

# Commercial Street Historic District Strategy For Success

August 2005

Commercial Club of Springfield: Accepted August 9, 2005

The Urban Districts Alliance: Accepted November 11, 2005

City Council: Accepted March 6, 2006



City of Springfield  
Department of Planning & Development  
Strategy developed in cooperation with  
Commercial Club, UDA, staff and local  
community input

## Lindburgs Opening Summer of 2006

June 1st of this year Lindburgs, will reopen as a live music venue after decades of deterioration since it was last operated as a business in the late 80's. Lindburgs is Springfield's oldest tavern, built in the late 1880's by the Frisco Railroad, and has a long history of hosting local and regional bands. A CDBG funded Small Business Loan of \$75,000 to the business owner has helped bring this musical legend back to life and provided a cornerstone for redeveloping Commercial Street as a live music destination. Both the building owner and the business owner have participated in the development of the Commercial Street Strategy and are committed to its realization. Historic tax credits were used to help facilitate the renovation of the building and private investment in the project has totaled \$300,000.



The original bar has been restored

## Jazz Club In Progress

A three story building on Commercial Street was recently purchased for the purpose of opening a jazz club similar to the concept of Preservation Hall in New Orleans. The \$300,000 CDBG funded redevelopment loan from the City will be matched with \$600,000 in private investment from the developer, who has previously been active in downtown revitalization projects. The first floor will be a non-alcoholic jazz hall and the second and third stories will house market rate residential lofts. This developer has also been very supportive of the Commercial Street Strategy and an advocate for marketing both Downtown and Commercial Street together as center city destinations. One of the strengths investors find in the strategy is that it builds on the current regional market opportunities by creating a place to experience live music in various types of venues that will help expand the customer base.

*"...built on the current regional market opportunities..."*

## Loft Development Leads the Way

In the last few years the City Loan Programs have helped finance the development of lofts on Commercial Street. There is a strong market for lofts and developers are leveraging using state historic tax credits and private funds to restore deteriorated buildings in the district creating unique housing opportunities for a variety of income levels. There are over 30 occupied lofts and about 25 under construction in the historic district. The existing lofts were located and mapped for the strategy development and compatible uses where taken into account with the proposed merchandising mix. On the attached Concept Map you will see that the district has been divided into three districts, with lower intensity uses in the center where the majority of the residential lofts are located.



The high ceilings, brick walls, and large windows of the original architecture lend themselves to creative loft spaces

# A Mixed Use District

The strategy vision statement describes the future district as “a safe and inviting mixed use area with live music, restaurants, office, and retail, while providing a quality environment for residential living, both in the district and the surrounding neighborhoods.” In addition to lofts there are already new vintage clothing and antique stores, art studios, and several new businesses (including restaurants and music venues) in progress.



New businesses scheduled to open soon include:

**Askinosie Chocolate factory** - the factory will produce high quality chocolate starting with the coco bean and ending with the chocolate bar for sale in the onsite retail store

**Wingo Photography** - a commercial photography studio

**It's a Grind Coffee Shop** - a new coffee franchise will locate across from the historic Jefferson Avenue Footbridge

## Streetscape

*“It will be beautifully landscaped with trees and plants creating vibrant public space which is inviting for outdoor dining.”*



The continuation of the streetscape is an element of the revitalization that enhances the strategy by making the environment aesthetically pleasing and clean, safe, and friendly for pedestrians. The streetscape is funded through the CDBG program and will be completed this year. The logo on the right is the design for the proposed 28 foot stamped asphalt circle that will be placed at key gateways to the district. The first location will be the intersection of Boonville and Commercial.



## C. Street Jam Music Festival August 19th, 2006

As part of the strategy, in an effort to establish a new image for Commercial Street as a live music destination, the Urban Districts Alliance is coordinating an outdoor music festival that will consist entirely of local bands. With an eclectic mix of genres ten bands will play on a stage set on the public parking lot near the footbridge.

On June 18th “Pride Fest” a gay pride celebration will close the street to vehicular traffic for an all day event. Festivals centered around music, history, and diverse celebrations will help bring people to the district and increase economic development.



Local Hillbilly band, Big Smith will headline the festival

# Commercial Street Historic District Strategy for Success August 2005

## **Purpose**

The purpose of this strategy is to provide a framework for Commercial Street revitalization by creating an environment of investor confidence whereby investors see their place within a greater vision that is being carried out by strong leadership and a credible plan that makes economic sense.

This document does not attempt to answer all issues related to the proposed redevelopment strategy, but to serve as a framework. It is imperative that the proposed management organization proceed to address details and implement the strategy.

