

Commercial revitalization activities in Milwaukee

A white paper

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This paper, requested by the Milwaukee Common Council, describes what City government is doing to strengthen its neighborhood commercial corridors. It also discusses the activities of Business Improvement Districts, the City's most significant commercial revitalization partners; shares guidance from several experts about commercial revitalization efforts; and provides recommendations to improve the effectiveness of Milwaukee's intervention in commercial corridors.

Introduction

Milwaukee is a city of neighborhoods, developed throughout the city's 168-year history. In addition to housing and local institutions like schools, churches and parks, many neighborhoods include areas in which commercial activities are clustered. In many older areas of the city, these commercial corridors grew up adjacent to the streetcar lines that provided public transportation between 1890 and 1958.

Before automobiles became the dominant form of transportation for Milwaukeeans, and freeways simplified travel to outlying suburbs, most residents depended primarily on neighborhood commercial corridors for shopping and dining. This is no longer the case, however. The consumer's choice has expanded to include regional shopping centers, big-box stores, and internet commerce. Traditional commercial districts in Milwaukee have lost businesses and customers as a result. Many formerly vibrant commercial corridors are characterized by high rates of vacancy and a prevalence of uses such as day care centers, cash-for-gold stores, and check-cashing operations.

Commercial corridors are the "front door" to Milwaukee neighborhoods. Healthy commercial districts contribute to the quality of life of a neighborhood; failing commercial districts detract from neighborhood appeal. This paper, requested by the Milwaukee Common Council, looks at what City government is doing to strengthen its neighborhood commercial corridors. It also discusses the activities of Business Improvement Districts, the City's most significant commercial revitalization partners; shares guidance from several experts about commercial revitalization efforts; and provides recommendations to improve the effectiveness of Milwaukee's intervention in commercial corridors.

Trends affecting the success of neighborhood commercial corridors

Milwaukee's population peaked at 741,324 in 1960. In the half-century since, Milwaukee and its traditional commercial corridors have been reshaped by multiple forces, both local and national in nature. Consider:

- The city's population is 20% smaller than it was in 1960.
- The growth of outer-ring suburbs has spread the metropolitan population and businesses over a vastly larger geographic area.
- The replacement of well-paid, unionized employment with lower-paid service jobs has reduced disposable income for tens of thousands of Milwaukee families.
- Large-scale shopping centers, malls and "lifestyle centers" designed to serve thousands of shoppers daily became a significant form of retail development in the US and locally.
- The purchasing power, pricing policies and advertising budgets of national chain and "big box" stores have made them consumers' top choices for purchase of many items, including hardware and home improvement items (70%); electronics (65%); men's clothing (54%); women's clothing (49%); linens (45%); shoes (31%) and groceries (21%). These figures were reported by the National Retail Federation in May 2014.
- According to the National Retail Federation, e-commerce accounted for 6 percent of all retail transactions in January 2014. The volume of e-commerce sales rose 16.4% between 2011 and 2012.

According to the Urban Land Institute (ULI), a non-profit international research institute, the changing face of retail in the US has "hollowed out" retailing in many urban neighborhoods.

“The results are apparent to anyone living in or visiting a 21st century city: commercial streets with deteriorating buildings, empty storefronts or marginal month-to-month tenants, an undersupply of essential goods and services, social problems, poor pedestrian environments and amenities, and untended streets and sidewalks....Rebuilding neighborhood retail streets is a difficult, lengthy and complicated process. Neighborhood retail streets are betwixt and between most communities’ established retail locations, and they have been largely forgotten or purposely avoided for years by retailers, developers, and shoppers. The reasons are clear: misperceptions about the extent of urban buying power are widespread, retail opportunities are perceived to be greater elsewhere, and the many social problems faced by urban neighborhoods have proved difficult to solve.”

