

**International Downtown Association
Advisory Panel
South Side, Pittsburgh, Pennsylvania
August 4-7, 2007**

Introduction

The South Side Local Development Company (South Side LDC) commissioned the International Downtown Association (IDA) to undertake an Advisory Panel for the purposes listed below:

Purposes

- To assist the South Side Local Development Company in building a strategic framework and developing a road map to help guide the organization over the next few years.
- To help in determining best practices for the South Side Local Development Company to employ in working to improve neighborhood conditions and to sustain economic vitality.
- To assist in identifying ways to reduce the discord between nighttime businesses and neighborhood residents.
- To develop strategies that enhance business diversity by creating an environment in which both daytime and nighttime businesses can succeed and to foster a mix of businesses, supporting both a high quality of life for adjacent neighborhoods by providing essential services and continuing to serve as a regional entertainment destination.
- To assess the viability of a Neighborhood or Business Improvement District on the South Side, as a successor to the URA and foundation funded Main Streets programs and activities.

Background

The South Side, like much of the Pittsburgh region, has a proud history of being the “workshop of the world” – one of the world’s great industrial cities from the early part of the 19th century until the latter part of the 20th century.

South Side was an important portal for the entrance and emergence of new immigrant groups into the regional economy. New residents came to the South Side from Germany, Ireland, Lithuania, Poland, the Ukraine, and the Slavic nations. Much of the distinctive character of the South Side is derived from the many immigrant groups that settled along the south shore of the Monongahela River.

South Side went through a profound slump as the steel mills closed in the 1970s and 1980s as the legacy steel makers in the United States lost market share to low cost mini-mills and foreign steel makers.

Recovering from that economic turmoil has been a long term project. South Side has tremendous natural resources. Rivers and hills provide ubiquitous riverfronts, and views and vistas that help make Pittsburgh unique. These assets lend tremendous variety and quality to the built environment.

On the west end of Carson Street, Station Square has been restored and retrofitted as a destination restaurant and banquet facility and an anchor for an adjacent festival marketplace developed by Forest City Enterprises.

The east end of Carson Street was the home of the behemoth Jones and Laughlin steel mill that is being converted into a new mixed-use neighborhood. To date, a variety of housing, office, and retail have been developed. South Side Works, a lifestyle center that SSLDC helped bring about, has a number of upscale national retailers, and anchors the project.

Between these two anchors is where the South Side Local Development Company has worked diligently to revive the fortunes of Carson Street. South Side LDC has played an active role in defining and planning the South Side Works development. Though not the developer, nor a fiduciary partner, SSLDC has been involved with the design and redevelopment of the site for nearly fifteen years. Starting in 1982 with very high commercial vacancy rates and weak housing market conditions in nearby neighborhoods, the organization has assisted in making Carson Street much more economically vibrant and in making nearby neighborhoods much more sought-after places to live.

In efforts to upgrade commercial facilities, South Side Local Development Company was very successful in leveraging the tremendous heritage assets of the neighborhood, and facilitated the designation of East Carson Street as both a local and National Register historic district. The organization also facilitated the use of Carson Street by promoting and facilitating the use of a very successful façade improvement program of the Urban Redevelopment Authority. This program has resulted in the renovation of more than 225 structures.

Beginning in the early 1990's, the organization engaged in real estate development efforts to revitalize the South Side community and provide additional market stability to the East Carson Street business district. Over the next decade, the organization developed 79 market-rate homes on the South Side.

The housing market on the South Side has become so strong that, with encouragement and direction by a lead funder, South Side Local Development Company has deployed its considerable affordable housing development skills to assist adjoining neighborhoods that have not been as successful as those adjacent

to Carson Street. Similarly, South Side LDC has also been encouraged by its funders to expand its Main Street revitalization efforts to a number of nearby neighborhoods. For four years, South Side LDC provided these services, but after an internal evaluation of the limited returns to the organization for these efforts and the distraction to the organization's focus on the South Side, these services were discontinued.

