

P.U.M.A.

PROGRESSIVE  
URBAN  
MANAGEMENT

**W**hile many cities have seen dramatic downtown turn-arounds in recent years, revitalization efforts continue to struggle in small and mid-size towns. These communities often have smaller markets to draw upon, a culture that is less open to change and a lack of local expertise to engineer mixed-use and other non-traditional development types.

Despite these challenges, smaller downtowns are emerging as ripe opportunities for new investment. Positives include relatively low real estate values, family-friendly lifestyles, excellent school systems and a sense of place, history and authenticity that cannot be replicated by new retail concepts such as big boxes or lifestyle centers.

To advance downtown development in all communities regardless of market size or sophistication, we have observed the following common principles:

## New Approaches to Invigorate Downtowns

### ■ Make Downtown Relevant to the Locals:

While many communities hope to attract visitors and tourists, downtown must first and foremost be relevant to and patronized by the local population. If the locals enjoy downtown, visitors will follow.

### ■ Understand the Market:

Successful business districts identify a niche strategy that differentiates their experience from others in the marketplace.

■ **Create a Vision that Makes Downtown Fun and Livable:** Similar to the larger cities, small and mid-size markets need to encourage the creation of multi-dimensional downtowns – places to shop, work, live and play.

### ■ Identify Development Districts and Opportunity Sites:

To help guide investment and maximize catalytic results, downtown should be divided into character districts that can accommodate specific uses (i.e. dining and entertainment, civic facilities, mixed-use residential, etc.).

### ■ Form a Sustainable Public/Private Partnership to Champion Downtown:

Downtown management organizations must have the support of reliable funding sources and extensive property owner and merchant participation to champion downtown for the long-term. Options to mobilize this support include business improvement districts, community development corporations and quasi-public agencies such as downtown development authorities.

### ■ Employ a Property Management Approach to Manage Downtown:

Downtown should be managed as one large real estate asset, emphasizing property owner outreach, business retention and recruitment, physical planning activities and collaborative approaches to problem solving.

## SHAKING UP STILLWATER

The City of Stillwater, Okla., a university town with a population of 50,000, provides an illustration of how the application of the preceding principles can create an Action Plan to enliven downtown.

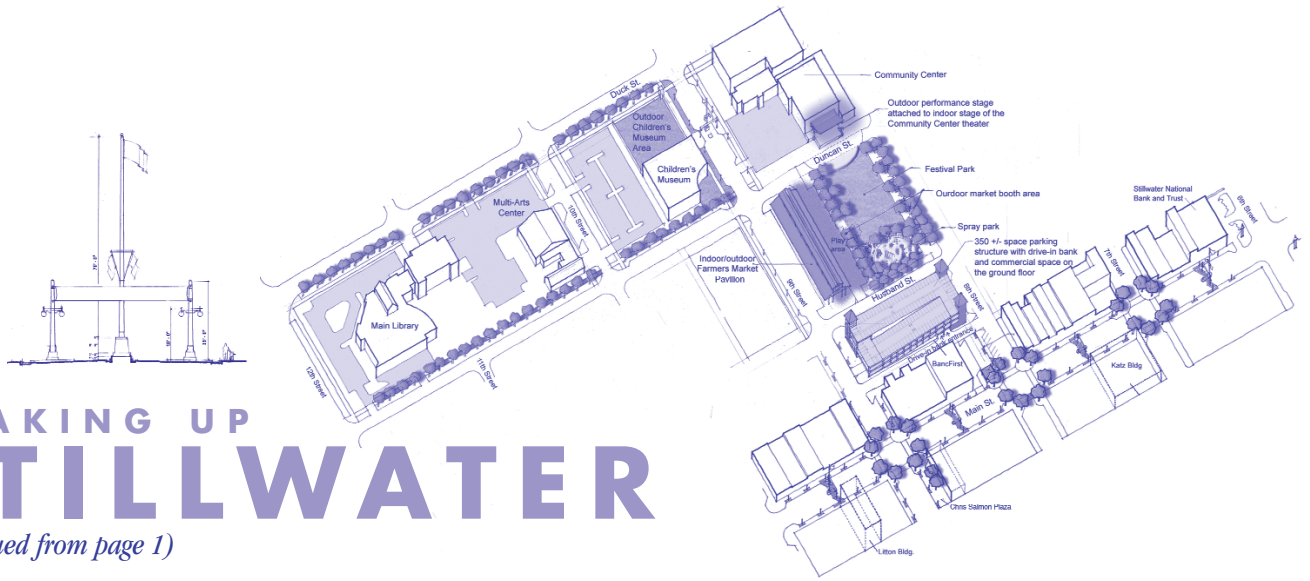
In the spring of 2005, the City of Stillwater commissioned the Core Commercial Districts Master Plan to create tangible, action-oriented improvements for downtown and two aging commercial districts near Oklahoma State University. A multi-disciplined consulting team led by Progressive Urban Management Associates (P.U.M.A.) was selected to guide the process. The team's extensive community outreach and market analysis revealed the following implications for downtown:

**New retail and aging demographics threaten downtown's vitality.** Downtown has been fortunate that many of the new retail concepts of the past 20 years have largely bypassed Stillwater; however, this will all change beginning in 2006 with the development of a new lifestyle shopping center and a second Wal-Mart. In addition, the market analysis found that downtown must capture an increasing share of Stillwater's younger markets to thrive.

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# SHAKING UP STILLWATER

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## Downtown vitality is critical to Stillwater.

More than an emotional appeal, downtown vitality is critical to the entire region's economic development. The recent resurgence of downtown Oklahoma City was cited to illustrate how an entire community can come together, transform a downtown and sharpen a city's competitive edge.

**Downtown must evolve to become a multi-dimensional destination.** Like many downtowns throughout the nation, downtown Stillwater must become a place for a variety of complementary activities including dining, entertainment, employment, recreation, living and shopping.

**An aggressive multi-faceted civic investment strategy is needed for downtown.** To make downtown an exciting and relevant destination for all of Stillwater's residents, a civic investment strategy was developed that focuses on family-oriented activities.

**Objectives** of the Action Plan for Downtown Stillwater include:

- Establish a central gathering place for the city
- Expand recreational and educational opportunities for kids and families
- Create dining and entertainment options for adults
- Develop catalytic civic amenities that will encourage new private investment in downtown

- Make downtown a fun place to visit, work, live and play

The framework for improving downtown is based upon six inter-connected initiatives.

## Public Amenities & Streetscape – The “Z” Plan:

Major new civic amenities are proposed to connect downtown's existing public facilities (i.e. library, multi-arts center and community center) to a revived Main Street commercial district. Amenities to be added to downtown include a year-round Stillwater Public Market, a festival park, Children's Museum, children's spray park, 350-space parking structure and new streetscape along Main Street.

## Main Street Dining & Entertainment District:

Incentives and development policies are proposed to encourage new dining and entertainment uses along four blocks of the Main Street corridor. Potential incentives include building code reforms, creation of a wireless internet “hot zone” and financial incentives including revolving loan funds and tax increment financing.

**Parking Management Plan:** A new 350-space parking garage is proposed to accommodate new downtown attractions plus expand employee parking options. By encouraging employees to park in the new garage, more convenient on-street parking will be available for downtown customers.

## Facade Improvements & Design

**Guidelines:** To encourage private property owners to improve building facades, the Action Plan includes Design Guidelines and more than a dozen specific ideas for buildings that focus on paint, signage and awnings.

## Downtown Organization & Business Improvement District:

The Action Plan offers recommendations for strengthening Downtown Stillwater Unlimited, the downtown business association that also manages the local Main Street program. A new downtown business improvement district is proposed to create ongoing funding for marketing, maintenance and management.

**Downtown Living:** Downtown housing is likely if the preceding pieces of the downtown puzzle can be assembled. Nationwide, housing has followed culture, dining and entertainment into central business districts. In Stillwater, several logical sites were identified for higher density mixed-use housing in the future.

To implement the Action Plan for Downtown, Stillwater will need to conduct a citywide vote to consider either a sales or property tax increase to finance the estimated \$11.8 million in improvements.