The conditions described by ULI are visible in many of Milwaukee’s traditional neighborhood commercial districts. A recent analysis commissioned by the City of Milwaukee in partnership with LISC and several local foundations gives a sense of the local impact. The Market Value Analysis, prepared by The Reinvestment Fund, evaluated three indicators of district health for Milwaukee’s Business Improvement Districts: percent change in the number of businesses within the district between 2007 and 2011; percent change in the number of employees over the same period; and percent change in business sales during that period. Despite the fact that the period measured was during the Great Recession, 10 of 34 BIDs showed positive changes in at least two of the factors. One indicator improved in 11 of the BIDs. For 13 BIDs, all three indicators declined between 2007 and 2011.

ULI points out that some recent trends favor the rebuilding of neighborhood commercial districts. These include the popularity of urban lifestyles among empty nesters, singles, the elderly and nontraditional households; the growth of immigrant populations for whom neighborhood streets are low-cost places to open small businesses; and decreasing central city crime. “To achieve long-term sustainability, plans for rebuilding neighborhood shopping streets must...embrace solutions that are realistically market-based,” according to ULI.

Econsult Corporation, an economic consulting and research firm engaged in 2006 to assess the performance of Philadelphia’s 265 commercial districts, expressed the market realities in this way: “The economic performance of a commercial corridor depends on the *viability of the individual businesses* that collectively make up the corridor. The viability of the individual businesses, in turn, depends on the *demand for their products* (goods and/or services), the *cost of providing those products* in the corridor, the *competition from other businesses* selling similar products, and other external and environmental factors such as *demographics, safety, and public investment.*” (Emphasis added)

The Econsult study also examined which programmatic interventions in commercial districts are most effective. A LISC analysis of the study summarized these findings:

“Loosely speaking, the most effective programmatic interventions, i.e. those showing ‘strong’ or ‘some’ evidence of effect on retail sales, property values and shoppers, fell into three interconnected categories: leadership and management, actions taken to prevent crime, and improvements to the overall physical environment.”

City of Milwaukee commercial revitalization activities

For many years, the City's Department of City Development has operated commercial revitalization programs that support commerce, catalyze small business development and expansion and improve the environment of neighborhood commercial corridors. The work of the city's Business Improvement Districts complement the department's activities.

As of June 1, 2014, DCD has two individuals assigned to work fulltime on commercial revitalization activities: a manager and an economic development specialist. The team is assisted by a contract employee who has previous experience with this work through his association with Community Design Services, run by the UW-Milwaukee School of Architecture and Urban Planning. Staff members from DCD's planning, real estate, and finance and administration divisions and the office of the City Engineer play supporting roles in these efforts.

The department's commercial revitalization program has four elements:

- 1) Creating and managing grant programs that assist individual businesses.
- 2) Providing support to Business Improvement Districts.
- 3) Initiating streetscape improvements in commercial districts.
- 4) Pursuing catalytic development opportunities in selected commercial districts.

Business assistance programs

DCD operates a package of business assistance grant programs that is typical for municipal commercial revitalization efforts. The chart below summarizes the volume of grant expenditures for these programs during the past three years.

| Program | 2011 | 2012 | 2013 |
|------------------------|--------------|--------------|--------------|
| White box | \$52,500 | \$33,320 | \$60,000 |
| Façade/signage grants | \$332,348 | \$481,944 | \$479,149 |
| Retail Investment Fund | \$19,625 | \$16,679 | 74,826 |
| TOTAL | \$404,473.00 | \$531,943.00 | \$613,975.00 |

Façade and signage grant programs

Façade grants are used by property or business owners to make visible improvements to the street-facing exterior of a commercial building. The program is structured as a reimbursable, matching grant; the recipient's expenditures for the project must match or exceed the amount of the City grant, and City funds are provided only after the project is completed. The maximum façade grant amount is \$5,000 per storefront in neighborhood commercial areas. The program is also available for exterior improvements at large downtown buildings; for downtown grants, the maximum façade grant amount is 30% of the project cost, not to exceed \$50,000 in grant funds.

Façade grant recipients are given nine months to complete their projects, and may seek payment of the City's grant upon completion.