In recent years, the business mix along Carson Street has shifted to include more evening destinations. Carson Street has become one of the premier destinations in the region for eating, drinking, and entertainment.

Success in building a nighttime destination and in reviving the residential neighborhoods that abut Carson Street have created a situation that needs to be carefully managed so that the crowd control and parking issues attendant to a successful entertainment district do not detract from the quality of life for nearby residents.

Calibrating the work of the South Side Local Development Company to address these new issues was the central focus of the IDA Advisory Panel.

Advisory Panel Members

Dave Feehan* - President, International Downtown Association, Washington, DC
Dan Carmody - President, Downtown Improvement District, Fort Wayne, IN
Kathy Wendler- President, Southwest Detroit Business Assoc., Detroit, MI
Terry Lorince - Executive Director, Downtown Vision, Inc., Jacksonville, FL
Ron Redmond - Executive Director, Church Street Marketplace, Burlington, VT
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Positive Observations

South Side is an exciting urban place that has the "bones" and the momentum to become a truly exceptional place:

- South Side has been preserved. Its level of being "intact" is rare among peer neighborhood business districts. The continuity of the building mass along Carson Street, the wonderful façade renovations, the relatively small size of individual buildings, and the interesting mix of businesses combine to make Carson Street a regional jewel and a national treasure.
- South Side is dense, compact, and walkable. It enjoys good access to the river that will improve as sites along the south river bank are developed. The regional trail provides another compelling amenity to encourage both residents and tourists to travel to and linger in South Side.

- Another compelling natural characteristic are the fabulous views and vistas available from hillside homes as well as upper floors of properties in commercial areas or residents located in “the Flats”.
- With all the activity in all hours of the day and night there is very little homelessness and panhandling activity on the South Side, rare in a city of Pittsburgh’s size.
- South Side LDC has accomplished much in its history, facilitating the renovation of more than 225 commercial facades, constructing more than 100 new homes, and efforts that have helped lower commercial vacancy rates from 40% to 10%.
- Proximity of South Side to downtown, University of Pittsburgh Medical Center, Duquesne University, and multiple bridges provides great access for both customers of South Side businesses as well as employment centers for South Side residents.
- Two clearly defined anchors at either end of the street (Station Square on the west and South Side Works on the east) provide a full continuum in shopping and entertainment venues. National chains permeate those anchors while Carson Street, between the two, offers an interesting mix of locally owned businesses.
- Passionate stakeholders care very deeply about the future of South Side. They may not always agree on how best to enhance and sustain the neighborhood, but directing and orchestrating passion is much easier than overcoming apathy.
- Many community-based organizations are at work within South Side trying to make it a better place. These assets must be marshaled and coordinated in new ways to give the neighborhood the organizational capacity it needs to continue and sustain its transformation.
- Strong residential markets have stabilized nearby neighborhoods and increased household income to support Carson Street businesses. Overall increases in property values indicate a strong belief that the neighborhood will continue to improve in the future.
- Lastly, residential markets have improved gradually enough to limit most negative aspects of gentrification, though this remains a challenge in the neighborhood. Generally, the neighborhood has retained a diversity of ages, incomes, educational attainment, and types of employment, making it a most interesting place to live.

- A strong entertainment business cluster has transformed Carson Street into the premier evening destination in Pittsburgh for the 21 to 34 crowd. Carefully managed, the energy of this clientele can contribute greatly to the future of the neighborhood as they mature and seek places to live and start new businesses.
- The entertainment market has retained a great deal of diversity thus far. A nice inventory of excellent and varied dining establishments caters to a slightly older demographic.
- Largely because of its thriving night time business cluster, South Side enjoys a positive image in the region.

