

Office of Economic Development and Impact Capital

Only In Seattle Initiative

Program Description

Neighborhood business districts are the places where small businesses thrive, communities engage, and jobs are created. Successful small businesses are the key to creating and preserving vibrant, safe, sustainable districts and businesses are most successful when they are located in neighborhoods with an active street life and healthy sense of community.

The *Only in Seattle Initiative* is a partnership between OED and Impact Capital to foster neighborhood business districts that:

- Allow small businesses to grow and flourish, making a positive contribution to the city's economic health, and
- Reflect the unique character of the neighborhoods where they are located and contribute to their vitality.

This initiative is based on proven methodologies for creating vibrant business districts. There are a set of core building blocks that are the critical components of any successful district. Business districts benefit most from comprehensive approaches that work simultaneously to build the following strategy areas:

- **Business Organization** - Neighborhood organizations, residents, property owners and business owners collaborate and work together toward a common vision for the neighborhood.
- **Business and Retail Development** - Businesses prosper because they are organized, supported by the community and they receive the assistance they need to strengthen and grow their business. New businesses move into the district that complement and improve the business mix.
- **Safety and Cleanliness** – The district is clean and customers feel safe and welcome.
- **Marketing and Promotion** - The district has a positive, consistent image that helps draw more customers to visit it.
- **Appearance and Pedestrian Environment** – the retail and pedestrian environment are attractive, inviting and easily accessible by multiple modes of transportation. Catalyst real estate projects rehabilitate or replace vacant or underutilized spaces, generating a sense of forward momentum and improvement in the district.

See **Section VI Strategy Areas** for more description of the types of activities that fit into these five categories.

I. PROGRAM STRUCTURE

This initiative is intended to provide seed funding and support that can help a business district move ahead of its current state to a new level of organization and operations. To accomplish this, participating districts will have an **Action Plan** with a strategic vision of where it wants to be, a plan to achieve that vision and clear outcomes that are intended from the work. The action plan should be developed and implemented with **Strong Community Stakeholder Participation**, coordinated and led by a **Lead Agency**. The Action Plan should be focused on making an **Impact** in the business district and building a foundation for **Long-Term Sustainability**. Neighborhoods will receive **Technical Assistance and Support** from local and national experts and OED and Impact Capital staff assistance to develop and implement these plans.

Action Plans – The cornerstone of the initiative is the development of an action plan, which contains the vision, key revitalization activities and the outcomes to be completed within a one to three-year period. Some business districts may have these plans and want to focus on their implementation while others may want to develop a plan for their districts.

Lead Agency – There must be one organization identified as the lead for managing the implementation of the action plan.

Strong Community Stakeholder Participation – While the activities are led by a local lead organization, no one agency can do everything. Public agencies, nonprofit organizations, area residents, businesses and property owners must share investments in and responsibility for strengthening their neighborhoods. Action Plans must be developed with the input and involvement of key stakeholders and each component of the plan must identify the organizations, staff or volunteers identified to take responsibility for ensuring implementation.

Impact and Long Term Sustainability

The Action Plans should be focused on making an immediate impact in the district and developing infrastructure that will allow the work to be sustainable over time.

Investment

OED and Impact Capital will make an investment of grant dollars, technical assistance and training resources and staff time in each participating business district. The grant funding can reimburse operating and direct costs incurred by the lead agencies and other agencies submitting joint proposals. This can include staff costs, supplies, marketing, etc. Funding can also be used for physical improvement projects such as façade improvements and business district beautification.

II. SERVICES AVAILABLE TO PARTICIPANTS

Technical Assistance and Support

As a participant in this program, business districts will be involved in coordinated peer-to-peer learning opportunities on topics relevant to the challenges they face in their work. There is also limited funding to bring in specific expertise when needed, such as retail study or marketing assistance.

Business Improvement Area Formation and Support

Business Improvement Areas (BIAs) are assessment districts created to provide an ongoing annual budget that can be used for implementing many of the revitalization activities described in Section I. BIA assessments are collected by the City, held in a dedicated account, and used to reimburse the cost of BIA activities. Each BIA has a governing board made up of rate payers in the district who make local decisions about how their assessments will be used. Business districts interested in learning about creating a BIA or revising an existing BIA, can work with experienced city staff and consultants to explore these possibilities.

City –Wide Marketing Campaign – *Only in Seattle*

OED has an on-going, city–wide marketing campaign featuring business districts throughout Seattle. The campaign focuses on local, independently owned businesses that provide customers with high quality goods and services plus an authentic experience reflective of the district where they are located. Districts well suited to this campaign can propose to be added as the campaign moves forward.

