

DOWNTOWN
REVITALIZATION &
ECONOMIC
ASSISTANCE FOR
MISSOURI

JULY 2011

DOWNTOWN ORGANIZATION DEVELOPMENT

Strafford, Missouri



DOWNTOWN
REVITALIZATION &
ECONOMIC
ASSISTANCE FOR
MISSOURI

ACKNOWLEDGMENTS



CITY OF STRAFFORD, MISSOURI

DOWNTOWN REVITALIZATION AND ECONOMIC
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TABLE OF CONTENTS

<u>SECTION</u>	<u>PAGE</u>
I. INTRODUCTION & EXECUTIVE SUMMARY.....	1
A. Introduction.....	1
B. Executive Summary.....	3
II. EXISTING ORGANIZATIONS AND REVITALIZATION EFFORTS.....	5
A. City of Stafford.....	5
B. Stafford Area Chamber of Commerce & Industry.....	6
C. Stafford Downtown Revitalization Corporation (Action DREAM Committee.....	6
- Boundary Map.....	7
III. ELEMENTS OF SUCCESSFUL ORGANIZATIONS AND REVITALIZATION EFFORTS	9
A. Leadership.....	9
B. Management Characteristics.....	9
C. Board Attributes.....	9
D. Forming Partnerships.....	10
E. Community Involvement	10
F. Organization Funding.....	10
G. Organizational Strategic Planning	11
H. Project Planning and Facilitation.....	11
I. Business Retention, Expansion and Attraction	11
J. Residential Development and Neighborhood Revitalization	11
K. Downtown Advocacy.....	12
L. Real Estate Development Body	12
M. District Marketing.....	12
N. Special Events Planning.....	12
O. Retail and Event Promotions	12
P. Safety, Security, and Beautification.....	13

IV. RECOMMENDED ORGANIZATIONAL STRUCTURE DEVELOPMENT & ENHANCEMENT..... 15

Recommendations for New Organizations 16

 A. Downtown Stafford Community Improvement District 16

 B. Downtown Stafford Community Development Corporation 17

 C. Downtown Stafford Redevelopment Corporation 17

Recommendations for Existing Organizational Enhancements 18

 A. City of Stafford. 18

 B. Stafford Area Chamber of Commerce & Industry 18

 C. Stafford Downtown Revitalization Coalition..... 19

V. CONCLUSIONS, IMPLEMENTATION AND FUTURE WORK..... 21

APPENDIX

- 1 – Downtown Organization Checklist
- 2 – Existing Downtown Organizational Structure
- 3 – Recommended Downtown Organizational Structure
- 4 – Downtown Organizations and Responsibilities
- 5 – Specific Downtown Issues and Responsibilities
- 6 – Nature of Organizational Change
- 7 – Board and Committee Recommendations
- 8 – Sample Job Description

SECTION I

INTRODUCTION AND EXECUTIVE SUMMARY

A. INTRODUCTION

All cities are unique in terms of their physical assets, community resources, history, and sense of place. A community's overall health is greatly influenced by the viability of its downtown. From a societal standpoint, downtown embodies the heritage of the community and affords it a sense of identity. A Downtown Revitalization Program encourages a dynamic downtown which features unique retail opportunities, tourist attractions, employment possibilities, and recreational outlets to residents and visitors. Downtown revitalization can benefit cities by improving their economic base, fiscal condition, and well being of residents. And, equally important, the reemergence of downtown as a diverse and enjoyable place to be will help to create a positive and lasting image of the entire community.

Downtown revitalization is a community process that requires local champions, promoters, and people who are willing to invest time and effort to make the established program succeed. A Downtown Revitalization Program requires concerted planning and strategic implementation by many organizations, including a City government dedicated to downtown improvements and active downtown organizations with broad community support. The Downtown Revitalization Program involves coordinating a complex but interrelated series of events, relying heavily upon the cooperation of various community groups.

Successful revitalization will depend on a variety of components including:

- Committed, sustainable leadership
- Broad based participation
- A shared vision of the future
- Realistic goals and plan of action
- Effective communication
- Management of implementation strategies
- Recognition of efforts
- Use of outside resources

To ultimately achieve the goal of a successfully revitalized downtown, it is important to assess the existing downtown organization, revitalization efforts, the downtown business community, and the community at-large. This document begins that process with an examination of the organizational structure that will lead the reestablishment of Downtown Strafford. Upon analysis, it may be determined that the existing organizational structure is sufficient to continue revitalization efforts, that the organization will benefit from some minor or limited adjustments, or that some significant changes are required. During the evaluation of an existing organization or committee, the decision must be made as to whether or not that organization is still relevant and can effectively complete downtown revitalization responsibilities.

A critical analysis will be made as to the need for encouraging sustainability of existing organizations that are carrying out the Downtown Revitalization Program, revamping an existing organization to achieve the objectives of the Downtown Revitalization Program, or establishing new organizations (sometimes replacing an ineffective existing organization) to complete the Downtown Revitalization Program.

The preferred action is to encourage and sustain an organization that is effectively meeting, or can achieve with additional resources, the Downtown Revitalization Program objectives. In many instances, organizational change will be necessary to meet the evolving roles and responsibilities that support revitalization activities in Downtown. In these cases, organizational change is made to build organizational capacity. The capacity of an organization may include its financial resources, personnel or staffing, volunteer activity, mission, and Board leadership. The fulcrum necessary to leverage the organization's capacity is strengthened by a clearly defined mission and strategic plan to guide its limited resources.

Frequently, setting up new organizations and committees is a better option than revamping an ineffective, existing organization. A new group may be able to undertake new responsibilities and accomplish new objectives that an existing group with an established agenda cannot. The community can set up a new board with broad based support, a clearly defined and independent mission, new goals, and an infusion of fresh spirit of change into the revitalization efforts. A new group can combine all the principles and functions of a successful revitalization organization into a single working unit. However, setting up a new organization requires additional resources and must be done carefully, or it may only be seen as an extension of previous failed efforts or ineffective organizations.

In Strafford, Downtown revitalization is still in the beginning stages of the process. As such, development of an effective organization will begin by building on past and current efforts by the City, Chamber of Commerce, and the recently formed Action DREAM Committee.

B. EXECUTIVE SUMMARY

Recommendations noted in this report represent steps that should be taken in order to achieve an organizational structure that can attain sustainability and drive the revitalization of Downtown Strafford. These recommendations can be implemented in part, or in whole, and there may be other possible scenarios that the City of Strafford leadership feels are more fitting to its unique circumstances. The principal recommendations for organizational development include the following:

- **Continue to Strengthen the Action DREAM Committee**

Continue to establish the recently formed Downtown Strafford Revitalization Corporation (Action DREAM Committee) as the lead organization for Downtown development. The Action Committee should function as the umbrella group that oversees all revitalization efforts for Downtown. The task of improving and maintaining Downtown Strafford will require a commitment from the entire community. The Action Committee will eventually require a paid Executive Director role and seasonal staff to help facilitate the DREAM Initiative goals.

- **Formation of a Downtown Strafford Community Improvement District (DSCID)**

A Community Improvement District can be used very effectively for a broad range of development and organizational activities that benefit Downtown. The DSCID should be created as a political subdivision, as opposed to a non-profit corporation. As a political subdivision, funds would be generated through additional sales or property taxes. The DREAM Financial Assistance Evaluation provides specific revenue estimates for a CID established as the defined DREAM boundary.

Any effort to establish a CID must include an adequate community outreach campaign where the benefits of the district are demonstrated to outweigh projected costs. The DSCID is proposed to collaborate with the Action DREAM Committee regarding the expenditure of CID funds.

- **Creation of a Downtown Strafford Community Development Corporation (DSCDC)**

The DSCDC will be a multi-bank corporation from which loans and equity can be provided to small businesses or development partners for a number of roles in the revitalization of Downtown Strafford. Such roles include development of housing, commercial real estate, small business, and other forms of economic activity. The formation of the DSCDC should be comprised of participating banks and local businesses that help fund the organization through donations, grants, and other forms of investment.

The City and Action DREAM Committee should begin the task of developing a promotional program to local banks. Materials for spreading information regarding the DSCDC among local business, perspective businesses and developers to encourage participation will be needed.

- **Establishment of Downtown Strafford Redevelopment Corporation (DSRC)**

Though not necessarily required in the near term, this type of development tool may be appropriate at some later date. It is an appropriate implement for stimulating new housing and commercial development in Downtown. Organized as a for-profit corporation pursuant to Ch. 353 RSMo, a Downtown Redevelopment Corporation would be positioned to take advantage of tax abatement for any improvements occurring as a result of plan implementation.

Again, as with the DSCID and the DSCDC, the City and Action DREAM Committee will, at the appropriate time, need to begin formulating procedures that encourage participation and broad support for development activities among potential investors.

SECTION II

EXISTING ORGANIZATIONS AND REVITALIZATION EFFORTS

A prerequisite of DREAM Program selection requires that a city demonstrate broad community-wide support for the revitalization of Downtown. Strafford's residents, businesses and political leaders speak of the importance of a vibrant Downtown and their interest in Downtown Revitalization. The DREAM Initiative discussed the direction of the Downtown revitalization effort with representatives of the City, schools, businesses, and residents within the context of the Community Focus Groups task item identified for Strafford. The Focus Group Survey Report dated July 2009, is a transcript of the comments of participants in the groups of "School Board and Administrators", "Elected Officials", "Business Owners", "City Staff", "City Residents", and "High School Students". Significant findings from the Focus Group Report Survey Report include:

The groups, overall, felt that there is a lot of unrealized potential for Downtown Strafford – adopting a Route 66 theme to draw tourists, adding more dining for both residents and tourists, adding some retail, improving parking, improving sidewalks, improving lighting, improving building facades, and increasing cooperation between building owners, business owners, City government, and the Police Department.