Signage grants, which provide funds to cover the cost of signage on the street-facing portion of a commercial building, are structured in the same manner as façade grants. The maximum signage grant is \$2,500. Signage grant recipients are given nine months to complete their projects, and may seek payment of the City's grant upon completion.

White box renovation grant program

White box grants are used to renovate outdated, vacant interior commercial space through the installation of improvements such as new drywall, lighting fixtures, etc. This program was created as a pilot project for downtown buildings, and it was expended citywide in 2013. White box grants are reimbursable grants, paid out only when the work is complete. The grant is generally \$10/square foot of retail space, not to exceed \$25,000 or 75% of the project cost.

Retail Investment Fund (RIF)

RIF grants are used to finance capital investment in retail businesses that will expand employment following completion of the capital project. The recipient must create one full-time equivalent job for every \$5,000 of grant money provided. Grants are paid out after the new employees have been on the job for at least 45 days.

Assisting Business Improvement Districts

The commercial revitalization staff is also responsible for managing the City's relationship with 35 Business Improvement Districts (BIDs). This function includes the following activities:

Helping to form new BIDs: Our staff provides technical assistance to groups promoting the creation of a BID; this includes mapping BID boundaries, assisting in collecting relevant data, suggesting the types of activities that would be appropriate for the initial operating plan, responding to questions from property owners, and helping organizers to understand the Wisconsin BID statute. Staff also shepherd the approval of each new BID by the City Plan Commission and Common Council, calculate the initial BID special charges for each property, and, if necessary, undertake research regarding the combination and division of properties within the BID. Staff have developed templates for BID operating plans and written an extensive BID handbook to assist groups forming a BID.

Assisting existing BIDs: Annually, each BID must review the properties within its boundary to determine whether changes in use, exempt status, or combinations and divisions of properties will have an impact on the BID special charges. Our staff begins working on this annual review with all the BIDs in June of each year. Staff also works with BIDs to ensure that their annual operating plans and certified audits meet the requirements of State law. BID staff verify and reconcile the special charges with the Offices of the Assessor, Comptroller, and City Treasurer.

Ongoing technical assistance: Milwaukee's BIDs cover a broad spectrum of size and capacity. Some have fulltime or part-time staff; some depend completely on volunteers to accomplish their goals. DCD staff responds to a wide variety of questions raised by BIDs that are specific to their circumstances. Staff also have been called upon by Common Council members to assist in re-energizing existing BIDs that have lost significant board membership or have organizational problems.

Special initiatives. DCD staff have worked with BIDs to create new initiatives to meet BID needs. For example, the Neighborhood Ambassador Program developed by staff and operated in 2013 provided limited-term employees to BIDs to pick up litter, distribute information, and work at special events. Staff worked with BID 21 to create the whitebox grant program, which combines City and BID funds to assist property owners to update interior spaces of commercial properties to improve their market appeal. The whitebox program piloted in BID 21 is now available citywide. DCD staff helped to create the cross-jurisdictional BID involving BIDs in both Milwaukee and Greenfield to improve S. 27th Street. Several years ago, when the City budget provided contributions to a small number of BIDs, staff worked

with the Common Council to create the BID CED fund, which provided grant funds for special events and projects to BIDs that did not otherwise receive direct City funding.

Interaction with BID boards. DCD staff members attend BID board meetings at the invitation of the BID or the local alderperson. DCD staff conducts orientation sessions with new BID board members to provide information about the responsibilities of the board. Before BID board member nominations are forwarded to the mayor's office for appointment, staff vet nominees to ensure they are in good standing with the City of Milwaukee.

Citywide BID Council. The Citywide BID Council provides all Milwaukee BIDs with opportunities to exchange information, embark on joint activities, and get presentations from City staff. DCD staff work with LISC-Milwaukee to organize monthly BID Council meetings.

Streetscape projects

Since 2001, 14 BIDs have worked with the City to undertake streetscaping activities to improve the appearance of their commercial districts. These projects involve the installation of features such as decorative street pavers, boulevard plantings, pedestrian harp lights and street furniture.