## **Vision**

On April 27, 2005, Brad Segal, President of Progressive Urban Management Associates from Denver facilitated a visioning session with Commercial Street stakeholders. Appendix 1 is a summary of the session and the following Vision Statement and this document represents many of the comments received in the session.

### ***Vision Statement***

*The future Commercial Street District will be a safe and inviting mixed use area with live music, restaurants, office, and retail, while providing a quality environment for residential living, both in the district and the surrounding neighborhoods. It will be built on the current regional market opportunities while drawing on historic elements of the past to play a unique role in the growing regional economy. It will appeal to a diverse customer base and be “everybody’s neighborhood” as envisioned for Center City in Vision 20/20 providing a memorable experience for all.*

*The district will be unique and creative as well as progressive while adhering to its authentic historic roots. It will be beautifully landscaped with trees and plants creating vibrant public space which is inviting for outdoor dining. Social services agencies and their clients will be integrated into the fabric of the street and provide a positive contribution to the economy. There will be strong physical and visual connections to downtown, Jordan Valley Park, and the rest of the community.*

## **Existing District Description**

Commercial Street, created by the Frisco Railroad in the late 1800's, is a six block, lineal National Register Historic District that once served as the commercial center for the City of North Springfield and later for north Springfield after the two communities merged. Commercial Street was still a vibrant commercial center into the 1970's but declined along with downtown due to changing local and nationwide economic forces. In the late 1970's a sputtering revival began with the opening of Lindbergs and the Buffalo Bar. These two live music venues anchored the district on each end bringing local and national music acts to Springfield. The Buffalo Bar closed in the mid 1980's and Lindbergs lasted until the mid-90's

In the mid-1980's the Missouri Hotel and Victory Mission located in the District to serve the homeless and needy. Since then, there has been conflict between the service providers and business/property owners. People recognize the need for the services, however, people milling around the district asking for handouts and committing crimes are unwelcome. Commercial Street has always been known as a bit “edgy” from its days as a railroad town, attracting transients long before there were social service agencies in the district.

Regardless of the cause, business activity has slowly declined to the present and may be at a low point with the recent closing of the 23 year old Nellie Dun’s antique and collectable store. At least four buildings have experienced roof failures in the past few years that nearly caused the loss of these structures. But the buildings were saved due to the resurgence of loft living on Commercial Street, downtown and nationwide and the City and developers’ willingness to save the buildings knowing that they could be rented as lofts. There are several upscale lofts occupied with several more currently under construction. This phenomena has been a catalyst for the rehabilitation of many buildings on the street and is an important economic and preservation component. Business opportunity is currently very poor with the *perception* that the area is unsafe (not true according to stakeholders and police) and unsightly along with the presence of homeless people milling about. There are only 27 first floor businesses (32 percent occupancy rate), many struggling as did Nellie Duns. In other words:

*Commercial Street currently lacks relevance in the regional economy.*

### ***Positive Outlook***

However, even faced with the current outlook, several hearty pioneers have redeveloped buildings and hang in there positioned for the proposed revitalization. While Commercial Street may be at a low point in business activity, loft dwelling is good and stakeholders are optimistic about the success of this proposed strategy and look forward to its implementation. Often, the most dramatic urban revitalization efforts began from a position as observed on Commercial Street

## **Future District Description**

This initiative proposes to use a model similar to what worked for Springfield's downtown and encourage live music venues to energize the street and re-introduce people to a local gem. The linear, historic nature of the district is a natural for live music and entertainment; being easy to navigate, manage, and secure. People attending live music venues are less likely to be intimidated by the adverse perception of the area and will then tell others if they have a quality experience when visiting for that purpose, consequently bringing more visitors to the district.

As a multi-use district, there will be many types of economic and social activities that will take on changing character during different times of the day and with special events. In this regard, it can be considered a "split use" district and will require management to reflect this nature.

Uses will include:

- Residential
- Restaurants, cafes, bars, and clubs (some hosting live music)
- Coffee shops (some hosting live music)
- Community radio station specializing in local music
- Recording studios
- Music equipment stores
- Recorded music stores
- Art and craft galleries
- Antique shops
- Gift shops
- Other retail
- Farmers market
- Public open space
- Festivals and events

### ***Economic and Social Goal of the District***

The goal of the district is economic development and revitalization through a mixed use environment with an emphasis on a few live music venues. The District should provide the opportunity for people to socialize in private establishments and public spaces and enjoy themselves in a safe, clean environment while doing so.