These findings indicate that participants are interested in reestablishing Downtown Strafford as a dynamic hub of activity. In addition, they provide insight into how to achieve that goal. The above comments are a small selection from the Focus Group Report; full transcripts of the Focus Group sessions are available from the City of Strafford.

The Downtown Revitalization effort that has occurred to date is primarily due to the City of Strafford, the Strafford Area Chamber of Commerce & Industry, and the recently organized Strafford Downtown Revitalization Corporation (Action DREAM Committee). The following is a description of those organizations and their current role in supporting the Downtown Revitalization Program based on discussions between the DREAM Initiative and representatives of the City of Strafford, Strafford Area Chamber of Commerce & Industry, and Action DREAM Committee.

A. City of Strafford (City)

The City has an important role to play in all aspects of Downtown revitalization. In particular, the City provides leadership through building code, nuisance, and law enforcement, solving zoning conflicts, and providing financial assistance. With regard to these responsibilities, the City of Strafford has filled sought to fill this role in Downtown revitalization. The City has worked to create opportunities for revitalization by improving the physical conditions of Downtown and providing economic support. As a result, the City has purchased derelict buildings and vacant lots within Downtown, and is preparing a plan for reconstruction of Pine Street, including new infrastructure, streetscape elements, and the potential "Strafford Station" concept developed as part of the DREAM process.

While these are positive steps in the revitalization of Downtown Strafford, the City has not developed a dedicated tax revenue source for continuous reinvestment in the Downtown. As typical in most communities, the City must balance community-wide needs with those of the Downtown.

B. Strafford Area Chamber of Commerce & Industry (Chamber)

The Strafford Area Chamber of Commerce & Industry is an independent membership-funded organization whose programs involve small business assistance, local marketing, business advocacy, economic development, and event planning and promotion.

The Chamber is instrumental in the organization and planning of the annual Route 66 Days event held in September within Downtown. The Chamber is also involved with the possible development of the “Strafford Station” concept and assisting all entities involved. There is some discussion of the Chamber relocating to this space once it is completed. Currently, the Chamber operates out of office space which is connected to City Hall, adjacent to Route 66.

C. Strafford Downtown Revitalization Corporation (Action DREAM Committee)

The Action DREAM Committee was formed to be the lead entity in the DREAM process as well as provide leadership and assistance in economic revitalization issues for local government planning projects, funding sources, and other related issues for Downtown. The Action Committee functions as the umbrella group that oversees all revitalization efforts for Downtown and other organizations involved with the Downtown area.

The Committee has already taken the steps of formalizing a set of bylaws, approving a Board of Directors, and now meets on a monthly basis. Some of their first voting actions included the following:

- Proceed with the “Strafford Station” concept plan as first project.
- Begin process of establishing a Downtown Community Improvement District.
- Support for City’s Pine Street and Route 66 streetscape project.

In the past, the existing organizational structure for Downtown responded to some opportunities, but lacked any sustainability of long-term planning. The formation of the Action DREAM Committee is beginning to address this by creating sustainable leadership specific to Downtown while maintaining a proper relationship with the existing community organizations. In addition the revitalization efforts are focused on several major projects as well as ongoing programming and organization. This environment will be much better suited to address the needs of an emerging Downtown revitalization.

However, as will be addressed in Section IV, there are still some roles and responsibilities that should be strengthened. In addition, any recommendations for the existing organizations need to be sensitive to the fact that they have other parts of the community or other members to serve.

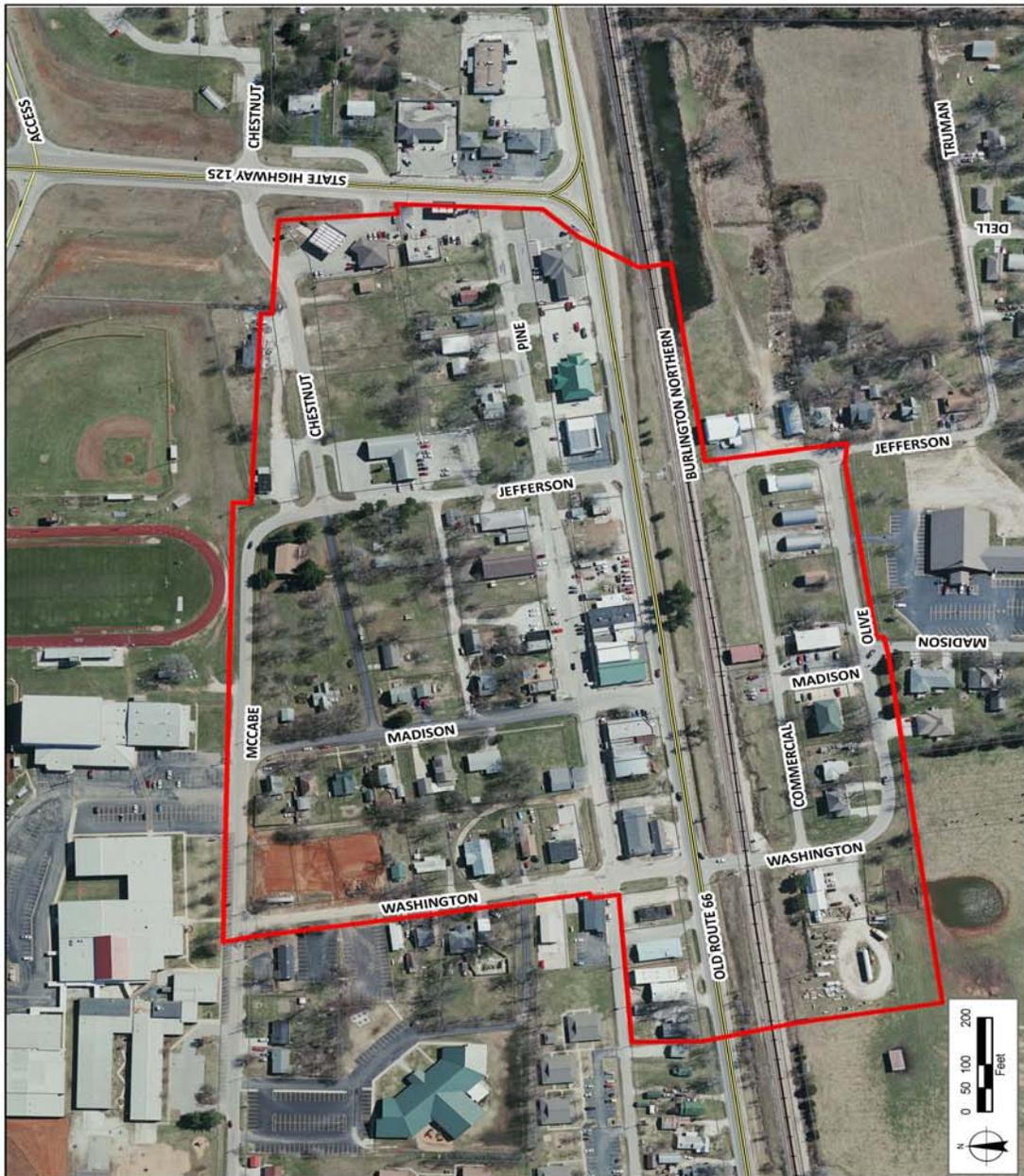
Exhibit 1
DREAM Boundary

Downtown Study Area
City of Strafford, Missouri

Legend
Study Area



DECEMBER 2009



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SECTION III

ELEMENTS OF SUCCESSFUL ORGANIZATIONS AND REVITALIZATION EFFORTS

Downtown revitalization occurs with numerous entities that band together to reach a common goal. Each of the participating organizations, however, may have a different reason for being involved and fulfill a different purpose. Additionally, each Downtown organization will be uniquely developed to address the particular needs of a community. However, there are common elements among the techniques and services offered by the various Downtown organizations that are useful to note including: Leadership; Management Characteristics; Board Attributes; Forming Partnerships; Community Involvement; Organization Funding; Organizational Strategic Planning; Project Planning and Facilitation; Business Retention, Expansion and Attraction; Residential Development and Neighborhood Revitalization; Downtown Advocacy; Real Estate Development Body; District Marketing; Special Events Planning; Retail and Event Promotions; Safety, Security and Beautification.

A. Leadership

Invariably leadership is included as one of the most important components of every successful downtown organization. Leaders have a vested interest and are the champions and defenders of downtown. They must be able to build grassroots community support and form effective public/private partnerships. Leaders are charged with informing and educating the public, as well as bringing focus and vision to the organization and Downtown Revitalization Program. Enthusiastic Leadership for the Downtown Revitalization Program must also allow for transitioning from individual to individual so momentum can be sustained.

B. Management Characteristics

There are different approaches to successful management practices of downtown organizations. Management styles can vary greatly and it is important to match the management style to the particular needs of the downtown organization or revitalization effort. Important skills of successful managers include: speaking effectively to audiences; financial analysis and budgeting; project planning and oversight; situation and political analysis; and bargaining and negotiating expertise. Management approaches can range from being mainly an administrator who makes budgets, hires employees, and enters into contracts to an entrepreneurial approach which emphasizes new service delivery, program design, and developing new sources of revenue.

C. Board Attributes

Boards and committees should be made up of leaders with a unified enthusiasm for the revitalization of downtown. However, this does not suggest the board should be made up of all similar-minded people. It is important that the board represent diverse points of view from the community. It is also important that the board not be seen as the elite members who stand to benefit from the revitalization.

