Economic Vitality Committee

Wednesday, January 22, 2020
Spruce Conference Room
749 Main Street, Louisville, CO 80027
10:00 AM

I. Call to Order
II. Roll Call
III. Approval of Agenda
IV. Public Comments on Items Not on the Agenda
V. 2020 Open Governments and Ethics Handbook (Information Only)
VI. Approve 2020 Posting Notices of Public Meetings
VII. Discussion to Define Committee Purpose and Objectives
VIII. Discussion on Draft Cost of Development Scorecard
IX. Discussion on ICSC RECon 2020
X. Discussion on Economic Vitality Strategy (Draft)
XI. Staff Updates:
   a. Business Assistance Program
   b. Retention Visits
   c. Business Retention & Development Committee
   d. Louisville Revitalization Commission
XII. Current Articles
XIII. Next Meeting (date and time to be determined)
XIV. Adjourn
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Participation in Government

The City of Louisville encourages citizen involvement and participation in its public policy process. There are many opportunities for citizens to be informed about and participate in City activities and decisions. All meetings of City Council, as well as meetings of appointed Boards and Commissions, are open to the public and include an opportunity for public comments on items not on the agenda. No action or substantive discussion on an item may take place unless that item has been specifically listed as an agenda item for a regular or special meeting. Some opportunities for you to participate include:

Reading and inquiring about City Council activities and agenda items, and attending and speaking on topics of interest at public meetings

City Council Meetings:
• Regular meetings are generally held on the first and third Tuesdays of each month at 7:00 PM in the City Council Chambers, located on the second floor of City Hall, 749 Main Street;
• Study sessions are generally held on the second and fourth Tuesdays of each month at 7:00 PM in the Library Meeting Room, located on the first floor of the Library, 951 Spruce Street;
• Regular meetings are broadcast live on Comcast Cable Channel 8 and copies of the meeting broadcasts are available on DVD in the City Manager's Office beginning the morning following the meeting;
• Regular meetings are broadcast live and archived for viewing on the City's website at www.LouisvilleCO.gov.
• Special meetings may be held occasionally on specific topics. Agendas are posted a minimum of 48 hours prior to the meeting.

Meeting agendas for all City Council meetings, other than special meetings, are posted a minimum of 72 hours prior to the meeting at the following locations:
• City Hall, 749 Main Street
• Police Department/Municipal Court, 992 West Via Appia
• Recreation/Senior Center, 900 West Via Appia
• Louisville Public Library, 951 Spruce Street
• City website at www.LouisvilleCO.gov

Meeting packets with all agenda-related materials are available 72 hours prior to each meeting and may be found at these locations:
• Louisville Public Library Reference Area, 951 Spruce Street,
• City Clerk's Office, City Hall, 749 Main Street,
• City website at www.LouisvilleCO.gov

You may receive eNotifications of City Council news as well as meeting agendas and summaries of City Council actions. Visit the City's website (www.LouisvilleCO.gov) and look for the eNotification link to register.

After they are approved by the City Council, meeting minutes of all regular and special meetings are available in the City Clerk's office and on the City's website (www.LouisvilleCO.gov).

Information about City activities and projects, as well as City Council decisions, is included in the Community Update newsletter, mailed to all City residents and businesses. Information is also often included in the monthly utility bills mailed to City residents.

Communicating Directly with the Mayor and City Council Members

Contact information for the Mayor and City Council members is available at www.LouisvilleCO.gov, as well as at City Hall, the Louisville Public Library, and the Recreation/Senior Center. You may email the Mayor and City Council as a group at CityCouncil@LouisvilleCO.gov.

Mayor's Town Meetings and City Council Ward Meetings are scheduled periodically. These are informal meetings at which all residents, points of view, and issues are welcome. These meetings are advertised at City facilities and on the City’s website (www.LouisvilleCO.gov).

Mayor or City Council Elections

City Council members are elected from three Wards within the City and serve staggered four-year terms. There are two Council representatives from each ward. The mayor is elected at-large and serves a four-year term. City Council elections are held in November of odd-numbered years. For information about City elections, including running for City Council, please contact the City Clerk's Office, first floor City Hall, 749 Main Street, or call 303.335.4571.

Serving as an Appointed Member on a City Board or Commission

The City Council makes Board and Commission appointments annually. Some of the City’s Boards and Commissions are advisory, others have some decision-making powers. The City Council refers questions and issues to these appointed officials for input and advice. (Please note the Youth Advisory Board has a separate appointment process.) The City’s Boards and Commissions are:
• Board of Adjustment
• Building Code Board of Appeals
• Cultural Council
• Historic Preservation Commission
• Historical Commission
• Housing Authority
• Library Board of Trustees
• Local Licensing Authority
Open Space Advisory Board
- Parks & Public Landscaping Advisory Board
- Planning Commission
- Recreation Advisory Board
- Revitalization Commission
- Sustainability Advisory Board
- Youth Advisory Board

Information about boards, as well as meeting agendas and schedules for each board, is available on the City’s website (www.LouisvilleCO.gov).

Agendas for all Board and Commission meetings are posted a minimum of 72 hours prior to each meeting and are posted at these locations:
- City Hall, 749 Main Street
- Police Department/Municipal Court, 992 West Via Appia
- Recreation/Senior Center, 900 West Via Appia
- Louisville Public Library, 951 Spruce Street
- City web site at www.LouisvilleCO.gov

Copies of complete meeting packets containing all agenda-related materials are available at least 72 hours prior to each meeting and may be found at the following locations:
- Louisville Public Library Reference Area, 951 Spruce Street,
- City Clerk’s Office, City Hall, 749 Main Street
- City web site at www.LouisvilleCO.gov

Planning Commission
The Planning Commission evaluates land use proposals against zoning laws and holds public hearings as outlined in City codes. Following a public hearing, the Commission recommends, through a resolution, that the City Council accept or reject a proposal.
- Regular Planning Commission meetings are held at 6:30 PM on the second Thursday of each month.
- Overflow meetings are scheduled for 6:30 PM on the 4th Thursday of the month as needed, and occasionally Study Sessions are held.
- Regular meetings are broadcast live on Comcast Channel 8 and archived for viewing on the City’s website (www.LouisvilleCO.gov).

Open Government Training
- All City Council members and members of a permanent Board or Commission are required to participate in at least one City-sponsored open government-related seminar, workshop, or other training program at least once every two years.

Open Meetings
The City follows the Colorado Open Meetings Law (“Sunshine Law”) as well as additional open meetings requirements found in the City's Home Rule Charter. These rules and practices apply to the City Council and appointed Boards and Commissions (referred to as a “public body” for ease of reference). Important open meetings rules and practices include the following:

Regular Meetings
All meetings of three or more members of a public body (or a quorum, whichever is fewer) are open to the public.

- All meetings of public bodies must be held in public buildings and public facilities accessible to all members of the public.
- All meetings must be preceded by proper notice. Agendas and agenda-related materials are posted at least 72 hours in advance of the meeting at the following locations:
  - City Hall, 749 Main Street
  - Police Department/Municipal Court, 992 West Via Appia
  - Recreation/Senior Center, 900 West Via Appia
  - Louisville Public Library, 951 Spruce Street
  - On the City web site at www.LouisvilleCO.gov

Study Sessions
Study sessions are also open to the public. However, study sessions have a limited purpose:
- Study sessions are to obtain information and discuss matters in a less formal atmosphere;
- No preliminary or final decision or action may be made or taken at any study session; further, full debate and deliberation of a matter is to be reserved for formal meetings; If a person believes in good faith that a study session is proceeding contrary to these limitations, he or she may submit a written objection. The presiding officer will then review the objection and determine how the study session should proceed.
- Like formal meetings, a written summary of each study session is prepared and is available on the City’s website.

Executive Sessions

The City Charter also sets out specific procedures and limitations on the use of executive sessions. These rules, found in Article 5 of the Charter, are intended to further the City policy that the activities of City government be conducted in public to the greatest extent feasible, in order to assure public participation and enhance public accountability. The City’s rules regarding executive sessions include the following:

Timing and Procedures
The City Council and City Boards and Commissions may hold an executive session only at a regular or special meeting.
- No formal action of any type, and no informal or “straw” vote, may occur at any executive session. Rather, formal
actions, such as the adoption of a proposed policy, position, rule or other action, may only occur in open session.

Prior to holding an executive session, there must be a public announcement of the request and the legal authority for convening in closed session. There must be a detailed and specific statement as to the topics to be discussed and the reasons for requesting the session.

The request must be approved by a supermajority (two-thirds of the full Council, Board, or Commission). Prior to voting on the request, the clerk reads a statement of the rules pertaining to executive sessions. Once in executive session, the limitations on the session must be discussed and the propriety of the session confirmed. If there are objections and/or concerns over the propriety of the session, those are to be resolved in open session.

Once the session is over, an announcement is made of any procedures that will follow from the session.

Executive sessions are recorded, with access to those tapes limited as provided by state law. Those state laws allow a judge to review the propriety of a session if in a court filing it is shown that there is a reasonable belief that the executive session went beyond its permitted scope. Executive session records are not available outside of a court proceeding.

**Authorized Topics**

For City Council, an executive session may be held only for discussion of the following topics:

- Matters where the information being discussed is required to be kept confidential by federal or state law;
- Certain personnel matters relating to employees directly appointed by the Council, and other personnel matters only upon request of the City Manager or Mayor for informational purposes only;
- Consideration of water rights and real property acquisitions and dispositions, but only as to appraisals and other value estimates and strategy for the acquisition or disposition; and
- Consultation with an attorney representing the City with respect to pending litigation. This includes cases that are actually filed as well as situations where the person requesting the executive session believes in good faith that a lawsuit may result, and allows for discussion of settlement strategies.

The City’s Boards and Commissions may only hold an executive session for consultation with its attorney regarding pending litigation.

