

# Downtown Idea Exchange

Improving physical, social, and economic conditions downtown

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**ATTRACTION** 

# Repurposing historic cotton mill provides new centerpiece

The Madison Main Street Program in Madison, IN (est. pop. 12,211), was founded way back in 1979, a moment when Rust Belt downtowns were still in their heyday. It was one of the nation's first three Main Street programs.

Through the efforts of downtown leaders, Madison fended off the worst of a decades-long move away from downtowns.

But Madison struggled for years to address one obvious issue: the historic Eagle Cotton Mill, built in 1884, had sat abandoned and blighted for as long as Madison Main Street had been in existence. The 72,000-square-foot building was located at the downtown's gateway, along the banks of the Ohio River.

Repeated attempts to rehab the building went nowhere until 2019, when city officials encouraged a new developer to re-envision the property as a hotel. Madison Main Street worked with the developer to engage community members through meetings held at the mill.

(Continued on page 3)

**ACCESS AND MOBILITY** 

### City explores low-car districts

Bend, OR (est. pop. 104,554), is exploring the concept of low-car districts, or "people streets," downtown. And downtown leaders are contending with considerable pushback from the business community.

During the pandemic, many downtowns closed streets to car traffic as a way to attract visitors. But now that Americans are no longer as concerned about catching a virus, downtown leaders are juggling walkability with business owners' worries that their customers won't come if they can't drive.

During an open house in the fall, Bend laid out possible configurations for narrower roadways with less room for cars and more emphasis on cycling and walking. An online open house followed the in-person event. The slide presentation is available here.

"There's a lot of room for improvement in the transportation (Continued on page 6)

### **Bringing order to scooter chaos**

Cities from Miami to San Diego have cracked down on electric scooter programs that became disruptive. Now another city — Columbus, OH (est. pop. 909,074) — is reining in its chaotic scooter program.

Columbus' pool of bike and scooter rental services will be replaced next spring by a single vendor. At the same time, the city will

"It's the same challenge every city is experiencing."

launch a long-term project to add and improve bikeways, shared paths, and urban trails.

The Columbus City Council authorized the Department

of Public Service to make VeoRide Inc. the exclusive micromobility vendor to the city. One provider will replace the hodgepodge of CoGo bikes and Bird, Lime, and Spin scooters.

Veo operates a variety of traditional bicycles and e-bikes, plus standing and seated scooters. It will use a "hybrid parking system" designed to keep devices out of the way.

Justin Goodwin, Columbus' mobility and parking division administrator, told Axios that a prime goal of the revamp is "resolving these recurring issues we have had around devices blocking the sidewalk and ADA ramps."

"It's the same challenge every city is experiencing," Goodwin told the *Columbus Dispatch*.

The CoGo bike stations became a significant expense, with the city paying \$65 monthly per individual dock for a system that grew to more than 1,300 across Columbus — around \$1 million over the course of a year.

Columbus also earned negligible revenue from scooter permits, which cost \$500 per company per year, and a \$75 fee per device operating in the city.

Under the new plan, Veo will pay annual device fees and share the revenue from rides within city limits. The exact agreement is not

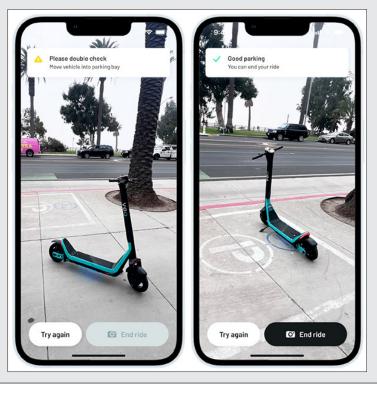
yet finalized, but Goodwin estimates that the city will make at least six figures annually from the deal, Axios reported.

The money will be reinvested into parking structures for the devices and program management.

