix of businesses to support a vibrant local economy.

A city with employment across a wide range of industries creates an environment that is better able to handle fluctuations in the economy. Creating a diverse business network that does not rely on one type of industry provides economic security for Maryland Heights. If the City were to rely on one business type for revenue and attraction, it would create a hazardous financial situation. If that industry were to prove unsuccessful, it would be assumed that related businesses would fail as well. This would be detrimental to Maryland Heights, and cause economic struggle for other businesses and community members. Bringing in a diverse variety of businesses will increase economic security in Maryland Heights, while providing residents a strong mix of goods and services.

As Maryland Heights continues to grow, the City must evaluate the advantages and disadvantages of newly proposed developments. Developments should bring diversity to the area, while providing fiscal and social benefits to the City and its residents. It is important that the City look for opportunities to use the zoning process to encourage a diversity of businesses.

In addition to economic benefit, a diverse business network keeps Maryland Heights competitive with other municipalities. Supporting everything from local shops, industrial developments, entertainment and recreational facilities, and global corporations helps to diversify the character of the community and create a desirable environment for future development. While Maryland Heights strives to promote new business opportunities, the City understands that it is equally as important to support existing businesses within the community.

Small & Local Business

Small-scale and local businesses help create a sense of place within a large community. These businesses are known and cherished by community members, and provide residents with access to unique goods and services.

Light Industrial

Light industrial and manufacturing businesses help to diversify Maryland Heights. These businesses generally manufacture small-scale, direct to consumer products within a fully enclosed building. These products may include, but are not limited to, clothing, food, electronics, and home appliances.

Light industrial buildings can be mixed-use developments housing both the manufacturing as well as office or distribution (warehousing) space. Due to the size of these companies they often provide high levels of employment and offer diverse opportunity for local residents.

Institutional and Community Facilities

Institutional and community facilities provide services and educational opportunities for visitors and residents within the community. Facilities including libraries, hospitals, museums, schools, and other related entities support the growth of these industries and create community that meets the needs of local residents.

Tourism & Hospitality

Tourism is a key aspect of Maryland Heights' economic makeup. Tourism facilities provide a welcoming atmosphere for residents and workers, while incentivizing people to visit Maryland Heights. With major corporations located in Maryland Heights, and their close proximity to the airport, the City should provide a desirable destination for business travelers to stay. In addition to hotels, ensuring that the City has a growing number of restaurants and entertainment venues can create a place that travelers want to stay. With many choices of places to eat and things to do, visitors would be encouraged to return to enjoy new experiences.

Creve Coeur Airport

Creve Coeur Airport is a valuable asset to the City of Maryland Heights. Located on Creve Coeur Mill Road between Page Avenue and the Maryland Heights Expressway, the airport serves the needs of St. Charles County and St. Louis County residents. According to their website, the airport is designated Type II General Aviation under the FAA's NIPIAS program, which enables them to accommodate a variety of small aircrafts. In addition to the airport, the Historic Aircraft Restoration Museum is located here. Since this entity is valuable to Maryland Heights, future developments in the Maryland Park Lake District should be mindful of the airport, and ensure that development does not impede with airport operations.

Objective: Provide efficient government services to all citizens of the community.

Government services are a basic need for every resident living and working in Maryland Heights. Ensuring that all citizens have adequate access to government services helps to create a healthy, safe, and connected community. These services are expected by all residents, and can have a direct effect on

their quality of life. Ensuring that these systems work efficiently and effectively is a vital part of any current or future development.

