

THRIVING BUSINESS DISTRICTS

Boston Main Streets



Population and commercial decline often create a reinforcing disinvestment cycle where perceptions stall new investment.



The Challenge

Neighborhood business districts face the challenge of re-establishing themselves as vibrant centers of community life and commerce. As city residents relocated to suburbs, the economic base for commercial districts declined in number and income. In response, large chains and independent retailers alike, followed their customers to the suburbs, in many cases occupying new shopping malls. Merchants that remain face stiff competition as the shopping options for city residents have grown to include large shopping centers in nearby suburbs, rebuilt downtown districts, and mail order and internet-based firms. Moreover, population and commercial decline often create a reinforcing disinvestment cycle where perceptions stall new investment but the absence of capital prevents physical improvements and new businesses activity needed to reverse these perceptions.



The Invention

A comprehensive revitalization approach to create, build, and sustain healthy neighborhood commercial districts.



The Solution: Getting the Idea to Fly

The desire to improve a neighborhood commercial district can originate in many different places. The first discussions may take place within a merchant association, resident group, preservation organization, community development corporation, or city government, but ultimately the solution will involve all these stakeholders. Wherever it starts, early outreach to the other groups by program organizers is important to gain

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acceptance of the challenges and participation in the solutions. A start-up organization, however, need not be large and unwieldy—a core group of committed individuals can accomplish tremendous things.

Once you have a small, committed group, start to build your knowledge base. Undertake research to determine who can help you, both inside and outside the neighborhood. Create a list of neighborhood and city stakeholders to enlist in the revitalization effort. Cultivate a champion for your efforts—someone who will strongly advocate for commercial district improvements both within the public and the private sectors. Contact other areas with successful revitalization initiatives and invite them to speak to your group. Or better yet, take a road trip. A visit to an accomplished program will energize your organizing group and most practitioners will be happy to share their accomplishments and challenges with you. Arrange for local papers to cover your exploration by inviting a local reporter along on the road trip, or sharing what you learned upon your return. When the core group has enough information, hold a broadly publicized community meeting where commercial district revitalization efforts are explained.

At the public presentation and in follow-up meetings with stakeholders, seek initial commitments of money, in-kind donations, and volunteer time. Be strategic in recruiting volunteers that represent key stakeholders and bring valuable expertise, such as fundraising, public relations, urban design, and economic development. You can also begin building a project pipeline by asking property owners and merchants if they will improve their storefront if matching funds become available.

Involve key politicians and city officials from the beginning by inviting them to serve on the governance board and program committees and to participate in community meetings. Encourage your mayor or city councilors to speak with their counterparts in cities that have city-supported revitalization programs. When your agenda is set, work with city and state elected officials to secure funding for priority projects, improvements to public services, and vital infrastructure investments. Use leveraging statistics from other commercial district revitalization programs and local pledges for volunteer time, funding, and façade improvements to make the case for city funding and investment. Link neighborhood commitments with city action, for example, by organizing merchants to adopt-a-trash-barrel or flower planter if the city installs them.

A commercial district strategy should focus on a cohesive area to establish it as a “destination.” That does not mean that people



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travel from far and wide to come to the district, but that surrounding residential areas view the commercial district as belonging to their neighborhood. For revitalization to succeed, these residents must play a critical role as program volunteers and in supporting local businesses. When an adjacent residential area does not use the commercial district “because there is nothing there for them,” you will need to educate them to see the possibilities of an improved district and enlist them in realizing this potential.

ABOUT BOSTON MAIN STREETS

Boston Main Streets was established by the City of Boston in 1995 as a public-private partnership. Neighborhood commercial districts are chosen through a competitive application process for Boston Main Streets designation. Once designated, a district forms a nonprofit Main Street organization that receives city financial and technical resources to assist them in realizing local revitalization goals. Boston Main Streets has assisted 21 main street districts. The city maintains a central office with seven full-time staff. Citywide accomplishments since 1995 include:

- opening of 444 net new businesses
- creating 3,057 jobs
- leveraging 6.3 million in private investment for 311 storefront improvement projects
- generating over 97,000 hours of volunteer board and committee members time to improve their districts

The biggest challenge facing Boston Main Streets is long-term sustainability of each neighborhood program. City support for each district was supposed to end after four years, at which point local programs were expected to be able to raise sufficient funds to carry on. While the districts work to expand their capacity to raise funds, the city remains invested in their success because the program has impressive results. The comprehensive approach of Boston Main Streets has led to wide-scale improvements in the physical, economic, and social conditions in the city's historic neighborhood centers of commerce.