## **Elements of Success**

Several art and entertainment districts were visited during the process of developing this strategy to determine the elements necessary for success in this type of venture. In most cases, managers of the districts were interviewed. Some of the cities were Memphis, St. Louis, Kansas City, Denver, Tempe, Phoenix, Boulder, Philadelphia, New Orleans, and Austin. Observations from some of the districts are included in Appendix 2. Important themes emerged from observations and discussions defining elements of success as listed below:

- Investor confidence
- City support
- An inclusive plan including a diverse merchandising mix
- Having experienced, successful business operators
- Be proactive rather than reactive
- Financial incentives
- Specially trained community police team
- Responsible hospitality
- Emphasize historical character
- Working with social service providers if in district
- Definable noise standards
- Good parking (including shared) and transportation

## **Management**

There will be a strong management organization that ensures:

- Safety and security
- Cleanliness
- Responsible hospitality
- Marketing and promotion
- Special events
- Appropriate land use and business mix
- Compatibility between residential and business use
- Collaboration between interest of police, businesses, government, and residents

The Urban Districts Alliance (UDA) is an umbrella center city organization that covers Commercial Street as well as downtown and Walnut Street. The UDA is the logical entity to create and manage the needs of the district. An additional employee at UDA would be needed to organize and supervise this growth.

In fact, downtown and Commercial Street should be managed together under the UDA umbrella, applying the same principles where applicable, but recognizing that the districts

are unique and distinct and need special considerations. For instance, some elements that could be addressed together are:

- Responsible hospitality
- Business Attraction
- Transportation
- Marketing and promotions
- Selected special events
- Overall coordination and communications between districts

Management should also:

- Continually monitor the land use and business mix
- Reach out to quality existing businesses that are needed according to the proposed land use mix to locate in the district and encourage them to locate in the district
- Continually monitor the status and needs of district businesses
- Address impediments to business

## **Responsible Hospitality**

On June 27 and 28, 2005, Jim Peters, Executive Director of the Responsible Hospitality Institute facilitated discussion with downtown and Commercial Street stakeholders regarding responsible hospitality. Responsible Hospitality is defined as providing safe, enjoyable places for people to socialize in an urban, mixed-use environment. The discussion revolved around the idea that the hospitality industry is responsible for its impacts on the surrounding neighborhood and community, especially in a mixed-use environment like downtown or Commercial Street. The Urban Districts Alliance is leading the continuing effort to promote responsible hospitality in Springfield's Center City as follows:

- Facilitate on-going discussion with appropriate parties through a Hospitality Resource Panel
- Facilitate creation of "Best Practices" for entertainment venues
- Develop incentives for following Best Practices and penalties for non-compliance
- Work with City to utilize business and liquor licensing to help accomplish compliance
- Consider providing restrooms in the district. They could be either permanent facilities or nice looking "porta-potties." This has been identified as an issue in other districts and in Springfield's downtown.

## Land Use and Business Mix

Although the district will have an emphasis on live music, live music venues will comprise a small percentage of the total use mix. There are 85 buildings in the district and approximately six (6) to nine (9) venues devoted primarily to live music are targeted. Within the buildings there are approximately 100 business spaces. There will also potentially be other venues that host live music but not as the primary business. It is anticipated that these businesses will be restaurants and coffee shops that may have music to augment their business. Spreading the music venues apart will also create more foot traffic for other businesses.

The land use mix from six districts (including downtown Springfield) have been classified and the land use mix is generally as follows:

- Live music 10 %
- Restaurant/pub 22 %
- Small food service 8 %
- Art/creative 12 %
- Salon & personal services 5 %
- Music related 2 %
- Antique/flea market 4 %
- General business 13 %
- Misc. retail 24 %

Even though it is anticipated that live music will be the catalyst used to energize the district, other uses will comprise approximately 90 percent of the first floor uses. Tools should be considered that require or strongly encourage business uses that are compatible and contribute positively to the district concept.

Four first floors are occupied by social service agencies for non-business uses and three businesses are operated by the agencies on Commercial Street.

While the business mix above is an average of six other districts, it seems to make sense as a target for the build out of the Commercial Street business plan.

### *Sub-districts*

Within the total district, there appears to be three natural sub-districts for the proposed business mix and character. Between Robberson and Lyon is the highest concentration of lofts and it also contains the Victory Mission chapel. This area should generally be a “quieter” area with an emphasis on restaurants, small bars and pubs, retail and general business. It should have at least one music venue to keep the district interesting and continuity in the theme throughout but music would not be the primary emphasis. The east and west ends of the district have less loft development and may be best suited for music venue establishment.

The attached map (Appendix 3) shows the existing land use/business mix as well as the proposed sub-districts.

### ***Business Attraction***

A business mix or “merchandising” plan is also on the attached map outlining general locations for proposed businesses according to the proposed phasing estimate and sub-district. The phasing and mix should serve as a guide so prospective business owners can see an estimate of the context and timing in which they will be locating. Attracting successful local and regional business should be a high priority by the management organization.