Negative Observations

Despite its strong asset base and recent success there are barriers and threats to sustained progress. Commercial markets, whether retail or entertainment, are never static and are always changing. To a large extent, South Side's ability to move from good to great and its ability to sustain success will be determined by how it responds to current threats and barriers:

- Public spaces are dirty, unkempt, and unmanaged. Sidewalks along Carson Street—as well as in nearby residential areas—give the strong impression that no one cares about the appearance of the neighborhood. While littered, gum stained, and weed-lined sidewalks may not deter the average young adult undertaking evening escapades, it is very noticeable to daytime users of Carson Street.
- The conflict between neighborhood residents and weekend nighttime customers for limited parking is a major problem that reduces the desirability of visiting or living in South Side. This parking challenge is really a problem approximately 18 hours per week, on Thursday, Friday, and Saturday nights, after 6:00pm. During other days or times, it is not nearly so significant.
- A variety of quality of life crime such as graffiti, public urination, and noise combine with litter and weeds to diminish the quality of life for those frequenting the South Side.
- Consistent enforcement of laws regulating quality of life violations as well as building codes and permits is lacking. Given the poor financial condition of the City, the South Side may need to develop creative methods to achieve consistent enforcement of such laws.
- Serious police issues regarding poor knowledge of laws, inappropriate responses to citizens making complaints, and on-street behavior of uniformed personnel indicate a lack of professionalism due in part to high

turnover rates and the loss of veteran personnel to other police departments in the region.

- Lately, larger night clubs have been added to the district business mix with an increase in crowd control and security issues. Given the proximity of residential neighbors, dispersing crowds of 500 or more from such clubs is a challenging proposition and may indicate an unsustainable scale of operation from a long-term neighborhood perspective.
- There are a great many licensed alcoholic beverage operations along Carson Street and while most are well-managed and cause little disruption to their neighbors, some are definite trouble spots.
- The ire of residents who have put up with crowd control problems from a few problem bars, combined with residents' inability to force these operations to improve their performance and the lack of enforcement by public agencies noted above, has increased the friction between residents and most of the food and beverage community.
- Both neighbors and quality food and beverage operators have a mutual self-interest in restricting and weeding out poor operators that do not manage their crowd control problems.
- State alcohol control laws and their light enforcement seem to provide very little local control. This limits the neighborhood's ability to improve the performance of "bad apple" operators.
- The Pennsylvania Liquor Control Board system for regulating liquor licenses at the state level does not take into a variety of local concerns, nor provide an active enforcement mechanism to address problem operators. For example, there is no differentiation in state licensing law between restaurants, bars, and nightclubs, though they impact the local community in significantly different ways.
- In our focus group discussions, some small retailers reported they were struggling while others said they were flourishing. While it is not easy for independent merchants anywhere in the United States, there seems to be an inadequate support system to encourage successful independent retailing. Most telling was the apparent lack of any systematic approach to engage in regular consultations with Carson Street businesses and to assess and collect data concerning business conditions.
- Lack of lodging options such as B&B's and boutique hotels is highlighted by the outstanding occupancy of the Holiday Inn Express, the sole hotel in the heart of South Side. The one B&B the panel observed seems to do well, indicating a market for additional such facilities.

- Business mix diversity is currently a positive, but according to many, may have been declining in very recent years. Maintaining a balanced mix of convenience and destination retail and a diverse offering of food and beverage establishments will not happen without careful management.
- East Carson is state highway which makes changes to streetscapes, on-street parking, lane configurations, and signage subject to PennDOT decision making processes. It reduces the flexibility and speed with which needed changes can be made.
- Related to the state highway configuration and to the unique topography of Pittsburgh, Carson Street carries a significant volume of large truck traffic, creating congestion and noise. Not all of this traffic is through-traffic, however. A 2004 analysis of truck traffic was conducted and determined that more than 90% of the truck traffic on East Carson Street is local traffic serving local businesses. The non-local traffic amounts to approximately four vehicles per hour.
- Not all late-night disruptions are the result of bad bar operators. Landlords renting to students who host keg parties represent another aspect of alcohol control that needs to be addressed.
- Some landlords renting to students provide only minimal property upkeep, and such properties can become blighting influences in the neighborhood. Another dimension of this problem is parents of students that buy houses while their son or daughter attends college with the intention of flipping the property at graduation. The large number of students residing within a single household also has implications for the aforementioned parking challenges in the community.
- Some of the unique character of the neighborhood has been lost as moderate income residents have been priced out. Many participating in focus groups agreed that income and employment diversity are a big part of what makes South Side special.
- On the commercial side of things, the lack of a few big, responsible property owners who could provide business leadership was identified as a shortcoming.
- Speculator owners on Carson make filling vacancies difficult because they hold out for top dollar and/or are difficult parties with which to negotiate.