There is commonly a two-part funding mechanism for these infrastructure projects. A grant from the City is provided to the sponsoring BID for half the cost. The City has the ability to make a loan to the BID for the remaining cost, entering into an agreement with the BID that requires the BID to repay the loan over a period of years. (BIDs use a portion of the special charges paid by property owners within the BID to repay the loan.) DCD staff works closely with BIDs to develop a community consensus on the design for streetscape projects, and to make the financial arrangements and agreements for streetscape grants and loans. The Office of the City Engineer handles bidding for the streetscape improvements and supervises construction.

In addition to the 14 BID-sponsored projects, the commercial revitalization team has been involved in four streetscaping projects in commercial districts without BID partnership.

Pursuing catalytic development opportunities

Three key commercial areas – Bronzeville (along W. North Ave. between King Drive and Interstate 43), Midtown Center (at N. 56th St. and W. Capitol Dr.) and Historic Mitchell Street (between S. 5th and S. 16th Sts.) have received special attention in the City's commercial revitalization efforts. These activities are funded through tax increment financing districts (TIDs).

The City has acquired and is marketing property within Bronzeville, and sponsored a charrette in late 2013 to formulate design approaches for several catalytic projects. One of the catalytic sites, the vacant Garfield School building, will be marketed for mixed-use development in summer 2014. The City has installed streetscaping along W. North Ave. and established a business development fund for the area.

Efforts at Midtown Center have focused on seeking a new user for a vacant big box store building that has closed, and re-tenanting vacant spaces at the Center. A business development fund was established in 2014 to provide assistance to new businesses at Midtown Center.

The Historic Mitchell Street commercial district, once known as Milwaukee's "second downtown," has received special assistance to redevelop several very large buildings, improve security, and provide façade grants to small business.

Business Improvement Districts: Partners in commercial revitalization

Business Improvement Districts (BIDs) are organizations formed voluntarily by business and property owners within a commercial district and formally created by municipal government. BID members, through an elected board, set assessments to be collected from each commercial property owner within the corridor. An annual operating plan approved by the BID board and the Milwaukee Common Council identifies how these assessments are to be spent to improve the local business environment. The funds paid by BID members are collected through the annual property tax bill. BID board members are appointed by the Mayor and confirmed by the Common Council.

Milwaukee's first BID was formed in 1987. Today, 35 commercial districts have active BIDs. These organizations are the City's most effective partner in commercial district revitalization activities.

In May 2014, DCD surveyed BID directors regarding their activities, asking them to rate the importance of a variety of functions. The following activities were ranked as very important by more than sixty percent of the survey respondents:

| BID activity | Percentage of respondents ranking activity as "very important" |
|--|--|
| Coordinating clean, safe and friendly programs | 81% |
| Marketing the district | 93% |
| Filling storefront vacancies/business recruitment | 87% |
| Linking businesses to various resources | 81% |
| Promoting the availability of City business assistance programs | 62% |
| Strategic planning for the BID | 69% |
| Calling property owners and/or City officials for assistance with problem properties | 73% |

The survey also asked the BID directors whether they could benefit from training in any of these activities. The following were identified as the most important training needs:

| BID activity | Training desired |
|--|------------------|
| Fundraising and soliciting sponsorship | 25% |
| Filling storefront vacancies/business recruitment | 25% |
| Promoting the availability of City business assistance programs | 25% |
| Linking businesses to various resources | 25% |
| Calling property owners and/or City officials for assistance with problem properties | 13% |

The survey asked BID directors to rate the delivery of a range of City programs and services. Directors also were asked if they were not familiar with a particular service or program. The highest-ranked programs and services were the neighborhood ambassador program, sanitation services, streetscape improvements, building permits, and Milwaukee Economic Development Corporation business loans. The lowest-ranked programs were building code enforcement and business licensing. Regarding City

business assistance programs, 42% of respondents said they were not familiar with the Retail Investment Fund. No questions were asked regarding police services.