### **Residential Use**

Commercial Street has become a desirable place to live. Twenty-nine (29) lofts now exist with 32 under construction or in the serious planning stages. This phenomenon has driven the partial revitalization that is underway, but has not increased business opportunity. However, it is very important to not degrade the living environment as the entertainment and business mix plan is implemented. The greatest potential threat to the living environment in the proposal is the live music venues. They can become loud and often serve alcohol. Excessive noise and drinking can potentially cause adverse impacts on residents who are not in tune with the activities and schedules of these types of venues. Several steps should be taken while developing live music venues to address the residential component:

- Provide adequate spacing between live music venues and housing
- Or, ensure that housing close to music venues is available to employees of the music venues or people tuned into that lifestyle
- Sound-proof residential units and music venues as they are redeveloped
- Understand the allowable noise levels and monitor output
- Meet with police and residents to make sure venues are good neighbors
- Ensure good communication regarding upcoming events
- Ensure that venues keep the doors closed (also fire code issue)
- Manage bar closings to keep noise levels at a minimum
- Embrace responsible hospitality principles

### **Working with Social Service Providers**

Social service providers currently own several properties and offer services to homeless people. As in many communities, there are issues between the providers and business/property owners in the district. This process does not propose to work through these issues again, but to present a positive approach that each group can embrace with an economic benefit to all.

As long as the social service providers are in the district, they should be accepted as part of the community. The Victory Mission operates a culinary school and a restaurant that

trains people to work in the restaurant business. This should be a valuable source of employees for future restaurants, coffee shops, and cafes. They may even provide a live music venue.

Also, it is reasonable for the community to expect an acceptable level of behavior that supports the district and not make people uncomfortable in coming to the district. Often, the bad behavior exhibited in the district is not by clients of the social service agencies, but by local or transient people coming to the district to prey on the homeless and others.

The Associations for Rights and Responsibilities performed an assessment of the impacts of the social service agencies in the mid 1990's for the City and issued two reports summarizing their observations and recommendations. These were preceded by two reports prepared for the City by Dr. Paul Rollinson that described the conditions at the time. These reports are relevant today and are being re-evaluated by City staff to make sure that all of the recommendations are being addressed. The impacts of social services and the transient population are why Commercial Street needs additional and special security services from the Police Department.

It is most important that each perspective approach the concept and each other positively and project this positive image to the community. That is the only way to ever convince people to come back to the district for dining, entertainment and shopping.

### **Ensure a Safe, Enjoyable Environment**

- Work with City to establish Center City Safety Teams whereby officers are chosen based on their desire to help further the overall economic and social goals of the district as well as keep citizens safe. The Team should also be comprised of others charged with safety in Center City including Fire and code enforcement and exhibit similar Team characteristics. The Team should receive training to ensure meeting district and safety goals.
- Teams should be allowed flexibility in scheduling and activities in order to best accomplish the job and provide incentive for working on the Team.
- The Teams should work proactively with business owners, patrons, the management organization, and other city departments to prevent problems where possible and develop good working relationships with business owners who will be expected to contribute to problem solving.
- Investigate empowering Police to enforce the liquor ordinance.
- Work with Police, code enforcement, and Fire to develop a safety plan for the district.
- Only Center City Teams should work in the district unless additional resources are called for. In that event, additional officers should be closely supervised by the Team to ensure that the proper attitude is exhibited.

## **Cleanliness**

- Enhanced services will be required to ensure that trash is removed from the public spaces, dirt and grime are removed, and that businesses properly dispose of waste.
- Develop a plan for centralized waste management. Consider contracting with a single contractor through RFP. Restaurants, bars, and clubs must have waste collected regularly and at appropriate times regarding business activity, waste holding capacity, etc. Use alley on the south side and investigate using the BN property on the north side for waste removal to keep trash away from the sidewalks.
- Consider coordinating and contracting with the social service providers to keep the area clean and free of trash and debris. This could help improve the public perception of the district, the service agencies, and their clients.

## **Market Demand**

The district will differentiate itself from other parts of the community by targeting market segments that are currently underserved or scattered. This differentiation would focus on merchandise, services, and entertainment that appeal to the district's primary potential markets. A careful market driven strategy combining a diverse business mix, promotional programming, and a new image of a positive experience would enable Commercial Street to position itself as a thriving destination.