Services Include:

- **Police Department:** The Police Department works to enforce the law, protect the people, and maintain a high quality of life for all residents and visitors of Maryland Heights. The Police Department is located within the Maryland Heights Government Center, and is internationally accredited.
- **Public Works:** The Public Works Department is responsible for the repair and maintenance of all public streets, alleys, driveways, storm sewer collection systems, and other amenities owned or maintained by the City. Collaborating with the Parks Maintenance Division, both departments are responsible for salting and plowing the streets during the winter months. In 2016, the Department was awarded a prestigious American Public Works Association (APWA) Accreditation. The APWA Accreditation program recognizes public works agencies that go beyond the requirements of the management practices established nationally in the public works industry, as contained in the APWA Public Works Management Practices Manual.
- **Fire Protection:** Maryland Heights is served by four fire protection districts: Maryland Heights, Pattonville, Monarch, and Creve Coeur.
- **Education:** The City of Maryland Heights is served by three main school districts: Pattonville, Parkway, and the Special School District of St. Louis County.
- **Garbage Collection:** Maryland Heights has a contract with Allied Waste (dba Republic Services) to collect all residential trash, yard waste, and recyclable materials within the City.
- **Community Center:** The Maryland Heights community center is located along McKelvey Road near I-270. Completed in 2017, the 92,000 square foot facility provides residents and their guests with a fitness center, athletic courts, swimming pool, meeting rooms, event space, and a senior center. This space helps to create a sense of community within the City, and provides unique and beneficial services and opportunities to local residents.
- **Community Development:** The Community Development Department of Maryland Heights is responsible for code enforcement, plan reviews, and managing all non-public land development within the City. They work to improve the safety and appearance of the City, and make Maryland Heights a desirable place to live and work.

Objective: Encourage and support redevelopment and adaptive reuse of the Westport industrial area, as well as at Westport Plaza.

Westport Plaza, a mixed-use business and entertainment district located along I-270 and Page Avenue, has brought financial success to Maryland Heights and has served as a landmark for the City. Comprised of approximately 300,000 annual visitors and 3,000 employees who work in a variety of industries ranging from restaurants to corporate headquarters, this area is a vital part of the local economy, and serves as a perfect location for new and continued development.

Westport Plaza, and the surrounding Westport industrial area, is highly developed. Therefore, adaptive reuse and redevelopment of existing structures is encouraged. Oftentimes buildings or land parcels are abandoned and become obsolete as market trends or the economy changes. It allows businesses and developers to creatively use an existing structure to serve a new purpose.

When considering an adaptive reuse or redevelopment project, it is important to improve upon the existing space beyond the physical building. Consideration should be given to including usable greenspace and connecting new walkways with existing sidewalks to make the building accessible and attractive.

As Maryland Heights continues to grow, the City must evaluate the advantages and disadvantages of newly proposed developments. Developments should bring diversity to the area, while providing fiscal and social benefits to the City and its residents. It is important that the City look for opportunities to use the zoning process to encourage a diversity of businesses. The City should encourage such creative design approaches. Incorporating green infrastructure or low impact development (LID) designs can improve upon the aesthetics of the property while serving as a valuable asset to manage stormwater runoff. These features can help new businesses look and feel connected with the surrounding business community.

Objective: Encourage new hospitality oriented businesses to complement existing venues.

In choosing a city to stay, travelers look at the amenities readily available to them; the amount and variety of restaurants, entertainment venues, and distance to their destination. At present, the City is home to a variety of entertainment venues, more than 50 restaurants, Creve Coeur Lake Memorial Park, and nearly 4,000 hotel rooms - all within ten minutes of the Lambert St. Louis International Airport and 25 minutes from downtown St. Louis. These factors help draw over nine million visitors a year, however, as the city population and number of visitors per year increases, new hospitality oriented businesses may be required to sustain, and grow, visitation rates.

Encouraging new hospitality oriented business will increase regional diversity, increase tax revenue, and encourage the growth of other industries. Through increased entertainment and restaurant diversity, the City will grow its tourism, thus drawing a larger number of visitors per year. This growth will cause a direct and positive effect on sales, services, and overall tax revenue. Additional revenue will be recycled into the community, making it an even better place for families and businesses. Additionally, this growth will make the City a more attractive place to do business.

The increase in hospitality businesses will encourage growth in other sectors, which will draw a greater population to the area thus increasing demand for hospitality businesses. By providing opportunities and incentives to new hospitality businesses, Maryland Heights can continue to meet the needs of current and future residents, workers, and tourists.

Objective: Provide opportunities for existing businesses to expand and grow.