Observations Suggesting Further Study

- Issues of race and ethnicity did not come up in focus groups sessions conducted by the panel. Given that most urban neighborhoods with prominent entertainment districts tend to have such issues indicates this is an issue for further scrutiny. Panelists noted that the South Side is 95% Caucasian, and only 5% minority
- Crime incidence and trends were inconclusive based upon focus group sessions. As is usually the case, there was concurrence that the perception of crime is worse than the reality. However, with most attention focused on quality of life crimes, it is unclear whether there are issues regarding more serious criminal offenses. Year-to-year comparative crime statistics as well as date comparing various neighborhoods in Pittsburgh should be reviewed on a regular basis.
- There was general uncertainty about zoning and its impact on the future development of the neighborhood. Key questions include whether current zoning makes it easy or difficult to undertake mixed-use development and what impact parking requirements have on neighborhood sustainability.
- While there was a great deal of passion about South Side, there was no consensus regarding stakeholder expectations for either the neighborhood or for South Side LDC. There was, however, a virtual consensus among those interviewed that South Side LDC needs to change, and change significantly. Panel focus groups were largely not SSLDC members so this has implications for interpreting their feedback, as well as addressing their concerns, as such individuals would be a significant constituency for any discussion regarding an Improvement District strategy.
- Few people complained in focus groups to the Advisory Panel about the trash, weeds, and poor maintenance of sidewalks and public spaces. This led panelists to question whether or not people actually notice the litter and deterioration of the public realm.
- The City of Pittsburgh is a key partner in the continued development of the South Side, but that relationship is unsettled because of the unfortunate turnover in the office of the Mayor, the bleak fiscal condition of the city, and the pending change in South Side's City Council representation. The South Side – City of Pittsburgh relationship is very important, but a bit of a mystery at the present time.
- The involvement and support from the anchors (Station Square and South Side Works) in the success of Carson Street and the South Side LDC was unclear. Certainly those are two entities that can become important partners for the organization.

- Roles and responsibilities of the South Side Chamber of Commerce, SSLDC, the South Side Community Council, and other organizations were difficult to determine.
- Two new ad-hoc groups have also engaged in the effort to improve entertainment business – neighborhood resident relations, but the impact and staying power of both Community Council’s Bar Task Force and the Mayor’s Task Force are still to be determined. The Bar Task Force is a unit within the larger South Side Community Council, but could illustrate a lack of consensus within that organization, as well as the neighborhood at large.
- Business leadership in general is uncertain. With a roster of mostly smaller owner-operators and smaller property owners, few have the organizational capacity to invest time in meetings and develop group decision-making abilities beyond the scope of their enterprises.
- There did not seem to be one convening entity or forum for the business community. There are a wide variety of issues but who speaks for the business community?
- In focus groups there was consensus that nighttime business activity is driving out daytime business activity but without more systematic collection of business performance data this perception is anecdotal at best.

South Side Local Development Company Issues and Observations

- The South Side Local Development Company has a reputation for presenting well-regarded events. Programming is an important aspect of commercial district management and South Side LDC has developed an ability to present events that support the development of the neighborhood. SSLDC representatives pointed out that event management has changed in recent years. The Summer Street Spectacular was a large scale event that was not well received by the local residential community. The event was discontinued after twenty years, and this allowed the capacity of the organization to establish the South Side Mid-Winter Soup Contest.