**Ethics**

Ethics are the foundation of good government. Louisville has adopted its own Code of Ethics, which is found in the City Charter and which applies to elected officials, public body members, and employees. The Louisville Code of Ethics applies in addition to any higher standards in state law. Louisville’s position on ethics is perhaps best summarized in the following statement taken from the City Charter:

*Those entrusted with positions in the City government must commit to adhering to the letter and spirit of the Code of Ethics. Only when the people are confident that those in positions of public responsibility are committed to high levels of ethical and moral conduct, will they have faith that their government is acting for the good of the public. This faith in the motives of officers, public body members, and employees is critical for a harmonious and trusting relationship between the City government and the people it serves.*

The City’s Code of Ethics (Sections 5-6 through 5-17 of the Charter) is summarized in the following paragraphs. While the focus is to provide a general overview of the rules, it is important to note that all persons subject to the Code of Ethics must strive to follow both the letter and the spirit of the Code, so as to avoid not only actual violations, but public perceptions of violations. Indeed, perceptions of violations can have the same negative impact on public trust as actual violations.

**Conflicts of Interest**

One of the most common ethical rules visited in the local government arena is the “conflict of interest rule.” While some technical aspects of the rule are discussed below, the general rule under the Code of Ethics is that if a Council, Board, or Commission member has an “interest” that will be affected by his or her “official action,” then there is a conflict of interest and the member must:

- Disclose the conflict, on the record and with particularity;
- Not participate in the discussion;
- Leave the room; and
- Not attempt to influence others.

An “interest” is a pecuniary, property, or commercial benefit, or any other benefit the primary significance of which is economic gain or the avoidance of economic loss. However, an “interest” does not include any matter conferring similar benefits on all property or persons similarly situated. (Therefore, a City Council member is not prohibited from voting on a sales tax increase or decrease if the member’s only interest is that he or she, like other residents, will be subject to the higher or lower tax.) Additionally, an “interest” does not include a stock interest of less than one percent of the company’s outstanding shares.

The Code of Ethics extends the concept of prohibited interest to persons or entities with whom the member is associated. In particular, an interest of the following persons and entities is also an interest of the member: relatives (including persons related by blood or marriage to certain
degrees, and others); a business in which the member is an officer, director, employee, partner, principal, member, or owner; and a business in which member owns more than one percent of outstanding shares.

The concept of an interest in a business applies to profit and nonprofit corporations, and applies in situations in which the official action would affect a business competitor. Additionally, an interest is deemed to continue for one year after the interest has ceased. Finally, “official action” for purposes of the conflict of interest rule, includes not only legislative actions, but also administrative actions and “quasi-judicial” proceedings where the entity is acting like a judge in applying rules to the specific rights of individuals (such as a variance request or liquor license). Thus, the conflict rules apply essentially to all types of actions a member may take.

Contracts
In addition to its purchasing policies and other rules intended to secure contracts that are in the best interest of the City, the Code of Ethics prohibits various actions regarding contracts. For example, no public body member who has decision-making authority or influence over a City contract can have an interest in the contract, unless the member has complied with the disclosure and recusal rules. Further, members are not to appear before the City on behalf of other entities that hold a City contract, nor are they to solicit or accept employment from a contracting entity if it is related to the member’s action on a contract with that entity.

Gifts and Nepotism
The Code of Ethics, as well as state law, regulates the receipt of gifts. City officials and employees may not solicit or accept a present or future gift, favor, discount, service or other thing of value from a party to a City contract, or from a person seeking to influence an official action. There is an exception for the “occasional nonpecuniary gift” of $15 or less, but this exception does not apply if the gift, no matter how small, may be associated with the official’s or employee’s official action, whether concerning a contract or some other matter. The gift ban also extends to independent contractors who may exercise official actions on behalf of the City.

The Code of Ethics also prohibits common forms of nepotism. For example, no officer, public body member, or employee shall be responsible for employment matters concerning a relative. Nor can he or she influence compensation paid to a relative, and a relative of a current officer, public body member or employee cannot be hired unless certain personnel rules are followed.

Other Ethics Rules of Interest
Like state law, Louisville’s Code of Ethics prohibits the use of non-public information for personal or private gain. It also prohibits acts of advantage or favoritism and, in that regard, prohibits special considerations, use of employee time for personal or private reasons, and use of City vehicles or equipment, except in same manner as available to any other person (or in manner that will substantially benefit City). The City also has a “revolving door” rule that prohibits elected officials from becoming City employees either during their time in office or for two years after leaving office. These and other rules of conduct are found in Section 5-9 of the Code of Ethics.

Disclosure, Enforcement, and Advisory Opinions
The Code of Ethics requires that those holding or running for City Council file a financial disclosure statement with the City Clerk. The statement must include, among other information, the person’s employer and occupation, sources of income, and a list of business and property holdings.

The Code of Ethics provides fair and certain procedures for its enforcement. Complaints of violations may be filed with the City prosecutor; the complaint must be a detailed written and verified statement. If the complaint is against an elected or appointed official, it is forwarded to an independent judge who appoints a special, independent prosecutor for purposes of investigation and appropriate action. If against an employee, the City prosecutor will investigate the complaint and take appropriate action. In all cases, the person who is subject to the complaint is given the opportunity to provide information concerning the complaint.

Finally, the Code allows persons who are subject to the Code to request an advisory opinion if they are uncertain as to applicability of the Code to a particular situation, or as to the definition of terms used in the Code. Such requests are handled by an advisory judge, selected from a panel of independent, disinterested judges who have agreed to provide their services. This device allows persons who are subject to the Code to resolve uncertainty before acting, so that a proper course of conduct may be identified. Any person who requests and acts in accordance with an advisory opinion issued by an advisory judge is not subject to City penalty, unless material facts were omitted or misstated in the request. Advisory opinions are posted for public inspection; the advisory judge may order a delay in posting if the judge determines the delay is in the City’s best interest.

Citizens are encouraged to contact the City Manager’s Office with any questions about the City’s Code of Ethics. A copy of the Code is available at the City’s website (www.LouisvilleCO.gov) and also from the Offices of the City Manager and City Clerk.
Other Laws on Citizen Participation in Government

Preceding sections of this pamphlet describe Louisville’s own practices intended to further citizen participation in government. Those practices are generally intended to further dissemination of information and participation in the governing process. Some other laws of interest regarding citizen participation include:

Initiative and Referendum

The right to petition for municipal legislation is reserved to the citizens by the Colorado Constitution and the City Charter. An initiative is a petition for legislation brought directly by the citizens; a referendum is a petition brought by the citizens to refer to the voters a piece of legislation that has been approved by the City Council. In addition to these two petitioning procedures, the City Council may refer matters directly to the voters in the absence of any petition. Initiative and referendum petitions must concern municipal legislation—as opposed to administrative or other non-legislative matters. By law the City Clerk is the official responsible for many of the activities related to a petition process, such as approval of the petition forms, review of the signed petitions, and consideration of protests and other matters. There are minimum signature requirements for petitions to be moved to the ballot; in Louisville, an initiative petition must be signed by at least five percent of the total number of registered electors. A referendum petition must be signed by at least two and one-half percent of the registered electors.

Public Hearings

In addition to the opportunity afforded at each regular City Council meeting to comment on items not on the agenda, most City Council actions provide opportunity for public comment through a public hearing process. For example, the City Charter provides that a public hearing shall be held on every ordinance before its adoption. This includes opportunities for public comment prior to initial City Council discussion of the ordinance, as well as after Council’s initial discussion but before action. Many actions of the City are required to be taken by ordinance, and thus this device allows for citizen public hearing comments on matters ranging from zoning ordinances to ordinances establishing offenses that are subject to enforcement through the municipal court.

Additionally, federal, state, and/or local law requires a public hearing on a number of matters irrespective of whether an ordinance is involved. For example, a public hearing is held on the City budget, the City Comprehensive Plan and similar plans, and a variety of site-specific or person-specific activities, such as annexations of land into the city, rezonings, special use permits, variances, and new liquor licenses. Anyone may provide comments during these hearings.

Public Records

Access to public records is an important aspect of citizen participation in government. Louisville follows the Colorado Open Records Act (CORA) and the additional public records provisions in the City Charter. In particular, the Charter promotes the liberal construction of public records law, so as to promote the prompt disclosure of City records to citizens at no cost or no greater cost than the actual costs to the City.

The City Clerk is the custodian of the City’s public records, except for financial, personnel, and police records which are handled, respectively, by the Finance, Human Resources, and Police Departments. The City maintains a public policy on access to public records, which include a records request form, a statement of fees, and other guidelines. No fee is charged for the inspection of records. No fee is charged for locating or making records available for copying, except in cases of voluminous requests or dated records, or when the time spent in locating records exceeds two hours. No fees are charged for the first 25 copies requested or for electronic records.

Many records, particularly those related to agenda items for City Council and current Board and Commission meetings, are available directly on the City’s website (www.LouisvilleCO.gov). In addition to posting agenda-related material, the City maintains communication files for the City Council and Planning Commission. These are available for public inspection at the City Clerk’s Office, 749 Main Street.

CORA lists the categories of public records that are not generally open to public inspection. These include, for example, certain personnel records and information, financial and other information about users of city facilities, privileged information, medical records, letters of reference, and other items listed in detail in CORA. When public records are not made available, the custodian will specifically advise the requestor of the reason.

Citizens are encouraged to review the City’s website (www.LouisvilleCO.gov) for information, and to contact the City with any questions regarding City records.

Public Involvement Policy

Public participation is an essential element of the City’s representative form of government. To promote effective public participation City officials, advisory board members, staff and participants should all observe the following guiding principles, roles and responsibilities:

Guiding Principles for Public Involvement

Inclusive not Exclusive - Everyone’s participation is
welcome. Anyone with a known interest in the issue will be identified, invited and encouraged to be involved early in the process.

Voluntary Participation - The process will seek the support of those participants willing to invest the time necessary to make it work.

Purpose Driven - The process will be clearly linked to when and how decisions are made. These links will be communicated to participants.

Time, Financial and Legal Constraints - The process will operate within an appropriate time frame and budget and observe existing legal and regulatory requirements.

Communication - The process and its progress will be communicated to participants and the community at-large using appropriate methods and technologies.

Adaptability - The process will be adaptable so that the level of public involvement is reflective of the magnitude of the issue and the needs of the participants.

Access to Information - The process will provide participants with timely access to all relevant information in an understandable and user-friendly way. Education and training requirements will be considered.

