



REPORT ON

MITIGATION OF TRANSPORTATION CONSTRUCTION IMPACTS

Prepared for the Legislature
of the State of Minnesota

February 2009

TB012009001MKE





Minnesota Department of Transportation

Transportation Building

395 John Ireland Boulevard
Saint Paul, Minnesota 55155-1899

February 27, 2009

The Honorable Steve Murphy, Chair
Senate Transportation Budget & Policy Division

The Honorable Michael Jungbauer
Ranking Minority Member
Senate Transportation Budget & Policy Division

The Honorable James Metzen, Chair
Senate Business, Industry & Jobs Committee

The Honorable Geoff Michel
Ranking Minority Member
Senate Business, Industry & Jobs Committee

The Honorable David Tomassoni, Chair
Senate Economic Development & Housing
Budget Division

The Honorable Amy Koch
Ranking Minority Member
Senate Economic Development & Housing
Budget Division

The Honorable Bernie Lieder, Chair
House Transportation Finance & Policy Division

The Honorable Michael Beard
Ranking Minority Member
House Transportation Finance & Policy Division

The Honorable Frank Hornstein, Chair
House Transportation & Transit Policy & Oversight
Division Committee

The Honorable Dean Urdahl
Ranking Minority Member
House Transportation & Transit Policy & Oversight
Division Committee

The Honorable Tom Rukavina, Chair
House Higher Education & Workforce
Development Finance & Policy Division

The Honorable Sarah Anderson
Ranking Minority Member - Workforce
House Higher Education & Workforce
Development Finance & Policy Division

RE: Report on Mitigation of Transportation Construction Impacts

Dear Chairs and Ranking Minority Members:

The Minnesota Department of Transportation (Mn/DOT) has completed the enclosed Report on Mitigation of Transportation Construction Impacts in response to the law passed by the Minnesota State Legislature (Laws 2008, Chapter 308). The report will help Mn/DOT implement our new strategic direction to encourage public involvement and build public trust.

In developing this report, Mn/DOT worked with many groups, including other state agencies, counties, cities, chambers of commerce, and business owners from across Minnesota. The input we received was very valuable in identifying successful practices that are currently being used, and areas where we can improve in reaching out to small businesses before, during, and after transportation construction projects.

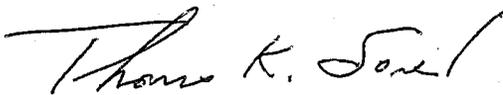
In compliance with the law, Mn/DOT developed the following plan to assist small businesses impacted by Mn/DOT construction projects.

1. Mn/DOT will emphasize small business outreach as an integral part of our broader public participation process by making revisions to our current "Hear Every Voice" program (described in Appendix B) and will place greater emphasis on the identification and mitigation of impacts to small businesses.
2. Mn/DOT will develop a checklist to be used by Mn/DOT project managers to initiate consultations with local government representatives and business community representatives. The checklist is a list of steps to be taken by Mn/DOT project managers to identify impacts to businesses, to plan and coordinate with local governments and small businesses, to identify mitigation measures (including signing), and to involve the construction engineer and contractor in an effort to improve communication and coordination with small businesses.
3. In order to better communicate with small businesses affected by construction projects, Mn/DOT will develop a packet for businesses that includes information about the nature, extent and timing of construction activities, identifies a single point of contact for small business owners, and, working with the Minnesota Department of Employment and Economic Development, will seek the assistance of area business development organizations.
4. From our surveys and discussions with small business owners, we learned that placing appropriate signing for businesses and business districts that are affected by construction projects is crucial. Mn/DOT will review its policies for signing in construction zones to document appropriate signing practices and to determine how to improve its response to requests from small businesses for additional signs.
5. Mn/DOT will regularly evaluate our program to make sure that our small business outreach activities are effective and continue to improve so we can avoid, minimize and mitigate the negative impacts of our projects on businesses.

The recommendations and opportunities identified in this report are well aligned with our increased efforts to include public participation and collaborative solutions not only in the project development and construction processes, but throughout the department.

If you have any questions or comments about the attached report, please contact Tom O'Keefe, Mn/DOT Metro District Program Delivery Director and Chair of the Advisory Committee at 651 234-7725. If you have questions about the implementation or ongoing support for the recommendations, please contact Michael Barnes, Mn/DOT Division Director of Engineering Services at 651 366-4825.

Sincerely,



Thomas K. Sorel
Commissioner

Attachment

cc: Peter Wattson, Secretary of the Senate
Albin A. Mathiowetz, Chief Clerk of the House
Legislative Reference Library
Senator Patricia Torres Ray
Billie Ball, Division Administrator
Abbey Mahin, Committee Administrator
Brian Martinson, Committee Administrator
Cap O'Rourke, Committee Administrator
Kerry Kinney Fine, Committee Administrator

Final Report

Report on Mitigation of Transportation Construction Impacts

Prepared for
Minnesota Department of Transportation

February 2009

Prepared by



Table of Contents

Acknowledgements	
Cost of Preparing this Report	
Executive Summary	
Introduction	3
Mn/DOT's Project Development Process	4
Public Involvement and Hear Every Voice.....	5
Current Practices to Address the Needs of Small Business	6
Data Collection and Outreach	7
Project Advisory Committee and Agency Staff Outreach	7
Business Experience Assessment Form	7
Business Outreach Meetings.....	11
Best Practices and Lessons Learned	13
Successful Business Outreach Includes the Whole Community.....	13
Project Team Planning: Consider the Whole Project.....	16
Adapt Communication Methods to Business Needs and Project Resources	18
Demonstrate Responsiveness.....	20
Leverage Existing Tools and Practices for Business Communications	22
Challenges	23
Recommendations and Implementation.....	25
1. Small business outreach must be emphasized as an integral part of a broader public participation process.	25
2. Mn/DOT has the tools, practices, and relationships in place to assist small businesses—they need to be better leveraged with consistent and rigorous application through the entire project development process.	25
3. Important business issues need to be identified early in project development.	25
4. Identify opportunities for partnership with a greater depth of resources, including economic development offices, dynamic local business leaders, or local government agencies.	26
5. Enhance engagement of the construction contractor as an important resource for business communication and relationships.	28
6. Review policies for signing in construction zones.....	28
7. Evaluate the effectiveness of small business outreach activities.....	28
Implementation Opportunities.....	29
Costs of Implementation.....	30

Case Studies

Case Study: ROC 52 Design-Build Project	15
Case Study: Highway 36 (North Saint Paul and Maplewood, MN)	16
Case Study: Highway 2 (Grand Rapids, MN)	18
Case Study: Highway 65/County Road 14 Interchange Project (Blaine, MN).....	21
Case Study: Central Corridor LRT (St. Paul & Minneapolis, MN).....	24
Case Study: Lake Street Reconstruction Project (Minneapolis, MN).....	27

List of Figures

Figure 1. Mn/DOT’s project development process.	5
Figure 2. Project Impact Continuum and Corresponding Business Outreach Approach	19

List of Tables

Table 1. Recent Transportation Construction Projects for Business Input	8
Table 2. Business Outreach Activities & Estimated Costs.....	30

Appendices

- Appendix A—2008 Legislation
- Appendix B—*Hear Every Voice*
- Appendix C—Business Outreach Summary
- Appendix D—Business Resources
- Appendix E—Agency Checklist
- Appendix F—Business Packet Content

Acknowledgements

The authors of this report would like to acknowledge and thank the individuals, agencies, and communities who have participated developing the *Report on Mitigation of Transportation Construction Impacts*. First and foremost, thank you to the businesses that have provided input regarding experiences of operating a business during a transportation construction project. By sharing these experiences, you've added to a knowledge base that will be used by transportation agencies – including Mn/DOT – to improve interactions with businesses during future transportation construction projects.

The following listed agencies participated on the study's Advisory Committee, which was instrumental in providing input on candidate projects to study, how to collect input from businesses, including assistance in conducting public outreach meetings.

- Minnesota Department of Transportation (various districts and offices)
- Minnesota Department of Employment and Economic Development
- Anoka County
- City of North St. Paul
- Metropolitan Council Central Corridor project office
- Metropolitan Consortium of Community Developers

The following listed organizations were instrumental in preparing for and conducting on-site business outreach meetings which provided a wealth of information regarding business operator experiences during transportation constructions.