Something as simple as the South Side Mid-Winter Soup Contest got people out during an otherwise slow time of year, helped build a sense of community, and raised money for the local food pantry, exactly the kind of win-win-win that non-profits should practice.

- South Side LDC’s extensive experience as a commercial and residential developer gives it a thorough understanding of commercial and residential markets that has great value whether or not the South Side LDC stays in the property development business.

- Many focus group participants thought the South Side LDC had both the courage and urgency to embrace change.
- Many expressed serious questions and issues with regard to the current role of the South Side LDC. Its continued role as an affordable housing developer in places outside of neighborhoods immediately adjacent to Carson Street indicates a need to please funding organizations rather than address pressing neighborhood issues.
- The future role of community development corporations and the importance of having a multitude of such neighborhood-based entities to feed and support is under review by intermediaries that fund such organizations. This may have a large impact on the future of the South Side LDC.
- Subsequent to the Panel's conclusion, South Side LDC's director asserted that SSLDC's acquisition of a vacant building on E. Carson was justified. According to Rick Belloli, "This project should not be conveyed as a failure.. *The club lease was never signed.* This is because South Side LDC intervened to ensure that it would not be the case. The building remained vacant for more than two decades and was a blighting influence on the district. It has now been historically restored, and will soon be occupied by two businesses new to the area, as well as allow the expansion of City Theatre's mission, a large economic generator for the district. While there were challenges along the way, no project of this magnitude comes without them."
- Issues were raised regarding the effectiveness of management, inappropriateness of program focus and general activities of the organization. Most concluded that South Side LDC was essentially the staff for all the various neighborhood organizations; but were critical of how that staff was being deployed. This issue should be highlighted further. It is a key element of the local dynamic today, as the various organizations have differing missions from South Side LDC.
- Board governance and accountability were issues for some. Who appointed the board? Who are the South Side LDC's constituents? Why should the South Side LDC continue to exist? All of these questions were raised in our focus groups.
- Even current board members, important stakeholders, and long time supporters of the organization did not understand the entity's current priorities or vision.
- While the organization has an attractive website and produces a number of newsletters and printed marketing materials, many felt it did an inadequate

job of communicating with stakeholders. Once again the lack of regular personal contact between staff/board and merchants/residents was an important factor in this assertion.

- Over the years, it has been the neighborhood's style to devote time and resources to process prior to acting. Some feel today that this does not result in enough action. Bureaucratic rather than entrepreneurial behavior seems to be the default orientation of the neighborhood, and by extension, the organization. The neighborhood dynamic in this regard may be changing, and with it, the expectations for the organization.
- Business performance data, crime data, and other important baseline data appear to be lacking. Many focus group participants question whether the South Side LDC has good data to guide decision-making.

Findings and Conclusions

The South Side is at an important juncture in its history. Rather than adhere to the sagacious advice of Yogi Berra who once said "if you come to a fork in the road take it", the Advisory Panel believes it is imperative for the South Side Local Development Company to take the time to:

**RE THINK
RE FOCUS
RE ORGANIZE
RE BRAND**

South Side, in many ways has been a victim of its own success. Renovation of 225 facades helped regenerate the commercial district. Building more than 100 new homes helped stabilize and strengthen adjoining neighborhoods. But the missing link is action to manage this success so that it is sustained over the long haul.

The Advisory Team strongly advocates for the repositioning of South Side LDC as an organization focused on the long term management of Carson Street and as an organization that serves the local business community. Along with repositioning, SSLDC should engage with Chamber of Commerce leaders to determine how roles and responsibilities between these two organizations differ.

Over time it may choose to become a partnership organization that speaks for both neighbors and residents (assuming that is what residents want); but at this time there are a number of organizations that are resident-led. What is needed is an effective organization to represent business interests so that Carson Street can address threats to its long-term sustainability.