Access to Decision Making - The process will give participants the opportunity to influence decision making.

Respect for Diverse Interests - The process will foster respect for the diverse values, interests and knowledge of those involved.

Accountability - The process will reflect that participants are accountable to both their constituents and to the success of the process.

Evaluation - The success and results of the process will be measured and evaluated.

Roles and Responsibilities - City Council

City Council is ultimately responsible to all the citizens of Louisville and must weigh each of its decisions accordingly. Councilors are responsible to their local constituents under the ward system; however they must carefully consider the concerns expressed by all parties. Council must ultimately meet the needs of the entire community—including current and future generations—and act in the best interests of the City as a whole.

During its review and decision-making process, Council has an obligation to recognize the efforts and activities that have preceded its deliberations. Council should have regard for the public involvement processes that have been completed in support or opposition of projects.

Roles and Responsibilities - City Staff and Advisory Boards

The City should be designed and run to meet the needs and priorities of its citizens. Staff and advisory boards must ensure that the Guiding Principles direct their work. In addition to the responsibilities established by the Guiding Principles, staff and advisory boards are responsible for:

- ensuring that decisions and recommendations reflect the needs and desires of the community as a whole;
- pursuing public involvement with a positive spirit because it helps clarify those needs and desires and also adds value to projects;
- fostering long-term relationships based on respect and trust in all public involvement activities;
- encouraging positive working partnerships;
- ensuring that no participant or group is marginalized or ignored;
- drawing out the silent majority, the voiceless and the disempowered; and being familiar with a variety of public involvement techniques and the strengths and weaknesses of various approaches.

All Participants

The public is also accountable for the public involvement process and for the results it produces. All parties (including Council, advisory boards, staff, proponents, opponents and the public) are responsible for:

- working within the process in a cooperative and civil manner;
- focusing on real issues and not on furthering personal agendas;
- balancing personal concerns with the needs of the community as a whole;
- having realistic expectations;
- participating openly, honestly and constructively, offering ideas, suggestions and alternatives;
- listening carefully and actively considering everyone’s perspectives;
- identifying their concerns and issues early in the process;
- providing their names and contact information if they want direct feedback;
- remembering that no single voice is more important than all others, and that there are diverse opinions to be considered;
- making every effort to work within the project schedule and if this is not possible, discussing this with the proponent without delay;
- recognizing that process schedules may be constrained by external factors such as limited funding, broader project schedules or legislative requirements;
- accepting some responsibility for keeping themselves aware of current issues, making others aware of project activities and soliciting their involvement and input; and
- considering that the quality of the outcome and how that outcome is achieved are both important.

Updated December 2019
This pamphlet is prepared pursuant to the Home Rule Charter of the City of Louisville.

This is a compilation of Articles 4 and 5 of the Charter of the City of Louisville and is available at all times in the City Clerk’s Office, 749 Main Street, Louisville, Colorado, and on the City’s web site at www.LouisvilleCO.gov.

This pamphlet is also provided to every member of a public body (board or commission) at that body’s first meeting each year.
ECONOMIC VITALITY COMMITTEE

SUBJECT: DISCUSSION TO DEFINE COMMITTEE PURPOSE AND OBJECTIVES

DATE: JANUARY 22, 2020

PRESENTED BY: MEGAN E. PIERCE, ECONOMIC VITALITY DIRECTOR

SUMMARY:
To guide the work of the newly formed Council Committee on Economic Vitality, staff suggests the Committee define its purpose and primary objectives. Though the Committee will be heavily involved in the current focus to develop an Economic Vitality Strategy, the goals and actions of that strategy will evolve over time. So it is important the Committee have an overall purpose that is broader than the development of strategy itself.

BACKGROUND:
As part of the City’s Strategic Planning Framework, there are critical success factors and 2019-2020 priority initiatives relating to economic vitality.
- **Critical Success Factor: Vibrant Economic Climate**
  - Louisville promotes a thriving business climate that provides job opportunities, facilitates investment, and produces reliable revenue to support City services. Our unique assets enhance the City’s competitive advantage to attract new enterprises, and Louisville is a place people and businesses want to call home.
- **2019-2020 Priority Initiatives:**
  - Implement recommendations from the McCaslin Area Market Study to support redevelopment within the area.
  - Develop a plan to increase proactive retail recruitment for the City of Louisville.

To further assist in considering the Committee’s purpose and objectives, attached is a sample from the City of Golden’s Economic Development Commission. This is a Council established Commission which has defined its mission and vision and also develops a work plan.
- **Mission:** The Economic Development Commission will provide leadership, education, and the tools necessary for the Golden community to optimize appropriate economic opportunities.
- **Vision:** Golden will be a prosperous, sustainable community generating the best possible quality of life for its citizens. A community that includes high quality job opportunities, diverse housing, advanced transportation, superior educational opportunities, state-of-the-art infrastructure, natural environment protection, productive commercial and civic entities, fiscal health, cultural and recreational amenities, and preservation of its historic character. Golden will exhibit, in its
policies and programs, consideration for future generations and recognition of the interdependence of its economy, social fabric, and environment.

Golden’s work plan outlines a purpose and then objectives, which are supported by goals. This would be similar to our developing structure, because the Committee’s purpose and objectives would then be aligned with the goals from the Economic Vitality Strategy.

RECOMMENDATION:
For discussion purposes to determine Committee’s purpose and objectives.

ATTACHMENTS:
- City of Golden Economic Development Commission 2019 Work Plan
City of Golden Economic Development Commission
2019 Work Plan

Cultivate and Innovate

The Golden Economic Development Commission (EDComm) provides leadership, education, and the tools necessary for the Golden community to optimize economic opportunities. By focusing on the growth and retention of existing employers and cultivating an environment that attracts additional employers, including startups, EDComm supports Golden’s vision of a prosperous, sustainable community that generates the best possible quality of life for its citizens.

Since 2016, EDComm has encouraged innovation and entrepreneurialism as the organizing principle of this work program. Growing both the existing employment and small business sectors is the most direct and impactful way of growing the local economy. As this approach has proven successful, EDComm will continue with implementation in 2019.

The Golden Cultivate and Innovate Program

The Golden Cultivate and Innovate Program is a comprehensive collaboration between EDComm City staff and strategic partners, focusing on the growth and health of local small businesses, the sustained health and growth of primary employers, entrepreneurial startups and expansion, and the overall business environment. Support for our existing small business community, innovation and entrepreneurialism are key for Golden, especially given the City’s on-going levels of success in retaining and growing established primary employers and the limits that Golden’s near build-out condition places on the supply of land and available building space for larger expansions or relocations. Within this overall theme, EDComm will continue to pursue the following program areas:

1. Support the Work Force of Today and the Future

EDComm recognizes that the need for a readily available workforce, with skills commensurate with business needs is the biggest challenge facing many businesses big and small. EDComm has identified this challenge as an area for significant collaboration with partner organizations directly involved in this sector, to the benefit of local businesses and the labor force.

Goals:

- Provide high quality useful information to businesses and job seekers alike regarding resources available to support internships, apprenticeships, mentoring, and matching skills to employment opportunities. These efforts may include promotion of business to business (B2B) networking opportunities, employer resources, training opportunities, etc. through posting of information on the City website and other channels.
• Continue to support the iSTEM program at Bell Middle School with connections to both individual businesses and the business community as a whole, including fundraising activities if pursued by the school district.
• Support partnerships for career readiness programs at Golden High School, including encouraging local companies to hire certified young workers.
• Supply challenging projects to Mines design classes and the Red Rocks Community College Idea Lab for student’s professional development. Identify and connect with other groups in support of an alliance between business and education and participate in such efforts.
• In partnership with the above entities, continue to focus communications on education efforts.

2018 Summary

• Staff created a new workforce development webpage on the City website as a primary home for useful information for job seekers and employers.
• EDComm jointly hosted an initial workforce development resource event in September 2018 to make information available on best practices for use of internships, apprenticeships, and mentoring. The event was attended by 25+ providers and businesses.
• In 2017-2018, staff provided one Mines Capstone design project addressing the Lena Gulch floodplain
• Staff judged and provide feedback to several end-of-year Mines student design competitions.

2. Grow and Retain Local Businesses

Supporting the success of newly established businesses and the continued health of small and large businesses of all kinds is one of the major ways that EDComm can work to accomplish its mission. In addition, traditional retention and attraction efforts and services continue to be an important part of our program.

Goals:

• Support and actively participate on the board of directors of the Jefferson County Business Resource Center (JCBRC) to provide specific business support programs and classes and direct business consulting on a customized basis.
• Actively support the Golden small business community through a specific campaign to increase awareness of Golden small businesses, especially those targeting the local market. Budget a specific dollar amount for this goal and seek proposals on a two or three year basis to best accomplish such increased awareness and patronage, in a manner complementing the Visit Golden marketing effort directed at visitors. Measure the success of this effort through a variety of metrics including:
o Email Results – Number of subscribers, open rate, click-through rate, bounce rate, unsubscribes, etc.

o Business Results – Post-email change in revenues, new and repeat customers, response rate and completion rates, website visits, social media – engagement, reach and increase in followers

- Participate with county, regional and state economic development programs to support primary employers. The more active participation is with the Jefferson County Economic Development Corporation, of which the City is a member.
- Provide site selection and entitlement assistance to expanding and relocating businesses.
- Conduct at least eight scheduled business retention visits.
- Seek to connect businesses to each other and local partners, including assisting partners like the iSTEM program.
- Meet with new businesses in Golden as well as departing businesses to understand their needs better.
- Continue to utilize the City’s small-sized economic incentive tax rebate program to encourage significant investment in buildings and equipment by primary employers and significant volume retail businesses.

2018 Summary

- JCBRC provided direct services and consultation to new and existing Golden businesses.
- EDComm funded a daily newsletter/blog featuring local businesses and happenings. An RFP for this specific 2019 goal was released in late 2018. A contract with expanded communications channels will commence in early 2019.
- City staff provided site selection and entitlement assistance to expanding and relocating businesses.
- Staff met with NFT, CoorsTek, Comencal, Picocyl, Navjoy, Instream Water, Vartega, Gunslinger Custom Paints, and others.
- EDComm supported and attended the JeffCo International Women’s Day event, which honored the Golden Library/Mines Girls in Stem Program.
- The Wright, a Colorado lifestyle industry recognition program, moved its annual awards event to the Colorado School of Mines, and plans to bring it back in 2019 as well.
- Met with new businesses; no business has informed staff about relocation.