- Rochester Area Chamber of Commerce
- MetroNorth Chamber of Commerce

The following listed business associations were key to providing contact information for businesses located in an area recently affected by a transportation construction project, as well as assisting with distribution of the assessment forms to businesses.

- Lake Street Council
- La Crescent Chamber of Commerce
- North St. Paul Business Association

Cost of Preparing this Report

This report cost approximately \$95,000 to develop and publish.

Costs included:

- Consultant contract costs up to the date of publication
- Mn/DOT agency staff and partner agency staff time
- Document printing
- Travel expenses
- Postage and related costs for business assessment distribution and collection

Executive Summary

Transportation construction projects in Minnesota have wide-ranging impacts that, depending on the size of the project, can have an impact on neighborhoods, entire communities, or sometimes even broader multi-county regions of the State. All aspects of the population, including the business community, are affected by the construction of transportation projects. Often the impacts are very small and of short duration, such as during a routine maintenance project. Larger construction projects, such as complete reconstruction of an interchange or highway corridor, have several direct and long-term impacts on the daily lives of people.

This report has been prepared in response to Laws of Minnesota 2008, Chapter 308, requiring the Minnesota Department of Transportation (Mn/DOT) to prepare a report on the mitigation of construction impacts on small businesses. Mn/DOT recognizes that as construction projects become larger in size and duration, small businesses are at risk for difficulties arising from construction impacts. Working with small businesses to provide them with the information they need to understand the potential impacts of a project and the available resources to manage their business during construction is especially important.

Through outreach conducted as part of this study, Mn/DOT has reviewed several previous projects to identify the practices that made for successful communications with small businesses, as well as the lessons learned from those projects. The report summarizes business owner and operator assessments, the input received from a project Advisory Committee, as well as observations from the practices of other agencies (including from other states).

Recommendations

As a result of this work, Mn/DOT makes the following overarching recommendations:

1. Small business outreach must be emphasized as an integral part of a broader public participation process.

While greater emphasis on business outreach is necessary, the outreach must be conducted as part of an integrated public outreach program. Businesses and their surrounding communities rely upon each other – only when the potential impacts to each are communicated broadly can an appreciation of their need for support be developed.

2. Mn/DOT has the tools, practices, and relationships in place to assist small businesses—they need to be better leveraged with consistent and rigorous application through the entire project development process.

Programs such as “Hear Every Voice” offer training for Mn/DOT and its project development/construction partners to be sensitive to the needs of the public. Revisions to the Hear Every Voice program will be made to place greater emphasis on the mitigation of impacts to small businesses.

3. Important business issues need to be identified early in project development.

Once identified, Mn/DOT will identify appropriate agency (Mn/DOT and non-Mn/DOT) project contacts and decision-makers to ensure their involvement at the proper time. By doing so, Mn/DOT's commitments for mitigation activities will be implemented as intended. A project manager checklist will be used to guide this process. This checklist will also be used by transportation agency staff to initiate the following activities:

- a. Consultation with local units of government and business community representatives to identify businesses surrounding the project, potential impacts to small businesses (e.g., parking, traffic, and access), and to discuss potential mitigation measures;
- b. Development of a packet for businesses that will include project information (e.g., nature, extent, and timing of construction and anticipated changes in parking, traffic, and public access), a transportation agency project contact; and
- c. Determine a list of project-specific area business development organizations that may offer support and resources to affected businesses. This determination will be completed with assistance from the Minnesota Department of Employment and Economic Development.

4. Identify opportunities for partnership with a greater depth of resources, including economic development offices, dynamic local business leaders, or local government agencies.

Every project has unique technical issues but also unique human resources, personalities, and organizations. Taking advantage of the ideas, services, and relationships that these resources can offer will help businesses manage the challenges of construction. Besides offering greater knowledge of site-specific issues, their presence often serves as a moderating force in public outreach that enables a shared understanding of project impacts.

5. Enhance engagement of the construction contractor as an important resource for business communication and relationships.

The construction contractor offers a tremendous resource that can positively or adversely affect the effectiveness of business outreach. As a result of their visibility in the construction area, contractors oftentimes become the face of a project in the eyes of the public. Mn/DOT will work with contractors on a project-by-project basis to ensure that contractors are aware of this dynamic. Transportation agency staff may consider including contract provisions related to contractor participation or communication in projects where small businesses will be impacted. This may include a requirement that the contractor provide a business liaison to communicate with business operators and resolve issues on a regular basis (e.g. weekly) or as need may arise.

6. Review policies for signing in construction zones.

Mn/DOT will review policies regarding signing for businesses or business districts in construction zones. Appropriate signing can benefit businesses but, at the same time, good signing practices must be maintained (for example, drivers can be overwhelmed

with information from too many signs, spaced frequently). Signing practices that can be considered should be documented as well as those that should not be used. A clear policy will help ensure that signing proposals discussed early in the project development process are feasible and can be implemented during construction.

7. Evaluate the effectiveness of small business outreach activities.

Mn/DOT will regularly review business outreach efforts on a project-by-project basis and apply lessons learned to future projects. Mn/DOT will use its *Hear Every Voice Initiative Team* to begin this process and establish a long-term evaluation approach.

Implementation Opportunities

Several opportunities exist for Mn/DOT to implement the recommendations described in this report. In summary, those opportunities include:

- 1) **Update the Hear Every Voice program.** This update will include a module specifically focused on small business outreach. As Mn/DOT's core program in public involvement training, Hear Every Voice provides the principles and tools to implement an effective small business outreach plan.
- 2) **Implementation of a Project Manager's Checklist.** Incorporating a business outreach checklist into the Mn/DOT project development process will allow for a consistent application of business impacts review. The checklist offers an opportunity to document business outreach actions, the commitments that have been made, and plans for following through on business outreach before, during, and after construction.
- 3) **Conduct an Initiative Study to Assess the Requirements of Small Business Outreach.** Mn/DOT District 6 will be reviewing business outreach needs during the 2009 construction season. The findings from this initiative study may be used to update previous editions of business outreach materials, such as the draft "Survive and Thrive" workbook being developed by District 6 staff.
- 4) **Continue to Recognize the Construction Contractor as a Business Outreach Provider.** For continued use of the contractor on outreach activities, the best opportunity to ensure their success is at the "pre-construction meeting." This meeting is held between Mn/DOT and the contractor after they are selected, but before construction begins. Including the whole team (i.e. include contractor's sub-contractors) in the meeting will provide a shared understanding of the project business concerns and methods to be used in outreach.

Introduction

Transportation construction projects have wide-ranging impacts to the communities in which the projects take place. The interim impacts of construction often disrupt the normal activities and routines of business owners and operators. When the nature, extent, and timing of those construction impacts are uncertain, it is especially difficult for small business owners to implement measures that will mitigate the negative effects of construction.

This report was developed by Mn/DOT, with assistance from several cooperating partners, in an effort to help agency staff develop better communication methods with small businesses. Improved communications with small businesses before and during transportation construction projects are expected to help reduce the impacts of construction to businesses. This effort was undertaken in response to legislation passed in 2008 by the Minnesota State Legislature (Laws of Minnesota 2008, Chapter 308) requiring a report on this topic. (See Appendix A for complete language of this law).

In developing this report, Mn/DOT collected information from owners/operators of small businesses that had recently been affected by a transportation construction project. Gathering this information helped Mn/DOT:

- understand the needs of small businesses during transportation construction projects,
- identify what types of communications are most useful to small businesses, and
- identify ways to lessen transportation construction impacts to small businesses.

From this information, Mn/DOT has developed a variety of recommendations that give agency staff a set of guiding principles for business outreach as new project construction plans are developed and implemented. The report also identifies organizations that are available to assist businesses with financial, marketing, and technical counseling during transportation construction projects.

Mn/DOT's Project Development Process

There are several steps in the development of a highway improvement project. A brief summary of each step follows:

Planning: identification of a need or deficiency within the transportation system. These may be identified by Mn/DOT staff, affected regions, counties, cities, or townships, and individual citizens. The deficiencies are prioritized so that the most important needs are addressed with current funding.