Short Term Actions Steps (0-6 months)

South Side LDC has benefited in its past by the high visibility of its work. Building facades and new homes were clear and undisputable evidence of the organizations presence and positive role. In adopting a new role, South Side LDC should undertake a different highly visible project to galvanize neighborhood support. South Side LDC has conducted a number of clean-up campaigns in the past. By elevating the campaign to a much higher level, it utilizes an event that it knows how to do, but recasts it as a part of the change people want to see.

Refocus

Pilot Public Realm Enhancement

Columbus Day to Thanksgiving
Zero Tolerance Shock Treatment
Document with before & after photos
Community celebration at end

Pick a period of time and do whatever it takes to eliminate graffiti, litter, weeds, gum stains, and poster remnants from the public realm. Keep them removed. This is really nothing more than the extensive spring clean up event that the South Side LDC already executes; but it is rebranded and expanded.

Do a small section of the corridor but do it well. This helps improve the visibility of the program by having a side by side contrast between a well-cared for space and one that is not given the necessary attention.

Develop a selection process for choosing pilot blocks by rewarding those blocks that can recruit the most business/property owner support for the program.

Rethink

South Side Vision Summit

300 people at the local school
Not another committee

Plan a major public event to establish a coherent vision for the neighborhood that has broad support. The outcome of this summit should be a new vision (not the standard "vision statement") and a list of people willing to participate in the reorganization of South Side LDC. This event should not evolve into another task force or standing committee. If CNN committed to do a major documentary on the South Side and scheduled it for 2010, how would you want the community to look?

Heroic efforts should be engaged to make sure that a wide variety of people participate in this effort and not just the usual cast of characters. Develop ways for different age groups to participate. The National Civic League has developed a great deal of reference material for developing a shared community vision.

Upon completion of the exercise, do not overstate the amount of consensus behind the vision. It is a working draft that must be sold to the community by invoking it frequently and listening to various reactions. It also undergoes modification as steps taken to implement the vision are attempted and completed and new information is gleaned.

The working draft of a shared community vision is the critical piece in assisting the board of South Side LDC in reorganizing from a community-based development entity into a business-led commercial district management organization which is the next step. How this fits into the South Side Neighborhood Plan update and process must be determined, but it could be that it precedes and therefore influences and informs the development of the plan.

Reorganize

Board transition team

Include past board members
Funding for transition plan
IRS Status

Guided by the community's new vision, the current board should engage a wider group in developing a transition plan for the organization.

Including past board members and other key stakeholders is important but the transition team should not become so large that it becomes unwieldy.

A new name for the organization is essential. In selecting the name it is suggested that words like partnership or alliance or the equivalent convey the right tone. Central to the work of the organization is involving a wide variety of stakeholders and recognition that future success implies partnership. The South Side Partnership, The South Side Alliance, Carson Street Partnership, or Team South Side are worth considering.

It is imperative to develop a plan to fund the organization through its period of transition. Early reaction from our initial presentation indicates that at least one current funder of South Side LDC may be open to the concept of providing seed money to help the organization reorient itself.

It will take a concerted sales effort with other current funders and with Carson Street merchants and property owners to secure the needed funding to sustain the organization. There is a compelling story to support the request for funds. Here is an organization that played a key role in making South Side the success that it is today and is committed to making the tough changes needed to build an organization capable of sustaining the neighborhoods success.

To expedite its transition, the South Side LDC should consider re-using its existing corporate shell and IRS non-profit status. Legal opinion should be obtained

whether the current IRS status is appropriate for the new version of the South Side LDC and by-laws and charter should be amended accordingly.

Rethink

Redesign Parking System

Secure funding for parking consultant

Tackle enforcement

Document the issues

Negotiate a strong written compact with the city

Parking is a bedrock issue that needs to be addressed for the future success of both the commercial and residential parts of the neighborhood. Strong demand for parking implies that there is an entrepreneurial opportunity for someone to profit from providing a better set of parking solutions.