3. **Cultivate Innovation and Entrepreneurialism**

For the past few years, EDComm has supported entrepreneurialism and innovation in Golden both directly and through partnerships. For 2019, EDComm will continue to focus on the small-scale opportunities for residents and businesses.
Goals:

- Support and encourage partnerships with the Colorado School of Mines (Mines), the Jefferson County Economic Development Corporation (JeffCo EDC), NREL, and other agencies.
- Consider a partnership/consulting relationship with one (or more) entity directly providing services to start up and early stage companies. This partnership can be considered via a general funding request from a partner supporting innovation, or via the consideration of other options, including specific reimbursements for discrete projects to consultants or other providers.
- Complete and maintain an updated database of affiliated entities and targeted sector contacts for use in on-going communications and programs. Partner and/or sponsor four workshops/open houses/networking events for affiliated entities and target sector contacts.
- Create active partnerships with various programs at Mines and youth-oriented efforts related to entrepreneurial activities.
- Facilitate partnerships between local companies and Mines design classes and the Red Rocks Community College (RRCC) Idea Lab to encourage solutions to business problems.
- Promote the efforts of existing and new groups like Rocky Mountain Innosphere and the JeffCo Innovators Workshop.
- Incorporate our innovation focus in ongoing communications efforts.

2018 Summary

- Strengthened relationships with the Colorado Office of Economic Development and International Trade (OEDIT) and the Metro Denver Economic Development Corporation.
- Co-hosted a workshop on state and local economic incentives, tax credits, etc. attended by businesses, OEDIT, and JeffCo EDC.
- Developing deeper relationship with the Mines Center for Entrepreneurship and Innovation.
- Provided a small sponsorship to the Mines University Innovation Fellows Meetup in September.
SUMMARY:
At the November 25, 2019 City Council meeting, staff and Council reviewed water costs and specifically, the proposed water tap fee increases for 2020. The water tap fees will substantively increase this year; those fees become effective February 15, 2020 and have been communicated to the business and development community.

Another component of the Council’s discussion was how the increase in tap fees impacts the overall cost of doing business in Louisville. Staff was asked to review the City’s current fees for development and then also to gather data about fees in nearby communities.

Attached here is a summary of Louisville’s fees that directly relate to the cost of a development. This document was turned into a survey template and sent to nearby communities, including Lafayette, Superior, Erie, Broomfield, Longmont, Boulder, and Firestone. They were asked to fill in their fee amounts and also to add any additional fees that are applied to development.

To-date, we have not received most responses to the survey, so we are still seeking the comparative data. If we have updated data by the time of the Committee meeting, we will bring it forward at that time.

RECOMMENDATION:
Discuss fees included in the cost of development scorecard and any initial data received for the City’s survey.

ATTACHMENTS:
- Louisville Cost of Development Scorecard
### Development Costs Scorecard
**January 2020**

<table>
<thead>
<tr>
<th>FEE</th>
<th>AMOUNT</th>
<th>NOTES</th>
<th>MEASURE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost Recovery Fees (Wastewater)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Significant Contributor</td>
<td>$ 1,000.00</td>
<td>Annual</td>
<td></td>
</tr>
<tr>
<td>Small Significant Contributor</td>
<td>$ 500.00</td>
<td>Annual</td>
<td></td>
</tr>
<tr>
<td>Class A Potential Contributor</td>
<td>$ 500.00</td>
<td>Annual</td>
<td></td>
</tr>
<tr>
<td>Class B Potential Contributor</td>
<td>$ 250.00</td>
<td>Annual</td>
<td></td>
</tr>
<tr>
<td>Class C Potential Contributor</td>
<td>$ 100.00</td>
<td>Annual</td>
<td></td>
</tr>
<tr>
<td>Class D Potential Contributor</td>
<td>$ 50.00</td>
<td>Annual</td>
<td></td>
</tr>
<tr>
<td><strong>Parking Improvement Fee</strong></td>
<td>$ 20,898.00</td>
<td>Downtown only</td>
<td>Per Space/One-Time</td>
</tr>
<tr>
<td><strong>Sewer Tap Fees</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Residential 3/4&quot; Meter</td>
<td>$ 4,600.00</td>
<td>One-Time</td>
<td></td>
</tr>
<tr>
<td>Non-Residential 1&quot; Meter</td>
<td>$ 8,200.00</td>
<td>One-Time</td>
<td></td>
</tr>
<tr>
<td>Non-Residential 1 1/2&quot; Meter</td>
<td>$ 18,400.00</td>
<td>One-Time</td>
<td></td>
</tr>
<tr>
<td>Non-Residential 2&quot; Meter</td>
<td>$ 32,800.00</td>
<td>One-Time</td>
<td></td>
</tr>
<tr>
<td>Non-Residential 3&quot; Meter</td>
<td>$ 73,600.00</td>
<td>One-Time</td>
<td></td>
</tr>
<tr>
<td>Non-Residential 4&quot; Meter</td>
<td>$ 130,900.00</td>
<td>One-Time</td>
<td></td>
</tr>
<tr>
<td><strong>Water Tap Fees</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Demand 0-22 GPM- 3/4&quot; Tap</td>
<td>$ 53,500.00</td>
<td>One-Time</td>
<td></td>
</tr>
<tr>
<td>Demand 23-45 GPM- 1&quot; Tap</td>
<td>$ 95,300.00</td>
<td>One-Time</td>
<td></td>
</tr>
<tr>
<td>Demand 46-80 GPM- 1 1/2&quot; Tap</td>
<td>$ 214,000.00</td>
<td>One-Time</td>
<td></td>
</tr>
<tr>
<td>Demand 81-140 GPM 2&quot; Tap</td>
<td>$ 380,500.00</td>
<td>One-Time</td>
<td></td>
</tr>
<tr>
<td>Demand 141-280 GPM 3&quot; Tap</td>
<td>$ 856,000.00</td>
<td>One-Time</td>
<td></td>
</tr>
<tr>
<td>Demand 281-500 GPM 4&quot; Tap</td>
<td>$ 1,521,700.00</td>
<td>One-Time</td>
<td></td>
</tr>
<tr>
<td>4&quot; Tap</td>
<td>TBD</td>
<td>Fee by agreement</td>
<td>One-Time</td>
</tr>
<tr>
<td><strong>Storm Water Permit Fee</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1-5 Acres</td>
<td>$ 300.00</td>
<td>One-Time</td>
<td></td>
</tr>
<tr>
<td>6-25 Acres</td>
<td>$ 625.00</td>
<td>One-Time</td>
<td></td>
</tr>
<tr>
<td>26-50 Acres</td>
<td>$ 950.00</td>
<td>One-Time</td>
<td></td>
</tr>
<tr>
<td>51-100 Acres</td>
<td>$ 1,250.00</td>
<td>One-Time</td>
<td></td>
</tr>
<tr>
<td>Above 101 Acres</td>
<td>$ 1,500.00</td>
<td>One-Time</td>
<td></td>
</tr>
</tbody>
</table>
## Development Costs Scorecard
### January 2020

<table>
<thead>
<tr>
<th>FEE</th>
<th>AMOUNT</th>
<th>NOTES</th>
<th>MEASURE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Residential Impact Fees</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commercial</td>
<td>$</td>
<td>3.20</td>
<td>Per SQ FT</td>
</tr>
<tr>
<td>Office</td>
<td>$</td>
<td>1.39</td>
<td>Per SQ FT</td>
</tr>
<tr>
<td>Institutional</td>
<td>$</td>
<td>1.93</td>
<td>Per SQ FT</td>
</tr>
<tr>
<td>Industrial</td>
<td>$</td>
<td>0.48</td>
<td>Per SQ FT</td>
</tr>
</tbody>
</table>
DISCOVER MORE.

Deal making begins Sunday, May 17, at 12:30 pm, and ends Tuesday, May 19, at 5 pm.

Maximize your time in Las Vegas by hitting the deal making floor early. At RECon 2020, you will get:

- Three days of deal making
- Perspectives from industry experts and visionary key notes
- Live programming and interviews on the show floor
- Professional development and career-building opportunities
- Curated destinations showcasing emerging brands, food-and-beverage companies, health-and-wellness providers, outlet centers and more

Register early to get discounts and start planning your time in Las Vegas.
SUMMARY:
One of the high priority items on City Council’s 2020 Work Plan is development of an economic vitality strategy that outlines goals and implementation steps. With input from Council discussions that took place late last summer and an understanding of our existing programs and practices, staff has created a draft strategy for the Economic Vitality Committee to consider.

The attached matrix contains a strategy with five goals. This has been developed as a tactical and action-oriented plan, which is primarily focused on the next year. However, it also highlights actions that will be required to further refine specific strategies, such as differentiated approaches and marketing to different sectors, such as small businesses, retail, and primary employers. Please use the following definitions as context to interpreting the matrix:

- **Goal**: There are five plan goals, which are broad and state what we hope to ultimately be achieved by the Supporting Actions. Goals are more “visionary” in nature, as the Supporting Actions needed to achieve them may also be accomplished and replaced with new or refined Goals over time. We have purposely proposed a smaller number of Goals, so that we are focused on those items that the Council truly considers strategic.

- **Priority**: Each Goal should be given a priority level of high, medium, or low. We have not filled in this section, as we would first like feedback on the appropriateness of the Goals and then the level of importance.

- **KPI Alignment**: Each Goal is also structured to align with the City’s Key Performance Indicators. We have placed the existing KPIs with goals that have related Supporting Actions. Please note there are not KPIs that currently align with each of the goals. In 2020, the City is completing a KPI refinement across all programs, and we would anticipate restructuring the KPIs for the Economic Vitality Program with the input from this strategy.