### ***Identified Markets***

- Visitor markets
  - Leisure travelers
  - Regional trade area shoppers
  - Business and convention visitors
- Local markets
  - Nostalgic adults
  - Empty nesters
  - Fast track young adults
  - Older students and professionals
  - Traditional college students
  - Urbanities
  - Trend conscious

### ***Trade Area***

The Springfield Business and Development Corporation collects data on consumer expenditures for the city of Springfield and surrounding area. By extracting the data from customers within an 80 mile radius of Commercial Street we have found that over \$260,526,000 is spent annually on entertainment. This figure includes fees and

admissions for entertainment only. It is estimated that this amount will increase to \$274,196,00 by the year 2009. In 2004 there were an estimated 917,072 people living in this 80 mile trade area. Of those in the trade area 636,740 are in the age category of 20-59, which is the targeted market segment for the district. By capturing a small percentage of customers in the trade area, businesses in the district could be successful.

### ***Out of Town Visitors***

The Springfield Convention and Visitors Bureau reports 1.1 million visitors staying in Springfield motels each year. These out of town guest generate 600 million in direct expenditures. 2004 was a record year for Springfield travel and January and February were record months. Since visitors spend more on entertainment and dining, attracting this market to Commercial Street would be ideal. Recent development in Downtown, Hammons Field, the Expo Center, and Jordan Valley Park will help draw more people to Springfield and close to Commercial Street. The following facts about travel and tourism will help market the district to capture this segment:

#### **Type of traveler** (excluding those staying with family and friends)

43% Leisure Travel  
29% Business Travel  
20% Meetings/Conventions  
7% Miscellaneous  
1% Bus Tours

#### **Mode of travel**

86% Arrived in their Personal Auto  
8% Flew  
6% Rented Auto/Miscellaneous

#### **What they do**

62% go to Bass Pro  
33% go to Battlefield Mall  
23% go to Wonders of Wildlife  
17% go to Fantastic Caverns  
16% go to a Branson Music Show  
15% go to Silver Dollar City  
All Other Attractions are below 6%

### ***Demand for Live Music***

#### ***Current Demand***

An informal survey of existing live music venues shows the number of persons attending live music performances in a “typical” week during April 2005. There were no special events or regional/national acts included. The survey was conducted by City staff and volunteers who went to 31 venues in Springfield to gather the following information:

- Number of patrons
- Age estimate by group

- Classification of crowd
- Type of music
- Other comments

During the week of April 18<sup>th</sup> through 23<sup>rd</sup> (Monday through Saturday) 31 different venues with live music performances were surveyed. There were 51 visits as some venues have live music on more than one night. Fifteen of the venues were located in Downtown and 16 in the outlying areas.

Live Music Patrons					
Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
30	92	239	496	1743	2051
Total Live Music Patrons for week - 4651					

Live Music Patrons - Percentage by Age			
21 -25	26 - 35	36 - 50	50 and over
19%	45%	28%	8%

The patrons represented diverse socio-economic, cultural backgrounds and ages.

A wide variety of music genres were observed - country, southern rock, jazz, piano, soft acoustic, heavy metal, classic and contemporary rock, blues, rockabilly, bluegrass and more.

This was not counting the Blues Society picnic which was attended by approximately 400 people. We know that if special events and regional/national acts were included, the numbers could be much larger.

### ***Future Demand***

The data above demonstrates that large amounts of money are spent on entertainment and the proposed district could be successful by capturing a very small portion of the existing and growing market.

Approximately half of the attendees were in downtown venues while the other half were in venues throughout the city. This is a significant number of people supporting live music. However, this is less than one percent of the potential number of adults in the trade area. It seems that there is sufficient numbers in the trade area to increase the market demand to support the proposed Commercial Street District with an additional six to nine venues proposed. Less than an additional one percent of the adult population consistently attended more live music performances, that would easily support the

proposed district. Also, the trade area is experiencing population growth which will bring additional people to support live music while the growing visitor and business traveler market will also contribute.

In discussing the concept with experienced venue operators and promoters, there is not great concern about the market availability. It seems that if quality venues offer quality entertainment, people will support the effort.

Anecdotal discussions during the planning process indicate that there may be un-tapped market segments in the trade area. There seem to be markets for:

- Earlier live music
- Smokeless venue
- No alcohol venue
- Under 21 opportunities

### ***Demand for Retail, Art, Dining, etc.***

As the data above shows, there are large amounts of money spent each year on retail goods, gifts, art, and dining. The proposed district will serve niche markets. People who are looking for interesting places to shop and dine will be attracted to Commercial Street. Only a very small amount of the trade area dollars spent for these items will be necessary to support the proposed district.

## **Marketing and Promotion**

Work with the businesses and City Public Information Office and Drury University to develop a marketing plan. Plans and marketing activity already exists for Jordan Valley Park and Downtown. Include Commercial Street where appropriate and provide a separate plan to market the distinct nature of the district. The district should also continue and expand marketing efforts through the Convention and Visitors Bureau to target out of town visitors.