Columbus also approved its Bike Plus plan, which calls for adding 189 miles of on-street bikeways, 270 miles of shareduse paths, and 28 miles of urban trails and greenways. The plan prioritizes 20 miles of bikeways over the next five years, including protected lanes and protected intersections.

### Al helps keep bikes under control

To improve parking management and compliance, Veo incorporates AI technology into the end-of-ride process. Upon completing their trip, riders must use the app's camera tool to show that their vehicle is properly parked. The Al then verifies in real-time whether the vehicle meets local parking regulations, only allowing the rider to end their trip once the vehicle is parked correctly.



# Repurposing historic cotton mill provides new centerpiece — Continued from page 1

The organization's track record of creating a vibrant downtown district provided the project's team with the confidence to undertake and complete the \$23 million investment.

Construction began in 2019, and in 2021, the long-dormant mill reopened as an 85-room Fairfield Inn. The repurposed structure incorporates many of the original features of the mill.

More than 200 huge windows illuminate the interior, and original beams support ceilings that reach as high as 15 feet.

"It takes incredible vision to look at a place like the Eagle Cotton Mill and say, 'I can transform that,'" Indiana Landmarks President Marsh Davis said when the project won an award from that organization.

The redevelopment success story is a major reason Madison Main Street was one of three winners of the 2024 Great American Main Street Award. But the historic preservation project was just one way that downtown leaders have kept the district relevant.

Madison has also pursued other initiatives, including:

Activating upper-story spaces. Madison Main Street Program's biennial Loft Tour has successfully encouraged upperstory residential development and the creation of new commercial spaces through the renovation of vacant buildings.

Loft Tour properties range from move-in ready spaces to raw, untouched floor plans. As a result of Madison's marketing efforts, new residents—from young professionals to empty-nesters—have moved downtown.

Business coaching. Madison's Small Business Workshop provides free training sessions to the district's entrepreneurs. With support from German American Bank's anchor downtown branch, business owners receive training from peers and the bank's financial experts. The workshops have



Eagle Cotton Mill Fairfield Inn & Suites received Indiana Landmarks' Renaissance Award, which recognizes the revitalization of "long-decaying historic properties."

equipped more than 150 attendees with tools, knowledge, and local networks.

Diversity outreach. In 2023, the Madison Main Street Program created a Recruitment Task Force as a proactive approach to ensure that their Board of Directors, committee members, and volunteers reflect Madison's diversity. Another example of MMSP's dedication to creating a welcoming downtown began in 2019 through their support of the Rainbow River Club, a monthly social gathering for LGBTQ+ community members. As a result, downtown Madison's reputation as a welcoming place has grown and the district's LGBTQ+ community has expanded, with eight new LGBTQ+ owned businesses opening since 2018.

Event management. In 2021, Madison Main Street took over management of the Madison Farmers Market—the oldest farmers market in the state. Recognizing the market's crucial role as a gathering place for community members, economic engine for agricultural producers and downtown businesses, and source of fresh food for residents, the Madison Main Street Program stepped in to stabilize and preserve the farmers market.

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# After smooth rollout of public drinking, more cities OK expansion

Just a few months after Mishawaka, IN (est. pop. 50,899), enacted a Designated Outdoor Refreshment Area (DORA), the city council voted in December to expand the boundaries of the drinking zone.

In September, Mishawaka approved the DORA for a small area of downtown known as Ironworks Plaza. The expanded boundaries encompass vendors along North Main Street.

As cities from coast to coast ease restrictions on the public use of alcohol, Mishawaka's experience with public drinking mirrors that of other cities across the nation. A clear pattern has emerged: First, state lawmakers, seeking to help downtowns recover from the pandemic, pass a law legalizing outdoor consumption of alcohol in certain areas. Next, downtowns clamor to approve the zones, in spite of some objections about the nuisance crime caused by increased alcohol consumption. And in the third phase, cities conclude the benefits outweigh the costs and look to expand the zones where alcohol is allowed.