Scoping: determination of what the project should entail. An environmental study is conducted and social, economic, and environmental impacts are identified. Several alternatives are developed with hearings and information meetings for public comment. Large/complex projects may include advisory committees with representatives from the community, local governments, and other federal and state agencies. These committees are involved with guiding project decisions and are often involved through the design phase. A preliminary cost estimate and schedule are developed.

Programming: identification of the projects that will be implemented with current revenue. These projects are documented in the Statewide Transportation Improvement Program.

Detail Design and Right-of-Way Acquisition: final plans and specifications are developed that provide the information that a contractor uses to build the project. Details on construction impacts, traffic staging, and scheduling are identified and worked through in this stage.

Construction: the final plans are let for competitive bidding and the project is built. The focus of public involvement during construction is to provide current, on-going information to affected residents, businesses, and the traveling public.

Operations and Maintenance: use of the highway after construction is complete. Ongoing maintenance activities occur to prolong the life of the roadway and ensure safe and efficient operation.

Mn/DOT Project Development and Public Involvement

- Project Scoping is an important first assessment of a project's potential impacts – and a chance to obtain input from the community.
- Several opportunities for public involvement occur throughout the project development process, including notably during environmental studies.
- *Hear Every Voice* serves as the centerpiece of Mn/DOT's public involvement program, offering training to Mn/DOT staff and its partners in project delivery.

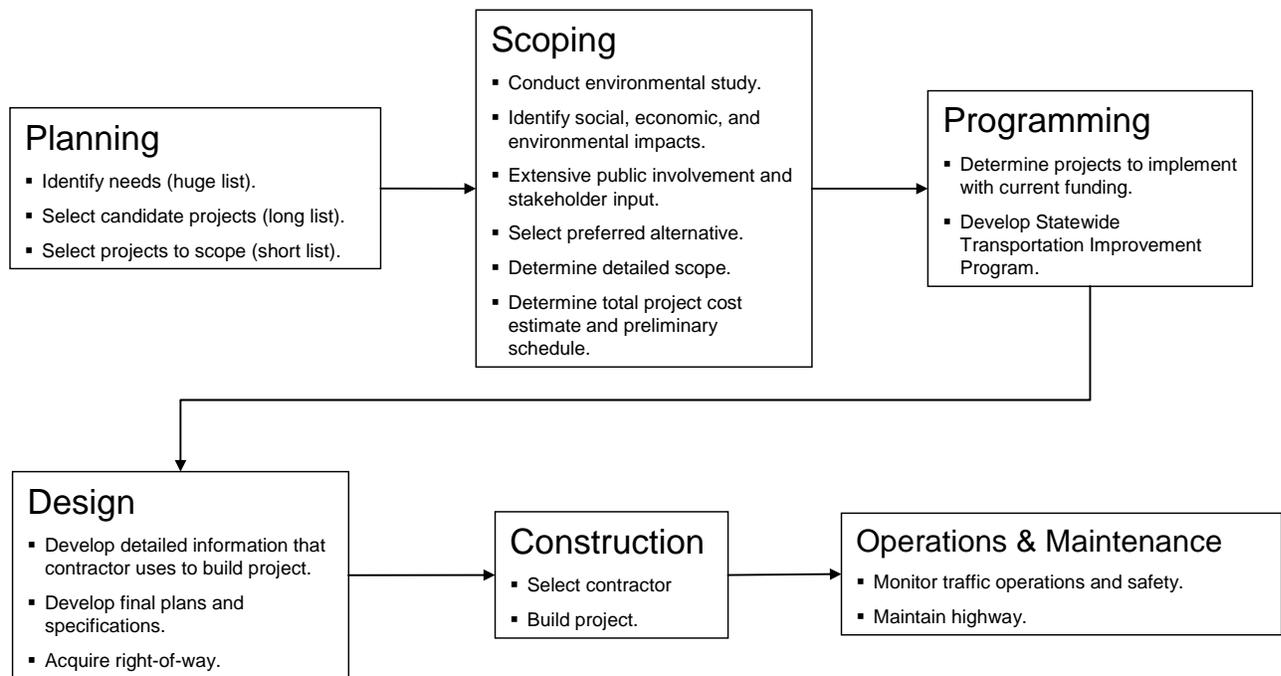


Figure 1. Mn/DOT's project development process. Public involvement is emphasized through every step.

Public Involvement and *Hear Every Voice*

Mn/DOT provides detailed guidance for project managers and other staff on the highway project development process at <http://www.dot.state.mn.us/planning/hpdp/scoping.html>. The importance of stakeholder consultation and public involvement through every step in the process is emphasized. A sampling of *Hear Every Voice* Program materials is provided in Appendix B.

As an integral part of the project development process, the *Hear Every Voice* program documents Mn/DOT's approach to public involvement. This program provides written guidance, as well as a number of tools and resources, which employees can use to conduct meaningful and productive public involvement. Best practices for each step are documented including requirements and timelines, when applicable. Because each project is different – in terms of scale, impacts, and context – *Hear Every Voice* appropriately emphasizes the importance of tailoring public involvement to the unique characteristics of each project. Training courses are offered on an on-going basis to support employees in planning, implementation, evaluation and management of public and stakeholder participation.

The *Hear Every Voice* program provides an existing platform that can be expanded or improved to better address the needs of small business during construction projects.

Context Sensitive Design and Solutions

Context Sensitive Design and Solutions (CSD&S) is another integral part of Mn/DOT's project development process. CSD&S is the simultaneous balancing of the objectives of safety and mobility with preservation and enhancement of aesthetic, scenic, historic, cultural, environmental, and community values in transportation projects. CSD&S is the art of creating and sustaining transportation public works that satisfy users, stakeholders, and neighboring communities by integrating and balancing projects with the context and setting in a sensitive manner that relies upon broadly-informed planning, consideration of differing values and perspectives, and tailoring designs to unique project circumstances. CSD&S uses a collaborative and interdisciplinary approach that includes early and ongoing involvement of key stakeholders to ensure that transportation projects not only perform safely and efficiently, but are also in harmony with the natural, social, economic, and cultural environment. Mn/DOT's commitment to the CSD&S approach to project development offers another existing means through which outreach and coordination with small business can be improved.

Current Practices to Address the Needs of Small Business

The following practices are currently used by Mn/DOT at various stages of project development to address the needs of small business:

- Opportunities for business representatives to serve on project advisory committees.
- Opportunities for early input at public hearings and public information meetings.
- Direct conversations with businesses during project design to provide input on how to mitigate impacts, including those related to traffic, access, and parking.
- Pre-construction meetings after contractor selection, but prior to construction that involve impacted businesses, Mn/DOT staff, and the contractor.
- Special signing, if it consistent with current signing standards and practices (for example, drivers can be overwhelmed with information from too many signs, spaced frequently).
- Construction restricted to nighttime or time periods when businesses are closed.
- Construction restricted during community events.
- Weekly meetings during construction between businesses, contractors, and Mn/DOT construction staff.
- Ongoing updates during construction using a variety of communication methods and media sources.

Data Collection and Outreach

Project Advisory Committee and Agency Staff Outreach

Project Advisory Committee Role in Report Development

A project Advisory Committee was assembled to draw upon experiences from recent construction projects across Minnesota. The Advisory Committee included representatives from local government, the Minnesota Department of Employment and Economic Development, the Metropolitan Consortium of Community Developers, the Metropolitan Council Central Corridor project office and several Mn/DOT districts and offices. The Advisory Committee provided input on candidate projects for business assessments, how to collect input from businesses, including assistance in conducting public outreach meetings.

Advisory Committee and Agency Support in Report Development

- An Advisory Committee of several agencies provided direction in data collection and outreach.
- Transportation agency staff provided feedback about recent project examples to review for agency practices and obtain input from affected businesses.
- Advisory Committee members noted a continuing problem in identifying the correct contact information for businesses that are tenants of buildings owned by others. (See the discussion in the "Challenges" section of this report).

Transportation Agency Staff Role in Report Development

Several individuals who work for transportation agencies also provided a great deal of information and input that aided in the development of this report. These individuals frequently work on transportation construction projects and have extensive experience coordinating with communities and businesses through project development.

Transportation agency staff assisted with development of business assessment forms (discussed below) and provided feedback regarding their experiences of coordinating with businesses through the project development.