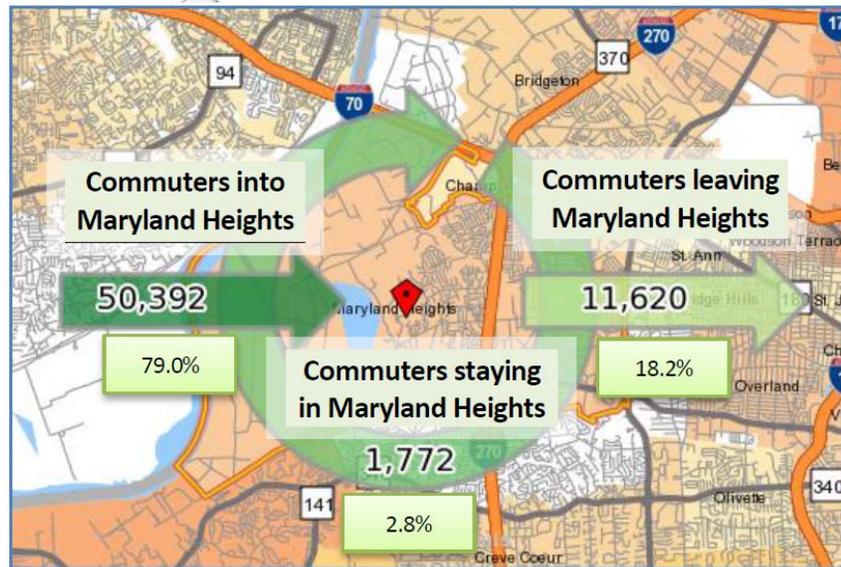
Business expansion and retention is vital to the economic success of Maryland Heights. Every day, Maryland Heights competes with other municipalities to maintain and expand their business repertoire.

Obtaining and retaining quality businesses that bring value to the City is important for creating a space where people enjoy working. If a resident works for a company they enjoy, then they are more likely to stay in the area and not seek work elsewhere. This provides residents with more disposable income, which can be put back into the local economy through local restaurants and retail developments.

Oftentimes, workers must commute outside of their cities in order to find a job that allows them to maintain their lifestyle and support their families. When local businesses stay and expand, this allows more opportunities for workers of all skill levels to be able to live within a reasonable distance of their work. This incentivizes residents to stay or make the move to Maryland Heights, which maintains the economic stability of the City.

Further, most people who work in Maryland Heights do not live in the City. This is likely due to a lack of diverse housing options. A 2014 report prepared by Development Strategies® studied housing demand in Maryland Heights. The study looked at regional housing demand and location of jobs. The study showed that of the approximately 52,000 people who work in Maryland Heights, only 3.4% live in the City, while over 50,000

residents of other municipalities commute to Maryland Heights to work. The majority of people employed in Maryland Heights, therefore, choose to live elsewhere in the region. This suggests a sizeable number of potential households that might be attracted to the City if higher value and more diverse housing options were more prevalent, also creating opportunities for economic development.



Source: Development Strategies®, 2014

Over half (52%) of people who are employed in Maryland Heights earn \$40,000 or more per year, higher than the St. Louis County proportion of 42%. However, residents of the City have a median income that is approximately \$9,000 less than residents in the region, suggesting that high-wage workers are choosing to live in communities other than Maryland Heights.

Moreover, when compared to the study area, Maryland Heights' housing stock is generally older and of lower value than housing in the surrounding communities. Notably, nearly 90% of housing units in Maryland Heights are 25 years old or older. Since 2000, Maryland Heights has added just over 400 units of new housing, while the surrounding communities in the study area have added nearly 11,000 units. 2017 saw the beginning of construction of Maryland Oaks, a new residential development consisting of single family homes, townhouses, and luxury apartments. Still, the average age of Maryland Heights' housing

stock is higher than the study area and will continue to increase unless the supply is renewed through additional new construction. Further, as a result of age-related housing depreciation as well as shifting consumer preferences, the median home price in Maryland Heights is worth nearly \$28,000 less than homes in the larger region.

