

## **Economic Stabilization, Recovery and Organizational Response: An Action Framework for Colorado Downtowns**

*DRAFT – April 20, 2020 – Prepared by Progressive Urban Management Associates in concert with DCI*

### **Underlying Assumptions**

- a. Three- to six-month period of extreme disruption, 12 to 18 months to resumption of most economic activity. Likely that economy rebounds in stages as health crisis stabilizes, with risk of setbacks
- b. Background trends in demographics and lifestyles remain positive for long-term, yet pandemic will create permanent shifts in many sectors
- c. Useful framework for navigating the economic turbulence – short-term stabilization (i.e. next six months), recovery (i.e. next 18 months) and new normal (beyond 18 months)
- d. Pandemic spotlights economic and racial inequities resulting in increased pressure for policy and programmatic responses from many local and state governments
- e. Organizational response – downtown organizations and civic partners will need to pivot resources, skills and approaches through each stage of the framework

### **I. Stage I: Stabilization – Next Three to Six Months**

Downtown management organizations, including BIDs, DDAs, URAs and Main Streets, are de facto problem-solvers for communities and, in the best of times, are often spread thin in many directions. Effective crisis management requires downtown managers to establish boundaries, focus on priorities and place energy in efforts that have the highest probability of success.

- a. Redefine the downtown organization value proposition – Pivoting to essential services (i.e. economic recovery, advocacy and influence) to demonstrate value of organization to stakeholders and civic partners, flexibility and velocity to respond
- b. Information and support – Trouble-shooting to support small businesses, including property owners. Disseminating information, connection to state and federal emergency resources
- c. Create/maintain a real-time inventory/map of businesses/tenants – coding to identify tenants most at-risk to stable. Quick survey of businesses to enrich intel, identify priority needs – use high touch (i.e. phone calls, one-on-one) to strengthen relationships
- d. Hyper-local focused promotions (i.e. adjacent neighborhoods and communities, rural counties) – Tap into local markets to support small businesses, assist local businesses in staying viable (e.g. coordinate unified packaging and marketing for the district -- help businesses create an online presence; promote businesses offering take-out, etc. – make it easy/accessible for local consumer)
- e. Interventions – Role for downtown managers to work with local leaders (town, property owners, influencers) to trouble-shoot vulnerable businesses on a case-by-case basis.
- f. Mobilize support for front-line workers and hardest hit populations and sectors – Promotions and fund raising to support social service partners, arts and culture, small business sectors
- g. Be at the decision-making table – make sure downtown is represented in local recovery task forces
- h. Anticipate permanent closures – work with property owners to animate vacant storefronts
- i. Keep it safe and clean – Take care of the fundamentals, from landscaping and sidewalk sweeping to safety and security issues
- j. Prepare for phased release and activities – younger residents are likely to be first to re-enter job and consumer markets
- k. Understand market strengths and vulnerabilities – cursory research to develop local market understanding – identify baselines, including local demographics, key businesses and influencers – what can we realistically sustain, what may need to change. Acknowledge dependencies and identify potential pathways to diversify local economies including ways to enhance local/regional supply chains

## II. Stage II: Recovery – Next Three to 18 Months

Anticipate and prepare for phased re-opening of businesses and activities. Gradual relaxation of social distancing, age-based restrictions, local and regional markets will be most accessible in early stages of recovery. Anticipate political shifts to increase support for economically disadvantaged populations.

- a. Continuation of information, support, inventory and intervention activities from Stage I
- b. Create/strengthen local volunteer platforms – may be local resident interest in participating in the recovery
- c. Focus marketing and promotional efforts to lure local and regional markets – who can access our offering with a car, not a plane -- explore opportunities to collaborate through CVB and other regional/statewide organizational networks.
- d. Phase in events that are proportional to confidence in public health – small gatherings in beginning
- e. Forge new alliances with the local “real estate delivery system” that supports small businesses – i.e. property owners, influencers, lenders, other sources of capital – goal is to create a gradual road map to recovery
- f. Test new concepts in vacant storefronts – pop-ups, shared retail concepts, work with property owners – anticipate pent-up demand as life starts to normalize
- g. Mobilize business community expertise and resources to assist local governments to address equity issues with highest urgency, including homelessness, workforce development and re-employment for local residents
- h. Explore procurement opportunities between large downtown or regional employers directed to purchase goods and services from small businesses located downtown and nearby neighborhoods
- i. Explore options to increase affordable living options within existing housing stock, accelerate new affordable units – group living options, ADUs, flexibility in zoning and development review, expedited permitting
- j. Consider working with local influencers to create a locally funded and directed recovery investment fund for downtown
- k. Plan for New Normal – Strategic planning to set a course on how the district will evolve over the next five years, incorporating ideas for diversifying local job bases, retail mix and permanent adjustments caused by the pandemic – create a road map for economic resiliency and set new goals
- l. Identify local funding options to invest in capital and other improvements to the downtown experience as local tax bases recover – think 2021 and beyond

## III. Organizational Response

How downtown management organizations can adapt to the preceding Stages...

### a. Stage 1

- ✓ Like all businesses, identify/create a cash reserve – reallocate funds from special events, postpone capital and discretionary/non-essential expenses – aim to create 1) funding for essential operations and 2) cushion for unknown ahead.
- ✓ Federal funds could help downtown organizations and local government partners (i.e. CARES, CARES II, etc.)
- ✓ Solidify partnerships – local government, civic organizations – avoid duplication, leverage community support efforts, unified approach
- ✓ Need to reallocate resources/efforts to economic stabilization – short-term priorities include creating time/energy to 1) maintain one-on-one contact with stakeholders; 2) coordinate with civic partners; 3) anticipate effort for trouble-shooting and interventions to save select (not all) businesses.
- ✓ DCI can tailor programming and training webinars to assist on-the-ground downtown managers with tools and approaches, foster information-sharing

- ✓ Local market promotions and visibility – maintain local exposure through social media, conventional media to 1) showcase what the district has to offer and 2) civic importance of supporting local businesses

**b. Stage 2**

- ✓ All of the above continue, plus...
- ✓ Develop a stabilization strategy for the organization – identify mid- and long-term funding, including ways to diversify funding and programming
- ✓ Expand local market promotions and visibility to regions
- ✓ Strengthen internal research and advocacy capabilities to represent downtown interests and work with local partners to develop policy and program approaches to assist economically disadvantaged populations
- ✓ Create locally-based special events that instill local pride and ownership in the district – small scale, community-building. Communities will likely be craving reconnecting once confidence in public health improves.
- ✓ Strategic planning to align the organization with a revised vision and tactical plan for downtown – may require new goals, objectives, include sequencing, funding and partnerships