Business Experience Assessment Form

Mn/DOT developed assessment forms aimed at capturing input from businesses recently affected by transportation construction projects. A complete version of the assessment form is provided in Appendix C. The assessment of business representatives was intended to:

- Gain a better perspective of challenges and impacts business operators within close proximity to transportation projects encounter during construction,
- Identify the extent to which business operators had access to information from transportation agency staff or other resources throughout the project development and construction process, and
- Determine the type of information, as well as methods and frequency of communications, that are most useful for business operators before and during a construction project.

Assessment Form Development & Distribution

The business owner/operator assessment form was developed through a collaborative effort that involved the Advisory Committee and volunteer form testers. The Advisory Committee decided to distribute the business assessment forms to owners/operators who recently have had the experience of operating a business during construction. The Committee selected seven recent projects within Minnesota. Three projects are located in the Twin Cities Metropolitan Area; the other four were located throughout Minnesota. With the exception of one project, all were completed by Mn/DOT. The Lake Street major reconstruction project, completed by Hennepin County, was included in the assessment effort to capture input from the high number of small businesses along the corridor. Information about these projects is provided in the table below:

Illustrative Project Case Studies

- Several recent transportation projects from across Minnesota were the source of business owner/operator input.

Table 1. Recent Transportation Construction Projects for Business Input		
Project Name & Type	Agency	Location
Highway 36 between White Bear Ave. and Hwy 120/Century Ave.—Major reconstruction	Mn/DOT Metro District	Maplewood & North Saint Paul
Highways 16/61—Major reconstruction	Mn/DOT District 6	La Crescent
Highway 2 West of Highway 38 intersection—Mill and Overlay	Mn/DOT District 1	Grand Rapids
Highway 2 East of Highway 38—Major reconstruction	Mn/DOT District 1	Grand Rapids
I-35W & 54 th Street/Diamond Lake Road Improvements (part of I-35W/Hwy 62 Crosstown Project)—Major reconstruction	Mn/DOT Metro District	Minneapolis
Lake Street—Major reconstruction	Hennepin County	Minneapolis
Highway 10 Detroit Lakes—Major reconstruction	Mn/DOT District 4	Detroit Lakes

Lists of business owner/operator contacts were obtained from transportation agency staff involved with each project. Agency project staff also helped identify the best means for distributing the forms. As such, a variety of distribution methods were used – including mailing, along with an addressed, stamped return envelope; e-mailing an electronic link to an on-line assessment form; and hand-delivery and pick-up.

Business Assessment Results

In total, assessment forms were distributed to over 400 business owner/operators. Responses were received from ninety-five businesses. A complete summary of business assessment results is provided at the end of this document, in Appendix C. The following discussion highlights findings from the business assessment that were influential in developing recommendations for Mn/DOT staff in communicating with small businesses in the future.

Effects of Transportation Construction on Businesses

Business Assessment Results

- Over 400 businesses were asked to provide input, with more than 20% responding.
- While the business assessments provide a valuable source of input from recently affected businesses, statistical significance should not be implied from the results.
- A majority of business respondents reported having lost business during construction.
- Businesses are sensitive to the practices of construction contractors – including as a source of project information.

76% (72 respondents) of the respondents reported having been affected by a transportation construction project. Over 60% (59 respondents) reported having lost business during construction. The most commonly cited reasons for business loss were:

- Loss of access
- Length of project
- Less traffic
- Highway/road closures
- Detours
- Lack of or poor signing

In addition to selecting choices from the list of impacts on the multiple choice question, business operators also wrote in the following business impacts:

- Lane closures resulted in heavy traffic and congestion; in some cases, this made it difficult for customers to enter or exit a business.
 - Loss of parking resulted in impacts ranging from customer inconvenience to avoidance of the construction area.
 - Property damage to business property resulting from contractor actions was cited by several business operators. In several instances, the business representatives noted that the situation had not been resolved to their satisfaction.
- Construction activities that took place over the July 4th weekend resulted in less business for some businesses located in a community that historically receives a high volume of tourist traffic.

Notably among the written comments received from business owners and operators was the impact a contractor's practices can have on their perceptions of the project. A frequent comment of frustration from businesses was concern about contractor equipment or activities blocking access to businesses or eliminating customer parking. In cases where the business person communicated directly with on-site contractor employees, there was a great improvement in knowledge of the project and an understanding of what was being done.

Very few businesses responded that that their business had benefited from the transportation construction project. Over one-quarter of respondents

indicated that it was too soon to tell or that the project was still under construction. However, only 8% felt the project had provided a benefit to their business.

Fewer than 40% of business representatives knew the specific transportation agency staff person they could contact with project related inquiries. Few businesses reported coordinating with local chambers of commerce, community development agencies, or marketing/business consultants for assistance during construction. Roughly over one-quarter of the businesses reported they had coordinated with other businesses during the construction period.

Business Operations during Construction

In general, 45-60% of business representatives indicated that they had received adequate information about the following topics:

- Timing and phasing of construction
- Length of project
- Changes in Parking
- Construction-related detours
- Changes in public access

However, less than 30% of respondents indicated that the construction project included adequate signing that directed customers to area businesses. Regarding signing issues, several written comments expressed frustration with transportation agency signing policies, noting the need for the transportation agency and the businesses to work together.

Business Response to Construction

Overall, nearly 60% of businesses reported having enough information to development and implement a business plan for the construction period. Below is a sampling of actions businesses noted they took to better serve customers during construction:

- Advertised
- Sent map or flier with detailed directions and project updates
- Telephoned customers
- Developed and paid for own signage; specific entrance/exit and detour directions
- Read construction updates in neighborhood newspaper
- Provided good customer service/apologized for inconvenience
- Expanded hours and increased delivery

Business Assessment Results

- Most businesses were unable to identify the specific transportation agency contact person available for project-related inquiries.
- Signing was a consistently highlighted issue of concern for businesses during construction.
- Most businesses were satisfied with the amount of project information they received for their own development of plans for operation during construction.

Business Outreach Meetings

During development of this report, Mn/DOT met with business managers/operators representative of two recent projects: the ROC52 design-build project in Rochester, Minnesota, and the Highway 65/County Road 14 Interchange project in Blaine, Minnesota. A brief summary of the findings from each meeting is provided below. Complete summaries are provided in Appendix C of this document.

Rochester Area Chamber of Commerce

This meeting was held in cooperation with the Rochester Area Chamber of Commerce. The meeting was a regular meeting of their Transportation Committee, but was held as a meeting open to the public. Press releases were provided to the local news media in advance of the meeting. Feedback from participants about the ROC 52 project in Rochester was generally positive. They noted that communications throughout the entire project were good and that Mn/DOT and the contractor worked to provide the community with up-to-date information. Project buy-in from community leaders also helped a great deal in completing the project in a manner that kept community relations intact.

Communications

Good communication practices; started early and lasted throughout the project. Elements of the ROC 52 communications program included:

- Daily radio announcements
- Regular press releases
- Newsletters
- 1-800 number for project information
- Project website

Focus Group Findings

- The design-build contractor management of public outreach was effective in Rochester (the "ROC 52" project) due to an extensive outreach program and broad community support for the project.
- The same ROC 52 outreach model was applied to an Oronoco design-build project with less success.
- Each project has unique characteristics that prevent a "one-size-fits-all" approach to outreach.

The design-build contractor hired a public relations firm that was responsible for coordinating most elements of the public outreach program. This firm also frequently followed-up with stakeholders to determine the effectiveness of various communication methods.

Coordination with Businesses

Frequent and meaningful communications with businesses along the Highway 52 corridor resulted in successful business operations during construction. Below are some specific efforts that were taken to ease business impacts during construction:

- Signs directing drivers how to reach specific businesses entrances were moved around as project conditions changed
- Businesses worked together to develop incentives to shop during construction, e.g., Miracle Mile businesses and the local chamber of commerce coordinated to offer special sales during construction

Mn/DOT's attempt to replicate the public outreach approach used on ROC 52 in the Oronoco Highway 52 design-build project approximately 12 miles to the north was not successful for a variety of reasons, including a lack of community buy-in for the project. Comparing the results of the community outreach programs on Oronoco and ROC 52 demonstrates that projects possess unique characteristics that require tailored approaches to outreach—even within close proximity to one another.