Business Advocacy and Farmers Market Support

The Business Services Team at OED will guide businesses through the city bureaucracy and provide unmatched customer service. When your district or a business is having a city-related issue and does not know where to turn, this team can help to resolve it.

Staff Liaison Support

Business Districts will have staff liaisons at OED and Impact Capital, Districts who will be assigned to problem solve and bring in expertise as needed.

III. PROGRAM REQUIREMENTS

Target Area: There must be a business district with clearly defined geographic boundaries that will be the focus of the work.

Action Plan: Each district must have a detailed plan related to their proposal describing the vision, goals, strategies and actions to accomplish the vision. This Action Plan must be submitted with the proposal for funding or, if the plan has not been developed yet, the proposal can request funding to create it. These Action Plans will be evaluated based on the criteria listed in Section IV below.

Lead Agency: Each district's Action Plan must be coordinated by a lead agency that is located in or has significant ties to the neighborhood business district it will be working in. The lead agency must have nonprofit status, or must have a fiscal sponsor that is a nonprofit organization. The fiscal sponsor or lead organization must have basic infrastructure in place, including a financial accounting system, and general commercial liability insurance with limits that fulfill city contracting requirements. Depending on the funding received, the fiscal sponsor or lead agency might be required to have an annual audit performed by a Certified Public Accountant.

One Proposal per Business District: Efforts in the district should be coordinated among community stakeholders. Therefore, we will only accept one application from each commercial district. Multiple applications from different potential lead agencies will not be accepted. The application can include funding for multiple agencies; the lead agency will be responsible for managing the overall contract and will be responsible for managing sub-contracts to other organizations utilizing funding from this program.

Funding Requirements: Funding for this program is primarily federal – Community Development Block Grant (CDBG) and HUD Section 4. There is also City General Funds. Business districts receiving federal funds will need to be located in primarily residential (as opposed to primarily industrial) areas with over 51% of low-moderate income residents served by the district. Business districts that do not meet this requirement can still be eligible to receive City General Funds.

Neighborhoods Qualifying for Federal Funds: Business districts within the following neighborhoods would potentially qualify for the federal funding: Central Area, Rainier Valley, Chinatown International District and Little Saigon, Capitol Hill, White Center, South Park, Pioneer Square, Delridge, University District and Lake City. Federal funding eligibility will need to be determined for each proposal.

IV. CRITERIA FOR EVALUATING PROPOSALS

The Initiative will prioritize business districts serving low-income neighborhoods. The level and duration of funding commitments will be based on the quality of the proposals as determined by the following criteria:

- Is there a unified vision for the district that helps to drive strategies and actions for revitalization?
- Is the need and potential impact demonstrated?
- Have business district stakeholders been successfully engaged?
- Is there a lead agency with the ability to successfully implement the initiative?
- Will the effort be sustainable after public funds are expended?

V. INVESTMENT TIERS

Funding will be available in four tiers: Please note that meeting the following criteria within each tier does not guarantee the maximum grant amount. Applicants will be evaluated against the criteria and competing applications to determine a final grant amount.

Tier I: Comprehensive Approach– Up to \$200,000 per business district per year

In order to qualify for grants up to \$200,000 the district must:

- Have at least **four** of the **five** strategy areas in the work plan with a significant level of effort and activities in planning or implementation stages, and
- Have at least **one lead person** who is overseeing and managing the implementation of a comprehensive revitalization strategy for the district. If that person is paid staff, they must spend at least 75% of his/her time working on business district issues. If that person is a volunteer, they must be able to commit a significant amount of time to leading the project.
- Either have a Business Improvement Area (BIA) established and engaged in the project or include an assessment of the interest and capacity of the district to begin a BIA process.

Tier II: Focused Approach – Up to \$100,000 per business district per year

In order to qualify for grants up to this amount, the district must:

- Have at least **three** of the **five** strategies in the work plan with a significant level of effort and activities in the planning or implementation stages and
- Have at least **one lead person**. If that person is paid staff, they must spend at least 50% of his/her time working on business district issues. If that person is a volunteer, they must be able to commit a significant amount of time to leading the project.
- Either have a Business Improvement Area (BIA) established and engaged in the project or include an assessment of the interest and capacity of the district to begin a BIA process.

Tier III: Start-Up or Smaller Scale Approach – Up to \$50,000 per business district per year

In order to qualify for this amount, the district must:

- Be in the implementation stages for at least **two** of the **five** strategies
- Have at least **one lead person**. If that person is paid staff, they must spend at least 25% of his/her time working on business district issues. If that person is a volunteer, they must be able to commit a significant amount of time to leading the project.
- Either have a Business Improvement Area (BIA) established and engaged in the project or include an assessment of the interest and capacity of the district to begin a BIA process.