Establish a Live Music Organization whereby members agree to basic standards for providing live music in order to create a memorable experience for patrons. In part, this is recommended to be able to expand the market and bring people not accustomed to supporting live music to the district.

### **Venues**

- Abide by Best Practices
- Publish times for live music
- Ensure noise levels are within allowable limits

## Bands

- Start on time
- Standard break time (15 minutes)
- Observe noise level limits

In return for abiding by the adopted standards, marketing and promotion will be focused on these establishments and bands.

Management should also investigate the feasibility of having one cover charge that allows people to enter all live music in the district.

Management should also investigate the feasibility of working with venues to coordinate music offerings to provide maximum variety and non-competition at a given time.

Work to provide a variety of venues that meet the needs of people not regularly attending live music performances to increase the market.

- Early performance
- Non-smoking
- Non-alcohol
- Variety of music

Events should be continued and developed that bring people to the district. One example could be a revival of the popular “Imagine” concert that was a benefit in honor of John Lennon.

## **Parking and Transportation**

### *Parking*

Approximately 220,000 square feet of first floor building space is proposed for business activity. This square footage excludes space occupied by social service providers. During the evening and night, the proposed peak time, it is estimated that a total of 900 parking spaces will be needed.

The parking needs can be met in several ways:

- 147 spaces exist on Commercial Street
- 132 spaces exist in public parking lots south of Commercial Street
- If some underutilized land south of Commercial Street could be made into parking, an additional 40 spaces could be created
- The land north of the district belongs to Burlington Northern Railroad. If a strip of land could be acquired, between 100 and 200 spaces could be created.
- Shared parking opportunities should be explored. There are businesses south of the district within 3 blocks that could share parking if they will; especially at

nights and on weekends. The management entity would probably have to agree to clean the lots.

- A proposed trolley could shuttle people up and down Boonville and use city parking near the Busch Municipal Building at nights and on weekends.
- Downtown parking garages could be used in conjunction with trolleys.

### ***Transportation***

Options include:

- Personal auto.
- A trolley system is proposed to serve downtown and Jordan Valley Park. It needs to also serve Commercial Street to bring people who go the ball games, dinner, theater, etc and then want to come to Commercial Street to shop or enjoy live music.

Alternatives for those who drink more than the law allows for driving:

- Cabs are a good alternative to driving. However, reports are that there are not sufficient supply to meet the peak demands late at night. Also, cab stands should be designated for night use so people know where to go for a cab. Fortunately, the Yellow Cab Company is located near Commercial Street.
- Night Riders is a firm that folds up small motor scooters, places them in a person's auto and then drives them home.
- City Utilities operates a bus transit system that runs regular routes until 11:00pm.
- City Utilities also operates a Dial A Ride system for disabled persons. They have expressed the possibility of operating this type of system for center city entertainment customers that would be a good alternative to driving and if cab service is not available. Perhaps a joint project with cab companies and CU could offer good alternatives to driving while intoxicated.

### **Phasing of District Redevelopment**

The redevelopment of many districts follows a pattern much like the redevelopment of Springfield's downtown. First, the bars and clubs begin bringing people to the district for live music and entertainment who are not as concerned about the reputation of the declining area. Once people begin venturing to the district and find out how desirable it is, other businesses begin and it builds from there.

The redevelopment of Commercial Street is proposed to begin with the creation of approximately six to nine live music venues. It is hoped that with quality venues bringing good live music to the district, people will come to the district that are not as concerned about the existing perception as many other customers. The venues will be recruited by UDA and Commercial Club. The venues must be owned/operated by people with proven live music experience and agree to operate the business with the overall

district goals in mind and be good neighbors to the people living in the district, the social service providers, and other businesses.

Concurrently with the establishment of live music venues, special events featuring live music should be held.

It is anticipated that once customers begin coming to Commercial Street for live music and special events, other business opportunities will emerge. Restaurants, cafes, and coffee shops are likely next steps in the redevelopment evolution. Businesses related to music will be sought as well as other shops indicated in the Proposed Business Mix section.

This process will occur as market conditions indicate support according to the proposed business operators. Meanwhile, management will continue identifying opportunities, recruiting businesses, and bring as many people as possible to Commercial Street for live music and events and ensure that they have a good experience. This should provide a foundation for continued evolution of the business mix.

During the redevelopment process, management must ensure a quality living environment for residents on the street and in the neighborhoods.

It is anticipated that the business development will follow this process:

- Existing residential & businesses
- Live Music
- Restaurants, cafes
- Coffee shops
- Art and gifts
- Used records & CD's, used instruments, recording studios, etc.
- Retail & general business

## **Financing Alternatives**

Items necessary for the success of the district have been identified as:

- Management
- Marketing
- Parking
- Streetscape
- Building (for the proposed haunted house discussed below)
- Property and business financing incentives (for private business)

Below are brief discussions regarding the needs and alternatives for financing while Appendix 4 provides descriptions of the financing tools.