MetroNorth Chamber of Commerce

The group focused on the experiences of businesses that operated during the Highway 65/County Road 14 project in Blaine. Highlights from the discussion are summarized below:

- Sponsors of the project—Anoka County, City of Blaine, and Mn/DOT—explained benefits of the project (e.g., access management) with stakeholders before and during construction.
- Contractors play a large role in project communications with the business community. This role is valuable and should be explored further for future projects.
- Businesses, the County, and the City of Blaine all coordinated to develop and fund the “Heart of Blaine” marketing effort, which was focused on keeping customers within the project corridor during construction. One business person in particular championed the effort for the businesses.
- Anoka County's Transportation Management Organization (TMO) Director devoted a considerable portion of her time to coordination with businesses along the project corridor.

Best Practices and Lessons Learned

As a result of reviewing the outreach efforts described above, Mn/DOT has identified several best practices and lessons learned from past projects and the outreach practices used by other state and local transportation agencies. Generally, the lessons learned discussions are incorporated within the project-specific case studies included in this section.

The observed best practices, described in five broad categories below, form the basis for the recommendations of this report. The first four categories relate to project-specific needs and actions necessary to promote an effective and efficient communications strategy between the project sponsor and the business community. The fifth category is focused on existing agency practices that can be drawn upon to create a structured business outreach protocol, which is discussed in the Recommendations and Implementation section below.

Successful Business Outreach Includes the Whole Community

Businesses are part of the Community

- Successful business outreach integrates the entire community.
- Provide project information that can be used by business – for their customers, suppliers, and employees.
- Community support and awareness of the project enables a cohesive business community marketing plan.

As described above, one of the findings from the survey of businesses is that business owners and operators often do not perceive a benefit from the planned or completed transportation construction project.

A common theme from the best examples of outreach to the business community is that project outreach efforts are conducted in a holistic manner. That is, outreach to businesses should not be conducted in a vacuum, but as part of a broader public involvement program that also includes businesses, community residents, locally elected officials, and other governmental agencies as stakeholders. The benefit of this approach is that all stakeholders have an opportunity to hear the perspectives of other groups, thereby increasing the potential for project understanding and enthusiasm for the project from all stakeholders – including businesses.

Successful communication with business owners and operators recognizes that communications do not stop at the businesses. Customers, employees, and suppliers to businesses are all affected by construction activities. Providing project information to businesses that can easily be passed on to those types of business stakeholders is another example of how broad project outreach is necessary.

An example of good community outreach (shown as a Case Study below) is the Highway 52 design-build project in Rochester, also known as “ROC 52.” This case study is a demonstration of the benefit of broad community support as a means to engage the business community. Conversely, a similar Highway 52 design-build project approximately 12 miles north of Rochester in the City of Oronoco did not demonstrate the same type of broad

community support. This resulted in fractured communications between the community, including businesses, and the project sponsor.

The experience from these two Highway 52 design-build projects not only demonstrates the value of broad community support, but it also reflects a lesson learned that applies to the third category of best practices described below in this report: each project is unique and requires a tailored approach to outreach. Mn/DOT, having gone through a successful community outreach program on the ROC 52 project, applied the exact same approach to the Oronoco design-build project. However, the Oronoco project did not have the same foundation of community support as experienced in Rochester – a different approach was needed.

Case Study: ROC 52 Design-Build Project

Demonstrated Effort to Minimize Impacts

Expansion of an 11.8 mile section of Highway 52 to six-lanes in Rochester, Minnesota was Mn/DOT's first design-build highway project. The ROC 52 project was completed in 3 ½ years, versus the eleven year schedule that was estimated with a traditional, non-design-build construction approach.

Maintaining the function of Highway 52 as a major artery within Rochester, the region, and state was an important goal during construction. As such, four lanes of traffic (two lanes in each direction) were maintained during peak travel periods (6 a.m. to 7 p.m. Monday - Friday). Lane closures were allowed during non-restricted hours (night and weekends). Additionally, access to residences and business was maintained throughout the project. Efforts were made to minimize impacts to businesses, including minimizing construction during the November-December holiday shopping season.

Business Communications Conducted Within the Community Context

The ROC 52 project stands apart from many others in that many businesses view the project as a success—including the period of construction. Through discussions with members of the Rochester Area Chamber of Commerce's Transportation Committee, we learned that one of the keys to this success was viewing the outreach program as a community outreach, rather than a business outreach effort. This theme was apparent even in the project slogan of "We're in this together."

Another key to the success of ROC 52 was that Mn/DOT and the contractor worked together with an understanding that this project was not to be "business as usual." The contractors were aware of important business community concerns. Other elements of the ROC 52 public outreach program are discussed above, under Outreach Meetings.

Project Ambassadors" Provided Leadership

Perhaps one of the keys to the success of the ROC 52 project was the fact that a Leadership Group within the community acted as "project ambassadors" within the community. That is, they were key in building community support for the project, which included educating the public about the need for, and benefits of the project.



Project Team Planning: Consider the Whole Project

One common theme in business owner feedback was frustration about changes in project contacts and decision-makers. This was most notable relative to the topic of signing and visibility of businesses during and after construction.

Case Study: Highway 36 (North Saint Paul and Maplewood, MN)

Improvements to Highway 36 were constructed in 2007 and 2008. The goal of the project was to rebuild a segment of Highway 36 to increase safety and improve access through the cities of North St. Paul and Maplewood. After conducting market research and substantial outreach with the affected communities, Mn/DOT chose to expedite the project schedule by completely closing Highway 36 to traffic in North Saint Paul for several months in 2007. Business input was critical to this decision. As a result, Mn/DOT staff established a close working relationship with businesses early in project development.

The value of this early work with businesses was confirmed through feedback received from businesses and from the Advisory Committee. Businesses and the broader communities generally believed Mn/DOT's outreach efforts met their needs for information. However, some businesses noted commitments made by the Mn/DOT project representatives were not always implemented. Specifically, project staff involved in the early outreach efforts worked with affected businesses and communities to develop a system for installing temporary signs that would direct motorists to business entrances. However, when it came time to design and install the signing plan, Mn/DOT was unable to implement the arrangement because the signs would not conform to agency standards. This left businesses and city representatives frustrated and temporarily without a plan for signing during construction.



Another aspect of project signing that needs consideration is signing for the finished project. In the case of Highway 36 at McKnight Road, the new interchange included full access to McKnight Road and the option to drive straight toward the North Saint Paul business district from eastbound Highway 36. This unique feature created a need to coordinate with the city for signing at this location. A compromise between the parties was reached (a "Downtown North Saint Paul" sign at the exit ramp with a straight-ahead arrow) after completion of the project. The business

community involvement in that decision was important for buy-in on the final design and location. An opportunity to avoid the temporary confusion would have been to hold the discussion of final project signing earlier in project design and development.

Signing is a key concern of businesses during construction, especially if a detour or change in business access is involved. As can be seen from the case studies below, difficulties arise from misunderstandings about what can and

cannot be done in terms of the types, locations, and sizes of signing during construction. Many layers of decision-making occur, often involving multiple levels of government (e.g. the State and City) depending on the extent of construction and best opportunities to provide signing. Problems such as those identified in the Case Studies of Highway 36 and Highway 2 can often be avoided if the right decision-makers are involved early in the project outreach process and if staff identifies the problems that must be resolved.

For this reason, it is extremely important to map out the key decision makers and project managers early in project development, even before a formal business outreach program is underway. Each project will have its unique characteristics that require different resources to be available according to the project's key issues.

Getting the right resources involved at the appropriate time will help to provide seamless project communications that are not hindered by participants' climbing a project learning curve. Relative to Mn/DOT, this means that staff with specific project development responsibilities (see Figure 1) becomes involved with the project before their specific project phase begins. For example, Mn/DOT's construction manager would be aware of project details and commitments well before the start of construction. This would allow the construction manager to understand the project's unique issues, the variety of stakeholders involved, and any commitments that the agency has made in previous project development phases. All of this would help to ensure a smooth transition into the construction phase and minimize the potential for glitches in communication.

