



FEATURED STORY

The Recipe for Thriving Downtowns Part 2: Economic Development Tools

BY: NATALIE BURG, 5/18/2011



"Honestly, I don't know if we would have done anything if we'd had to do it all ourselves."

Wanda Urie is referring to the \$19,000 worth of exterior renovations she has completed on her historic commercial property in Downtown Portland in the past several years. Urie has owned her gift shop Distinctive Occasions for more than fifteen years. She knew from the beginning that the historically incorrect additions made to her downtown storefront before she purchased it were in need of a fix, but the job seemed too big and too expensive for a small business owner like herself to handle.

When she learned of the [Portland Downtown Development Authority's](#) Façade Grant Program, which offers to reimburse property owners 50 percent of approved exterior work to their buildings up to \$5,000, the prospect of making such an investment became much more plausible.

According to Urie, however, it wasn't just financial assistance that pushed her over the edge. As a Select Level member of the Portland DDA, she is entitled to three free architectural renderings by the MMSC's historic architect, Kelly Larson.

"The resource of having a historic architect was huge for me," says Urie. "The designs were proposed and I said that looks nice, but more importantly, that looks doable."

And doable it was. Urie not only benefited from the free technical assistance from

the MMSC and 50 percent matching funds from the Portland DDA on the approximately \$7,000 project, but she also later participated in a rear façade improvement program to coincide with the DDA's award-winning Downtown Boardwalk Project. This project, which completed in 2008, leveraged funds from MSHDA, an MEDC Cool Cities grant, the City of Portland, the Portland DDA and private property owners to invest more than \$1 million in a



new elevated boardwalk between the Grand River and the back of the downtown buildings, as well as renovations to the rear facades of the buildings.

"It really made a big impact to have the whole block done at that one time," says Urie. "The difference was night and day here."

Incentives and In-kind Assistance

Financial incentives and in-kind technical assistance are

key economic development tools for Lansing area downtown development organizations like the Portland DDA. Just as [volunteerism plays a role](#) in the economic development of historic city centers, the unique character of these commercial districts make them ideal places for such targeted public investment.



"Most of our architecture is from the late 19th century or early 20th century," says Patrick T. Reagan, City of Portland Downtown Development Authority/Portland Main Street Director. "This means that the citizens and city government take a lot of pride in the way our downtown looks – they want it to maintain a certain character. However, restoring historic buildings is neither easy nor cheap."

In the language of a potential retail property owner, this means that if restoring the vacant historic property downtown will cost more than constructing a new building and furthering urban sprawl, the new building will win - and the historic downtown building will remain vacant and deteriorating.

"Our goal is to make downtown Portland a great place to do business and to help nurture our small businesses towards success," Reagan says. "Our grants, though small, help downtown Portland become a more aesthetically pleasing place."

Small incentives, in fact, seem to have some of the biggest impacts on the development of individual downtown properties.

[Downtown Lansing Inc.](#) recently added a Sidewalk Cafe Furniture Grant Pilot Program to their list of incentives. Though each applicant may only receive up to \$750 toward the purchase of new outdoor furniture, the brand new program is already showing its benefit for both property owners and the aesthetics of the district. "We wanted to bring up the quality standards for our outdoor cafés," says DLI executive director Mindy Biladeau. "We thought, 'How can we encourage people to invest in higher quality materials?'"



The clever part of the program is that business owners only qualify for the assistance if they purchase furniture meeting a certain criteria and approved by DLI. The incentive came along just in time for Cher Kiesel, owner of the Spotted Dog Café, who was one of eight businesses to receive the grant in its first season. "We'd been needing to get new furniture for a couple of years," says Kiesel. "Ours was well loved."

Like any small business owner, Kiesel was watching her bottom line and holding on to her outdoor café furniture for as long as she could. The program allowed her to make the decision to upgrade now, instead of wait another year, and also



purchase nicer furniture than she would have otherwise considered. "It paid for half of this lovely furniture," she says. "My understanding is that a lot of people selected the same kind of [style], so that will help downtown have a nice, congruous look."

That's exactly what DLI was hoping would happen. Whether the organization providing the economic development tool for downtown properties and businesses is in Downtown Lansing or a city with just a few thousand residents like Portland, their hope is that the assistance will benefit both the private owner and the economic viability of their entire community.

Free Knowledge and Advice

Reagan counts every bit of financial and technical administered by the Portland DDA as economic development tools, from their façade and sign incentive programs to their trainings, workshops and classes for business owners and local entrepreneurs. "Often times," he says, "free knowledge and advice is as good - if not better - than money."

According to a benefactor of some of those programs, he's exactly correct. "First, it's about civic pride," says Urie. "It's good when someone can say, 'I'm from such-and-such-a-place' and be proud of that. But it comes down to dollars too. The better a town looks, the more people want to invest in it, in jobs and businesses. Then it increases property values and the city can do more for the community. It's a win-win situation for everybody."

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Photos:

Wanda Urie in Distinctive Occasions

DLI executive director Mindy Biladeau

Portland's riverfront before and after improvements

Cher Kiesel, owner of the Spotted Dog Café

Patrick T. Reagan and Portland City Manager Tom Dempsey

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