- **Supporting Action**: You will note each item starts with a verb, to ensure we are action-oriented. A Supporting Action should be something that describes how it helps accomplish the particular Goal. Most Supporting Actions are very tactical and generally should have an output or clear outcome.
Responsibility: Every action should have assigned responsibility. This helps ensure transparency of the strategy and also indicates where parties may need to work together or require outside resources.

Timing: Every action has also been assigned a timeline that targets an initial completion or work product. Some Supporting Actions are noted as “Ongoing” because they are strategic actions within the overall strategy, but are done with regularity as a course of business.

Along with the matrix that forms the core strategy, we would envision putting together a plan document that includes other contextual information, such as stakeholder analysis, our Strategic Planning Framework, and market/demographic information. Staff will be seeking the Committee’s input for reviewing and revising this draft. Ultimately, the draft will be presented to the entire City Council.

RECOMMENDATION:

ATTACHMENTS:
1) Strategy Matrix
## City of Louisville
### Economic Vitality Strategy - DRAFT
### January 2020

### Goal

*Grow our local economy and create sustainable revenue by supporting retail business growth, high quality jobs, and an entrepreneurial environment*

<table>
<thead>
<tr>
<th>Goal Description</th>
<th>Priority</th>
<th>KPI Alignment</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Number of licensed businesses</td>
<td>TO BE</td>
<td>• Number of licensed businesses</td>
</tr>
<tr>
<td>• Annual sales tax $ per capita</td>
<td>DETERMINED:</td>
<td>• Annual sales tax $ per capita</td>
</tr>
<tr>
<td>• Vacancy rates</td>
<td>High / Medium / Low</td>
<td>• Vacancy rates</td>
</tr>
<tr>
<td>• Total number of Louisville employees</td>
<td></td>
<td>• Total number of Louisville employees</td>
</tr>
<tr>
<td>• Investment in Louisville commercial property</td>
<td></td>
<td>• Investment in Louisville commercial property</td>
</tr>
</tbody>
</table>

### Supporting Actions

<table>
<thead>
<tr>
<th>Supporting Actions</th>
<th>Responsibility</th>
<th>Timing</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Create and distribute quarterly commercial vacancy report to monitor lease rates and available space</td>
<td>EVD</td>
<td>Q1 2021</td>
</tr>
<tr>
<td>• Maintain Available Properties database to assist real estate brokers and interested businesses seeking space</td>
<td>EVD</td>
<td>Q3 2020</td>
</tr>
<tr>
<td>• Develop targeted business marketing and attraction materials that will be distributed to potential business recruitment leads</td>
<td>EVD</td>
<td>Q2 2020</td>
</tr>
<tr>
<td>• Build consensus on differentiated strategies for retail, small business, and primary recruitment to guide future and prioritized actions</td>
<td>CC/EVD</td>
<td>Q4 2020</td>
</tr>
<tr>
<td>• Attend regional and national retail focused events, such as the International Council of Shopping Centers and Downtown Colorado, Inc. to stay engaged with brokers, tenants, trends, and strategies</td>
<td>EVD</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>
### City of Louisville

**Economic Vitality Strategy- DRAFT**

**January 2020**

<table>
<thead>
<tr>
<th>Goal</th>
<th>Priority</th>
<th>KPI Alignment</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Be dynamic and proactive to assert a competitive stance in the Denver Metro and Boulder County Markets</em></td>
<td>TO BE DETERMINED: High / Medium / Low</td>
<td>• Number of Business Assistance Agreements negotiated</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Value of construction per BAP incentive</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Incentives per job added</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Annual sales tax $ per $ of BAP incentive</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Supporting Actions</th>
<th>Responsibility</th>
<th>Timing</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Research comparable community practices around business incentives and facilitate Council discussion to agree on desired incentive program</td>
<td>CC/EVD</td>
<td>Q2 2020</td>
</tr>
<tr>
<td>• Revise Business Assistance Program (BAP) criteria and application in line with Council incentive determination and relaunch program to business community to raise awareness that we are open for business</td>
<td>CC/EVD</td>
<td>Q2 2020</td>
</tr>
<tr>
<td>• Conduct a Business Satisfaction Survey every other year to monitor changes and new ideas in the business community</td>
<td>EVD</td>
<td>Q3 2020</td>
</tr>
<tr>
<td>• Create and review Cost of Development Scorecard including nearby municipalities to better understand the cost of doing business in Louisville</td>
<td>EVD</td>
<td>Q1 2020</td>
</tr>
<tr>
<td>• Identify market gaps through analysis and by monitoring retail leakage to adjacent communities</td>
<td>Consultant/EVD</td>
<td>Q2 2021</td>
</tr>
<tr>
<td>• Conduct exit surveys by visiting closing or at-risk businesses to better understand perspectives and opportunities for the City to provide assistance</td>
<td>EVD</td>
<td>Ongoing</td>
</tr>
<tr>
<td>• Look for opportunities to implement recommendations from the McCaslin Area Market Study that support redevelopment</td>
<td>EVD</td>
<td>Q3 2020</td>
</tr>
<tr>
<td>• Conduct regular and coordinated outreach with local property owners, brokers, and developers</td>
<td>EVD</td>
<td>Ongoing</td>
</tr>
<tr>
<td>• Remain active in the Metro Denver Economic Development Corporation and Boulder Chamber</td>
<td>EVD</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>
# City of Louisville
## Economic Vitality Strategy- DRAFT
### January 2020

<table>
<thead>
<tr>
<th>Goal</th>
<th>Priority</th>
<th>KPI Alignment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improve the City’s reputation as a place to do business</td>
<td>TO BE DETERMINED: High / Medium / Low</td>
<td>• Number of retention visits conducted</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Supporting Actions</th>
<th>Responsibility</th>
<th>Timing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Launch monthly business-focused e-newsletter and expand our social media outreach as ways to promote and interact with the business community</td>
<td>EVD/Comms</td>
<td>Q2 2020</td>
</tr>
<tr>
<td>Create a business communication toolkit, including a Business Resource Guide</td>
<td>EVD/Comms</td>
<td>Q4 2020</td>
</tr>
<tr>
<td>Review and revise economic development website pages to present needed data and consistent information</td>
<td>EVD/Comms</td>
<td>Q2 2020</td>
</tr>
<tr>
<td>Develop business outreach campaigns that promote local businesses and available services</td>
<td>EVD/Comms</td>
<td>Q4 2020</td>
</tr>
<tr>
<td>Host annual Business Forum to gather all stakeholders, review City priorities, and gather feedback</td>
<td>EVD</td>
<td>Q2 2020</td>
</tr>
<tr>
<td>Conduct business retention visits</td>
<td>EVD/BRaD</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Examine internal business-related processes for potential improvements</td>
<td>EVD/Planning</td>
<td>Q1 2021</td>
</tr>
<tr>
<td>Publish comprehensive business directory to increase resident and visitor awareness of existing businesses</td>
<td>EVD</td>
<td>Q4 2020</td>
</tr>
<tr>
<td>Brainstorm economic vitality actions through joint meeting of Business Retention and Development Committee (BRaD), Louisville Revitalization Commission (LRC), Downtown Business Association (DBA), and Louisville Chamber of Commerce</td>
<td>EVD</td>
<td>Q3 2020</td>
</tr>
</tbody>
</table>
### Economic Vitality Strategy - DRAFT

**January 2020**

<table>
<thead>
<tr>
<th>Goal</th>
<th>Priority</th>
<th>KPI Alignment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support revitalization of our community through public investment in targeted areas</td>
<td>TO BE DETERMINED: High / Medium / Low</td>
<td>N/A</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Supporting Actions</th>
<th>Responsibility</th>
<th>Timing</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Fund, in coordination with the LRC, infrastructure that supports walking and biking to and around commercial districts</td>
<td>CC/LRC</td>
<td>Ongoing</td>
</tr>
<tr>
<td>• Prioritize projects from the Transportation Master Plan that create connectivity between commercial districts</td>
<td>CC</td>
<td>Q3 2020</td>
</tr>
<tr>
<td>• Seek additional opportunities to buy or lease parking in Downtown</td>
<td>EVD</td>
<td>Ongoing</td>
</tr>
<tr>
<td>• Work with regional partners on commuter transit programs and creation of first and last mile connections</td>
<td>EVD/CMO</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>

---

<table>
<thead>
<tr>
<th>Goal</th>
<th>Priority</th>
<th>KPI Alignment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Further enhance Louisville as a visitor destination</td>
<td>TO BE DETERMINED: High / Medium / Low</td>
<td>N/A</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Supporting Actions</th>
<th>Responsibility</th>
<th>Timing</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Achieve consensus on Louisville's brand for consistency in promotional materials, with special attention to brand for unique commercial districts</td>
<td>EVD/Comms</td>
<td>Q3 2020</td>
</tr>
<tr>
<td>• Promote local events that foster activity in our business districts by attracting residents and visitors</td>
<td>EVD/Comms</td>
<td>Ongoing</td>
</tr>
<tr>
<td>• Coordinate with the DBA on projects that will increase vibrancy in Downtown</td>
<td>EVD/DBA</td>
<td>Ongoing</td>
</tr>
<tr>
<td>• Facilitate planning for new special events and look to enhance and promote existing special events</td>
<td>EVD/Comms</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>
SUBJECT: STAFF UPDATES

DATE: JANUARY 22, 2020

PRESENTED BY: MEGAN E. PIERCE, ECONOMIC VITALITY DIRECTOR

SUMMARY:
In the following, staff provides updates on recent activity related to core economic vitality functions.

Business Assistance Program (BAP):
In December, City Council approved a Business Assistance Agreement with Fresca Foods, Inc. for expansion of one of their four Louisville buildings (they also have two warehouse spaces in Aurora). Fresca Foods has until the end of March to complete the work and submit for rebate. In addition, JumpCloud, Inc., which was approved for Business Assistance in June 2019, completed the build-out for their relocation to 361 Centennial Parkway. The request has been made to issue their rebate check for $8,445.

In January, City Council also approved a Business Assistance Agreement with Duda, Inc. for potential expansion of their office at 1025 Cannon Street. They are still evaluating whether they will expand the Louisville office or their Palo Alto headquarters for their planned growth needs. The BAP for Duda would be up to $10,000 total and they have until the end of August to complete any expansion.