### ***Management (and Marketing)***

Management includes personnel to facilitate the implementation of the proposed program. The management section of this document outlines the duties necessary for implementation. Appendix 4 shows the budget for meeting the management needs and will require approximately \$125,000 annually.

Alternative methods of financing this activity are discussed below:

#### *Community Improvement District*

Commercial Street property owners and merchants are generally struggling currently so additional assessments or taxes may be met with resistance. However, it may be necessary to do this in order to advance the proposed program. One way to provide funds for management is through a Community Improvement District, similar to the one in downtown Springfield. If the levy rates formerly used in past downtown (downtown recently lowered their assessment due to property value increase) were applied to Commercial Street, approximately \$46,750 would be generated. The impact on the average property owner would be approximately \$556 per year, or \$46 per month. Recent CID legislation allows the district to levy a sales tax (up to 1 percent). Rough estimates of current sales (between Washington and Lyon) would indicate approximately \$20,000 in sales tax income. However, if the district could encompass the properties just past Grant and include the grocery store, Brown Derby, Seeburg Mufflers, and Sonic, estimated sales would produce approximately an additional \$35,000 to the district.

As the district develops, additional sales tax and property tax assessment will accrue under this scenario creating additional revenue for the district. It is estimated that a small – medium sized music venue will generate an additional \$2,500 sales tax revenue annually and building rehabilitation will increase the value of the building, increasing the assessment amount.

#### *Tax Increment Financing*

TIF allows the incremental potential tax increase in a district to be converted to a payment in lieu of taxes (PILOT) to be used to finance an identified project. It is currently unclear if management and marketing are an eligible use of TIF funds, but parking and other “brick and mortar” projects clearly are eligible. Property values rose approximately 18 percent per year over the last four years since the last reassessment. If this rate continues, TIF revenues would reach \$100,000 annually within five years.

#### *Tax Abatement*

As the appendix describes, tax abatement for property owners is possible upon meeting certain requirements including a determination of blighting conditions and a redevelopment plan adopted by Council. The abatement accrues benefit to the property

owner that rehabilitates their property whereby the tax level is essentially held for the length of the abatement period. By accruing to the property owner, the funds are not available to help finance the activities of the district.

*Tax Abatement and Community Improvement District*

A method of blending these two tools would provide that a CID be formed with an assessment collected, but also allow tax abatement on improved properties. Thus, property owners that improve their property will still be paying in to the CID to help finance the district, but their property tax is abated for a specified period. This is essentially how it currently works in downtown.

*Haunted House*

Another possibility for revenue is an enterprise undertaken by the District; a haunted house to be operated during the Halloween season. One of the marketing strategies is to offer Haunted History Tours and to provide a Haunted House. It is envisioned that the District would own the property and operate the Haunted House during October. The District could borrow the funds from the city to purchase and rehab the building as well as make it suitable for the purpose. It is estimated that an additional \$40,000 could be generated once it gets established.

*Special Events*

Approximately three special events will be carried out by the district that could generate an additional \$15,000.

A summary of the options have the potential to raise funds as follows:

• Property Tax Assessment	\$46,750	(\$556/property)
• Sales Tax (Wash. To Lyon)	10,000	
• Sales Tax (Lyon To Grant)	<u>25,000</u>	
• Haunted House	40,000	
• Special Events & Tours	<u>15,000</u>	
Total	\$136,750	

*Parking*

TIF is a logical method of financing parking improvements for the district. As stated above, approximately \$100,000 annually could be raised through this method within five years. Of course it would grow with property values.

## ***Streetscape***

### ***Community Development Block Grants & special Sales Tax***

The City, through the Urban District Alliance allocates CDBG funds to Commercial Street to use for eligible activities. The City provides ¼ and 1/8 cent sales tax funds to supplement the CDBG funds for certain street improvements. Historically, they have been used for streetscape improvements. The project currently being designed will provide the improvements from Boonville to Washington. Future projects will provide improvements eastward along Commercial and southward along Boonville.

However, the CDBG funds could be used for other high-priority, eligible uses if approved through UDA and the City.

### ***Other Grants***

There are other grant programs that may provide funding for identified activities. These should be continually researched and sought.

## ***Business and Investor Incentives***

### ***Business Loans***

Special business incentives are needed to help firms get established on Commercial Street. As an example, downtown St. Louis offers \$25,000 forgivable loans for new businesses. If this cannot be accomplished, perhaps providing longer than normal deferments through Springfield's Small Business Development Loan program.