One resource that may be often overlooked as an opportunity for business outreach and support is the construction contractor. Many business owners described how they relied on face-to-face interaction with the contractor to receive project updates. Occasionally businesses described situations where the contractor's construction practices (e.g. material placement or equipment operation) was disruptive to the business for prolonged periods with no explanation or warning. While the identity of a contractor may not be officially known until immediately prior to construction, planning for their active involvement and engagement as an outreach participant has been proven as a successful strategy.

Adapt Communication Methods to Business Needs and Project Resources

As described above and in the case studies, each project is unique and will have its own key issues and associated level of public outreach. For this reason, assigning a specific universal template or approach to business outreach for every project is not likely to be successful. Instead, the people directly involved need to have the freedom to conduct and adjust business outreach in a way that responds to the distinct needs of each project. (Note: this does not preclude a structured approach to communications, as described further below in Section 5 of this Best Practices section).

One advantage to early communication with businesses is that besides learning about specific issues, it also offers an opportunity for leaders of the business community to emerge. A great example of this comes from the Highway 65/County Road 14 project in Blaine, Minnesota (see Case Study below). This project shows how valuable it is to allow committed individuals to identify themselves and in turn leverage their interest and abilities. Not only did the project gain a new vehicle for communications, but the business community relationship to the sponsoring agencies was strengthened as well. The leadership from these individuals will often play a critical role in understanding what types and frequencies of communication are appropriate for the project.

Among the findings of the business survey was that business owners and operators do distinguish between the types of projects that may be

Adapt Business Communication Methods to Your Project Needs

- Each project has unique characteristics and associated potential for business impacts.
- Tailor your business communications strategies accordingly.
- Early outreach with businesses will enable them to identify those methods of outreach that will be most helpful.
- Large construction projects often require community outreach more than one year in advance of construction.
- To maximize business contact, conduct public outreach in the affected area – look for opportunities to hold meetings at affected businesses.

Case Study: Highway 2 (Grand Rapids, MN)

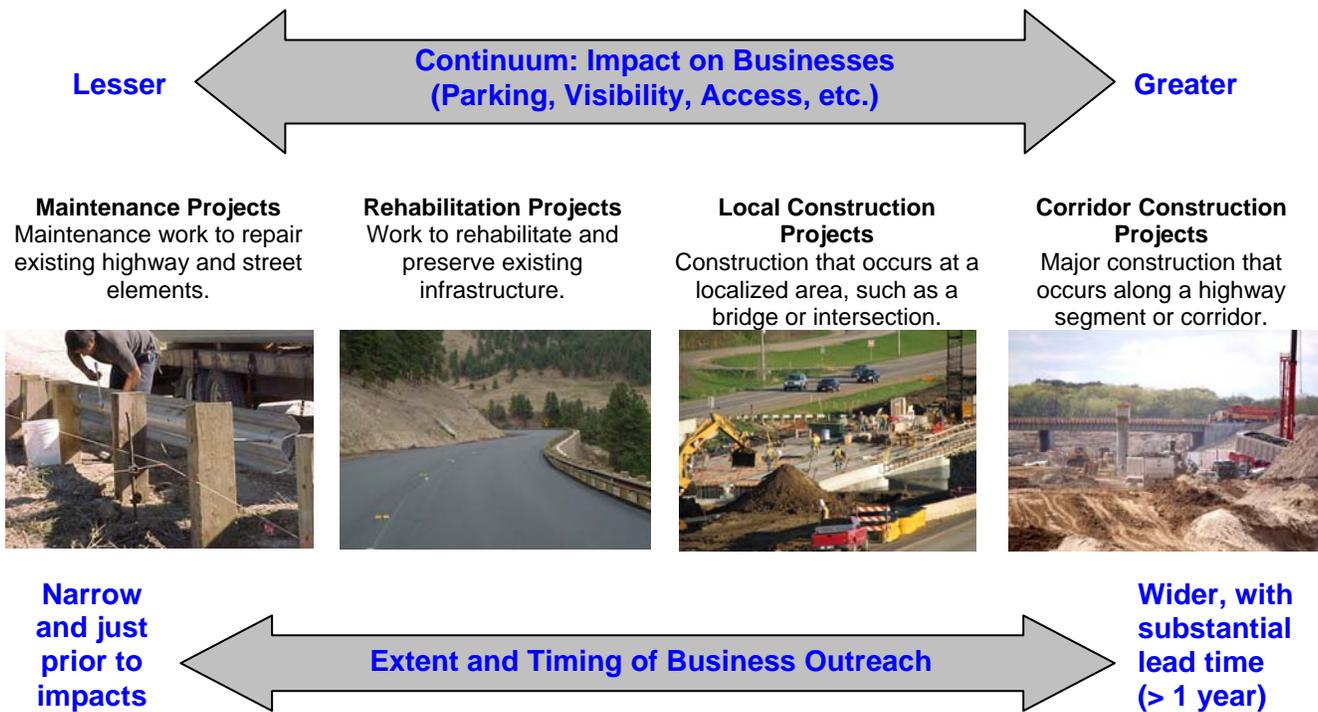
Highway 2 in Grand Rapids has undergone a wide range of improvements recently, from major construction for one portion, to a regularly scheduled “mill and overlay” maintenance work on another. Businesses located around these projects expressed concerns similar to those expressed by businesses near the Highway 36 project. In this case, early communications about signing for businesses during construction were conducted between Mn/DOT and the businesses. Later as construction on Highway 2 began, the businesses learned that city of Grand Rapids requirements for signing did not allow for the construction signing to be implemented as planned.

This project example reinforces the importance of signing as an issue for coordination with businesses in advance of construction. A key lesson from this project and the Highway 36 example above is that getting the proper decision makers involved early in project development is very important for ensuring the implementation of project commitments. This involves Mn/DOT staff and local government officials.

constructed and the relative need for information. For those projects more oriented around routine maintenance, the need for early communication is less – with notification timeframes of several weeks often being adequate for businesses. For projects that involve more extensive construction, access changes, and certainly if a detour is planned, the timeframe for advance communications is much longer. Businesses often prefer to hear about these types of projects more than a year in advance.

The actual methods for communications with businesses can vary widely. Projects have used web sites, newsletters, post cards, email, and, newspaper advertisements, to various degrees. All of these methods can be successful; the right choice will depend on learning the needs of specific project stakeholders.

A positive method of demonstrating commitment to the affected businesses is to hold project meetings in the immediate project area. Many owners and operators have limited flexibility in their schedules, so making meetings as accessible as possible is important. Especially valuable in gaining business support is to hold project meetings (ranging from small internal to larger community meetings) in one or more of the affected businesses.



Outreach to businesses and methods for mitigating impacts must be tailored to each project. The scale and site-specific characteristics of every project are different. An early assessment of the project’s potential impacts to businesses is necessary to determine the approach to business outreach.

Figure 2. Project Impact Continuum and Corresponding Business Outreach Approach

Demonstrate Responsiveness

Businesses identified clear and timely project communications as valuable to their operations before, during, and after construction. Information about the following topics was noted as important by several business representatives:

- Project start date
- Length of construction
- Areas of the project with likelihood of changing, including updates when project elements change
- Project completion announcement to allow businesses to communicate with customers, suppliers, and employees

Several businesses also noted the value of receiving fast responses to their inquiries to project staff. Also, for larger projects, such as the ROC 52 reconstruction in Rochester, business representatives noted value in being able to provide feedback regarding the effectiveness of the public outreach efforts, and seeing the outreach approach change based on the feedback.

The Highway 65/County Road 14 interchange project in Blaine offers an excellent example of both adapting outreach and demonstrating responsiveness to the business community's needs. As described in the Case Study below, representative government agencies worked cooperatively with businesses to not only implement a cohesive business marketing plan and outreach effort, but to also engage with specific individuals easily identified as business community members to moderate discussions and represent business interests. This responsiveness to business needs has resulted in creative methods to mitigate construction impacts and complete the project on schedule.

Case Study: Highway 65/County Road 14 Interchange Project (Blaine, MN)

Work on the interchange at Highway 65 and County Road 14 began in March 2008 and was completed in August 2008. The interchange—which was completed through a partnership between Anoka County, the City of Blaine, and Mn/DOT—was the second of three phases that will ultimately convert a section of Highway 65 to a freeway. The third phase remains underway at the time of this report publication.