Staff has had two other recent inquiries on BAP, including Forge Nano, which currently operates out of Centennial Valley and is looking to expand, and for a tenant negotiating with Koelbel and Company for potential relocation of their headquarters.

Retention Visits:
Staff has created a survey tool for conducting retention visits and tracking the qualitative and quantitative information gathered. In addition to the visits in conjunction with the Business Retention & Development Committee, I also conducted retention visits with Forge Nano and My Nature Lab in December. In January to-date, I have met with Lucky Pie Pizza, Pitter Patter Children’s Boutique, and Brock Media.

Business Retention & Development Committee (BRaD):
BRaD met on December 2; they did not hold a January meeting given the holiday schedule. In addition, BRaD will have four new members based on the December appointments. In February, staff will be presenting an overview of the Local Licensing Authority which was requested by BRaD in December.

BRaD conducted a retention visit at Solid Power on December 17 and with Crystal Springs Brewing on January 10. I am also attempting to schedule another retention visit for BRaD in January with Avista Adventist Hospital.
Louisville Revitalization Commission (LRC):
LRC met on December 9 and January 13. LRC has one new member that was appointed in December. In December, staff gave a presentation on the Highway 42 and Short Street improvements, which helped provide context for the LRC to consider Transportation Master Plan items it may be able to assist in implementing. In January, LRC approved advancing a property tax TIF revenue agreement for the Highway 42 Revitalization Area with the Louisville Fire Protection District. This will appear for Council consideration in February. LRC is also focused on reviewing a new Work Plan Matrix to guide their priorities for 2020. The Q4 2019 summary report on LRC activities will appear on the City Council’s January 21 agenda.

RECOMMENDATION:
No action required; for information only.

ATTACHMENTS:
None.
THE FUTURE OF RETAIL: CREATIVE APPROACHES TO PLACE-BASED ENTREPRENEURSHIP
Main Street America™ has been helping to revitalize older and historic commercial districts since the late 1970s. Today, it is a movement of more than 1,800 member organizations and individuals who share both a commitment to place and to building stronger communities through preservation-based economic development. Main Street America is a program of the nonprofit National Main Street Center, Inc., a subsidiary of the National Trust for Historic Preservation.

UrbanMain, a program of the National Main Street Center, offers specialized services, professional development, networking, and advocacy for the field of urban commercial district practitioners. Launched in 2017, UrbanMain builds on the National Main Street Center’s nearly 40 years of non-profit leadership in commercial district revitalization and the work of the Main Street America Network.

AUTHOR
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SENIOR EDITOR
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WHERE IS RETAIL HEADED?

The seers look into their crystal balls and say, “The retail apocalypse is coming.” The retail analysts say it’s already here. If you look around, you’ve almost certainly observed it yourself. Recent store closures have been setting records and the trend is expected to accelerate as the retail industry restructures. The estimated 46 square feet of retail space per capita in the U.S. was already unsustainable and analysts believe the industry faces an unprecedented reckoning as demand for space plummets.¹

The types of things people order online has broadened from books and electronics to apparel and convenience items (like groceries and household supplies). Some say, “But wait! Online sales still only make up a small portion of consumer retail sales.” And that’s true. The latest data from the U.S. Census Bureau reported that e-commerce accounts for about 10 percent of retail sales. Other estimates are higher—a 2019 UBS analysis estimates online retail at 16 percent and predicts it will rise to 25 percent by 2026. Either way, the trend is clear: Online sales as a percentage of all retail sales have been increasing every single quarter for more than 10 years, and there is no reason to think that trend will plateau.² Within the trend lies a related problem: One company—Amazon—is poised to grab 50 percent of all online retail sales in 2019.³

A large portion of those sales are fulfilled by smaller businesses selling on Amazon’s Marketplace, but Amazon controls the platform.

That’s one company doing half of all online retail business in the U.S.

Take a minute to let that sink in.

Since a decline in demand for commercial space is a foregone conclusion, malls are working to adapt: “experiential!” “microcities!” “creative!”⁴ Downtowns will have to chart a different course, too. They already are.

/ Businesses—and business districts—are selling experiences before products. /
/ The shift to local has become a movement. /
/ People come for connection more than transaction. /
/ Social consciousness—doing well by doing good—is driving entrepreneurship. /

Downtowns and traditional business districts have always been innovation laboratories, even if that function was not intentional. Recent retail trends like pop-up stores, and engagement trends like placemaking and alleyway activation, started in downtowns.
WHAT’S SO SPECIAL ABOUT RETAIL?
Retail has long been the focus (some might say obsession) of Main Street revitalization, at least when it comes to business retention and business development. Downtowns and business districts have always had varied uses (e.g., government offices, religious institutions, schools, and residences), but retail and retail services were viewed as the core business functions.

The idea persists even though retail—the selling of things—historically accounted for only 15 to 20 percent of downtown businesses.5

Retail created reasons for people to make regular trips to the district, and the presence of people made for lively streets. Even as retail formats changed and the malls and big-box stores duked it out on the periphery, traditional business districts often succeeded by offering something more distinct in a walkable, authentic environment. They offered a sense of place, contributing to their value proposition in the face of the competition. Old buildings found new uses: cafes, boutique retail, more restaurants, or an increased number of consumer services and personal services (think yoga studios and spas, among others).

E-commerce is still shape-shifting and it appears likely that “bricks-and-clicks” (or “omni-channel” or “omni-experience”) will have a role to play. That is, “stores” may increasingly serve a showroom function, with merchandise delivered to your home. It’s clear that less and less of the goods we buy will come from traditional retail stores, that retail stores will shrink in size, and that on-site inventory will shrink because online ordering will be deeply integrated into the physical store experience.

While traditional selling channels—wholesale and retail—are being disrupted by e-commerce, something else is going on with human behavior: People are buying less stuff. Millennials (and other generations, too) are choosing to spend money on experiences instead of things.

It’s become hard to imagine an alternate universe where people choose to shop primarily in stores. Yet it’s easy to imagine a world in which people still come to traditional downtowns and commercial districts, not because they have to, but because they want something that e-commerce can’t satisfy; something other than an item they can put in a bag. In this universe, place takes on a new kind of importance. The question is, if the need for an item is no longer the driver of customer trips, how do traditional business districts adapt and capitalize on the shift?

Activity creates a vibrant commercial district, so any new paradigm for commercial space must generate foot traffic. The experience of being in the district must be compelling enough to move people away from their virtual shopping carts and streaming movies.

Commercial buildings, whose value is derived from their economic productivity, will need to adapt once again, too. For example, a large-scale storefront that evolved from a car showroom to a furniture store to a restaurant over the past century, faces the likelihood that new retail concepts will need less square footage. Fortunately, adapting these buildings is still achievable, unlike shopping malls and shopping centers, which were purpose-built and designed not to last much longer than their depreciation period.

So let’s talk about what the present might portend for the future of traditional downtowns. The present is promising: Trends suggest a long-term shift away from generic bricks-and-mortar retail—the kind that sells undifferentiated consumer products—and a pivot toward interactivity and experience. Commercial districts will continue to offer a mix of retail and services, but consumers expect more than utility: Your barbershop now offers you a whiskey.
EXPERIENCE IS THE BUSINESS

WHAT IS AN EXPERIENCE?
Traditional business districts have always offered experiences—restaurants, bars, movies, theater, performances, and special events. Businesses where you actively engage are there, too: yoga studios, paintball facilities, gyms, and bowling alleys, for example. These experiences and activities are connected to the place—downtown is the living room, and the restaurants, bars, and theaters are the amenities.

A traditional business can amp up the experience factor, like a restaurant that adds a billiards table or a bocce ball court. Or a bowling alley that shifts its atmosphere (and its profit center) to a bar and lounge, and the game becomes an amenity.

Another category, sometimes dubbed “classroom retail,” connects teaching to a physical retail product. Think pottery painting, oil or acrylic painting, cake decorating, sewing studios, knitting and needlepoint, do-it-yourself framing, and others. Customers come to learn a skill and leave with a product.

Increasingly, experiential businesses leverage the authenticity of place that is part of the atmosphere in traditional business districts.

Some of these businesses also serve as a platform for people to interact or accomplish something together. These include game rooms where people come to play board games together, or escape rooms, where groups work together to solve an immersive puzzle.

Duff’s Cakemix is a do-it-yourself cake decorating studio with three locations in Southern California, opened by Food Network chef Duff Goldman. Duff’s team makes the cakes; for a studio and cake fee, customers exercise their creativity, using supplies provided. Perhaps the most appealing part is that the Cakemix staff cleans up the mess.

Escape rooms have been opening around the country at a rapid pace and they are well-suited to the aesthetic of historic buildings. According to industry estimates, in 2014 there were only a couple of dozen escape rooms in the U.S.; five years later, there are an estimated 2,300. Most are independent businesses. Typically, themed rooms designed in the styles of different eras—each with a story behind it—serve as the backdrop where couples, friends, party groups, or coworker teams try to figure their way out of a three-dimensional puzzle in a limited amount of time.

The Game Table in Carbondale, Illinois, sells games, yes. But in the evenings, people come to play board games with other people, in real life (as opposed to on their phones). Learning to play and teaching others to play are part of the activity. Risk, anyone?
Commercial districts acted as incubators of new businesses before “business incubators” existed. Often, it was (and is) cheaper to test out a new business concept in an underutilized storefront. More recently, in an effort to bring more entrepreneurs out onto the street, some cities are formalizing the pop-up business concept, both as a way to launch creative retail (and non-retail) businesses and as a way to make commercial districts dynamic and fresh. Change and innovation generate foot traffic, as people are attracted to places that provide new experiences.

Food trucks have gone from “underground” to commonplace. Some communities have created food truck nights where the mobile vendors anchor an outdoor event in the commercial district. Potential competition with local restaurants may be mitigated by inviting local restaurants to participate outdoors, or by holding the event on a Monday night when independent restaurants may be closed. Food trucks bring something new and different in the district, often adding new cuisines to the established mix of restaurants. On a smaller scale, a single food truck on a weekly schedule can become the attractor that gets people out, especially on a beautiful summer night.

