

BUSINESS DEVELOPMENT

Commercial District Improvements Program

Use these standards for a commercial district improvements program such as a façade improvement program, streetscaping program, and business improvement district.

Level 1: Program Feasibility Assessment

These basic criteria determine the feasibility of a commercial district improvement program. The focus is on the organizational and financial readiness of the program.

1. NEED

- a. Community Need
 - i. The program serves a need in the local business community.
 - ii. The program serves a need in the local residential community.
- b. Market Study/Needs Analysis
 - i. The study confirms the need for, and viability of the program.
 - ii. The market study informs the organization about demographics of the area and barriers to entry.
- c. Local Support
 - i. The beneficiaries of the program, such as businesses within the area, support the program.
 - ii. Neighbors and local community members support the program.
 - iii. The project is compatible with local land use.
 - iv. The project is in alignment with local city, county, state and/or federal development and transportation goal(s)
 - i. The project is not located in an area with a moratorium or interim control ordinance that cannot be bypassed.

2. ORGANIZATIONAL READINESS

- a. The organization is willing and able to do the program.
- b. The program is in alignment with the mission of the organization.
- c. The Board of Directors embraces a CED strategy and/or embraces the program as a part of the CED strategy.
- d. The organization and/or its partners have a track record of participating in similar programs.
- e. The organization has the financial and operational capacity to undertake the proposed program.
 - i. The organization can support the additional debt (if any) created by the program.
 - ii. The organization has qualified staff that can undertake the program.
 - iii. The organization has access to reliable, qualified vendors and service providers.

3. FINANCIAL FEASIBILITY

- a. Program cost
 - i. The program is affordable to the organization, and the projected cost is appropriate to the concept.
 - ii. The operator or staff providing the cost estimates is qualified and experienced with business improvement district programs.
- b. Funding sources
 - i. There are enough sources of funding for the uses.
 - ii. The organization has endeavored to secure all available competitive and noncompetitive funding sources for which the program qualifies.
 - iii. The actual disbursement of each source is timely and in sync with the needs of the program.
 - iv. The organization is aware of the compliance implications of each source.
- c. Cash flow
 - i. The program produces enough cash flow to support the proposed debt structure (if any).
 - ii. The program minimally pays for itself over time. It has a sustainable cash flow.
 1. If the program is low-cost or free, it is subsidized enough to sustain the program.
 2. The beneficiaries of the program, such as businesses within the area, contribute financially to the program.

Level 2: Practical Considerations

These criteria are essential for a successful, operating commercial district improvement program.

1. MARKET BARRIERS
 - a. The organization understands why past programs have not worked and instead addresses prior issues in innovative and alternative ways.
2. DEVELOPMENT TEAM & PARTNERSHIPS
 - a. The organization has assembled the best team for the program, including vendors, employees, trainers, translators, outreach coordinators, and management staff.
 - b. If the organization is lacking in any area (financial, experience), it has partnered with another entity to operate the program.
 - c. The program is supported by public sector, private sector, and community partners.
 - d. Through an open dialogue with the community, the organization has sought and incorporated community participation in the program.
3. SITE CHARACTERISTICS
 - a. The area which is served by the program makes sense.
 - b. The program is located near or adjacent to transit.
4. PROGRAM DESIGN & OPERATION
 - a. The program is run in the appropriate language(s) for the businesses in the area.
 - b. The program is culturally appropriate to the businesses in the area.
 - c. The program is tailored to the specific geography of the businesses in the area.

Level 3: From Feasible to Exemplary

These criteria elevate a commercial district improvement program to an exemplary one.

1. FUNDING & FUNDING REQUIREMENTS
 - a. The program uses a funding program or funding source that is new and innovative.
 - b. Each funding source was heavily leveraged to gain further resources.
 - c. Certain features of the program were adapted to capture funding, but the program was not completely changed in order to capture one particular funding source.
 - d. There are multiple stakeholders providing funding, and this mix of funding sources maximizes the feasibility of the program.
 - e. The program exceeds minimum standards required by funding sources.
 - i. There is deeper low and moderate income targeting than required by funding sources.
2. FUTURE PROJECTS
 - a. The program strengthens the position (financial, political, capacity, experience) of the organization.
 - b. Through the program, the reputation of the organization was enhanced. Issues that the staff faced were dealt with in a diplomatic manner, enabling future programs.
 - c. The success of the program will enable future funding on other programs.
 - d. The community is happy with the program and will participate in more/similar programs in the future.
 - e. The community is more knowledgeable about commercial district improvements.
3. ENVIRONMENTAL IMPACT
 - a. The program has less environmental impact than traditional programs during operation.
 - b. The program fulfills the triple bottom line.
 - c. The program incorporates green features.
 - i. The program conserves energy and water.
 - ii. The program has an effective recycling program.
 - d. The program takes advantage of green tax incentives.
 - e. The program provides green jobs.
4. ECONOMIC IMPACT
 - a. The program creates jobs.
 - i. Jobs created provide a living wage.
 - ii. Jobs created are for local hires.

- iii. Jobs created are for low and moderate income individuals.
 - iv. Jobs created provide life skills.
 - v. Jobs created provide health benefits.
 - vi. Jobs created have potential for upward mobility.
 - vii. Jobs created require less funding per jobs created.
5. COMPREHENSIVENESS
- a. The organization provides or connects to other programs that provide multiple services e.g. social services.
6. DIVERSITY
- a. The program serves a mixed income clientele.
 - b. The program encourages mixed age, gender, ethnic, etc. participation.
 - c. The program supports minority businesses.
7. PUBLIC BENEFITS
- a. The program provides a service that is needed by the community but is currently lacking.
 - b. The program alleviates existing conditions.
 - i. The program improves the security of the area
 - ii. The program improves the quality of street life.
 - c. The program attracts customers and new businesses to the area.
 - d. The program helps retain existing businesses.
 - e. The program stimulates long-term job creation.
 - f. The program results in other positive physical impacts.
 - g. The program results in other positive economic impacts.
 - h. The program results in other positive social impacts.
8. REPLICABLE/SCALABLE
- a. This program can be replicated in other communities, regions, and/or states.