This demographic analysis demonstrates both an opportunity and a need for newer, higher value housing in Maryland Heights, particularly aimed at the market of thousands of higher paid people employed in the City but who have chosen not to reside in the City. Yet any new development should be located within the appropriately zoned land, and should not negatively impact the daily functions of currently existing businesses and residents. Adaptive reuse and redevelopment projects are highly encouraged due to the high volume of developed land within the City.

Objective: Promote appropriate new commercial development or redevelopment of existing properties where market-supported opportunities occur.

Since it was incorporated in 1985, Maryland Heights has had a thriving commercial life. Commercial development in Maryland Heights is concentrated along two major thoroughfares –Page Avenue and Dorsett Road, and one major area referred to as the Westport Industrial area or Westport Business Park.

As opportunities arise, new commercial development in Maryland Heights will be supported and encouraged. Developments should strive to fill a gap in the business community that will bring success and benefit to the City and its residents. New commercial developments should strive to provide quality jobs that increase the quality of life for Maryland Heights’ residents.

In addition to striving for quality jobs, developers should take into account retail leakage. Retail leakage, or the lost revenue of a city due to lack of retail outlets and resources within the city, is an important factor to consider when planning and developing new commercial properties. In order to be most effective, developers must work to identify the industries within Maryland Heights that must suffer from retail leakage and work to create developments to reduce the lost revenue.

In a 2016 study along Dorsett Road, the consulting firm PGAV analyzed industries within Maryland Heights to identify the greatest areas of retail leakage.¹ The study focused on two main corridors: the area around Dorsett Road and Fee Fee Road and at Dorsett Road and I-270. The study revealed that leakage was greatest at gas stations, clothing and accessory stores, and general merchandise retailers in the Fee Fee Road area. Along Dorsett and I-270 the study found that leakage was more wide-spread, affecting motor vehicles and parts dealers, health and personal care stores, gas stations, clothing and accessory stores, general merchandise stores, and other miscellaneous store retailers. In both study areas, the City has an oversupply of restaurants and eating establishments. It should be noted that this study reflects current market demand and is not reflective of the types of desirable and sustainable businesses the City encourages. As such, this information should help Maryland Heights work to create

¹ Leakage measures the difference between the potential retail sales for an area (based on the population and buying power of that area) and actual sales. This demonstrates whether money is coming into a community or “leaking” out of it.

new developments to fill economic gaps, therefore strengthening the City's economy while providing additional service and benefit to local residents. The City has several areas to accommodate future development and redevelopment. These include:

- Maryland Park Lake District
- Westport Planning Area
- Dorsett Road Commercial Corridor

Objective: Consider incentives for renovation projects.

The City of Maryland Heights understands the importance of providing incentives to redevelopment and adaptive reuse projects around the City. In applicable situations, the City will aid developers interested in seeking funding, and will guide them through the application process. Many of these renovation projects may deal with an area of land that is considered blighted. Before seeking financial assistance for such areas, developers should provide evidence of a finding of blight to City officials.

A "blighted area" is defined by the Missouri Revised Statutes as follows:

"An area which, by reason of the predominance of defective or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use²."

Blighted areas, usually created by an economic downturn, cause businesses to leave which was once a vibrant community. The redevelopment of these areas is of interest to the City of Maryland Heights due to its ability to reuse and restore an existing space. A site that has become physically and economically obsolete can be transformed into a usable space that helps to revitalize both the neighborhood and the economy.

Incentives, which may be available through the City, are as follows:

Tax Abatement under Chapter 353 RSMo

- Requires a finding of blight. Tax abatement reduces the tax burden of a property by freezing the property taxes of the redevelopment area for a certain period of time - up to 25 years.³

Community Improvement District (CID)

- Requires a finding of blight. CIDs are a separate political subdivision, meaning the district is a single-purpose local government, with a board of directors, budget, voters, etc.
- CIDs have the authority to levy sales taxes, property taxes, and special assessments within their boundaries - among other things. The revenues generated by these additional taxes can then be used to finance certain public improvements and services.