The survey asked BID directors to identify those City government processes and regulations that need to be better explained in order to help them be more effective in their jobs. The following were mentioned most frequently.

| City process or regulation | Percent of respondents seeking explanations |
|-------------------------------|---|
| Zoning ordinance | 50% |
| Board of Zoning Appeals | 50% |
| Licenses for businesses | 37% |
| Occupancy permits | 44% |
| Façade grants | 44% |
| Retail Investment Fund grants | 62% |

The survey also asked BID directors to indicate what would make their BID more effective. The top responses were greater sources of capital for small businesses (87%); better communication with City staff members (60%); information on best practices for BID operation (57%), and larger budgets (47%).

These survey results suggest an agenda for City government actions that could assist BIDs to become even more powerful partners in commercial corridor revitalization.

Best practices in commercial revitalization

Research conducted by organizations that specialize in urban issues has identified a number of approaches that Milwaukee might use to improve the effectiveness of its commercial revitalization activities.

Staffing

During the past decade, Milwaukee has employed as many as six and as few as two fulltime staff for commercial revitalization activities. DCD currently assigns two fulltime staff members and a contract employee to these duties. Staff members from DCD's planning, real estate, and finance and administration divisions and the Office of the City Engineer also play supporting roles in these efforts.

Milwaukee's Legislative Reference Bureau collected information on staff and funding levels for neighborhood commercial revitalization activities in 10 cities of comparable size to Milwaukee. Although the analysis acknowledged the difficulty of making "apples-to-apples" comparisons, it concluded that Milwaukee's staff of 2 full-time positions and one contracted position was among the smallest in the 10 cities examined. Staffing ranged from one position in Denver to 20 positions in Boston. Five of the 10 cities assigned six or more staff to commercial revitalization. Four of the cities had one or two fulltime staff positions. One city had three positions, and one had four. The report also indicated that "neighborhood economic development efforts are often shared with other city departments or non-city entities, such as chambers of commerce."

Elements of successful programs

Certain program approaches provide especially promising frameworks for commercial revitalization programs. Milwaukee's current program has experience with several of the strategies described below (partnering with BIDs, using the Main Street model). Milwaukee's experience with targeting resources is less robust.

Partnership with BIDs

The Econsult study cited earlier reinforced the connection between strong Business Improvement Districts (BIDs) and healthy commercial districts. The LISC analysis of the study summarized the reasons for this connection:

"The professional staffing and dedicated revenue that Improvement Districts provide, as well as their focus on improvements that address the retail environment, is likely the reason why the presence of a BID shows strong positive correlation with commercial corridor performance. Furthermore, the fundamental focus of BID activity on 'clean and safe' interventions is also linked to a reduction in crime..."

Joel Bookman, who headed commercial revitalization efforts for LISC-Chicago and now provides consulting assistance to national clients, believes that the presence of an organization, such as a BID, with dedicated staff and a committed board is essential to providing sufficient capacity for neighborhood revitalization. In Bookman's view, the organization should market the commercial area, support the provision of services to local businesses, initiate business attraction and retention activities, and implement cleanup and security measures for the corridor.

Rob Walsh, who headed a variety of economic development programs in New York City during the administration of Mayor Michael Bloomberg, evaluated local commercial revitalization programs during a two-day visit to Milwaukee in March 2014. He noted that local "BIDs are cleaning streets and ridding graffiti; assisting small businesses through marketing; working with the Police Department to reduce crime; and being part of large capital improvements." He recommended that the City of Milwaukee "play a much more active leadership role..." to "help BIDs become stronger and more effective organizations." He suggested that the City create a "regular reporting structure of major issues, projects underway, and red flags or trouble spots in a district." He also suggested requiring all BIDs to have active, updated web sites. Walsh further recommended that the City develop training programs to help BID leadership become more skilled in activities such as retail recruitment, marketing, planning, and vacant space activation.

The FOCUS commercial revitalization program in Indianapolis, IN, works with a network of commercial districts to set annual goals relating to community impact (such as job and business formation); community investment (such as façade grants and infrastructure improvements) and community outreach (such as special events and volunteer involvement). FOCUS collects and aggregates this data for the network every quarter. A memorandum of understanding between FOCUS and participating districts requires the districts to provide this information.