In Mishawaka, the rules allow patrons of registered establishments to buy alcoholic drinks in special tagged cups that can be carried outdoors in a designated area of the downtown.

Matthew Lentsch, director of development and governmental affairs, said the expansion of the area is a way to allow visitors to the city to enjoy what vendors had to offer while taking part in activities in the city.

The expanded area keeps the same hours of the day and days of the week as the existing DORA. The area will be open to outdoor drinking from 4 to 10 p.m. Wednesdays, Thursdays, and Fridays, from noon to 10 p.m. Saturdays, and from 11 a.m. to 4 p.m. Sundays. A "last call" provision will be in effect, where licensed vendors must stop serving

drinks for the DORA 30 minutes before its end. The DORA also is not in effect on Mondays and Tuesdays.

Mishawaka Police oversee the area during the DORA's operating hours.

"Different communities across the Midwest, including Shelbyville [IN] and Fort Wayne [IN], have implemented DORAs with great success," Lentsch said in a statement. "We've taken the lessons from those communities to make sure our DORA is not only a vibrant addition to downtown, but also one that prioritizes safety and sanitation."

Those clean-and-safe measures include the use of non-breakable plastic or paper cups, clear signage, and QR codes that provide quick access to DORA rules. Trash cans are strategically placed throughout the area to maintain cleanliness, and Mishawaka implemented a thorough public sanitation plan to ensure the space is well-maintained, even after a potentially raucous Saturday night.

During a meeting in early December, Council President Gregg Hixenbaugh noted that the ordinance has a provision allowing the mayor, police chief, or the council to shut down the DORA should any issues surface.

As such public-consumption zones expand, they've mainly been received with a shrug. For example, Youngstown, OH, debuted its first DORA in December. Police reported no issues with unruly behavior from the program's inaugural weekend, WKBN-TV reported.

Ohio cities such as Columbus, Cleveland, and Dayton likewise have debuted DORAs, and the concepts have taken off under different names nationally. The zones can work in small towns, too. Bluffton, IN (est. pop. 10,461), and Huntington, IN (est. pop. 17,071), enacted DORAs in late 2024.

### Cities weigh alternate options for City Hall locations

For most American cities large and small, there's only one way for City Hall to operate, at least when it comes to the space occupied by municipal offices. City Hall is owned by the municipality, and it's located downtown.

But some cities are experimenting with that traditional formula.

In Fort Myers, FL (est. pop. 97,369), City Hall has always been downtown, but some city leaders are pushing for a change. City officials have been discussing a move from the existing City Hall to a leased location, perhaps near downtown, or maybe on the outskirts of town, near Interstate 75.

Mayor Kevin Anderson said he supports a move, perhaps to a soon-to-be-vacated hospital about a mile south of the current City Hall.

"[City Hall] is not large enough to accommodate all of our employees," Anderson said during a December workshop. "We're busting at the seams, and we have employees who are in buildings outside of this building, some within walking distance, others within driving distance, and that's not the most efficient, effective way to provide services."

Other council members are eyeing an even farther move, to a location about five miles away.

"Obviously I know there is an emotional attachment to City Hall downtown and there are factors with local downtown businesses," said Councilwoman Darla Bonk.

Bonk said the aging City Hall needs extensive repairs.

Proponents of a move say the longtime City Hall location could be repurposed as housing, a use that would allow for round-the-clock activation of downtown.

In Fort Smith, AR (est. pop. 89,771), meanwhile, the Central Business Improvement District has discussed the possibility of the CBID purchasing Fort Smith City Hall and then leasing it to the city.

The city is already a tenant rather than an owner; City Hall is owned by a private landlord. Fort Smith leases 34,000 square feet in the 60,000-square-foot building.

Deputy City Administrator Jeff Dingman told the CBID board that while the possibility of the city purchasing a building in another area of the city had presented itself, there was widespread sentiment that city hall should remain downtown.

Commissioners expressed the desire to do whatever possible to keep the city offices downtown, Talk Business & Politics reported.