Retail has gone mobile, too. For entrepreneurs, retail trucks are a vehicle (pun intended) for expanding their trade area beyond what a single store could reach. For commercial districts, mobile retail can fill in gaps in the business mix and garner social media attention for their progressive and ephemeral quality.
Temporary installations can positively impact place and the economy. The Musical Swings, a creation of a French-Canadian artist collaborative called *daily tous les jours* (“daily daily”) traveled the U.S. with stops in four downtowns. Each swing acts like a single, specific instrument, playing a musical scale as you swing higher and higher. When you swing collaboratively, in sync with friends or strangers, the notes of the multiple swings create a melody. Through a grant from the Knight Foundation, the economic impact of the Musical Swings was rigorously studied and quantified: During a one-month installation, the incremental impact on local businesses—from people who came specifically to see the Swings—ranged from $359,000 to $510,000. (Economic impacts varied by city.)

Boombox is helping to launch new entrepreneurs in Chicago by offering architect-designed, shipping container pop-up spaces. The concept encompasses several concurrent retail trends: The shift to “micro-retail,” where the small format acts as a showroom as much as a store, short-term leases, allowing entrepreneurs to test a concept, and established brands using pop-ups to demonstrate innovation.

HOW DOES TRADITIONAL RETAIL BECOME EXPERIENTIAL?
Let’s look at bookstores, one of the first bricks-and-mortar retail categories to become the victim of online retail. Some bookstores have survived by doing what they always did better: adding more author readings or bringing in more gift items. Several of today’s thriving bookstores have been completely reimagined. Yes, they sell books, and yes, they have reading events, but Politics & Prose, Busboys & Poets (each with several locations in the Washington, D.C., area), and Third Place Books (with three stores in Seattle) have consciously reimagined the bookstore as a place and a venue, not just a store. Each integrates food into the retail experience—from full-service restaurants to coffee shops and wine bars—and all have regularly scheduled performances and events. Books may be the star, but the store becomes the place to be with others and be enriched.

In an era where people stream movies at home, the traditional movie theater is having to expand its concept of “experience” too. Many theaters now include a combination of uses, including film presentations, live performances (e.g., plays, stand-up comedy, dance, book readings), conferences, parties, live-streamed events or performances taking place elsewhere, simulcast religious services, children’s programming, on-screen video games, and others.
LEADING WITH LOCAL

Local sourcing—once parodied in an episode of the television show *Portlandia* in which two restaurant customers ask to visit the farm where the chicken was raised to make sure it had good living conditions and a local diet—has become valued by consumers in ways they themselves might not have expected only a few years ago. It is now fair to say that “local” is a trend, not a fad; local products and local sourcing offer something that chains don’t execute well. (Even when the concept is cultivated as part of a national brand, as Whole Foods tries to do, it often falls short.) Local production (i.e. small-scale manufacturing, locally grown food, etc.) makes a direct connection between the commercial district as a place and the region as a source, and helps to grow and support the local economy.

Main Street is well-positioned to capitalize on these ties. As downtown offerings become more experiential, local food is often the attractor. Microbreweries, cider bars, creameries, coffee roasters, and bakeries can differentiate their businesses and connect to the authenticity of the commercial district by selling local products. Boutiques and retail shops can do the same by sourcing products from local artists, artisans, and makers.

NIGHT MARKETS

A market event during the day is, fine, but darkness adds an aura of fun and intrigue. There’s something about a dark sky and imaginative lighting that gives a night market a special vibe. It’s also a more natural time for listening to music and drinking an adult beverage.

*That combination of food, drink, music, art, and local retail has proved a successful formula for many communities.*

Lexington, Kentucky’s North Limestone Community Development Corporation started its Night Market back in 2013. Held on the first Friday of each month from May through December, it quickly started to draw people from outlying neighborhoods and suburbs to the “NoLi” neighborhood, which was starting to gain recognition as a creative district.

Place—and placemaking—helped make NoLi’s Night Market a success. The market is located on a quirky, narrow block of an otherwise nondescript industrial street off the district’s main artery. It’s not an alley, but it could be. With overhead lights strung across the street and vendor stalls set up, it takes on the atmosphere of a party and agora. NoLi CDC has been clear about the Night Market’s three purposes: to support the neighborhood’s local businesses and artists, enhance the public space, and facilitate cultural and social programming. The Night Market is a place for established local businesses (like West Sixth Brewing, which anchors the biergarten) and hundreds of temporary vendors who rent booths. Beyond the stated purposes of the Night Market, it is also a business incubator and its own entrepreneurial ecosystem that can, potentially, spin off new businesses in NoLi or elsewhere in Lexington.
Makerspaces are a new realm of coworking spaces

The idea behind a makerspace is to provide the facility, the tools, and the social support to build ideas into a real thing, often even before there’s a business plan or a scalable model. Makerspaces encourage experimentation across all sectors, although they typically emphasize things that can be built in the physical world. A makerspace is a business incubator, but a very hands-on one.

Makerspaces are built on the idea of shared resources, and while they require some capital and equipment to get established, they have been initiated in places as diverse as large cities, college towns, and rural communities.

LEXINGTON, VIRGINIA, a town of 7,000 people in the Shenandoah Valley, launched a “collaboratory” space in 2017 as an offshoot of their Main Street program. The Collaboratory serves as an incubator for entrepreneurs of all ages, a makerspace with equipment for small-scale production, and space for teaching and learning. The lab offers microloans to entrepreneurs that need working capital to get an idea to market in a timely manner. It provides access to tools for small production runs, including a laser cutter, 3D printer, and an old-fashioned letter press. There’s also a computer lab and a tool library available to all members.

LEXINGTON COLLABORATORY AND MAKERSPACE
Collaboratorylexva.com

Interesting things are happening in the JOHNSON COUNTY, KANSAS, library system. Around 2016, the public library in Louisburg (pop. 4,300) opened a makerspace in its historic downtown building, with a shared laser cutter, 3D printer, and computer resources. The county library has taken the idea a step further: In addition to the makerspace at the library’s main branch, it went out on the road with a mobile makerspace. The library received support from a local engineering corporation (Black & Veatch) and the Kauffman Foundation to outfit the truck with printing and cutting tools, sewing and electronics equipment, audio-visual production tools, and vinyl graphics cutters. The truck brings the makerspace to the rural communities served by the library throughout Johnson County.

JOHNSON COUNTY, KANSAS LIBRARIES
jocolibrary.org/makerspace, louisburglibrary.org/maker

FORGING HUMAN CONNECTION IN THE DIGITAL AGE

Since we can now shop, watch movies, and converse online, we no longer connect with people in-person as much as we did in the past. While experiential retail is bringing people together, humans need and desire additional ways to connect. Commercial districts are positioned to facilitate and generate these connections.

Food can be a driver for bringing people together and connecting them to place. Food halls are being re-conceived as gathering places, not just markets. The revamped Union Station in downtown Denver offers restaurants, bars, coffee shops, curated retail, and an outdoor farmers market. The environment of the station is not conceived as a traditional food hall; it was designed as a public living room. There are multiple areas to lounge in, shuffleboard tables for active engagement, and live jazz and yoga classes on the outdoor plaza. As in a living room, a visitor can engage in conversation, engage in watching others, or engage with a book. The ability to do those things in the midst of community (and in a historic building) attracts people who are seeking an experience.

As retail is changing its format (and its physical presence), so too is the work world. Coworking spaces—places to work alone, together—were a niche concept in the early 2000s. Today, as work life has become more disconnected from corporate life, the coworking concept has matured. On one end of the spectrum, coworking has become more conventional, with national chains opening offices in cities large and small across the country. At the same time, the concept has become an organizing framework for affinity groups. The Detroit Parent Collective is a coworking space for families, with on-site childcare and a cooperative preschool. Cultureworks in Philadelphia began as a home for the creative community, serving as the base for freelancers and arts and culture consultants, as well as the home for several Philadelphia nonprofits. Consciously placing a focus on equity, sharing, and diversity, it goes beyond the basic coworking concept and aims to be a supportive, vibrant community of like-minded individuals and organizations.
SOCIALLY-CONSCIOUS CONSUMPTION

Increasingly, consumers factor in whether a business or a brand is socially conscious when making purchasing decisions. They want to know that their coffee was purchased through a fair-trade system and that the farmers who grew their bananas were fairly compensated. They want to know where their clothing was manufactured and that workers were not exploited. They also want products that are reusable or kinder to the environment. They are often willing to pay more to support these values.

Downtowns and traditional business districts are well positioned to align with socially-conscious consumers. “Local” is a large part of meeting the call for social consciousness. Local sourcing supports consumers’ social values in multiple ways: Purchasing local products directly supports the local and regional economy, both the maker and the businesses that supply and service that manufacturer. Leaving the topic of living wages for another time, it is more likely than not that the maker of a local product was compensated fairly. Further, the purchase of local products reduces shipping distances, which impact the environment. In fact, purchasing from a locally-owned business can be an act of social consciousness in itself.

Socially-conscious economic development pairs naturally with Main Street. Values-driven businesses often embody the future of the retail experience. In many cases, socially responsible practices are simply part of a new way of doing business, because that’s what customers want or expect. The range is as diverse as the business mix on any Main Street.

Resale shops. A 2016 survey found that the average American discards 81 pounds of clothing each year. Once viewed as “retail-of-last-resort,” second-hand shops are in the midst of a wave of reinvention, particularly in the apparel and furniture sectors. Some newer resale shops have brought a design sensibility and a hipness to their operations that has long been absent. The reinvention comes at a time when many consumers want to consume less. And it comes at a time when people already own so many things, they are looking for a way to bring some of it into the reuse stream and not add it to landfills.

Healthy, local food. Food entrepreneurs continue to drive innovation, both in Main Street storefronts and in mobile vending, like food trucks. Social priorities like local sourcing, support for family farmers, and sustainability play an increasingly important role alongside the innovation (or authenticity) of the cuisine itself.

GREEN STREET is a Mid-Atlantic chain of 10 resale apparel stores, featuring mid-range designer labels for men, women, and children. For sellers, there are consignment, cash, or trade options. Almost all Green Street stores are in traditional business districts and storefronts.