OR

- Be in the planning stages for creating a comprehensive commercial district revitalization plan

Tier IV: Access to BIA Formation Support and/or Participation in Only in Seattle marketing campaign

In order to qualify for these services, the district must:

- Be interested in OED BIA formation support and/or
- Be interested in participating in the *Only in Seattle* marketing campaign.

VI. Strategy Areas

Commercial district revitalization includes analyzing business districts' physical, economic and social needs, assessing strengths and challenges, setting forth concrete results and measuring outcomes. The goal is to build the necessary foundation and infrastructure so that the neighborhood will be able to continue to implement and sustain positive changes.

There are a number of common activities employed by organizations across the country to create positive change in neighborhoods. When several activities are concentrated in a focused geographic area, they can leverage and reinforce one another to create more significant impact. The following six categories of activities are described by nationally recognized commercial district revitalization experts such as National Main Street, LISC and the International Economic Development Council as the primary areas of focus. These are examples of the types of activities that are eligible for this award but this is not an all-inclusive list of potential activities that could be employed.

Business Organization

Creating and maintaining organizational capacity can include recruitment of volunteers, developing community leadership, facilitating organizational partnerships and forming and sustaining business district improvement programs. Supporting the organization or organizations that are leading and implementing neighborhood revitalization is critical to the success of neighborhood change. Ensuring their capacity to fund and sustain activities is an important part of reaching revitalization goals.

Business and Retail Development

- *Business Support and Retention.* Existing merchants create a district's character and identity and provide important goods and services to residents. Work to support and strengthen these businesses to help them stay and thrive in the neighborhood can lead to expansion of available goods and services as well as job growth. Many programs help merchants find technical business assistance such as marketing, accounting or merchandising support, and/or assist in finding loans for stabilization or expansion.

- *Retail and Market Study* provides the necessary data and analysis to define the trade area of the district and learn about demographic and spending power of the neighborhood. These tools will help existing business better market their services or meet existing demand, and provide the foundation for strategies to attract new businesses.
- *Business Attraction*, activities promote their district to realtors, brokers or business owners with brochures or other materials. Some identify specific retailers that could contribute most to the district and reach out to them. Other revitalization programs act like a commercial broker and market specific vacant properties.

Safety and Cleanliness

- *Crime Prevention*, programs often work with police departments to organize merchants and residents to report crimes, address physical conditions that could reduce crime and make the retail environment feel safe for shoppers and residents.
- *Clean Activities*, range from managing neighborhood cleanup days to hiring regular cleaning crews for garbage pick-up and sidewalk and street cleaning. A clean business district not only creates an inviting shopping environment, it also influences perceptions of safety and demonstrates an investment in the district's surroundings.

Marketing and Promotion

- *Neighborhood Promotion*, work develops and implements promotional strategy for the district, including developing a district identity/brand, collective advertising opportunities, generating positive media coverage, creating a website, walking guide and other collateral materials. Promotion is important in contributing to and managing a new positive image for the district.
- *Community Events*, programs plan and prepare for events to promote the corridor and raise funds for the revitalization program. Events can range from a large street festival or block party to smaller events, such as grand openings or "taste of" restaurant promotions. Events provide an opportunity to highlight positive changes in the neighborhood, allow the community to gather and celebrate, bring new people to the district and can further brand it as a destination. Well organized events can help to change overall perceptions of the area.

Appearance and Pedestrian Environment

- *Design Guidelines and Principals*, draw attention to the existing character of architecture and design, and highlight the qualities the neighborhood values most for new development. They help to ensure that new development, signage and facades contribute to a consistent sense of character and provide elements that unify the streetscape and built environment.
- *Streetscape Improvements*, include a focus on the condition of streets and sidewalks, including repaving streets, rebuilding sidewalks, installing street furniture, trash cans and way finding.
- *Storefront Improvements*, include grants and/or low-interest loans to merchants and property owners to invest in façade improvement projects including new signs, paint, awnings, etc. A large number of these relatively small changes can add up to a whole new look for the entire district.
- *Transportation and Parking Improvements* include improving public transit, pedestrian and/or bicycle access to the neighborhood and managing on-street or shared parking lots.

- *Signage and way finding* including banners, historic place information, parking location signs etc.
- *Real estate development.* Many urban districts have abandoned buildings, vacant lots or underdeveloped parcels in key locations. Redevelopment of these properties creates an opportunity to bring new residents and retailers and contributes to a sense that the neighborhood is revitalizing.