Prior to implementation of improvements, the intersection of Highway 65 and County Road 14 was one of the most congested and dangerous intersections in Minnesota. Existing and planned development (including retail development) along Highway 65 was expected to add additional congestion to an already congested corridor.

Construction of the interchange required closing and detouring County Road 14 traffic for several months. However, access was maintained to all businesses and detours were signed to allow drivers to reach their intended destinations. The Highway 65/County Road 14 interchange project provides an excellent example of successful coordination with the business community before and during a construction project. Highlights of the business outreach program are provided below:

A Unique Partnership of Business and Community

Early in project development, one business representative and member of the MetroNorth Chamber of Commerce became very engaged in project planning. This person was invited to participate in Mn/DOT and other agency discussions about the project. He served as the “eyes and ears” of the business community. Project features were explained to him and he in turn told project designers what he heard from a business owners’ perspective. The relationship building fostered by this collaboration resulted in his serving as a public meeting moderator and reinforced the business community’s role as a part of the project development process.

Another business owner seized the opportunity to initiate a marketing campaign on behalf of affected businesses. Her leadership resulted in a formalized organization of project partners that included area businesses, the MetroNorth Chamber of Commerce, and the city of Blaine. Each of the three groups contributed funding toward a collective advertising and marketing campaign fund to last through project construction.

The Anoka County Transportation Management Organization (TMO) was also an important partner in the business coordination effort. The Anoka TMO has provided staff time, agency coordination, and informational handouts throughout project construction to maintain awareness of the project activities.

Coordinated Marketing Plan

The joint advertising fund was used to develop the “Heart of Blaine” brand for the area businesses. The “Heart of Blaine” advertising campaign relied on businesses cross-marketing with each other during construction; this included promotions that offered prizes for patronage at business in the Heart of Blaine. The campaign also included sending out project updates to community residents and businesses via postcards and e-mails. These updates not only provided information to the community, but also armed businesses with information that they could distribute to their own clients, employees, and suppliers.

Case Study (Continued): Highway 65/County Road 14 Interchange Project (Blaine, MN)

Project Web Sites Offer Continual Project Updates

Mn/DOT and the City of Blaine developed project web sites that link to each other to take advantage of each agency's resources for project information and updates. The Mn/DOT site offers an opportunity to sign up for automatic e-mail notifications of project news, a list of project contacts (at Mn/DOT and other project partners), along with detailed information about the project background and stages. The Blaine web site includes similar project overview information, but notably includes an "Open for Business" link to help locate businesses in the project area with business phone number and web site information provided.

Leverage Existing Tools and Practices for Business Communications

Through current project development processes, Mn/DOT accumulates information that is useful to businesses in developing and implementing plans to operate during construction. Existing Mn/DOT tools and practices can be re-packaged into a project information packet that provides businesses with project information—including anticipated impacts to traffic, access, and parking—so that they are able to more effectively operate during construction. Elements of a business information packet must include:

- Information regarding the nature, extent, timing, and duration of planned construction—this includes changes in parking, traffic, and public access in the project area
- Information about how businesses can contact Mn/DOT staff throughout the project regarding construction progress and timing
- A listing of area business development organizations that can assist businesses with financing, marketing, and technical counseling during the construction period

In addition to the required information listed above, information packets should be tailored to unique project descriptions. Mn/DOT staff may also consider including an educational piece explaining why the project is being done (e.g., to address safety, demand, etc.), so that businesses are more likely to see a project benefit.

Based on the ability of Mn/DOT to use existing tools and practices to improve communications with businesses, there is not a need for any legislation to improve this process. However, Mn/DOT will update public involvement guidance, including the *Hear Every Voice* document, to specifically address business communications within the project development process. This step will ensure that Mn/DOT staff is consistently applying the same set of considerations to projects, while also being allowed flexibility to respond to unique project circumstances.

Challenges

Some transportation agency staff noted they had had difficulty with obtaining complete, accurate, and cost-effective business contact information – particularly with tenant-based businesses. Most of the transportation agency staff noted that they rely on tax records. Other sources of this information included chambers of commerce, local business groups, and going door-to-door to collect this information. Experiences from the Central Corridor Light Rail Transit project provide an example (see the Case Study below) of the challenges agency staff face when trying to determine the appropriate owner/operator contact information.

Case Study: Central Corridor LRT (St. Paul & Minneapolis, MN)

Difficulty Obtaining Complete, Accurate, and Cost-effective Business Contact Data

The Central Corridor Light Rail Transit (LRT) Project will link the downtowns of St. Paul and Minneapolis, with construction anticipated to begin in 2010 with service in 2014. The 11-mile line will serve the University of Minnesota, Midway businesses and neighborhoods and the Capitol area.

The corridor is home to 2,500 businesses, of which 1,300 are directly on University Avenue; therefore business outreach was determined to be of great importance. One of the first tasks undertaken by the Central Corridor's outreach team was to develop a business operator database. This data needed to include complete and accurate business contact information, and be available at a cost within the team's budget. Ultimately, the task took the outreach team one year to complete; the effort was considerably more difficult and time consuming than originally anticipated, for the following reasons:

- *Utility companies, which have access to the most complete data for both property owners and tenants, would not share the information with the Metropolitan Council.*
- *High cost data bases offered 2005 information. One source estimates that about 5% of businesses turn over every year, meaning that the data was outdated. Given the cost and the accuracy of the data, the Council chose not to make this investment.*
- *Data from the Secretary of State (SOS) is accurate, but only for businesses with current annual filings. SOS business data can be queried by address, however, many businesses list addresses that do not match the physical business address. For instance, chain or franchise locations are listed under headquarters addresses; or businesses list a home or different address.*
- *Property tax databases provided a list of property owners but not tenants. A survey conducted by the Metropolitan Council showed that 58% of the businesses lease space, meaning that their contact information would not be in the property tax information.*
- *The Council requested that property owners share project information with their tenants, which some did by including information with monthly bills. Project outreach staff discovered that some property owners were hesitant to share project information with tenants, especially if a lease was up. These owners were worried that tenant business owners would not renew a lease if they learned about the project.*

Ultimately, the outreach team stitched together a business contact database by starting with the property tax database and cross referencing it with free business data which was downloaded from a research website. Staff then went door-to-door to fill in the blanks and make corrections to the contact data that had been compiled.

Recently, a mailing sent by outreach staff resulted in about 10% of the envelopes being returned to outreach staff. Maintenance of the business database will be an ongoing issue for the Central Corridor outreach team.



Recommendations and Implementation

Mn/DOT has the vision of “A coordinated transportation network that meets the needs of Minnesota’s citizens and businesses for safe, timely, and predictable travel.” In this regard, Mn/DOT is committed to improving its work and coordination with small businesses. Providing businesses with the opportunity to understand potential project impacts and the resources to plan for mitigating those impacts is fundamental to the success of achieving Mn/DOT’s vision for Minnesotans.

As a result of the work in developing this report, Mn/DOT makes the following overarching recommendations:

1. Small business outreach must be emphasized as an integral part of a broader public participation process.

While greater emphasis on business outreach is necessary, the outreach must be conducted as part of an integrated public outreach program. Businesses and their surrounding communities rely upon each other—only when the potential impacts to each are communicated broadly can an appreciation of their need for support be developed.

2. Mn/DOT has the tools, practices, and relationships in place to assist small businesses—they need to be better leveraged with consistent and rigorous application through the entire project development process.

Programs such as *Hear Every Voice* offer training for Mn/DOT and its project development/construction partners to be sensitive to the needs of the public. Revisions to the *Hear Every Voice* program will be made to place greater emphasis on the mitigation of impacts to small businesses.

3. Important business issues need to be identified early in project development.

Once identified, Mn/DOT will identify appropriate agency (Mn/DOT and non-Mn/DOT) project contacts and decision-makers to ensure their involvement at the proper time. By doing so, Mn/DOT’s commitments for mitigation activities will be implemented as intended. A project manager checklist will be used to guide this process. This checklist will also be used by transportation agency staff to initiate the following activities:

- a. Consultation with local units of government and business community representatives to identify businesses surrounding the project, potential impacts to small businesses (e.g., parking, traffic, and access), and to discuss potential mitigation measures;
- b. Development of a packet for businesses that will include project information (e.g., nature, extent, and timing of construction and

anticipated changes in parking, traffic, and public access), a transportation agency project contact; and

- c. Determine a list of project-specific area business development organizations that may offer support and resources to affected businesses. This determination will be completed with assistance from the Minnesota Department of Employment and Economic Development. Appendix D provides a sample list of resources that may be available to businesses impacted by transportation projects.