### ***Real Estate Loans***

The City's Small Business Development Loan program can help finance the purchase and rehabilitation of buildings.

### ***Tax Credit Programs***

State and federal tax credit programs should be pursued including historic and the Rebuilding Communities (distressed communities) program.

## **Summary**

This strategy has outlined key elements for the successful revitalization of Commercial Street. However, there are many details and much additional work that must be accomplished in order to bring this idea to reality. Foremost is the need for a dedicated person to work on the implementation of this proposal through UDA. Success will be attained by creating an environment conducive to business investment. We must continually listen to the needs of business people and respond appropriately to create and maintain that environment. Below are steps that should be taken next in the process.

## **Next Steps**

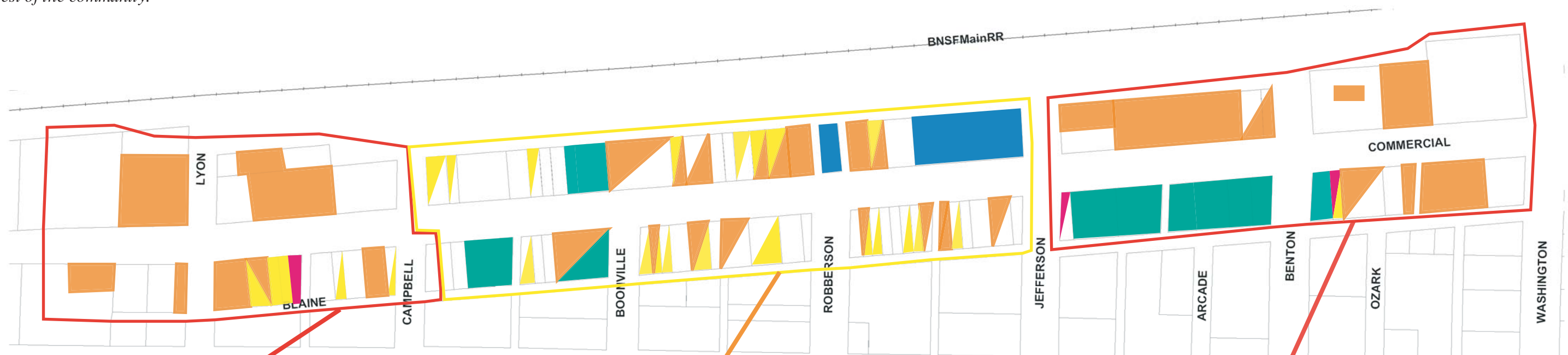
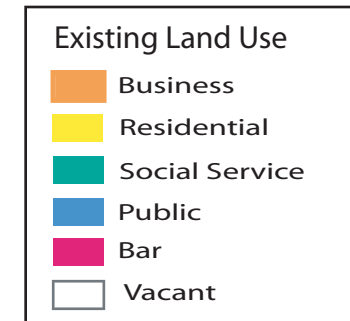
- Acceptance of this document by Commercial Club, UDA, and City Council
- Hire a staff person to finalize the elements in this document and begin implementation
- Complete Appendices
- Prepare presentation of this document including map
- Name the district
- Marketing Plan
- Develop web site
- Prepare brochure
- Prepare redevelopment plan in accordance with the appropriate statutes
- Evaluate tools to ensure proper business mix

# Commercial Street Concept Plan

## Vision

The future Commercial Street District will be a safe and inviting mixed use area with live music, restaurants, office, and retail, while providing a quality environment for residential living, both in the district and the surrounding neighborhoods. It will be built on the current regional market opportunities while drawing on historic elements of the past to play a unique role in the growing regional economy. It will appeal to a diverse customer base and be "everybody's neighborhood" as envisioned for Center City in Vision 20/20 providing a memorable experience for all.

The district will be unique and creative as well as progressive while adhering to its authentic historic roots. It will be beautifully landscaped with trees and plants creating vibrant public space which is inviting for outdoor dining. Social services agencies and their clients will be integrated into the fabric of the street and provide a positive contribution to the economy. There will be strong physical and visual connections to downtown, Jordan Valley Park, and the rest of the community.



**West End - Higher Intensity Uses**

Live Music	3
Restaurants	4
Bars/Pubs	1
Art	4
Specialty Food	2
Salon/Personal	2
Music Related	2
Gen Business/Retail	3

**Central - Moderate Intensity Uses**

Live Music	1
Restaurants	6
Bars/Pubs	2
Art	6
Specialty Food	4
Salon/Personal	4
Antique Flea	6
Gen Business/Retail	17

**East End - Higher Intensity Uses**

Live Music	3
Restaurants	2
Bars/Pubs	2
Bars	2
Art	2
Music Related	1
Gen Business/Retail	5