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Once the stakeholders are on board, determine how your commercial district revitalization effort will be organized. Here are three possible structures. A stand-alone main street organization is a common model. Developing a new organization allows you to bring together all the stakeholders of a commercial district—the residents, merchants, property owners, and nonprofit organizations—in their own entity to work on revitalizing the commercial district. Historically, resident groups and merchant groups meet in adversarial situations such as liquor licensing hearings or requests for zoning changes. Working together to develop a common vision for the commercial district provides a unique opportunity to build understanding that all players have an equal stake and responsibility in the district’s success. However, the time and hurdles to create, staff, and fund a new organization can delay implementation and weaken momentum from early organizing.

A second option is to establish your main street program within a pre-existing nonprofit organization. This allows you to hit the ground running. You do not have to incorporate a new organization and file for 501(c) (3) status. The resources of the organization are already in place to support the staff that is hired to undertake the commercial district efforts. Existing organizations also may have valuable capacities in real estate or business development and key relationships that can increase the scope and effectiveness of your revitalization initiative.

Finally, if state legislation allows for the establishment of a Business Improvement District (BID), it is worthwhile to explore this model. With a BID, property owners fund revitalization work through special assessments. These funds often support “clean and safe” programs that enhance district cleanliness and reduce crime, but they can finance a tremendous variety of activities, such as marketing, festivals, and infrastructure improvements. A BID allows for a steady, reliable stream of income for your commercial district activities.

Whichever model you choose, hiring a highly effective staff person to run your main street effort is critical. Great main street managers need to be entrepreneurial, highly organized, comfortable with technology (a one-person operation needs to be able to easily access and share information), and possess the ability and desire to work closely with diverse volunteers and stakeholders. A manager’s professional background might include urban planning, small business, marketing, law, and/or nonprofit management. Most importantly, your manager needs to be comfortable being on the street, going door-to-door, meeting and



working with merchants, finding out what they need, and bringing them resources. Once you find the right person, make sure you treat them well. Frequent staff turnover hinders a program's development.

Revitalization begins with knowledge and vision. Communities need to understand current district conditions and opportunities, and then apply this knowledge to formulating a shared vision for change. A careful inspection and inventory of the district's physical and economic conditions is a good place to begin. A physical assessment uses photographs and maps to document abandoned, vacant and blighted properties, vacant commercial spaces, prominent buildings, landmarks and façades that create positive images, and the condition of streets, sidewalks, street furniture (lighting, benches, trashcans, bus stops, etc.), parking areas, and open space. Transportation conditions, such as traffic flow and safety, public transit service, and ease of pedestrian movement, also need to be documented. An economic inventory identifies current economic roles and business clusters by listing the number, location, and square footage of uses by economic category, e.g., restaurants, food stores, social service agencies, etc. Observing which customer groups patronize the district and who does not shop there helps identify the commercial area's core market and opportunities to expand its customer

base. Based on your inventory, summarize both key strengths and opportunities to build on and priority conditions and sites to change. After documenting existing conditions, create a shared vision for the commercial district through a participatory process that engages diverse stakeholders in reviewing existing conditions, generating ideas and goals for the district, and deliberating on common goals and priorities. Next, convert your vision into an action plan with specific activities that have strong buy-in from stakeholders and cover short-term (three to six months), medium-term (one to two years) and long-term (three to five years) implementation periods. Include visible and achievable short-term projects to build momentum for the revitalization plan by involving people in quickly creating some changes.