4. Identify opportunities for partnership with a greater depth of resources, including economic development offices, dynamic local business leaders, or local government agencies.

Every project has unique technical issues but also unique human resources, personalities, and organizations. Taking advantage of the ideas, services, and relationships that these resources can offer will help businesses manage the challenges of construction. Besides offering greater knowledge of site-specific issues, their presence often serves as a moderating force in public outreach that enables a shared understanding of project impacts. The Lake Street Reconstruction project offers an example of how this can work (see the Case Study below).

Case Study: Lake Street Reconstruction Project (Minneapolis, MN)

In 2004, Hennepin County Public Works contracted with the non-profit Minneapolis Consortium of Community Developers (MCCD) to provide mitigation assistance for small businesses impacted by the multi-year reconstruction of Lake Street.

MCCD is an association of community development organizations committed to expanding the wealth and resources of neighborhoods, partially through economic development initiatives. MCCD and a group of its members, including African Development Center and Latino Economic Development Center, had existing relationships with many of the businesses along the corridor and were committed to supporting them through the project.

MCCD augmented its Hennepin County contract with additional public and private funding in order to support the work of its Community Outreach Coordinator. In partnership with the area's business association, the Lake Street Council (LSC), the Outreach Coordinator assisted businesses to prepare for the start of the construction in the spring of 2005.

Because the Coordinator was bilingual in Spanish and English, she was able to work with the more than 40 Latino-owned businesses located in the Lake Street project's initial phase.

Prior to the start of construction, the Coordinator helped organize a survey of Lake Street area businesses. The survey results pointed out business concerns about need for marketing assistance, signage and off-street parking. After the start of construction, the Coordinator helped inform businesses about the weekly project update meetings conducted by Hennepin County staff and its construction contractor.



MCCD, in partnership with LSC and Hennepin County staff, helped area businesses access some shared public parking for their customers on several privately-owned lots. The multi-agency group also provided some customized marketing assistance for individual businesses so these businesses could keep their customers apprised of access routes during the construction period, when one lane of traffic in each direction was kept open. Using its own loan fund, MCCD was also able to provide some small cash flow loans for businesses that experienced a temporary drop in revenues during the construction period.

Starting in 2006, construction mitigation services were transitioned from MCCD to LSC. LSC has continued to work with Lake Street area businesses affected by the more recent phases of the County reconstruction project.

5. Enhance engagement of the construction contractor as an important resource for business communication and relationships.

The construction contractor offers a tremendous resource that can positively or adversely affect the effectiveness of business outreach. As a result of their visibility in the construction area, contractors oftentimes become the face of a project in the eyes of the public. Mn/DOT will more consistently work with contractors on a project-by-project basis to ensure that contractors are aware of this dynamic. Transportation agency staff may consider including contract provisions related to contractor participation or communication in projects where small businesses will be impacted. This may include a requirement that the contractor provide a business liaison to communicate with business operators and resolve issues on a regular basis (e.g. weekly) or as need may arise.

6. Review policies for signing in construction zones.

Mn/DOT will review policies regarding signing for businesses or business districts in construction zones. Appropriate signing can benefit businesses but, at the same time, good signing practices must be maintained (for example, drivers can be overwhelmed with information from too many signs, spaced frequently). Signing practices that can be considered should be documented as well as those that should not be used. A clear policy will help ensure that any signing proposals discussed early in the project development process are feasible and can be implemented during construction.

7. Evaluate the effectiveness of small business outreach activities.

Mn/DOT will regularly review business outreach efforts on a project-by-project basis and apply lessons learned to future projects. Mn/DOT will use its *Hear Every Voice* Initiative Team to begin this process and establish a long-term evaluation approach.

Implementation Opportunities

Update the Hear Every Voice program

As described on the Mn/DOT public involvement web site,¹ “Engaging the public is no longer optional. It is the way transportation departments must

Incorporate a Business Outreach into Mn/DOT's *Hear Every Voice Initiative*

- Mn/DOT was updating the agency's *Hear Every Voice* program at the time of this report's publication.
- One of the proposed new modules is dedicated to the topic of small businesses.
- The findings of this report will feed into the development of a new module for small business outreach.

do business – now and into the future.” With a recent update (“Phase II”) to the entire *Hear Every Voice* program, Mn/DOT has affirmed its commitment to the program. Based on early feedback and the reviews of its *Hear Every Voice* Initiative Team, Mn/DOT is planning additional refinements to its public involvement program with the inclusion of additional training modules and expanded offerings for Mn/DOT staff and external partners (e.g., consultants, other agencies, and contractors).

At the time of this report's publication, one of the proposed new modules for *Hear Every Voice* is dedicated to the topic of Small Businesses. The findings of this report will feed into the development of this new module.

Implementation of a Project Manager's Checklist

Included in this report is a Project Manager's Checklist for use in Mn/DOT project development (see Appendix E). The checklist provides an inventory of the steps to be taken to account for the interests of small businesses surrounding the proposed construction

project. Besides reminding project managers of the need to consider business impacts, the checklist also offers an opportunity to document business outreach actions, the commitments that have been made, and plans for following through on business outreach before, during, and after construction.

Conduct an Initiative Study to Assess the Requirements of Small Business Outreach

Mn/DOT District 6, covering southwestern Minnesota, will be reviewing business outreach needs during the 2009 construction season. The findings from this initiative study may be used to update previous editions of business outreach materials, such as the draft *How to Thrive during Road Construction* workbook that is being developed by District staff. This workbook includes tips and tools aimed to assist businesses operate and thrive during construction, and is included in Appendix F.

District 6 is also exploring the possibility of assigning a community relations person to function as a single point of contact for stakeholders throughout the duration of a project. Immediately, these initiatives will be applied to

¹ The Hear Every Voice web site may be found at: <http://www.dot.state.mn.us/planning/publicinvolvement/>

larger District 6 projects that are soon entering the construction phase. The initiative will also be applied to larger projects entering the scoping phase.

Once complete, the outcomes of the initiative will be assessed. Ultimately, this effort will provide Mn/DOT Districts further guidance and experience for the implementation of business outreach programs that allow variability based on the unique needs and available resources within each District.

Continue to Recognize the Construction Contractor as a Business Outreach Provider

Mn/DOT has successfully worked with construction contractors to partner in conducting business outreach. The methods that have been employed to use contractors in outreach have varied, including requiring design-build contractors to include a public relations firm on the team. For continued use of the contractor on outreach activities, the best opportunity to ensure their success is at the "pre-construction meeting." This meeting is held between Mn/DOT and the contractor after they are selected, but before construction begins. Including the whole team (i.e. include contractor's sub-contractors) in the meeting will provide a shared understanding of the project business concerns and methods to be used in outreach. Future enhancements to the *Hear Every Voice* program could include a standard reference guide for covering business outreach issues at the pre-construction meeting.

Costs of Implementation

The table below provides estimated costs for common business outreach activities. Costs for certain services and products can vary considerably through for various markets throughout the state; also, project needs vary considerably, also causing variability in costs.

Table 2. Business Outreach Activities & Estimated Costs	
Outreach Activity	Range of Estimated Costs
Face-to-face communication	Variable—agency and/or consulting staff labor
Telephone calls	Variable—agency and/or consulting staff labor
Mailings—Postcards (including printing)	\$0.20-\$0.30 per card
Mailings—Newsletter, black & white printing	\$0.50-\$0.75 one page
Advertising—Newspaper	\$100-\$1,000 per ad
Project Website	\$3,000-\$4,000 per site per year
On-line Survey Tool (e.g., Survey Monkey)	\$200 per year for subscription
Full-time Public Information Staff Person	\$4,000-\$5,000 per week

Experience from the Advisory Committee on past projects indicates that public involvement costs account for 0.7-0.9 % of the total project costs, including construction.