The board should encourage discussions and debate differences to strengthen the ultimate decision and resulting outcomes. Additionally, the board should develop goals and clearly identify those responsible for completing them. While there are no set guidelines for the size and make-up of boards, it is recommended that they be limited in size to 7-9 members. However, given the unique characteristics of each community, under certain circumstances, larger boards can be effective. Potential members should be recruited from, but are not necessarily limited to: local banks; chambers of commerce; City government; downtown businesses; downtown stakeholders; downtown residents; and historic societies and preservation organizations. Board members for all of the downtown organizations should have a similar make-up in order to ensure continuity in leadership and decision-making across the different organizations.

D. Forming Partnerships

Nearly all successful Downtown Revitalization Programs include 3-5 separate organizations that have different purposes and provide diverse services. It is not as important which organizations handle which services, but that the services are delivered effectively. Some organizations are structured or chartered to deliver various types of services or perform certain functions more effectively than others. Healthy partnerships are crucial to starting the revitalization process and building the critical mass needed to spur the cycle of sustainable development.

E. Community Involvement

A downtown organization must ensure that citizens and businesses, particularly residents of surrounding neighborhoods, have continuous opportunities for input and involvement. Large community events and celebrations are often located downtown, and are very important to fostering an overall sense of community. Involving the community in downtown revitalization efforts will help foster that sense of community.

F. Organization Funding

Adequate funding is one of the most important components of successful downtown revitalization efforts. Downtown revitalization cannot be sustained without a stable source of money. The amount of money raised can depend on the depth of the programs and services required. Large programs will not only require local resources and fund raising efforts, but may demand outside funding sources. A major funding component of all successful downtown revitalization efforts is the local government, particularly at the outset of a Revitalization Program.

A number of funding sources will be investigated as the DREAM Initiative moves forward including, Community Improvement District (CID) tax levies and assessment, Tax Increment Financing (TIF), Transportation Development Districts (TDD), and many various state and grant programs. Utilizing different funding sources is necessary due to use limitations (i.e. some funding mechanisms may not be used for operation costs, only for programming or services) of different sources, as well as to build a stable and diverse funding structure to ensure sustainability.

G. Organizational Strategic Planning

Strategic planning is essential for building an organization that will be effective as well as thrive in the future. Successful organizations develop a strong vision and align their resources towards achieving that vision. It is important to establish short and long-term goals that are specific and measurable. Organizational goals should be reviewed on a regular basis. Strategic planning for the revitalization of downtown will be addressed in greater detail in the Downtown Strategic Plan component of the DREAM Initiative.

H. Project Planning and Facilitation

The organization in charge of downtown revitalization spearheads various improvement projects. Successful organizations keep a keen eye on progress by using resources and overcoming obstacles in facilitating revitalization goals and objectives. Project oversight will be a large responsibility of all organizations guiding downtown revitalization.

I. Business Retention, Expansion and Attraction

Typically, efforts of the organization in charge of this activity focus on retention and expansion of existing downtown businesses. The organization actively communicates with businesses to help identify needs and resolve problems. Additionally, the organization helps to improve existing business practices through services including training, marketing assistance, and access to capital. Successful organizations are proactive in retention efforts by tracking lease expirations and acting to limit downtown business losses.

New business development and attraction is an important component of a Downtown Revitalization Program. Successful economic development programs understand market opportunities, have realistic goals, and focus on targeted industries for attraction. The programs start with providing basic information, capital, real estate, and labor. Innovation is crucial in these efforts. For example, retail incubators have been used successfully in developing retail businesses where national recruitment efforts have failed. Retail development will be addressed in much more detail in the Retail Market Analysis component of the DREAM Initiative.

J. Residential Development and Neighborhood Revitalization

Development of housing and revitalization of existing neighborhoods is essential to successful Downtown Revitalization Programs. Residents help provide the demand necessary to support shops and restaurants. Additionally, a vibrant residential component is an integral part of a multifunctional downtown.

The vitality of downtowns can be measured by the level of human activity. People on sidewalks demonstrate a healthy downtown. Housing development will be addressed in more detail in the Downtown Housing Market Analysis component of the DREAM Initiative.

K. Downtown Advocacy

As a result of decline, most downtown communities, residents, and businesses feel neglected and detached from their city government and larger community. A successful Downtown Revitalization Program will help bridge the gap between the downtown community and the rest of the city, including the city government. An influential downtown organization can effectively address constituent's needs and provide one voice for concerns and issues.

L. Real Estate Development Body

Successful Revitalization Programs include a real estate development body that encourages private investment in real estate. There are many ways to aid real estate development including land assembly, development preparation, financial assistance, and site planning. Successful Revitalization Programs create a development firm to spur initial projects that market and consumer research shows have potential demand, but may include a higher than acceptable market risk. Through these initial projects, the organization demonstrates to the development community and investors that downtown development is feasible and profitable.

M. District Marketing

Successful Downtown Revitalization Programs create a new unified image that reshapes the perception of downtown into the center of activity. Efforts focus on developing community pride in the unique physical environment and historical character of downtown. Creating a new image or enhancing the existing image of downtown involves promotional activities that build upon economic and cultural resources. The key is to create a healthy mix of retail promotions, special events and festivals, public relations, and other marketing media.

N. Special Events Planning

Through the use of special events, downtown organizations build partnerships, raise funds, encourage community involvement, promote downtown, and enhance retail business. Special events are essential in marketing downtown to residents that no longer view downtown as a destination, as well as to tourists.

O. Retail and Event Promotions

Downtown revitalization efforts include many activities to promote the unique mix of retail stores offered. Special shopping events, brochures, and other advertising and marketing are necessary to encourage the community to support downtown retail.

P. Safety, Security, and Beautification

Every successful Downtown Revitalization Program improves safety, security, and the appearance of downtown. Improving safety for rural communities mainly focuses on pedestrian traffic through crosswalks, speed bumps, and road marking. Increased signage, banners, maps, and wayfinding lessen congestion, help in the presentation of downtown, and make effective marketing tools. As parking improvements and controls are implemented, it is important to consider how these projects affect pedestrians. Every vehicle traveling to downtown parking lots brings at least one pedestrian, therefore pedestrian improvements must be considered along with vehicular improvements.

Beautification improvements included creating and maintaining cleanliness to ensure a positive first impression of downtown for visitors. Other efforts included store window decoration, building façade improvement, flower boxes, benches, and awnings.

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SECTION IV

RECOMMENDED ORGANIZATIONAL STRUCTURE DEVELOPMENT & ENHANCEMENT

The most critical component of a successful Downtown Revitalization Strategy is the creation of a sustainable organizational structure with the capacity to implement DREAM recommendations and provide ongoing revitalization support. It is important that the community has the necessary components of a proactive business community, grassroots support, and a dedicated local government to create the critical mass needed for a successful Revitalization Program. The City of Strafford currently has the essential assets for the creation of an organizational structure necessary for success.

The current organizational structure has established a foundation for incorporating some of the elements of successful organizations and revitalization efforts described in Section III. However, there are a few elements that are not currently being addressed, or have not been historically needed, which may become important features of Downtown Revitalization. The evolving needs of Downtown require increased organizational structure capacity to aggressively address important elements. Existing organizations could increase their capacity to support Downtown revitalization through growth, collaboration, planning, and increased financial support.

Strafford's Downtown organizational structure has three entities involved in the Downtown Revitalization Program. The DREAM Initiative will propose a leadership role for the Strafford Downtown Revitalization Corporation (Action DREAM Committee). As a reminder, a Downtown Organization Checklist is included as **Appendix 1**, and illustrates a point by point breakdown of how to develop and form a non-profit Downtown Organization. It is critical that the Action DREAM Committee has an appropriate focus for Downtown, sufficient resources including personnel and funding, and support from civic leaders.

Appendix 2, Existing Organizational Structure, clearly illustrates the current relationships of the Downtown supporting groups toward each other and revitalization. **Appendix 3** depicts the recommended Organizational Structure and the linkages between these groups. These organizations, specific to Downtown, must be pursued for the success of the revitalization program. The organizations include the Action DREAM Committee leading the effort, providing the Downtown community as a whole with advocacy, unification, and leadership. This lead organization will be supported by two additional organizations; a Community Improvement District (CID) to bring the necessary services to Downtown, as well as provide financial support to the Action DREAM Committee, and a Community Development Corporation (CDC) whose role is to spur real estate development as well as provide financial support to the lead organization. In addition to these organizations there will need to be other realignments of responsibilities made to ensure an orderly effort and not disrupt important current activities.

The following recommendations are made in two parts. First, recommendations are provided for enhancing the organizational structure capacity through the establishment of new organizations to complement the existing organizational structure. Second, recommendations are provided for the enhancement of the existing organizations, whether specific to an organization or to an element of successful revitalization efforts involving several organizations. The funding necessary to sustain these organizations is addressed in more detail in the Financial Assistance Evaluation component of the DREAM Initiative.

RECOMMENDATIONS FOR NEW ORGANIZATIONS

A. Downtown Strafford Community Improvement District (DSCID)

The proposed Downtown Strafford Community Improvement District (DSCID) will provide an extra level of service to the DREAM Study Area. The CID will channel private sector energy towards the solution of public problems. The DSCID will work with the Action DREAM Committee, the City, and a proposed Downtown Strafford Community Development Corporation (discussed below in section B) to provide increased public financing resources resulting from private investment to meet the comprehensive objectives of the Program. Funds generated by the DSCID should be used to provide district marketing, administrative support, event promotions, infrastructure, Downtown beautification, and most importantly to encourage rehabilitation of buildings.

The DSCID should contract with the Action DREAM Committee to provide administrative and technical services for ongoing administration of the DSCID, in addition to the services discussed earlier.