Targeting resources

Based on an exhaustive study of local commercial revitalization programs, Pennsylvania's Department of Community and Economic Development concluded that "targeting resources is essential to a successful revitalization strategy." The Department's study, Community Revitalization Desktop Guide, suggests a five-part test to select areas for catalytic investment.

- 1) The area should be viable, with strong assets.
- 2) The area should have assets interesting to the private market.
- 3) The community should support redevelopment in the area.
- 4) Investment should have a major impact on the local economy.
- 5) Each investment should attract more investment, by showing a transformation sufficient to spark developer interest, change lenders' perceptions of the area and change the area's image.

Joel Bookman has created a rating system to evaluate the development environment of Chicago's commercial corridors as a pre-cursor to investment. Factors that predict the corridor development environment include the presence of anchor institutions in the neighborhood; the presence of philanthropic support and partners to participate in corridor initiatives; evidence of private sector investment; evidence of market demand as indicated by traffic generators, large employers and pedestrian presence; and evidence of financing vehicles such as tax increment financing to support development.

ULI recommends that "communities should focus their initial efforts on carefully chosen development notes to maximize the impact of their efforts, create momentum, and foster faith..."

Adapting the Main Street program for central city districts

"Revitalization Commerce for American Cities," published by the Fannie Mae Foundation, concluded that the Main Street program model developed by the National Trust for Historic Preservation is a useful foundation for the revitalization of central city commercial districts. The model combines activities in four areas:

- Design and physical improvements to enhance the district's attractiveness
- Promotion and marketing to strengthen the district's image and attract more customers
- Economic restructuring to identify the district's economic potential, build on existing assets, and attract new business and capital
- Organizational development to create a strong volunteer-driven organization that engages all major concerned parties in planning and executing commercial district revitalization.

The Fannie Mae report acknowledges that three key factors require adaptation of the Main Street model to maximize its success in central city commercial districts.

- Urban neighborhoods have multiple racial, ethnic, and income groups within their population and business community.
- Urban Main Street programs must navigate a complicated political and organizational environment, and compete with many priorities to gain city attention and resources.
- Urban Main Street programs must respond to the central importance of public safety in successful revitalization, combatting violent and nuisance crimes that deter customer shopping, new businesses and investment.

The City of Milwaukee, in collaboration with the LISC Milwaukee office, sponsored an urban Main Street program in five commercial districts between 2006 and 2011. Financial support for the districts came from Community Development Block Grant funds allocated by the City and private sources solicited by LISC. Although the program ceased operation, a number of local BIDs have organized their activities to follow the Main Street model.

Principles for rebuilding neighborhood retail

The Urban Land Institute has developed ten principles for neighborhood retail revitalization.

- 1) Great streets need great champions: an individual, a BID, a neighborhood anchor, an elected official or a property owner. To be effective, the champion must involve all local stakeholders in efforts to redevelop the street.
- 2) Redevelopment requires a vision rooted in market realities. “Strive to be what you really can be.”
- 3) Successful retail depends on successful residential neighborhoods. “Where residential growth and revitalization is occurring, retail is primed to follow; it simply will not occur the other way around.”
- 4) Honor the pedestrian. “The first goal for a neighborhood shopping street should be to satisfy the aspirations and enhance the lifestyles of a neighborhood’s residents.”
- 5) Parking is power. “Easy accessibility, high visibility, a sense of personal security, and adequate, convenient parking are all preconditions for successful retailing.”
- 6) Merchandise and lease proactively. “A neighborhood commercial street must be managed and operated like a shopping center – but recognize that having multiple landowners and operating in the public realm enormously complicate these tasks.”
- 7) Make it happen. Communities must use both carrots (like infrastructure improvements or financial incentives for developers who further community goals) and sticks (regulatory powers) to achieve revitalization and address negative influences.
- 8) Be clean, safe and friendly. A BID or other vehicle should serve as a management entity for the street to protect its competitive position, achieve a comfortable environment for shoppers, and ensure it “does not slip back into its old dysfunctional ways.”
- 9) Extend day into night. “Identify, plan for and tap multiple markets to keep the cash register jingling throughout the day and after the sun goes down.”
- 10) Manage for change. “Rebuilding a neighborhood retail street is a long reinvestment process, and market realities will undoubtedly continue to change throughout the ongoing life of the street.”