DIG INN is a regional chain in New York and Boston with 26 restaurants. The concept is grain bowls with a self-service (“fast-casual”) format and sourcing from local farms. Dig Inn promotes their use of “ugly vegetables”—the vegetables that can’t be sold at supermarkets or farmers markets because of their blemishes, and which are part of the estimated 40 percent of food in the U.S. that goes to waste. Dig Inn promotes the notion that ugly produce can be transformed into attractive vegetable salads.

BEEFSTEAK is a vegetable-centered restaurant concept started in Washington, D.C. Chef and founder, José Andrés, was named “Humanitarian of the Year” by the James Beard Foundation. Andrés has leveraged his restaurant model to bring aspiring entrepreneurs into a pipeline where they can become successful operators of their own business. Through the Enterprise Center of Philadelphia, Andrés is using the food truck platform to cultivate food entrepreneurs. After a competitive application process, selected operators are provided a turnkey, outfitted food truck, with tested recipes, training, payment systems, and licenses, with the goal of establishing new food businesses and entrepreneurs in underserved areas.
PLACE-BASED ENTREPRENEURSHIP AND THE MAIN STREET APPROACH

YOUR DISTRICT’S IDENTITY

In 2015, the National Main Street Center launched the Main Street “Refresh” to help communities make their work more effective by adopting an overarching strategy for their commercial district. These “Transformation Strategies” are grounded in the economics of the district. By planning a set of actions with a specific economic direction, a Transformation Strategy can focus the district’s economy around its strengths and best opportunities.

Transformation Strategies are a management tool for redirecting a district’s economy so it can respond to the changing nature of retail and the importance of experience and place. The progress of a Transformation Strategy can be measured by the progress it makes toward achieving the intentional shift in the district’s economy.

How do Transformation Strategies connect to the future of retail? Let’s take two examples:

- A strategy that focuses on growing the home furnishings sector can incorporate some of the fundamental ways in which retail is changing: Businesses might move toward carrying more resale products or “upcycled” products; local or regional manufacture may take on more importance; a furniture store might incorporate a café; the upholsterer might move its workshop to the storefront window; you might create outdoor “living room installations”—places for people to relax and connect—around the district.

- An arts strategy might include transforming alleyways into experiential corridors, commissioning a series of temporary interactive art installations, or listing the paintings by local artists hung in downtown restaurants on Etsy.

For more information on Transformation Strategies, see “A Comprehensive Guide to Community Transformation” and “Measuring Impact for Main Street Transformation,” publications of the National Main Street Center.
COMMUNITY RETAIL INNOVATION AUDIT

You can use this tool to identify your district’s innovation opportunities and assess how to connect your Transformation Strategy with systemic shifts in retail. Systemic retail shifts apply to businesses at all stages in their lifecycle, from launch to growth to maturity. Thinking about business retention through the lens of innovation will give you the perspective you need to help existing businesses adapt to changes in consumer expectations and, in the process, make the entire district more responsive as well.

// Begin by examining how responsive your district has been to retail shifts. What are the best and most innovative practices in your district? Where do you lag?

// If you have adopted Transformation Strategies, in what ways can those strategies incorporate retail innovation, particularly around experiences, local products, human connection, and social consciousness?

// Develop programmatic solutions and metrics based on your Transformation Strategies, capacity, partnerships, and resources.

// Consider your role in each of these solutions. Is your organization the leader, connector, or convener?

Incorporate experiences, inside and outside businesses:

// Storytelling: What is the story behind the maker, the product, or the process?
// Demonstrations: Watch a product being made
// Tasting (for food-based businesses)
// Consumer participation: Shopper gets to produce something

// Classes, activities, and education
// Snacks and drinks offered as an amenity in non-food businesses
// Add music inside businesses and in public spaces

Foster social engagement:

// Opportunities for shoppers to engage with other shoppers, without making a purchase
// Private spaces for people to engage inside businesses
// Public spaces designed for people to run into each other
// Interactive public installations where people touch and play with art (rather than just admire it)

Systematize the entrepreneurship pipeline:

// Farmer’s market
// Pushcart vendors
// Night markets
// Mobile retail and food trucks
// Stores within stores: Create new businesses within existing businesses
// Permanent pop-ups
// Temporary pop-up programming
// Maker spaces
// Incubator/accelerator

Help businesses incorporate more social consciousness:

// Shift product mix toward locally-produced and/or sourced
// Connect businesses to environmental or humanitarian causes related to their industry
// Help businesses adopt better environmental practices—and promote those practices (e.g., reducing waste, or purchasing renewable power)
STIMULATING INNOVATION

Entrepreneurs launch most new businesses in traditional downtowns and commercial districts, serving as the key source of innovation and advancing the leading edge of retail. (It is less common for businesses to relocate from another downtown.) If the goal is to get Main Streets to move at the speed of retail transformation, then a key part of the toolkit is to make it cheaper and more efficient for entrepreneurs to fast-track their ideas, as well as “fail fast” if the concept is not well received.

Downtowns and neighborhood business districts are at the forefront of creating what are sometimes referred to as an “entrepreneurship pipeline,” a system of programming, real estate features, or activities that assist entrepreneurs in testing concepts and getting consumer feedback in their early development without the high costs of going directly to bricks-and-mortar. These activities are commonly associated with a robust “entrepreneurial ecosystem.” You may already have many of these resources in place, and there may be additional tools you’ll want to develop. Pulling together existing programs and adding needed resources forms the ecosystem, which can stimulate business development.

Your entrepreneurial pipeline may come through:

- Community colleges
- Small Business Development Corporation business planning courses
- Farmers markets
- Pop-up business incubator programs
- Mobile stores (like food trucks or mobile retail)
- A “shark tank” competition
- Trade schools
- Networking events, like the Kauffman Foundation’s “One Million Cups” program, where entrepreneurs network and problem-solve over coffee
- Online training, like the Kauffman Foundation’s “FastTrac” program

You may be able to increase innovation in your district by providing the tools or space that entrepreneurs need to test their idea. For example, with less demand for larger retail spaces, subdividing storefronts into smaller, more easily adaptable spaces can make the entire space more marketable. At the same time, it lowers the barrier to entry for entrepreneurs and provides a launching pad for pilot businesses that are not yet ready to stand on their own.
ADDRESSING RETAIL SUPPLY

Retail is changing in more profound ways than previous evolutions or disruptive periods. Main Streets are well-positioned to actively adapt to new formats and new consumer expectations. Traditional commercial districts remain compelling because they are valued as authentic places. Yet, there's a lingering question about how a nation that overbuilt its retail capacity will come into balance with reduced market demand for that space.

Soon we are going to have to address the surplus of commercial space. For all the talk about the retail apocalypse, there's little talk about confronting the oversupply of retail space by reducing the amount of retail space. Yet the need to confront the issue seems inevitable. Even for historic and traditional commercial corridors, it is time to start planning for changing land use and a smaller retail footprint. Ground-floor retail may not be the best formula for all new construction in commercial districts. Rezoning portions of Main Streets and commercial corridors for compact housing development may be the right strategy for increasing land value where the market for commercial space has declined. Cities that lead in the effort to rebalance the supply of retail space will be at the forefront of a necessary shift in land use and in creating more vibrant Main Streets.

1 The U.S. is the most over-retailed country in the world. Based on a study by the Community Land Use and Economics Group, the NMSC cites 46 square feet of retail space per person. The International Council of Shopping Centers reports a lower number (23.5 square feet) that accounts only for space in malls and shopping centers and does not include space in traditional downtowns and business districts.
2 US Census Bureau, US Department of Commerce
3 https://www.entrepreneur.com/article/325556 (and others)
5 Based on an analysis of building uses recorded in historic Sanborn Maps, by the Community Land Use and Economics Group.
6 https://www.huffpost.com/entry/youre-likely-going-to-throw-away-81-pounds-of-clothing-this-year_n_57572bc8e4b08f74f6c069d3
## HOW IS YOUR DISTRICT SHIFTING TO MEET NEW CONSUMER EXPECTATIONS?

### A SELF-ASSESSMENT

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<th><strong>SCORE (1-5 STARS)</strong></th>
<th>EXAMPLE OF WHAT WE DO BEST</th>
<th>EXAMPLE OF WHERE WE ARE DEFICIENT</th>
<th>IDEAS FOR INNOVATION</th>
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### LOCAL

| “Local” is an expressed part of brand |                       |                            |                                   |                     |
| Business mix reflects local emphasis |                   |                            |                                   |                     |
| Local identity is part of social media/marketing |                      |                            |                                   |                     |
| Local identity used as a market differentiator |                     |                            |                                   |                     |

### CONNECTION

| Public spaces that facilitate personal engagement |                       |                            |                                   |                     |
| Public spaces that facilitate civic engagement |                   |                            |                                   |                     |
| Social systems to connect entrepreneurs |                           |                            |                                   |                     |
| Social media engagement (connected to the district) |                     |                            |                                   |                     |

### SOCIAL CONSCIOUSNESS

| Tools to spur local entrepreneurship |                       |                            |                                   |                     |
| Emphasis on independent businesses |                   |                            |                                   |                     |
| Sustainability: Energy |                           |                            |                                   |                     |
| Sustainability: Land use |                     |                            |                                   |                     |
| Sustainability: Waste management |                     |                            |                                   |                     |
| Support of local causes |                           |                            |                                   |                     |
### A Self-Assessment

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#### Experience

- Customer engagement through experience
- In-store sampling, demonstrations, and activities
- Teaching/learning opportunities (for customers)
- Meet the producer (or chef or author) events
- Brand and image

#### Local

- Product assortment reflects local sourcing or production
- Labeling of products as local (e.g., by place or distance)
- Highlighting of local specialties or practices
- Local identity used as a market differentiator

#### Connection

- Social media engagement with customers
- Greeting practices when customers enter
- Social activities, field trips with customers (e.g., visit the farm or visit the factory)
- Meet or highlight the people behind the product/service

#### Social Consciousness

- Waste management practices
- Green packaging practices
- Energy management practices
- Support of small producers
- Support of local causes