The DSCID can be organized as a non-profit corporation or a political subdivision, however forming a political subdivision is recommended as it provides a more stable revenue source. Forming the CID requires a signed petition submitted to the City that includes:

- Property owners owning more than 50% of assessed value of real property
- 50% per capita of all owners
- Boundaries of the district
- 5-year capital and service plan outlining purpose of district
- Cost estimates of improvements

The DSCID should designate itself as a public benefit corporation organized according to Ch. 355. The board of directors of a non-profit CID is organized in the same manner as other non-profits, according to Ch. 355. The organization can be funded by a property assessment, charging fees from tenants, economic development grants, voluntary donations, and municipalities may fund through grants or contributions. As a political subdivision, CID is organized through a petition which states whether the Board is elected or appointed by the ranking city official. It is recommended that the Board consist of seven (7) to nine (9) members. A CID may be funded by levying a tax on property, charging a fee for a business license, or charging an additional sales tax.

A CID that is created as a political subdivision can finance the costs of a project through the imposition of:

- (1) Special assessments for those improvements that specifically benefit the properties within the district;
- (2) Property taxes; or
- (3) A sales tax up to a maximum of 1%

It may finance the costs of a project through the imposition of fees, rents and charges for district property or services or grants, gifts and donations. A CID may also issue bonds, notes and other obligations and may secure any of such obligations by mortgage, pledge assignment or deed of trust of any or all of the property and income of the district. However, the bonds or other obligations of a CID that is created as a non-profit corporation will not be tax-exempt.

B. Downtown Strafford Community Development Corporation (DSCDC)

The proposed Downtown Strafford Community Development Corporation (DSCDC) should be a Downtown based non-profit or for-profit corporation formed to conduct public benefit projects and other redevelopment activities. The ultimate decision of whether to form as a non-profit or for-profit CDC lies with those partners forming the entity and the specific roles assigned to the organization. The DSCDC can take on many roles in the effort including housing and commercial real estate development, economic development, and small business development. Membership of the organization will primarily consist of participating banks but can include local businesses.

Funding for the DSCDC can include donations, grants, and investment from members. With a multi-bank CDC loans and equity can be provided to small businesses or development partners. The Board of Directors should be made up of representatives from the primary bank members, Action Committee, DSCID, and the City. If a non-profit is desirable, the DSCDC is organized in the same manner as other non-profits, pursuant to Ch. 355 statutes. As with a CID, the DSCDC Board should consist of no more than seven (7) to nine (9) members.

C. Downtown Strafford Redevelopment Corporation (DSRC)

If necessary, the Downtown Strafford Redevelopment Corporation could be formed as private activity is attracted. The Redevelopment Corporation will be a tool for stimulating construction of new housing and commercial development. If a Chapter 353 Redevelopment Area is established, the DSRC would be able to take advantage of unique financial tools as well as be a leader in property acquisition. The DSRC should work closely with the DSCDC in spurring real estate development in Downtown. The DSRC should be organized as a for-profit corporation, with limitations on earning, pursuant to Chapter 353 statutes. Board members for DSRC should be represented by board members of DSCDC, the City, Action Committee, Chamber, and other key stakeholders in Downtown. Through the 353 abatements, problem properties can be assembled and long-term asset growth realized for the corporation as the properties are improved.

RECOMMENDATIONS FOR EXISTING ORGANIZATIONAL ENHANCEMENTS

A. City of Strafford (City)

The City of Strafford's involvement in Downtown Revitalization is critical for success. City involvement demonstrates local government commitment and increases the likelihood of broad citizen participation. The City should assist in the development of all necessary political subdivisions and districts as well as participate in the appropriate boards. However, efforts should be made to avoid politicizing the Revitalization Program.

City services are one of the essential elements for a successful Downtown Revitalization Program. A financial commitment by the City is needed to support capital improvement projects, such as possible streetscape improvements on Pine Street and along Old Route 66. The City should also continue to assist with leveraging other resources by providing a local match investment for certain funding programs. This practice is the most effective means for accomplishing large-scale capital and infrastructure projects.

However, the local resources of the City must be distributed throughout the community and other financial resources should always be considered. The City will continue to have an important role to play in all aspects of revitalization and has already maintained a steady effort for Downtown. The City should take the lead in the tough decisions that lie ahead.

- The City will need to provide attention to Downtown code enforcement, historic preservation establishment, design guidelines adherence, and preparing wayfinding and signage, not only in the DREAM Study Area, but throughout the City. Building code enforcement should be pursued aggressively and fairly.
- The City should beautify Downtown by implementation of streetscape improvements and a wayfinding program throughout the area.
- It is recommended that the City take a supporting role, in partnership with Action DREAM Committee, in educating and informing the Downtown community about the benefits of establishing the DSCID.

B. Strafford Area Chamber of Commerce & Industry (Chamber)

The Chamber's role as the broader community representative requires a wider mission, beyond just Downtown. As such, the Chamber will be in a support role rather than a lead role in Downtown revitalization. The Chamber's association with the Action DREAM Committee should strengthen and be expanded in the future. The Chamber's local marketing program can afford multiple benefits to Downtown Strafford. In that regard, the Chamber's business development, small-business, entrepreneurial education, and networking opportunities can be increasingly important to the success of Downtown's revitalization as business growth occurs.

C. **Strafford Downtown Revitalization Corporation (Action DREAM Committee)**

The City of Strafford recently took the necessary step of forming the Strafford Downtown Revitalization Corporation (Action DREAM Committee) as a private, non-profit corporation to head up the Downtown Revitalization Program (Program). The following recommendations are designed to provide the next steps for this new organization.

The Action DREAM Committee will be responsible for advocacy on behalf of Downtown and the promotion of its members' interests. It will act as the leader of the Program, rallying volunteers, gathering resources, and pressing for progress. In order for the organization to function as intended it will require a paid Executive Director to oversee operations and if possible a support person to handle administrative duties. The Executive Director of this organization is instrumental to the Program as they will be the point person, community liaison, and motivating force of the Program.

Membership should include a wide array of residents and businesses interested in Downtown revitalization. Membership will not be restricted to Downtown business owners and residents, but extend to the surrounding neighborhoods. The Board membership for the new organization should be represented by existing Board Members from other key organizations involved in Downtown to ensure continuity of planning, policy, and administration of existing revitalization efforts.

It is very important that the City is a partner and fully supports the Action DREAM Committee and share in responsibilities; however, the Program must be driven by the private sector. Efforts from the private sector ultimately determine the Program's success or failure of the program.

The Downtown Revitalization Corporation was formed pursuant to the Missouri Nonprofit Corporation Act, MO. Rev. Stat. chapter 355, as amended. It is also important that the Action Committee complies with IRS non-profit regulations. Funding for the Action Committee is available from numerous sources including grants, membership fees, donations, fundraising, and contracting for services (e.g. from the DSCID). Identification of fee structures for membership-based organizations is covered in greater detail in the Financial Assistance Evaluation component of the DREAM Initiative.

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SECTION V

CONCLUSIONS, IMPLEMENTATION AND FUTURE WORK

The interaction of the various organizations and the assigned roles and responsibilities of each particular organization will remain dynamic as progress is made. Initial roles and responsibilities will change as goals are met, projects are completed, new issues arise, and organizations accept more responsibility. Preliminary recommendations of the responsibilities and roles of the various Downtown organizations and committees are listed in **Appendix 4** and **Appendix 5**.

The success of Downtown Revitalization Programs is realized through unified collaborative action of the organizations toward agreed upon Revitalization Program goals and objectives. The leadership of the board of directors of individual Downtown organizations controls in great part the amount of collaboration between them. In order to attain a high level of cooperation, and agreement in goals and objectives, the boards should contain the same make-up (i.e. for the most part, the same people should serve on the various boards). Not only does this ensure intra-organizational cooperation it guarantees control of the process among the key stakeholders: City government, Downtown businesses, and Downtown residents. It also makes best use of limited board recruitment resources. Board make-up should include a majority of private or Downtown interests with public entity participation making up the minority. This helps to make certain that a Downtown focus will be kept, and that the private sector is driving the effort.

The next step towards implementation of the Revitalization Program begins with incorporating the recommendations of this report into the Action DREAM Committee and promoting that organization heavily as the leader of the Downtown Revitalization Program. The Action DREAM Committee can then begin to assist with the development and creation of the supporting organizations and committees. Additionally, the board of directors for the Action DREAM Committee will be the foundation for the remaining boards of the new establishments.

The following recommendations outline the first steps to establishing an effective Downtown organizational structure in Strafford:

- #1 The City and Chamber continue to establish the Action DREAM Committee as the leader of the Downtown Revitalization Program and incorporate recommendations of this report.
- #2 The City, Action DREAM Committee, and Chamber continue the task of developing outreach plans for the Downtown Strafford Community Improvement District (DSCID).
- #3 The City, Action DREAM Committee, and Chamber begin the task of developing outreach plans for the Downtown Strafford Community Development Corporation (DSCDC).

Along with the above responsibility and role adjustments, a realignment of resources such as personnel and funding sources will be required. It will be critical that most, if not all of these organizations show public support of the coming changes. Disagreements should be discussed in meetings and the best unified front possible provided to the public. Additional work will include further development of a vision, goals, projects, etc. for the Action DREAM Committee. Assistance in evaluating these aspects can be found in the two documents provided in **Appendix 6** and **Appendix 7**.

This process can be very exciting and should not get politicized or hijacked for the grandstanding of any individual organization or project. A new Community Improvement District and Community Development Corporation will each need strong leadership to ensure this doesn't occur. A sample job description for an Executive Director position for the Action DREAM Committee is included in **Appendix 8**.

Future DREAM Initiative work will assist in development and improvement of the various funding components, market analysis, and overall strategy development. Formation of these downtown organizations is the first step towards the development of a comprehensive Downtown Revitalization Program.