## PUMA PAL

In each issue of *Progressive Urban Management*, we highlight partners and clients who have been influential in our success:

In Stillwater, **Paula Dennison**, the City's community development director and project manager for the Downtown Action Plan, is a civic champion supporting the planning process and its outcomes. From the beginning, Paula worked beyond the call of duty to coordinate the extensive local planning process that included a community-based steering committee, neighborhood forums, roundtable discussions, one-on-one meetings and a three-day Downtown open house in a storefront “war room.” Paula continues to work tirelessly to implement the plan, helping to motivate the variety of constituencies that would be affected and navigating its adoption through the City during a period of profound change in Stillwater.

## The P.U.M.A. Team in Stillwater...

**P.U.M.A.** was the team leader and was responsible for economics, finance, community outreach and implementation.

Denver-based **Civitas** provided urban design and planning expertise.

Traverse City, Mich.-based **Corbin Design** created downtown design guidelines and a citywide wayfinding system.

Tempe, Ariz.-based **Carl Walker** offered recommendations on parking management.

Oklahoma City-based **Spears & McCaleb** served as the team's civil engineer.

# THE ORGANIZATIONAL TOOLBOX

The impetus for change needs a self-sustaining organization devoted solely to downtown. In the past year, we were fortunate to assist several diverse downtowns create new public/partnerships to advance revitalization. Each of these success stories was driven by an individual downtown champion who brought a combination of passion, persistence and persuasion to the cause.

**BUSINESS IMPROVEMENT DISTRICTS** (or “BIDs”) allow for self-imposed and self-governed assessments that generate revenue to finance a wide array of services and improvements in a business district. Advantages of BIDs include:

- **Flexibility** to finance a wide variety of improvements
- **Fairness** in assessment methods and elimination of “free riders”
- **Accountability** from governing boards composed of affected property and business owners
- **Reliability** from multi-year revenue streams to support improvements
- **Legitimacy** since substantial stakeholder support is required to form them

Despite their advantages, BIDs can be difficult to form due to complicated consensus-building, petition and legal processes. In the past 12 years, we have been fortunate to be part of more than 50 successful efforts to form, expand or renew BIDs. In 2005, we helped to create BIDs in Cleveland, Ohio; Grand Junction, Colo.; and Chandler, Ariz., plus efforts to renew or expand BIDs in Sacramento, Calif., and Atlanta, Ga.

**DOWNTOWN DEVELOPMENT AUTHORITIES** (DDA) are quasi-public agencies that can provide both organizational focus and financing to support downtown improvements. In Colorado, DDAs offer:

- **Tax-increment financing** to help build projects and improvements
- **Property tax** to support DDA operations
- **Partnerships** joining business and property owners with local government
- A **self-sustaining** organization to champion downtown for the long-term

In 2005, we were gratified that the Town of Nederland formed Colorado’s newest DDA in a local vote held in November. The DDA will allow Nederland to implement recommendations from the P.U.M.A. Market Analysis and Action Plan, including a facelift to improve sidewalks and other public spaces.

**COMMUNITY DEVELOPMENT CORPORATIONS** (or CDCs) are private nonprofit organizations that can help to mobilize civic energy and resources to redevelop real estate. Common in urban neighborhoods to help build housing or invest in small businesses, CDCs have been traditionally under-utilized in downtowns. CDCs provide:

- A **deal-making** orientation to solve downtown development challenges
- **Diverse funding** secured through a CDC’s nonprofit status
- **Local expertise** to engineer nontraditional real estate deals
- **Creativity** to leverage both private and public resources.

During the past year, we recommended that Chandler, Ariz. and Fort Wayne, Ind., create CDCs as part of overall organizational business plans to promote downtown development.

## CHAMPIONS FOR CHANGE

### The Persistent Champion

In Grand Junction, Colo., our hats are off to **Brunella Gualerzi**, owner of the finest Italian restaurant in the Great American Desert, who almost single-handedly kept the momentum alive for the formation of the new downtown BID. The BID was envisioned to continue a three-year marketing program financed jointly by the City and downtown merchants. Brunella quietly and methodically led all aspects of the BID effort, from behind-the-scenes negotiations to door-to-door solicitation seeking support for BID petitions and votes. The BID will generate \$150,000 annually to support downtown marketing efforts for the next 10 years. For more information, contact Brunella at 970-243-8633.