Recommendations to strengthen City of Milwaukee commercial revitalization program

The information in this white paper points to several opportunities to strengthen Milwaukee’s commercial revitalization programs. We suggest that actions and budget decisions focus on three goals.

- 1) Improve management, outreach and customer service for the City’s core business assistance programs.
- 2) Provide assistance to improve the capacity of Business Improvement Districts to deliver services to the commercial corridors they serve.
- 3) Ensure that limited public and private commercial revitalization resources generate maximum impact.

We recommend pursuit of the following strategies to accomplish these goals.

- 1) Improve management, outreach and customer service for core business assistance programs.
 - a. Make programs more accessible to applicants.
 - i. Streamline program application materials.
 - ii. Improve the web sites for business assistance programs.
 - iii. Schedule training session for BID managers to review City programs (requirements, benefits, application procedures).

- b. Facilitate program application by immigrant entrepreneurs.
 - i. Translate application materials into Spanish and Hmong.
 - ii. Enter into partnerships with agencies serving non-English speaking businesses to promote City programs and provide concierge services to applicants.
 - c. Establish a guaranteed turnaround time for program applications.
 - d. Evaluate the role and membership of the Business Resource committee to ensure that it adds value to the grant-making process.
 - e. Quarterly, report data regarding grant applications and approvals to the Common Council's Community and Economic Development Committee.
- 2) Improve the capacity of BIDs to deliver services to their member businesses.
 - a. Establish a partnership with an appropriate vendor to deliver leadership and technical assistance training programs to BID managers and board members.
 - b. Increase the number of DCD personnel who support BIDs. Identify a DCD liaison for every BID.
 - c. Collect performance data on all BIDs.
 - d. Assist BIDs to establish quality web sites.
 - e. Establish a scholarship program for Main Street training.
- 3) Ensure that limited public and private commercial revitalization resources generate maximum impact.
 - a. Develop a resource targeting strategy for the City's investments in commercial districts.
 - b. Create a design handbook to guide the conversion of surplus vacant retail space into other uses that contribute positively to the health of the commercial district.
 - c. Use City-owned, tax-foreclosed commercial property to leverage neighborhood-based business development.

To implement these strategies, we recommend the following immediate action steps.

- 1) Increase the size of DCD's commercial revitalization staff.
 - a. Convert a vacant Redevelopment Authority position to a new City position, Commercial Corridor Manager, in mid-2014. The Manager will have responsibility for the operation of commercial revitalization activity.
 - b. Reassign an existing Economic Development Specialist to the commercial revitalization team. This change will bring the number of ED Specialists on the team to two.
 - c. Seek one additional position in the 2015 City budget. The Commercial Corridor Manager will be involved in determining the duties of this position.
- 2) Develop partnerships with outside agencies to support the City's commercial revitalization activity.
 - a. Enter into partnership with organizations that serve Hispanic, Hmong and African-American businesses to improve outreach to these target audiences.
 - b. Enter into partnership with an agency that can organize a comprehensive training program for BID managers.
 - c. Engage the University of Wisconsin-Milwaukee School of Architecture and Urban Planning and its Community Design Services arm to create the design handbook for conversion of surplus commercial space.

- 3) Assign DCD planning staff to develop a resource targeting strategy for the City's investment in commercial districts, using tools such as the Market Value Analysis, interviews with BID directors, and best practices research.
- 4) Establish ongoing channels of communication among the Commercial Corridor Manager, DCD staff engaged in disposition of City-owned, tax-foreclosed commercial property, and BID managers. Such contact will ensure that the two DCD real estate staff members who manage the disposition of commercial property are fully aware of the larger needs of commercial districts in which these properties are located, and can take them into consideration when developing disposition plans.

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