APPENDIX

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Appendix 1

Downtown Organization Checklist

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Downtown Organization Checklist

The Downtown Organization's purpose is to provide leadership and assistance in Downtown revitalization. Work will include directing local government planning projects, developing funding sources, and improving quality of life. The Downtown Organization will function as the umbrella group that directs revitalization efforts for Downtown and other organizations.

The foundation of all non-profit entities is public trust and accountability. In exchange the government requires/allows:

1. Directors are held accountable by the Federal and State government, Funders, Donors and Stakeholders.
2. Tax deductible contributions and exemptions, all of which serve as a form of public or governmental subsidy.
3. The basic rules of operating a non-profit organization:
 - Establish a charitable mission, and determine goals and strategies.
 - Incorporation or other form of organization
 - Development of an independent Board of Directors
 - Create funding along with financial accountability
 - Retain staff and board leadership and oversight
 - Cultivate a core of volunteers and supporters

Steps to Establishing a Downtown Nonprofit Organization

• **Determine Purpose of Organization**

The Downtown Organization should be designed to encourage broad community support and lead the Downtown Revitalization effort. It will be responsible for advocacy on behalf of the Downtown community and the promotion of its member's interests. The organization and City should work together to form a partnership for revitalization efforts.

• **Organization Membership**

The membership base of the organization should aspire to include a broad array of residents and businesses interested in Downtown revitalization. Membership will not be restricted to Downtown residents and business owners, but should be extended to surrounding neighborhoods. However, voting and policy direction may not need be so broad based.

• **Form a Board of Directors**

The Board should consist of 7 to 13 people from both public and private entities that draw from other existing organizations, and at least one Downtown resident. The Board of Directors has an assortment of responsibilities which include:

1. Determine the organization's Mission and Purpose.
2. Select the Chief Executive Officer
3. Provide proper financial oversight and public accountability.
4. Ensure adequate resources.

Downtown Organization Checklist

5. Ensure legal and ethical integrity and maintain accountability.
6. Ensure effective organizational planning (both short and long term).
7. Recruit, orient and train new Board Members and define and assess Board effectiveness.
8. Enhance the organizations public standing.
9. Determine, monitor and strengthen the organization's programs and services.
10. Support the Chief Executive Officer.
11. Define their effectiveness and assess their performance annually.

- **File Fictitious Name**

The organization should file a fictitious name with the Missouri Secretary of State. The state requires any business who transacts business in the state to register that business name with the Secretary of State.

- **File Articles of Incorporation**

The Articles of Incorporation act as a charter to establish the existence of the corporation and set forth certain basic information about the new organization. The Articles of Incorporation are filed with the Secretary of State. Once filed and approved by the State the Articles of Incorporation legally create the organization as a registered business entity within the state.

Whether you prepare them yourself, or consult an experienced business attorney for assistance, the Articles of Incorporation do not necessarily need to be complicated or extensive. Articles of Incorporation will most likely be accepted for filing as long as they contain the minimum information required and

identified. But you likely need not create the articles completely from scratch. Once the Articles of Incorporation are written and signed, they are ready for filing with the Secretary of State's office (or similar state agency that handles business registration). In all states, the filing of the articles of incorporation requires the payment of a corresponding filing fee.

Incorporation is the first step in filing for tax-exempt status. Incorporation will protect board members and other individuals in your organization from being held personally liable in case of a law suit. Nonprofit status requires an additional step of applying for tax-exempt status.

- **Draft Bylaws**

When forming a new nonprofit, one of the first things to do is create your nonprofit's corporate bylaws. Contained within a single written document, the bylaws dictate the operating standards and procedures that the corporation will follow throughout its life as a business entity -- outlining what the corporation can and cannot do.

Bylaws are the rules that govern the internal management of an organization. The bylaws should cover how directors are elected, meetings are conducted, and what officers the organization will have and their duties. An organization does not officially exist until the bylaws have been approved by the board of directors. Bylaws and the articles of incorporation are the primary official documents for a corporation.

The bylaws should also address the following organizational issues:

- Membership - if the organization

Downtown Organization Checklist

will have members, who they are, how/when membership meetings will occur, what notice is required for meetings, requirements of a special meeting, quorum, and voting.

- Board of Directors — number, election process, meetings, length of term, number of terms allowed, vacancies, removals, quorum, officers, and standing committees.
- Fiscal management — fiscal year, and committee/officer responsibilities, compensation of directors, reporting requirements and dues.
- Amendments — how will amendments be made and approved.

The following actions are recommended:

- Have an attorney help draft the initial bylaws and examine any major subsequent changes.
- Tailor bylaws to meet the organization's mission.
- Consider potential short-term, growth and build flexibility into the bylaws.
- Review bylaws on an ongoing basis and revise as necessary.

The bylaws are one of the most important Board standards and usually the Board adopts the bylaws first. Bylaws are not filed with any agency. They are kept as a key part of the corporation's business records, and may need to be disclosed to potential investors, creditors, and other entities with which the corporation does business.

• **Apply for Tax ID Number**

Nonprofit organization should have an Employer Identification Number (EIN). The EIN must be obtained before filing for tax exempt status.

• **Develop a Strategic Plan**

The strategic plan should provide initial direction to Board Members and key staff when applying for any start-up funding, and for recruiting new Board Members. The strategic plan should identify the goals, operating programs, funding sources, events, staff, volunteers and more. The strategic plan should include input from stakeholders. The strategic plan should address:

- Define 5-8 goals that must be achieved over the next year.
- For each goal list 4-5 objectives to achieve the overall goal.
- For each objective list the resources needed.

• **Develop a long term operating budget, capital budget, and resource development plan**

A business plan and budget are useful when identifying where funding will come from, if the organization will rely on grants, individual donations, state or federal contracts, and what expenses the organization will incur. A business plan and budget will prove vital to the organization.

Downtown Organization Checklist

- **Organization Finances**

It is important to establish a prudent system of checks and balances when dealing with the finances of an organization. It is advisable to allocate finance responsibility among several people so that no one person is in charge of handling all of the transactions related to money. For example, when dealing with the receipt of cash, there should be one staff member who receives and tallies the funds, but a different staff member who then is responsible for taking the money to the bank and making the deposit.

Arrange for bank statements to be sent directly to an individual responsible for ensuring that each transaction can be accounted for. In turn, the bank statements then can be forwarded to another individual responsible for reconciling the account. By proceeding in such a prudent fashion, the potential for misappropriation of funds is minimized.

- **Obtain Income Tax Exempt Status from the IRS**

Once the organization's Articles of Incorporation have been filed and the bylaws have been approved by the Board of Directors, the next step for a new nonprofit is applying for federal tax exemption from the Internal Revenue Service. There are several steps and filing requirements an organization needs to complete before receiving tax exempt status.

The IRS requires 2 forms to qualify for tax exempt status, Form 1023, Application for Recognition of Exemption Under Section 501(c)(3) and Form 8718,

User Fee for Exempt Organization Determination Letter Request. Both forms should be submitted together.

- **Recruit Staff &/or Volunteers**

It is essential for the organization to have capable staff in place to carry out programs and administrative functions. Finding competent staff is extremely important, and in some ways it is even more challenging than recruiting board members. However, all recruiting of staff is dependent upon the funding capabilities of the organization.

- **Establish Payroll & Procure Necessary Insurance**

If necessary, make payroll arrangements to compensate staff, as well as independent contractors. It is important to distinguish the role of independent contractors from that of staff. Independent contractors are hired to perform very specialized, short-term projects for the organization (i.e. accountants, lawyers, consultants), whereas part-time staff are permanent or long-term employees of the organization.

Funds that are earmarked for payroll tax must never be used for any other purpose. Be very careful, since committing such an error may result in substantial penalties from the Internal Revenue Service. In addition to salary, benefits are an important part of the compensation package, and your state government will insist that you have certain insurance coverage. These ordinarily include workers' compensation and disability insurance at a minimum.

Downtown Organization Checklist

- **Fundraising Plan**

There are many different ways to maintain a viable, financially stable nonprofit organization. It is important to develop funding from a mix of individual and institutional sources, as well as earned income generated from special events, products, services and membership fees.