² <http://www.moga.mo.gov/mostatutes/stathtml/09900008051.html>

³ <http://www.marylandheights.com/business-services/economic-development>

Transportation Development District (TDD)

- TDDs are a separate political subdivision, meaning the district is a single-purpose local government, with a board of directors, budget, voters, etc.
- TDDs have authority to levy sales taxes, property taxes, and special assessments within their boundaries, among other things. They operate much like a CID, where the revenues created from these additional taxes can then be used to finance certain public improvements and services associated with a development. TDDs also have less flexibility in terms of what type of projects may be funded. Typically, they are limited to projects that are related to transportation.

Tax Increment Financing (TIF)

- TIFs require a finding of blight. TIF districts capture a portion of the incremental tax revenue generated by a project for a certain number of years. That incremental revenue is then used to pay for eligible project costs.

Property Assessed Clean Energy (PACE)

- PACE is an economic development tool that enables property owners to finance energy efficiency or renewable energy projects through an annual property tax assessment. This may be advantageous to the property owner as it reduces the amount of cash needed up front to undertake a redevelopment project. Additionally, the assessment is tied to the property - so the current owner is not required to pay off the outstanding loan if they wish to sell. Instead, the obligation transfers to the new owner - who also benefits from the energy improvements.

Objective: Encourage projects that produce quality jobs.

The key component in economic growth is people. People need jobs to provide for their families. People need decent shelter in which to house their families. Without quality jobs, many families may not choose to stay in Maryland Heights, which would hurt both the economy and local community.

Although more often considered in terms of its impact on the community's tax base, commercial and industrial development, and the resultant level of job opportunities, is a key determinant of growth. The availability of jobs or lack thereof, has a direct impact on whether the community's population expands or contracts. Maryland Heights has a widely diversified economic base, thus, broadening the employment opportunities for those in the labor market area.

The residents of Maryland Heights are educationally diverse and hold a variety of jobs in and around the City. According to the U.S. Census Bureau, 2018 American Community Survey, at least 26.5% of residents have achieved at least a Bachelor's Degree, with an additional 21.2% having some college level education. See below for a complete list of percentages of education level.

Educational Attainment (population 25 years of age and older)

Education Level	Maryland Heights
Less than 9th grade	2.0%
9th to 12th grade, no diploma	4.3%
High school graduate (includes equivalency)	19.7%
Some college, no degree	21.2%
Associate's degree	8.1%
Bachelor's degree	26.5%
Graduate or professional degree	18.2%
High school graduate or higher	93.7%
Bachelor's degree or higher	44.7%

This chart depicts the broad level of education of Maryland Heights' residents. These highly skilled workers need jobs in order to support their family, and the more jobs the City is able to foster the more likely it is to retain these residents; if Maryland Heights does not continue to maintain their diverse business network, many of these skilled workers may seek opportunities outside the City, hurting the local economy.

Providing quality jobs is essential to maintaining a high quality of life for citizens living and working in the City. Although there is no one definition for a "quality job," it has often been described as jobs that provide a sustainable wage, benefits, job security, and/or the opportunity for advancement. Quality jobs may incentivize employees to stay with a company for an extended period of time, creating a stable and reliable business environment for both employees and the City. New developments within Maryland Heights should strive to provide quality jobs for all people, while meeting the needs of residents living within the City.

When a City provides jobs for people of all skill levels, it creates a desirable and diverse community. In Maryland Heights, it is important to focus on all levels and job types as working residents have a range in skillsets and work in a number of different industries. By balancing the existing job market, while simultaneously bringing in new employers, the City will preserve its diverse workforce and continue to foster a positive climate for employment within the community.

Actions

The following actions may be undertaken to implement the objectives of this goal:

- Create a comprehensive economic development policy and program to attract and retain targeted businesses and industries within the Westport Industrial area and Westport Plaza.
- Evaluate and report on the status and trend of the local economy with particular emphasis given to the impact of existing and proposed municipal policies upon economic growth and stability.
- Work with the Maryland Heights Chamber of Commerce and the Maryland Heights Convention and Visitor's Bureau.
- Participate in regional efforts regarding land use, transportation, hazard mitigation, and environmental issues that benefit the region as a whole.