### The Passionate Champion

Nederland is perhaps Colorado’s quirkiest mountain community, sporting an annual festival to honor a cryogenically frozen resident and, more recently, buzzing over a resident that is suing a big box store for allegedly allowing super glue on a toilet seat that he sat upon. Despite these and other ongoing distractions, downtown retailer **Teresa Warren** has led a multi-year effort to improve Nederland’s sleepy center. From fund raising to support a town market analysis to organizing support for the recent successful DDA vote, Teresa has been a steady pillar of stability. Contact Teresa at 303-258-7976.

### The Persuasive Champion

The name Serrano is familiar to residents of metropolitan Phoenix as a family-owned chain of restaurants serving exquisite Mexican food. The Serrano legend started in Chandler, Ariz., a burgeoning suburb that is now hoping to rediscover its civic soul in its compact historic downtown. To advance Chandler revitalization efforts, **Ernie Serrano, Jr.** led the effort to obtain City financial support to create a new business plan for the Downtown Chandler Community Partnership. The plan envisions a new downtown holding company, including a CDC to help attract investment to several redevelopment sites. Under Ernie’s leadership, downtown boosters were also able to form a new BID, effectively implementing the new business plan before the ink was dry. Contact Ernie at 480-899-7379.

# ABOUT P.U.M.A.



**W**e'd like to thank all of our friends and associates who were able to join us at **P.U.M.A. Rumba**, a celebration that coincided with the September 2005 International Downtown Association Annual Conference in Denver. At the Rumba, we made a last-minute decision to convert our house bar to a cash bar, which enabled

us to donate the proceeds to the following charities in support of Hurricane Katrina relief:

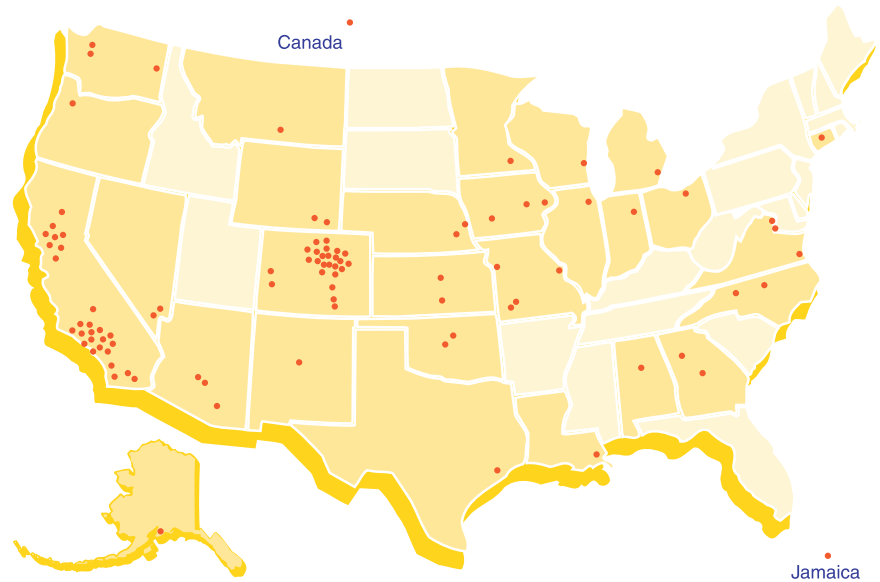
- International Downtown Association Katrina Relief Fund
- Louisiana Community & Technical College System Relief Fund
- Preservation Disaster Relief Fund

**Progressive Urban Management Associates (P.U.M.A.) is a consulting firm providing management, marketing and financial services to advance downtown and community development. The firm has provided services to more than 150 clients in 28 states, the District of Columbia, Canada and Jamaica. Clients include downtown management organizations, local governments, community development corporations and private firms.**

## SPECIALTIES INCLUDE:

- Market-based planning for downtowns, business districts and communities
- Business planning and retreats for civic organizations involved in downtown and community development
- Market research and project feasibility analysis
- Forming, expanding or renewing business improvement districts

## CLIENT COMMUNITIES:



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