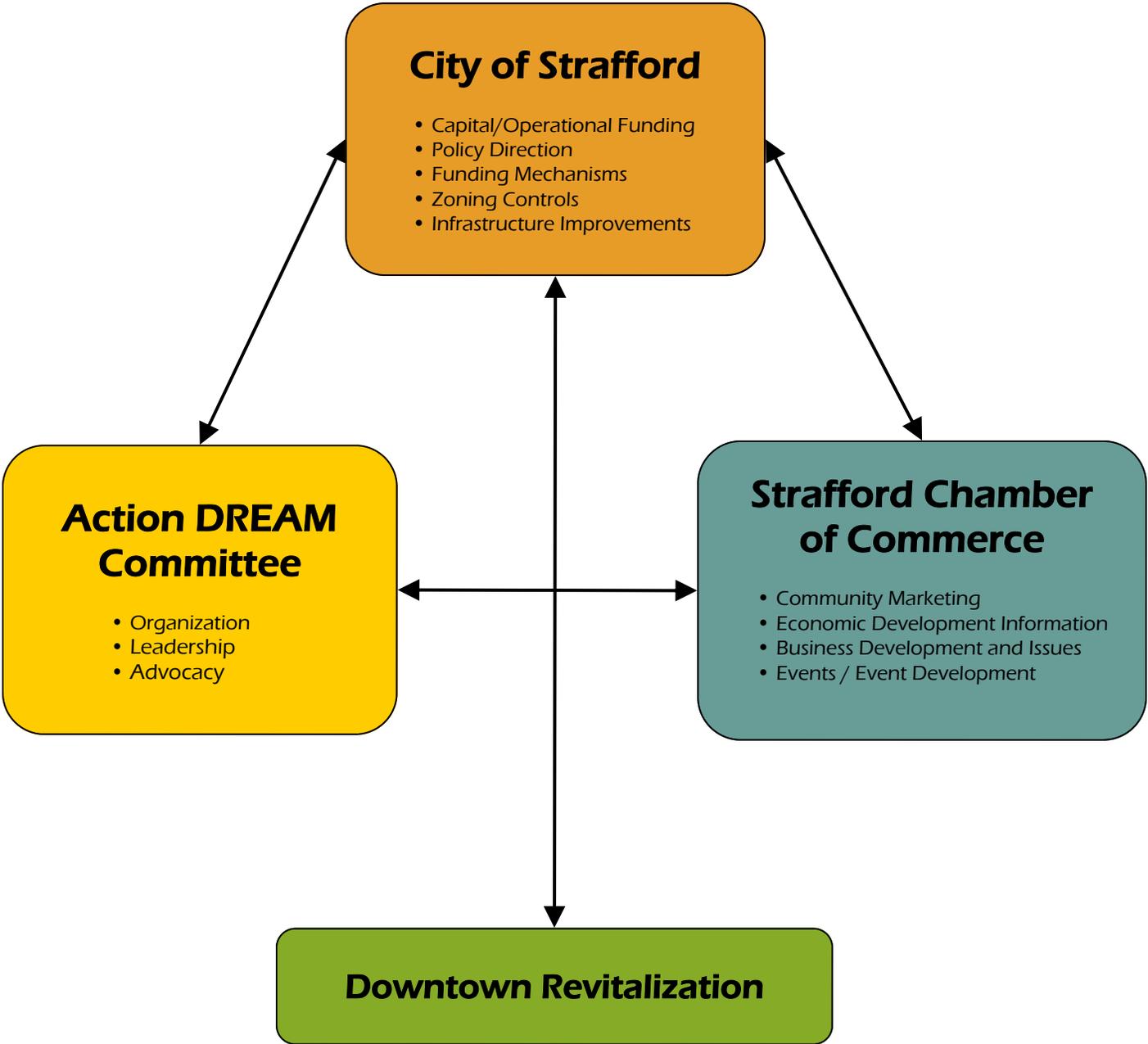
Individuals extend their support in a variety of ways: they make contributions and pledges in response to direct mail requests, appeals on the Internet, door-to-door canvassing, and face-to-face solicitations. Institutions that provide both financial and in-kind support to nonprofits include foundations; businesses and corporations; local, state and federal governments; and religious institutions.

Appendix 2

Existing Downtown Organizational Structure

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APPENDIX 2
EXISTING ORGANIZATIONAL STRUCTURE



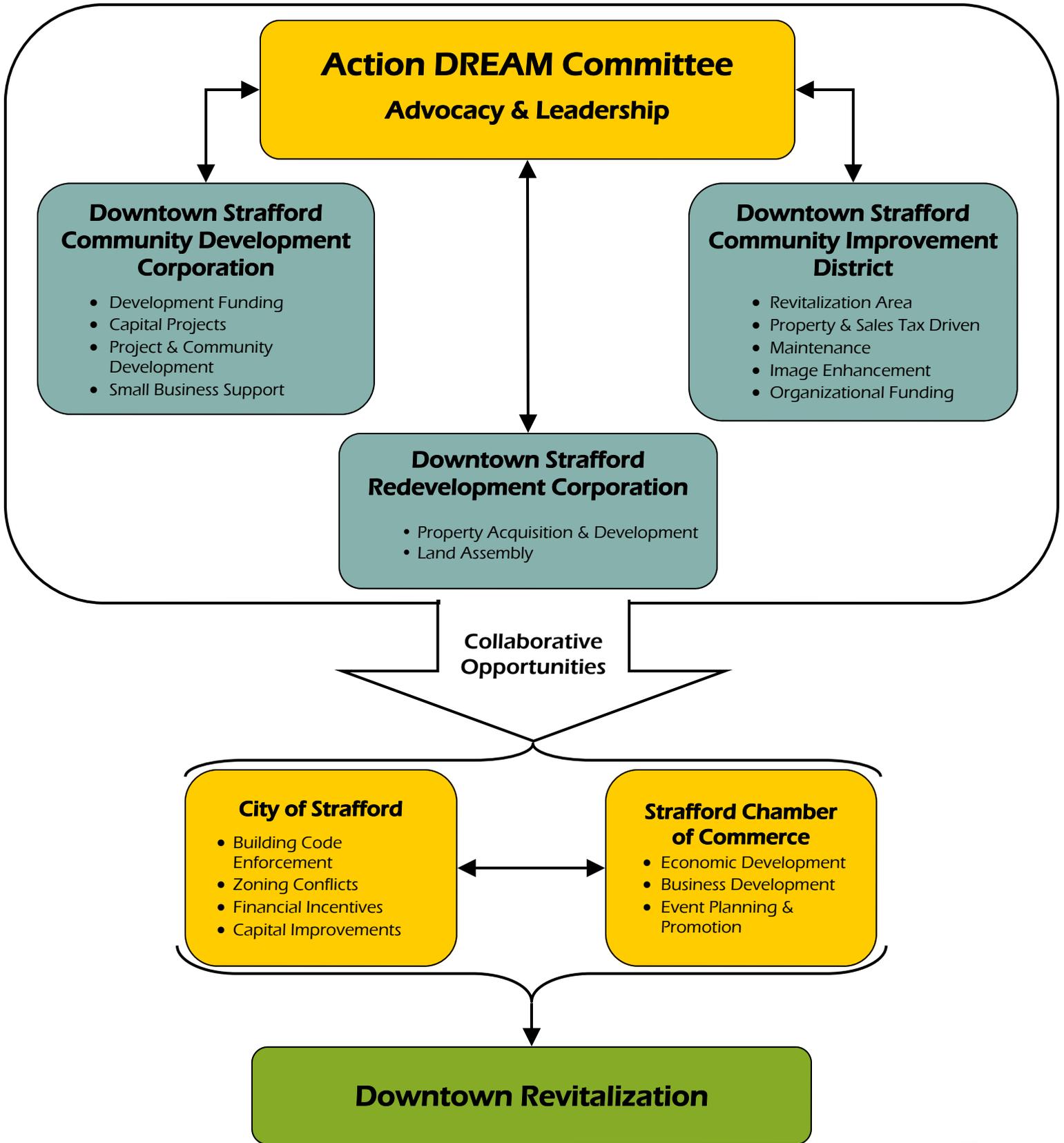
Appendix 3

Recommended Organizational Structure

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APPENDIX 3

RECOMMENDED DOWNTOWN ORGANIZATION STRUCTURE



Appendix 4

Downtown Organizations & Responsibilities

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Appendix 4 - Downtown Organizations & Responsibilities

Elements of a Successful Organization	Existing Organizations			Recommended Organizations		
	City of Strafford	Strafford Area Chamber of Commerce	Action DREAM Committee	Downtown Strafford Community Improvement District	Downtown Strafford Community Development Corporation	Downtown Strafford Redevelopment Corporation
Leadership	Essential Participant	Essential Participant	Essential Participant			
Management Characteristics	Essential Participant	Support Participant	Essential Participant	Support Participant		Support Participant
Board Attributes	Support Participant	Essential Participant	Essential Participant	Essential Participant	Essential Participant	Essential Participant
Forming Partnerships	Essential Participant	Essential Participant	Essential Participant			Support Participant
Community Involvement	Essential Participant	Essential Participant	Essential Participant			Support Participant
Organization Funding	Essential Participant	Support Participant		Essential Participant	Essential Participant	
Organizational Strategic Planning	Essential Participant	Support Participant	Essential Participant	Essential Participant		
Project Planning and Facilitation	Essential Participant	Support Participant	Essential Participant		Support Participant	Support Participant
Business, Retention, Expansion and Attraction	Essential Participant	Essential Participant	Support Participant	Support Participant	Essential Participant	Essential Participant
Residential Development and Neighborhood Revitalization	Essential Participant		Support Participant	Support Participant	Essential Participant	Essential Participant
Downtown Advocacy	Essential Participant	Support Participant	Essential Participant	Essential Participant	Essential Participant	Essential Participant
Real Estate Development Body	Support Participant				Essential Participant	Essential Participant
Direct Marketing	Support Participant	Support Participant	Support Participant	Essential Participant	Support Participant	
Special Events Planning	Support Participant	Essential Participant	Essential Participant	Support Participant		
Retail and Event Promotions	Support Participant	Essential Participant	Essential Participant	Support Participant		
Safety, Security, and Beautification	Essential Participant		Support Participant	Support Participant		

 Essential Participant
  Support Participant

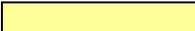
Appendix 5

Specific Downtown Issues & Responsibilities

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Appendix 5 - Specific Downtown Issues & Responsibilities

	Existing Organizations			Recommended Organizations		
	City of Strafford	Strafford Area Chamber of Commerce	Action DREAM Committee	Strafford Downtown Community Improvement District	Strafford Downtown Community Development Corporation	Strafford Downtown Redevelopment Corporation
Building Design Standards	Essential Participant		Essential Participant	Support Responsibility		
Building Code Enforcement	Essential Participant	Support Responsibility	Support Responsibility			
Entryway Design Standards	Essential Participant		Essential Participant	Support Responsibility		
Wayfinding Improvements	Essential Participant		Essential Participant	Support Responsibility		
Retail Attraction	Support Responsibility	Essential Participant	Support Responsibility	Support Responsibility	Support Responsibility	Support Responsibility
Retail Promotions		Essential Participant	Support Responsibility	Essential Participant		
Merchant Education		Essential Participant	Support Responsibility			
Commercial Property Acquisitions	Support Responsibility	Support Responsibility			Essential Participant	Essential Participant
Commercial Property Renovations	Support Responsibility	Support Responsibility	Support Responsibility	Support Responsibility	Essential Participant	Essential Participant
Façade Improvements (Revolving Loan Fund)	Support Responsibility	Support Responsibility	Essential Participant	Support Responsibility	Essential Participant	Essential Participant
Parking Lot Improvements	Essential Participant		Support Responsibility	Essential Participant	Support Responsibility	
Pedestrian Improvements	Essential Participant		Support Responsibility	Essential Participant		
Downtown Branding	Support Responsibility	Support Responsibility	Essential Participant	Support Responsibility		
Downtown Event Development	Support Responsibility	Support Responsibility	Essential Participant	Support Responsibility		
Tourism Marketing	Essential Participant	Essential Participant	Support Responsibility	Support Responsibility		
Housing Stock Improvements	Support Responsibility				Essential Participant	Essential Participant