Successful revitalization plans tackle three agendas: (1) reducing crime and improving perceived safety; (2) creating an attractive and pedestrian-oriented physical environment; and (3) building a viable economic center. To address public safety, partner with the police department by inviting them to join your governing board and help plan crime prevention initiatives. Conduct a crime prevention audit of the commercial district with the police to identify ways to eliminate opportunities to commit crime, and incorporate these findings into your agenda. Examples might include using design guidelines and façade improvement incentives to remove solid grates that hide criminal activity and broadcast an unsafe image, and advocating to change business and government practices that affect security, such as the licensing and hours for liquor stores.

To transform the physical environment, establish a design vision for buildings and public spaces that enhances your neighborhood's special character while facilitating pedestrian activity and social interaction. Formalize this vision with façade design guidelines and a district-wide plan for streetscape improvements. Encourage property owners, developers, and city agencies to incorporate your design ideas into their agendas. By raising funds for a façade grant program, you will have a financial incentive to motivate property owners to improve their storefronts in line with your design vision.

Economic development initiatives expand the district's consumer market and enhance its business base. By completing a market analysis, you will understand the district's market potential, key customer segments, and feasible business opportunities and be better prepared to formulate effective marketing and business development strategies. The



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market analysis also lets you educate the public, merchants, and property owners about the district's market potential and broaden support for your revitalization agenda. Articulate a new positive image for the district, based on special physical, cultural, and economic assets, and promote this image through a sustained marketing campaign. Help retain and grow your existing businesses through brokering services to improve their capacity, promoting peer learning, and organizing cooperative initiatives to reduce their costs and expand their markets. Finally, build relationships with property owners and developers to convince them to remove undesirable uses and lease to desired new businesses. Moreover, become an active advocate in the development process to encourage new development and shape its design and economic uses.

Possible funding sources

- Government grants such as the Federal Community Development Block Grant funds can be applied to commercial district revitalization for districts where 51 percent or more of the households in the district target area are low/moderate income.
- Membership programs targeted to residents and merchants in your area.
- Local utility companies fund main street programs in a number of locations.
- Banks can receive Community Reinvestment Act (CRA) credit for supporting a main street program. All banks located in the district should be expected to support your program. Banks outside of the district that are interested in expanding their small business lending program are also good candidates to approach.
- Foundations are a possible source, particularly for commercial districts in low-income areas and community development corporation (CDC)-sponsored initiatives.
- Mature main street programs often develop fee-generating enterprises, such as managing a parking facility in the district, developing commercial property, and merchandising.



Measuring and Adapting: Did It Fly?

Revitalization programs are dynamic enterprises that need to learn from experience and adjust to new conditions. Through systematically documenting their results, programs generate critical

information for strategic planning and convince key supporters of their effectiveness. Begin by setting measurable goals that track revitalization progress for physical improvements, economic development, and public safety. Improving public safety goals might include reduced crime incidents, eliminating vacant lots that house criminal activity, and improved safety perceptions among district shoppers and employees. Next, formulate a plan to measure progress that details what data are needed, how the data will be collected and analyzed, the necessary computer software and set-up, and the required budget and staffing. Measure progress against the existing conditions documented in the original planning phase and against prior year conditions, and identify which projects and activities contributed to positive results.

Share your results with many stakeholders. Prepare and mail a concise summary of accomplishments to members, elected officials, funding sources, and community leaders. Use newsletters, press releases, opinion pieces, and news stories to publicize these findings to a larger audience.

Conduct an annual strategic review to apply lessons on program successes and information on new challenges and opportunities from important environmental changes to update your goals, strategies, and work plans. Set aside sufficient time, through several meetings or an extended retreat, for board and staff leadership to discuss this information, agree on its implications, and formulate revised goals and work plans. After board adoption of the revised strategy, explain the changes to program stakeholders and gain their buy-in.