South Side LDC should secure funding early on to hire a parking consultant with the express purpose of helping to design a system that better meets business and residential needs, maintains the City of Pittsburgh's revenue from the neighborhood, and generates new income that can become part of the future funding base of the new South Side entity.

Opportunity abounds with regard to parking. Extended hours of enforcement and new technologies provide proven ways to increase income, maximize utilization of scarce parking resources, and improve parking for customers and residents.

Mid Term Action Steps (6 -24 months)

Much of the work begun in the first six months will require fine tuning and refinement in the six to twenty-four month period.

Rethink

Develop vision and mission statements for the new organization

South Side Partnership's full board

The evolving vision developed by the neighborhood should inform the newly expanded and appointed board as it establishes a new vision and mission statement for the new organization.

An outside facilitator, familiar with business district management, should be retained to help guide the board. There are a number of very capable professionals in the greater Pittsburgh region than can fulfill this role at minimal cost.

The new organization mission and vision statements provide the framework for the board to develop a new work plan.

Reorganize Three year business plan

This plan will describe the staffing, funding, and programs required for the new entity to achieve its vision and serve its mission.

Staff change is likely. The current staff is very capable and should be encouraged to apply for positions with the new entity but the final selection of staff should be decided by an appropriate fit between the skill set of the applicant and the skills needed to implement the new business plan developed.

With a radical shift in its programs, the new entity may find that current staff are not as appropriate as others with more relevant experience. To honor the dedication and commitment of current staff and their part in the growth and development of South Side, South Side LDC should make every effort to provide a smooth transition for exiting staff members that may not be offered positions with the new entity.

Refocus Business Visitation Program

Visit every business

Build an electronic marketing data base

An on-going business visitation program is the backbone to building a more successful business district organization for two different reasons:

Building a better business mix begins with careful attention to retention. Developing an intervention strategy to improve existing businesses by getting strong businesses to expand more quickly and helping weak ones to either survive or die less painfully is the surest route to a more healthy business climate.

A number of legacy businesses that may not survive the death or retirement of existing owners may need assistance in succession planning.

A business visitation program also yields the information for building an accurate data set for the district. This tool is very important for effective recruiting of new businesses.

The first step in building a successful business/organizational relationship is building an effective data base

Reorganize Board of Directors

Reconstituting the board is a key challenge. It should be business-led but should include representation from a variety of stakeholders including neighborhood residents, public agencies, university and hospital leaders among others.

Board diversity is important. Balancing new insights as well as historical perspective, corporate, merchant, and public sector backgrounds, ethnic, racial, age, and employment diversity is more of an art than a science, but profound dedication to the cause is the single most important criterion in selecting a board. Determining the exact makeup of any board is more an art than a science. However, size is an issue, because it is difficult to be representative if there are not enough board positions to allow diversity to occur. Among similar organizations, boards usually have 15-25 members, though some are even larger. Some boards allocate positions by company or organization (for example, a representative from South Side Works or UMPC) while others look for strong, committed and energetic individuals first and foremost.

Dedicated Board members are critical. Developing a job description for board members and establishing minimum performance levels in terms of meeting attendance, fund raising, and advocacy of the organization are all highly recommended.

Rethink Launch Draft Business Standards Agreement

In an effort to weed out the “bad apple” business owners, develop a *minimum business standards* agreement with provisions for maintaining effective crowd control, property maintenance, adherence to noise limits, and other pertinent issues. The Mayor’s Task Force is currently drafting a Good Neighbor Agreement for businesses, community organizations, and possibly eventually residents. It will be incumbent on current South Side LDC members to take the work of the Task force into account as it reorganizes.

This agreement should be as short as possible and should be developed by business owners themselves.

This effort may be only voluntary at the inception but it provides a base to build a reward and punishment system over time. For example, only those in compliance with the business standards agreement may be vendors at future special events.