 Essential Participant
  Support Responsibility

Appendix 6

Nature of Organizational Change

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APPENDIX 6

The Nature of Organizational Change

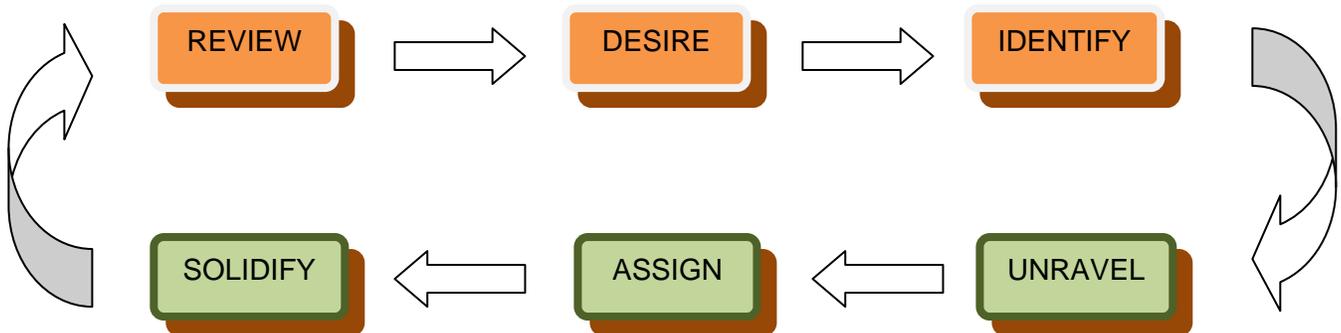
THE NATURE OF ORGANIZATIONAL CHANGE

There is constant pressure on organizations to adapt to the changing conditions of their marketplace. This pressure may be external or may come from within, but cannot be avoided. The challenge for downtown revitalization oriented organizations is adapting to these pressures while maintaining the work program required for revitalization advancement.

Each group involved with the downtown will have a unique set of factors that will drive its changes and each group will also respond in its own way. Effective leadership will be required to guide the groups to a harmonious and effective solution.

Attributes of Change:

- Change is inevitable and does not discriminate
- Organizations that prepare for change will change more smoothly
- *Micro Changes* are focused on the individual and are common
- *Organizational Changes* are throughout the structure and involve reassignment of roles, reporting, and responsibilities
- *Macro Changes* are shifts of a complete and total nature
- Some changes will be more than one of the above
- Change is a process whereby the leadership of the organization desires to change, identifies the changes, unravels the old ways, assign the groups the new roles and responsibilities, and allow the structure to solidify before further review



APPENDIX 6

The Nature of Organizational Change

Review:

The review step is the component where the pressures for change are monitored and recorded. This step needs to be well documented to provide the necessary reasons for changes made in later steps. This step is an honest look at the successes, and consequences, of the current organization. As the review data is analyzed, any desires to change will become clear.

Desire:

Desire is absolutely critical to effect change. From within the groups a champion or sponsor should emerge that will publicly support the effort and commit resources and attention to seeing the change through. This individual or group should work to unite the affected organizations and demonstrate the shared reasons and vision for the change.

Identify:

It is important, at this point to move into the identification step. Too often groups jump into action without proper planning and at the earliest scrutiny these actions fall apart as they have no substantive planning methodology to support them. Commitments should be obtained from the organizations and downtown stakeholders as the shared vision emerges.

It is also important to learn the motives of the key stakeholders, interested volunteers, and potential opponents to the change effort.

Unravel:

This will be a difficult task, but careful attention to the details involved in the earlier steps should help the effort.

The personal benefits of the changes, ("What's in it for Me?"), will need attention and promotion. On an individual level, the support for the changes will be decided by how difficult it will be to resist the changes. This is an important consideration.

The new roles and responsibilities must be very clear. Communication and understanding must occur effectively and timely. There will be a tendency to shift any responsibility for failures onto the new structure and this must be overcome.

Assign:

As new tasks and roles are assigned, distrust will grow. There will be questions by the individuals who desire to be the victims of the changes rather than participants. The leaders of the change effort and the champion group or individual, will come under scrutiny. The leaders will have to communicate clearly and honestly. The leaders cannot take the oppositions comments personally but should instead continue to promote the reasons why the change is important to the downtown.

Active volunteers that demonstrate the initiative to help guide the change should be encouraged. These individuals can be the examples for others to enhance their support and will have the ability to infuse the organization with their own opportunities for growth and development.

APPENDIX 6

The Nature of Organizational Change

Solidify:

As the new roles and responsibilities are adapted to, an environment of trust must be built, both among the organizations and with the public. This will take time. It is critical that all groups present full support for all the other groups. Conflicts will occur, but should be discussed as objectively as possible at Board Meetings. Conflict needs to be managed in a constructive way. Avoidance or denial of the issue is not constructive and only bolsters the dissent.

Some groups will feel they need to fight for their very existence, when what they are being asked to do is to play a different role in downtown. Potentially that role could be more important than the current role, but that will depend on the desire of that group to be involved in the changes needed.

These issues may not be apparent at first. The structure will need some time to develop and the leadership must pay careful attention to address the problems that arise. Swift action may mean the difference between a total loss of support or just a needed review meeting.

As the structure stabilizes, it will be important to have honest, ongoing review sessions. This review may lead to new changes.

Change will create conflict. The leaders involved need to enter the process with the knowledge that most people will resist it, that any that support it are involved because of their own motives, and that the leadership itself will come under scrutiny. If the change is based on a solid review of existing conditions, related to the core values and efforts of the downtown revitalization efforts, and is promoting personal benefits to the involved organizations and individuals it stands a better chance at being an effective change.

There will be barriers to change. New responsibilities must not only be taught, but constantly reinforced and the individuals involved held accountable. Those resistant to changes may simply attempt to ignore the new structure and hope it goes away. Leadership must be focused on the long-term vision and willing to take on the responsibilities of leading the changes. Expectations must also be realistic and flexible.

APPENDIX 6

The Nature of Organizational Change

Specific Roles for Downtown Organizational Structure Change:

There are a few roles that are typical in downtown organizational structures. Some groups or individuals will fall into more than one role. Everyone involved should seek to understand their responsibilities.

Cities tend to be sponsors as they are given legislative power over the geography of the downtown. A City government must understand the needs of downtown to effect any changes in its organizational structure. A County Commission may play a part in being a sponsor.

It is possible that a Chamber of Commerce will be strong enough to play a sponsor role. This will come about only if the City Government has relinquished its role in downtown and this is not an effective structure.

The downtown organizational model has at its core a facilitation group responsible for the Downtown Revitalization effort, and is therefore responsible for any organizational structure changes required to sustain the revitalization effort.

In addition to the recommended 'umbrella' organization, other groups such as City Council Committees, Chamber Boards, Incentive Districts, and others may fill facilitator roles.

SPONSORS

This group has the power to influence the change to occur. It provides support, resources, and legitimacy.

The Champion of the change effort will likely come from this group.

FACILITATORS

The individual/s responsible for causing the required work programs to be adopted that will affect the changes.

The umbrella downtown oriented non-profit recommended organization is in this group.

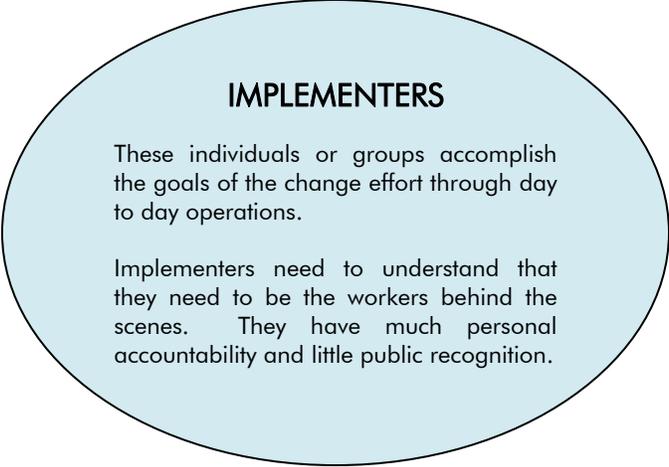
APPENDIX 6

The Nature of Organizational Change

The implementers are the groups or people who actually conduct the effort of change. In a downtown this will likely be a City Staff person such as an Administrator, Planner, or a Development Director.

Executive Directors, Presidents of the Chamber, and Committee Chairs will also help to fill this role. There should be many implementers.

These individuals will also be the analysts as to the effectiveness of the changes occurring. It is critical that these implementers are honest about their reviews as they report to the sponsors and facilitators.