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The Ripple Effect: Expect it and Encourage it

Creating thriving commercial districts is critical to the quality of life in our communities. They recycle money locally, harnessing our spending to create income and jobs for our friends and neighbors. Healthy commercial centers foster a strong small business sector that provides local jobs, entrepreneurial opportunities, and funding for community activities. With diverse businesses nearby, residents save time and reduce car trips by obtaining goods and services close to home. Finally, vibrant business districts are community centers that help residents, merchants, and workers get to know and trust each other by nurturing informal socializing and hosting community events. In total, strong business districts provide an antidote to sprawl by making city neighborhoods an attractive living and shopping alternative to suburbs and exurbs.



Caution

Through anticipating common problems, you will avoid key pitfalls along the road to revitalization. One pitfall is applying a comprehensive approach without being strategic. Rather than pursuing many agendas and activities at once, invest your limited resources and political capital in the projects and activities that are most critical to revitalization, promise significant impacts, and will build momentum. Second, don't overlook the need for a shared vision and broad-based buy-in for your agenda. Through undertaking outreach, participatory planning, and consensus-building upfront, you will gain the allies, participation, and support that are essential to successful implementation. Third, don't take awareness for granted; regularly promote your revitalization agenda and accomplishments through all possible channels. Since gentrification may follow successful revitalization, plan ways to manage its negative impacts. These can include strengthening business capacity, expanding nonprofit and local business ownership of commercial real estate, and advocating to include diverse income groups and uses in new development projects.



Summary

Neighborhood commercial centers play an important role in the socio-economic and social fabric of our cities. Business districts that experienced disinvestment over time need our attention to regain their vitality. A healthy, thriving business district provides jobs, allows residents to have some of their basic needs met close to home, combats sprawl, and is a place for neighbors to meet and form social connections. The work of commercial district revitalization is hard and slow, but the payoff is great.

Build your partnerships and develop your champions early and continue to nurture those relationships throughout your efforts. Make sure all the key stakeholders have a place at the table. Develop a shared vision for the district with a work plan that is both comprehensive and strategic. Choose short and long-term projects that will improve public safety, create an attractive pedestrian-oriented area, and foster a dynamic business base. Publicize your efforts through all available channels to build financial and volunteer support. Document existing conditions and record changes as they occur. Finally, acknowledge your hard work and your successes with celebrations and gatherings.

RESOURCE LIST

Publications

- Dane, S. G., (Ed.), *New Directions for Urban Main Streets*. Washington, DC: National Main Street Center, National Trust for Historic Preservation, 1988. Case studies of the first urban programs implemented in the 1980s.
- Dane, S. G. *Main Street Success Stories*. Washington, DC: National Main Street Center, National Trust for Historic Preservation, 1997. A diverse set of successful local commercial revitalization programs across rural, suburban, and urban communities.
- Houston, L. O. Jr. *BIDS: Business Improvement Districts*. Washington, DC: Urban Land Institute and International Downtown Association, 1997. A detailed review of BID organization and practices, including several case studies.
- Smith, K., Joncas, K., and Parrish B. *Revitalizing Downtown*, Washington, DC: National Trust for Historic Preservation, 1991. A comprehensive guide to commercial district revitalization with many practical tools for baseline research and planning projects.
- Seidman, K. F. *Revitalizing Commerce for American Cities: A Practitioner's Guide to Urban Main Streets*, Washington, DC: Fannie Mae Foundation. A detailed guide on implementing neighborhood Main Street programs with a companion volume of seven case studies programs in three cities.



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Web Sites

- Web site for Boston Main Streets including links to web sites for local main street programs:
www.bostonmainstreets.com
- A gateway to the National Main Street Center extensive resources on commercial revitalization:
www.mainstreet.org
- Information on the Local Initiative Support Corporation's Center for Community Revitalization:
www.liscnet.org/whatwedo/programs/ccr
- Web site for the International Downtown Association which is the primary trade association for BIDs:
www.ida-downtown.org
- Web site with materials from the first-ever Urban Main Street Forum held in June 2002, including keynote speeches and notes from practitioner idea exchanges:
www.nmsi.org/forum
- The National Crime Prevention Council:
www.ncpc.org
- A clearinghouse on CPTED hosted by the Washington State University Department of Horticulture and Landscape Architecture):
www.thecptedpage.wsu.edu