**ECONOMIC GROWTH** 

# Survey offers glimpse into concerns of Main Street merchants

Downtown businesses are usually very small, and they remain challenged by recent economic shifts. While a significant minority have tested artificial intelligence tools, few older entrepreneurs have worked on succession planning.

Those are among the highlights of Main Street America's 2024 Small Business Success

and Support survey. The study compiled responses from 681 small business owners in member cities in 44 states and Washington, DC.

Member cities include a wide range of communities, from small towns with just a few hundred residents to big cities with millions of residents. About a quarter of all Main Street programs are in cities with fewer than 5,000 residents; about half are in communities of less than 15,000 people.

Among the findings:

#### Main Street businesses are very small.

Two-thirds of respondents had one or two full-time employees, and 87 percent had fewer than five full-time employees.

Inflation still stings. Asked about their most pressing challenges, 57 percent pointed to increasing costs associated with inflation, labor shortages, and technology upgrades. One-third signaled that generating profit was a challenge and that attracting or retaining customers was difficult, and 26 percent pointed to the high cost of renting or maintaining their business location.

Some merchants are adopting AI. While two-thirds of respondents said they do not use artificial intelligence for their businesses, a third are. They use AI to generate marketing content and develop business-related communications, Main Street reported. Twenty-nine percent indicated they used ChatGPT. Google's Gemini tool was the second most popular, with 7 percent of respondents saying they had used it for their business.

Succession planning is rare. While a quarter of merchants in the survey are 60 or older, just 1 percent said they had received any sort of support around business succession. Fifteen percent said they saw this type of support as potentially valuable in the future.

### City explores low-car districts — Continued from page 1

system to accommodate all users, so I think people streets help set the policy, direction, and vibe of how you develop these low-car or no-car areas and streets," Matt Muchna, executive director of the community planning

"Parking is such a commodity in downtown."

organization Envision Bend, told *Source Weekly*.

Driving the change is an Oregon Administrative Rule that

directs cities of 100,000 or more residents to allow for the development of low-car districts and to create safer pedestrian and biking routes. These districts call for car traffic to be slowed, reduced, or restricted.

Bend already has implemented some such zones — in one example, the downtown entertainment hub of Tin Pan Alley has been intermittently closed to traffic.

According to Allison Platt, Bend's core area project manager, part of the city's task is to define what these areas could look like and where they could go. A study funded by a \$150,000 grant from the Department of Land Conservation and Development will offer further details.

There's already tension between advocates of pedestrianism and owners of downtown businesses. Since the city began studying the idea over the summer, members of the Downtown Bend Business Association say they have felt left out of the conversation.

"Parking is such a commodity in downtown. Saying this to downtown, it immediately triggered everyone," McKenna Mikesell, the Downtown Bend Business Association board president, told *Source Weekly*. "It's not that we're anti-bikes and anti-people-streets. Downtown just isn't built for it."

According to Mikesell, community members avoid the downtown area because of its lack of parking. With a plaza or low-car district on busy streets business owners fear the parking squeeze will tighten.

"We're dependent on parking, because it's a car society here," Rick Johns, a downtown business owner, told *Source Weekly*.

Merchants also fear that access to storefronts on redesigned streets will become inconvenient, especially during stormy weather or for elderly or disabled customers.

## The arts make an outsized contribution to local economies

The city of Watsonville, CA, with a population of just over 50,000, reports a total of \$8,879,604 in direct economic activity generated by local arts and culture organizations. This includes an average of \$30.49 spent per person attending an event.

That data is from Americans for the Arts. Every five years, the nonprofit takes an in-depth look at the economic value of arts and culture across the nation. The goal is to measure the industry's impact and to help public and private sector leaders secure arts and culture funding and develop arts-friendly policies for their communities.

The report presents both <u>nationwide findings</u> and <u>local findings</u> for 373 regions across all 50 states. The communities studied range in size from 4,000 to 4 million and represent rural, suburban, and large urban areas.