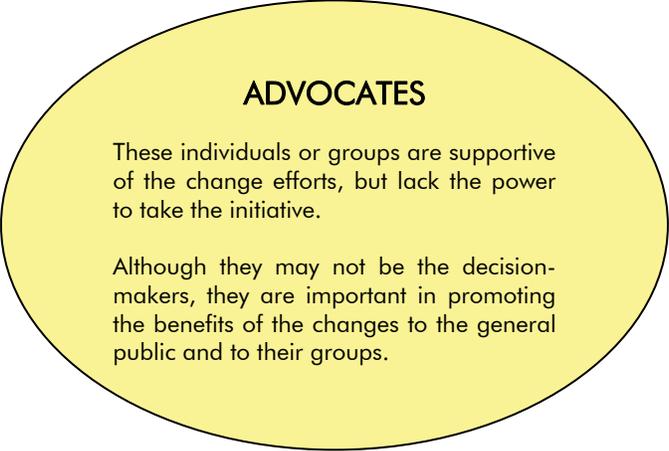
IMPLEMENTERS

These individuals or groups accomplish the goals of the change effort through day to day operations.

Implementers need to understand that they need to be the workers behind the scenes. They have much personal accountability and little public recognition.

Advocates to downtown changes can be identified throughout the organizational structure and will be helpful in sustaining a broad base of support and momentum.

Business and property owners, periphery organizations such as libraries and museums, newspapers, school boards, colleges, and other City Departments are examples of advocates.



ADVOCATES

These individuals or groups are supportive of the change efforts, but lack the power to take the initiative.

Although they may not be the decision-makers, they are important in promoting the benefits of the changes to the general public and to their groups.

APPENDIX 6

The Nature of Organizational Change

Effective leadership and desire will need to be in place at all levels of a downtown's organizational structure to adjust roles and responsibilities among groups and individuals. Knowing the process and traits of organizational changes should help those leaders bring about a smoother transition to a more effective structure. The rural downtowns of today face so many challenges, that an ineffective leadership structure can be disastrous.

Appendix 7

Board and Committee Recommendations

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APPENDIX 7

Board & Committee Recommendations

BOARD AND COMMITTEE RECOMMENDATIONS

GENERAL OPERATING RECOMMENDATIONS

- **Boards and committees should annually review their mission statement to make sure that it clearly states what their mission is in 25 words or less, is clearly written in easy to understand language, and is something that is easy to articulate.**

Far too often mission statements are written in a clumsy fashion, often in legal language, and are of very little use to the organization. Frequently mission statements are filed away with the bylaws and are seldom used. The purpose of a clearly written, updated mission statement is to be able to have an organization use it in its public relations, in its communication with its board and its committees, and with the public in every way that it can.

- **The board of an organization should also carefully review the existing committee structure and membership to see if all committees are necessary, properly staffed, oriented on group goals, and supplied with the proper organizational resources.**

Any new goals required to attain the mission may mean that new committees need to be established.

- **Boards and committees should also annually review, establish, and publish their goals for the future.**

The board needs to establish both short-term goals (one or two years in length) and long-term goals (three to five years in length or more) for itself. A strategic planning committee should be established with members from the board and/or with each of the organization's committees for the purpose of establishing these sets of goals. Committees should meet to form their own goals so that their actions will complement the Board or other Committee's actions.

A voluntary community organization, board, or committee needs to be able to transfer its goals from board to board, from year to year. There is a tendency to rely on the leadership, enthusiasm, or charisma of a president or chair and achieve only the individual goals set for that year. Then, under a new president, the organization shifts in a different direction.

Leaders have difficulty in mobilizing a community organization around goals articulated by one or some of its members. It is much more effective when a group sits down at least once a year and articulates and votes on their goals together. Group goals can then be carried forward year after year regardless of who the office holders are.

APPENDIX 7

Board & Committee Recommendations

Often the goals of an organization are implied or assumed but are not explicitly written and clear. Goals also need to be written in terms that are clear, measurable, and objective so that it is more readily obvious when and if the goals are being accomplished. (Example: To raise \$5,000 for capital improvements within twelve months.)

- **Boards and committees need to indeed be functioning, meeting regularly, communicating with other committees and carrying through with goals and objectives.**

When a given committee is working in cooperation with another committee it must be clearly understood by all members and the Board which one of the committees is the lead committee and which one is the support committee. Many organizations get into difficulty because they have not clearly established which of several committees is taking the lead in monitoring the progress on a given organizational goal.

- **Effective leadership does not happen by accident, but must be identified, recruited, and developed.**

Constant communication and involvement with all members will usually offer clues to where the leadership potential lies in an organization. Leadership positions require delicate handling. If the leadership position of a board or committee has a one-year term of office it may result in revolving door leadership. On the other hand long terms with officers staying in the position too long do not allow for the fresh input of new officers.

Usually leaders are of the minority group that does the majority of the work. Leaders need to be challenged, empowered, and recognized constantly. A good leader usually walks a fine line between productivity and 'burnout'.

Leaders must be able to properly deal with power struggles in the open and be effective in getting hidden agendas on the table so that they can be dealt with at the board meetings. A meeting is the proper place for power struggles and hidden agendas to be dealt with rather than either before or after the board meetings are over. A leader can't just run an agenda, but has to be able to make difficult decisions.

- **A board and committee should follow its leader, but be diverse enough in its composition to effectively consider a broad selection of alternative ideas.**

The board itself should represent diverse points of view from the community and represent diverse geographical representation of the municipality. The board should encourage different points of view in discussion. Without debate decisions may represent superficial agreement rather than having covered the more difficult and underlying issues.

APPENDIX 7

Board & Committee Recommendations

- **Agree to disagree - It is expected that people will have different ideas and conflict with each other from time to time, but it is important that board members basically get along well with each other in spite of their differences.**

It is natural for board or committee members to have different points of view and therefore conflicts, but the organization must make sure that people are not voting on their own self interests, but for the good of the group. Conflicts of interest, whether real or perceived, must be minimized and avoided if possible. The integrity of the voting members of a board or committee is called into question where clearly they would benefit from the vote, but are not being up-front about their stake in the matter. A policy for handling such matters should be developed.

- **Board and committee members must set an example for other members by being active and engaged to drive the organization forward.**

Most volunteer work occurs between the meetings. Members who agree to serve in a leadership capacity have to understand and encourage this behavior.

Agendas and minutes are important communication tools to capture the actions that occur at meetings. It is important that decisions made at meetings are really understood by all of the members and responsibilities are understood for given tasks.

A process should be developed whereby results of activities are reported, whether positive or negative, and the board or committee can then apply further consideration, action, or reassignment of tasks if necessary.

- **It is important that efforts are made to fully utilize both board members' and general membership's talents.**

It is rare that an organization fully capitalizes on the talents of its members. An effective system for recruiting volunteers for specific needs must be developed. Often in volunteer organizations there is a tendency to 'settle' for the warm body that will take on a task, when a volunteer more suited to the task may go overlooked. It can be difficult to express that a volunteer isn't 'right' for a certain job, but sometimes productivity can be added by subtraction. Again, constant communication with members is critical.

APPENDIX 7

Board & Committee Recommendations

- **Respect the volunteers time.**

Due to the nature of a volunteer organization, where people are giving up their time to work on matters of mutual concern, it is important that everyone is able to enjoy the work in which they are involved. Satisfaction of a job well done is often their only paycheck. Acknowledgment for contributions plays an important role in volunteer work, especially in view of the fact that these are principally activities being undertaken by people apart from their paid employment. Those involved in the process are motivated by emotion, passion, financial returns and many other unique and personal reasons. Contributions should be verbally acknowledged during meetings and, from time to time, in the organization's newsletter, press release, or at the annual meeting.

Meetings can, and should be, fun! Organizations with participants that do not enjoy their meetings have greater problems with attendance, retention, and task accomplishment.

Community organizations are dependent on many people acting together to be effective and suffer more difficulties when only a few people are, or are thought to be, responsible for leading the community organization in its efforts to accomplish its mission.

Appendix 8

Sample Job Description

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APPENDIX 8

Sample Job Description – Executive Director

Position Overview

The Executive Director position requires an energetic, results-oriented professional eager to be the champion of Downtown Strafford. The position will assume an increasingly responsible leadership and management role in the downtown organization which will lead the Downtown Revitalization Program. The ideal candidate will have the ability to manage complex projects, resolve issues, and work effectively with volunteers, public entities, private entities and a diverse group of stakeholders.

Primary Duties and Responsibilities

Leadership

- Charged with informing and educating the public through local media and marketing
- Bring focus and vision to the organization and Revitalization Program
- Ensure citizens and businesses have opportunities for input and involvement
- Form partnerships with the community and public and private enterprises in order to achieve revitalization goals
- Build grassroots community support as well as form effective public/private partnerships.

Downtown Advocate

- Act effectively as a downtown advocate, representing downtown in a variety of situations and addressing needs of constituents
- Facilitate communication and contacts between downtown stakeholders and government officials
- Respond to requests from businesses, citizens and media

Organizational and Project Planning

- Responsible for aligning organizational resources towards achieving Revitalization Program Vision
- Take lead in strategic planning of the downtown organization as well as the overall Downtown Revitalization Program
- Utilize resources and overcome obstacles in facilitating completion of goals and objectives

APPENDIX 8

Sample Job Description – Executive Director

Management

- Assume a variety of administrative and operational duties including staff supervision, budget preparation, grant application and administration, developing and implementing work programs, and evaluating and entering into contracts for services
- Attend all board and committee meetings as well as appropriate government meetings

Job Requirements

- Creative, entrepreneurial self-starter, capable of working independently
- Diplomatic, able to work with a variety of people
- Excellent oral and written communication skills
- Five or more years experience in one or more of the following areas: architecture, business administration, downtown management, economic development, finance, historic preservation, planning, public administration, public relations
- Excellent organizational and administrative skills
- Strong computer skills, particularly internet, email, word processing and spreadsheet applications