Long Term Action Steps (24-48 months)

The new entity will be up and running and undertaking new programming to support a sustainable South Side.

Refocus

Leadership

Create a business-neighbor compact
Statement of principles
Guidelines / Actions

This is an evolution from the minimum business standard agreement that adds input from residents as a way for the new entity to broker better relationships between business/property owners and residents.

This compact should spell out the expectations of both business/property owners as well as residents so that future behavior can be better regulated. This helps protect residents from bad apple club owners as much as it helps operators of well-run establishments from being accosted by problem residents.

Again, this document may begin life as a completely voluntary agreement but teeth can be added over time by integrating into the liquor license application/renewal process and other business permitting processes.

Reorganize

Re-brand Public Realm

Complete and implement a pilot parking plan

With a much more manicured public realm, a healthier mix of businesses and a new pilot parking plan to promote, it is time to develop a new set of branding materials to raise public expectations about South Side.

More than marketing, this re-branding process makes specific promises to the many varied customers of South Side and raises the bar of business district experience. Promises made in the branding campaign have to be promises met on a daily basis for the campaign to succeed.

Reorganize

Management

Establish and monitor benchmarks
Take corrective actions

Improving parking operations and public realm management is an on-going process. The staff and board should establish benchmarks with regard to critical items such as trash, graffiti, and nuisance crimes and monitor them on a regular basis.

Refocus-Rethink

Leadership Management Vision

Test funding sources against vision / mission statements
Get out of the housing development business

As the new board settles in, all program activities should be tested with regard to whether they are critical for the organization to its mission and vision. Activities should only be undertaken if they meet the organization's mission statement, not the mission statement of funding organizations.

Specifically, the role of the organization with regard to housing development should be carefully reviewed. There may be a role for the organization to develop housing but it should always be the developer of last resort, and only along Carson Street or in the commercial district. Leveraging the organization's extensive knowledge about local housing markets may be used to stimulate more private sector investment in new housing forms such as upper floor development along Carson Street.

Building affordable housing outside the program area is a lofty achievement but is not recommended by the panel, and should be the responsibility of another organization, perhaps ACTION Housing. Only if the organization is meeting all of its primary stakeholder needs, and has the strong support of the business community in doing so should it ever consider residential development beyond the immediate district. In the short term, the opportunity cost of doing such projects harms the organization more than the funding it provides.

Limiting distractions from the primary tasks of managing a successful Carson Street is an important issue for the Board and staff to consider.

Refocus-Rethink Public Realm

Investigate evaluate clean & safe funding assessment

In our investigations we found little support for an assessment-based funding source where property/business owners would be required to pay for services to enhance the public realm, provide better parking, or achieve any other mutually agreed upon services.

This is not unusual. Nobody wants to pay more in taxes especially if the benefits have not been clearly identified.

Showcasing improved public realm maintenance, experimenting with parking pilot programs, and building a better business mix all provide great benefit to those who can be persuaded to invest in a more permanent funding source when they see results.

The good news is that a new entity can demonstrate dramatic improvements but it is important to communicate with merchants and property owners from the beginning that such work is not done by the tooth fairy or Easter Bunny, but only by concerted group effort that requires equitable funding. Those who benefit must pay their fair share.

One final note raised by South Side LDC representatives has to do with the roles of other organizations on the South Side. If South Side LDC changes its role and mission, who picks up the slack, fills the gaps, and moves aside as these changes

occur? And how willing are other organizations to adapt in the face of a changing South Side LDC? These are not easy questions, and there are no easy answers. One way of addressing this is to convene a quiet set of meetings between various organization leaders, in which overlaps and gaps are identified and defined. Once this has been accomplished, a “summit” between the organizations can debate and ratify new agreements. However, these “turf” issues should definitely not be a reason to avoid change. Paralysis in the face of role and responsibility issues will have a negative effect on all of South Side’s organizations, and the community as a whole.