Key insights from the most recent report include:

The arts are big business. Nationally, the sector generated \$151.7 billion of economic activity in 2022 — \$73.3 billion in spending by arts and culture organizations and an additional \$78.4 billion in event-related expenditures by audiences.

The arts support employment. They employ people locally, purchase supplies and services from nearby businesses, and engage in the marketing and promotion of their cities

and regions. Their very act of doing business — creating, presenting, exhibiting, engaging — has a positive economic impact and improves community well-being.

The arts support local businesses. When people attend a cultural event, they often make an outing of it — dining at a restaurant, paying for parking or public trans-

portation, enjoying dessert after the show, and returning home to pay for child or pet care. Attendees at nonprofit arts and culture events spend on average \$38.46 per person per event, beyond the cost of admission.

The arts strengthen the visitor economy. Roughly one-third (30.1 percent) of attendees travel from outside the county in which the activity takes place; they spend an average of \$60.57, twice that of their local counterparts (\$29.77). Over three-quarters (77 percent) of nonlocal attendees reported that the primary purpose of their visit was to attend that cultural event.

#### The arts keep residents spending

locally. When local attendees to nonprofit arts and culture events were asked what they would have done if the event where they were surveyed had not been available, 51 percent said they would have "traveled to a different community to attend a similar arts or cultural activity."

Arts and culture build more livable communities. Eighty six percent of Americans say, "arts and culture are important to their community's quality of life and livability," and 79 percent of the American public believes that the arts are "important to their community's businesses, economy, and local jobs."



Movies and music in the park are popular events in Watsonville, CA.

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## City rethinks short-term rentals

Petoskey, MI, has revamped its short-term rental rules in a move that should benefit the downtown. Going forward, the city of just over 5,000 residents will cap short-term rentals at 40 units. Rentals will only be allowed in commercial districts. The change aims to retain a small town feel in residential neighborhoods while encouraging more people to stay downtown. City Manager Shane Horn says that the city wants to see more development

on the second and third floors of downtown buildings.

## Black Friday is the tradition in this downtown

Just hours after celebrating
Thanksgiving Day, shoppers line
up at big-box stores to grab oneof-a-kind deals. The chamber of
commerce in Glen Arbor, MI, thinks
things should be a little different, so
the group hosts an annual Better
than Black Friday event.



Participating retailers offer early morning specials from 7 to 9 a.m. Participants are encouraged to embrace the relaxed small town atmosphere and come dressed in comfy and festive pajamas.

#### **GRANT WATCH**

#### **Our Town Grants**

Cultural district wayfinding, public art installations, pop-up galleries, outdoor concerts and film screenings, ally activations, and more have received funds from the <a href="Our Town Grant program">Our Town Grant program</a>.

The National Endowment for the Arts Our Town Grant program is a creative placemaking initiative designed to strengthen communities through arts, culture, and design. Our Town grants typically range from \$25,000 to \$150,000, with a required minimum match equal to the grant amount. Winning projects bring together teams of local governments, nonprofit organizations, and artists. The annual application process opens in late April and the deadline is in mid-August.

In 2023, several Our Town Grants were awarded to projects with a strong downtown revitalization component. These include:

Maine Inside Out Lewiston, ME \$50,000	The grant will support a multidisciplinary arts festival in downtown Lewiston, ME. In partnership with the City of Lewiston, activities will feature performances, workshops, and public events focused on community dialogue and social change.
Mountain Time Arts Bozeman, MT \$75,000	The grant will support public art installations focused on the revitalization of a downtown creek. In partnership with the City of Bozeman, a team of artists will collaborate with residents to solicit ideas and design public art projects along Bozeman Creek.
Teatro De Artes Seguin, TX \$50,000	The grant will support an artist residency program focused on community cocreation of new art work. Resident artists will interview community members in moderated "pláticas" (community conversations) to inform the creation of visual and/or mixed media art work.

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The shopping is followed by the annual bed parade, which begins at 9 a.m. Individuals and teams decorate a bed, add sturdy wheels, and parade through the downtown.

### **Keep access clear**

Winter streets can be wet, messy, and unsafe. Whether the downtown is playing host to a holiday cookie-walk, a window decorating contest, or an ice sculpture display, keeping sidewalks and streets clear is essential. But Larissa Ortez of Streetsense reminds downtown leaders to look beyond the activity space to the routes attendees will take when coming and going. She says they must "think strategically about where people are coming from and how they will arrive and focus on maintaining those access paths, from clear roads for safe vehicular travel down to sidewalks free of ice."

## Whimsical photo frames change with the season

To mark the seasons, the Flatiron NoMad Partnership in Manhattan creates themed lifesized photo frames. The frames are created by local artists and stand in a pedestrian plaza near the iconic Flatiron Building. The summer frame, which featured brightly colored pool noodles was replaced in November with a winter frame of dazzling Christmas ornaments. Visitors are encouraged to take photos with the themed frames and to share them with the hashtag #FrametheFlatiron.

## Best practices for food truck integration

A **report** from the National League of Cities provides the basics on incorporating food trucks into a city's existing business community. Key recommendations from the report include:

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- Removing barriers to market entry by centralizing the permitting process and rationalizing permit fees. "Permit fees should be high enough to generate revenue that offsets at least some of the costs produced by the presence of food trucks, but not so high that they discourage potential business owners from entering the market."
- Setting time limits for mobile vending. "Time limits of four hours or longer are recommended. Vendors need approximately one hour to set-up and pack-up once they are done with selling. As a result, anything less than four hours leaves vendors with only one to two hours of actual vending time. Moreover, it is more difficult for city staff to track food trucks for safety or health purposes when they are in several locations throughout the day."
- Defining where food trucks may operate. "Proximity restrictions should be no more than 200 feet at the high end. Density issues may call for a tiered structure, or for abandoning proximity altogether. One of the problems with adopting an explicit distance rule is that a 'one size fits all' approach ignores context. Three hundred feet may make sense in less dense areas of a city, but such a distance is impractical in very dense neighborhoods.... As such, cities may want to loosen or abandon proximity rules in dense neighborhoods with a great deal of commercial and residential activity."

### Maintaining the historic streetscape

For over two years, a battle has dragged on between Columbia Gas of Ohio and downtown leaders in Delaware, OH. Most of the buildings in the historic downtown have gas meters inside. The utility planned to relocate them outside and proposed putting them on the street-facing facades. Business owners and the city council have been working with the utility to have the meters placed at the back of buildings to preserve the historic

downtown's visual appeal.

"It's definitely not [a] good look for our downtown but it also affects patios and the revenue for businesses," Courtney Hendershot, executive director of Main Street Delaware told the *Columbus Dispatch*.



## Volunteer management best practices

Volunteers provide a powerful economic benefit to communities across the nation. For downtown organizations, developing a professional team of volunteers for everything from serving on the board of directors, to updating the organization's databases, to managing social media, can multiply the impact of paid staff.

To help downtown leaders manage their volunteer programs, the Michigan Main Street Center created a **volunteer toolkit**. The toolkit covers five key areas: identifying volunteers, recruiting volunteers, orienting volunteers, monitoring volunteer activity, and retaining volunteers. Each section includes best practices and downloadable

templates that can be customized to virtually any organization.

## Mayor proposes downtown district sales tax

Officials in Memphis, TN, are considering a new tax on food and other items sold downtown. The tax is referred to as a "security and tourism fee," with funds targeted to support safety and beautification efforts in the city center. The proposed rate is 0.5 percent, or 25 cents on a \$50 purchase. A similar tax is in effect in Nashville.

WREG-TV in Memphis asked people about the proposed tax and says that initially, their responses were overwhelmingly negative. The tax would need approval from state lawmakers.