Downtown
Revitalization &
Economic
Assistance for
Missouri

MARCH 2012

Organizational Structure Review

Evaluation
Findings and
Preliminary
Recommendations

Fulton, Missouri

DOWNTOWN REVITALIZATION AND ECONOMIC ASSISTANCE FOR MISSOURI
D·R·E·A·M
INITIATIVE

PGAV PLANNERS

Acknowledgments

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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. Many cities, however, have shared one characteristic over the last fifty years; the decline of downtown. The steady decline of downtowns and central business districts is problematic for economic developers, governments, and citizens from small rural communities to large metropolitan regions alike. The consequence of a declining downtown has a negative effect on the remainder of the city and region. 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 create a positive and lasting image of the entire community.

Downtown revitalization is a community process that requires local champions and promoters who are willing to invest time and effort to support the established program. 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 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 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. Upon review, it may be determined that the existing organizational structure is quite sufficient to continue the revitalization effort, 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, a recommendation will be made as to whether or not that organization is still relevant and can effectively complete downtown revitalization responsibilities. A critical review is conducted as to the need for encouraging the sustainability of existing organizations effectively carrying out the Downtown Revitalization Program, revamping an existing organization to achieve the revitalization objectives, 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. Organizational change may be necessary to meet the evolving roles and responsibilities of an existing group in response to the progression of revitalization activities in downtown. In these cases, organizational change is recommended to build organizational capacity. The capacity of an organization includes its financial resources, personnel, volunteers, 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 effective use of 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. 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 all cases, a formal communication procedure should be developed and established between existing and future organizations. It may seem adequate that "the same 10 people see each other every day", but they will forget to talk about important matters and there is no record of decisions made or agreements. This will eventually lead to resentment and finger pointing. Existing groups are in an ideal situation to build and maintain regular communication channels such as address and email lists. These methods of communication should be assessed for their effectiveness. Once effective communications are established it is vital that these channels remain open.

In Fulton, downtown revitalization will have the advantage of building upon previous successes as a result of past and current efforts, particularly through the Kingdom of Callaway Chamber of Commerce (Chamber), and the previously inactive Downtown Revitalization Committee. Additionally, the City of Fulton (City) and various other groups are integral players in Downtown. This document provides an overview of Downtown Fulton and an examination of the roles and relationships of these groups. Comparisons are made between the existing structure and a list of "Elements of Successful Organizations" to provide a series of recommendations that will enhance the organizational structure and effectively lead the resurgence of Downtown Fulton.

B. EXECUTIVE SUMMARY

Recommendations noted in this report represent steps to achieve an Organizational Structure with the components in place to attain sustainability and drive Downtown Fulton revitalization efforts well into the future. The organizations may implement these recommendations in part, or in whole, and there may certainly be other possible scenarios that the City of Fulton leadership feels are more fitting to its unique circumstances. This report simply represents the most effective solution in PGAV's opinion. The principal recommendations for achieving better sustainability of the involved organizations and spurring Downtown revitalization include:

- **Reactivate and promote the Downtown Revitalization Committee within the new Brick District Association (BDA), with support from the Kingdom of Callaway Chamber of Commerce (Chamber), as the Lead Organization in Downtown Fulton's revitalization**

  The BDA, with the guidance of the Chamber, should be organized as a separate nonprofit entity to lead all Downtown revitalization pursuits. The Chamber should continue to provide leadership and assistance in consolidating the efforts of supporting organizations and groups. The task of improving and maintaining Downtown Fulton will require a major commitment from the entire community. As various planning studies and planning documents are developed during the DREAM process, it will become apparent that considerable work is required for Downtown success. To be effective, the BDA will eventually require paid staff to help facilitate the revitalization goals for Downtown.

- **Formation of Downtown Fulton Community Improvement District (DFCID)**

  A Community Improvement District, or CID, can be used very effectively for a broad range of development and organizational activities that benefit Downtown. The DFCID is created as a political subdivision where funds would be generated through an additional sales or property tax. The DREAM Financial Assistance Evaluation will provide specific revenue estimates for recommended incentive districts like a CID. Any effort to establish a CID must include an adequate community outreach campaign where the benefits of the district are shown to outweigh any projected costs. The DFCID is proposed to collaborate with the BDA regarding the expenditure of CID funds.

- **Creation of a Downtown Fulton Community Development Corporation (DFCDC)**

  The DFCDC 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 Fulton. The DFCDC can assist with the development of housing, commercial real estate, and small businesses. The formation of the DFCDC should be comprised of participating banks and include local businesses that fund the organization through donations, grants, and other forms of investment.

The traditional duties of a CDC could also apply to the Fulton Area Development Corporation (FADC). With the possibility of limited resources, and in lieu of setting up an entirely new organization, the FADC can take steps to strengthen its focus and role in the Downtown revitalization process by providing financial assistance specifically for businesses development in Downtown Fulton.

Either setting up a new organization or strengthening an existing one, the City and Chamber should begin the task of developing a promotion program to encourage local banks to participate in the process. Promotional materials for spreading information regarding the DFCDC/FADC among local business, perspective businesses and developers should also be produced.

- Organization of a Downtown Fulton Retail and Business Committee (DFRBC)

  A committee such as the DFRBC can unite Downtown businesses to be responsible for general business development and, more specifically, Downtown retail development. Formation of the DFRBC should begin with the existing Downtown Retail sub-committee of the Chamber eventually leading to a separate and self-sustaining organization, or as a sub-committee of the BDA.

While not impacting the organizational structure directly, there are activities that various groups should undertake that will underscore support for the Downtown Leadership structure and bolster all the organizations involved. The following are additional recommendations for the City of Fulton and entire Downtown leadership structure:

- Enhance public streetscape elements throughout Downtown and expand the improvements to provide a visual connection with the colleges

  The City and Chamber leadership have expressed interest in providing a substantial visual connection between Downtown and the schools. Expansion of the streetscape elements requires a public education campaign to illustrate the necessary investment and a demonstration that the City is being a good steward with public money. The benefits and successes that occur in Downtown should be promoted openly and directly tied to public infrastructure improvements.

- Assist with the restoration of the Fulton Theater project

  Under the guidance of the Callaway Arts Council (Arts Council), the historic Fulton Theater provides a venue for local artists and play productions. However, the Theater is currently in the process of renovation and in need of funding assistance to continue that effort. The completed Theater can offer a source of community pride and provide a destination within Downtown Fulton. Whenever possible, Downtown stakeholders should look to assist the Arts Council in that endeavor.

SECTION II

DOWNTOWN FULTON OVERVIEW

A. INTRODUCTION

The City of Fulton, similar to other communities, is pursuing an enhanced revitalization process for Downtown. As part of the Organizational Structure Review, it is important to look at the overall status of Downtown, including strengths and weaknesses which may help or hinder revitalization. The purpose of this section is to provide an overview of the City of Fulton, and more specifically Downtown, the planning efforts for revitalization, the existing groups' involvement in Downtown, and a brief summary of achievements to date.

B. CITY OF FULTON

The historic City of Fulton, founded in 1825, is the largest city in Callaway County and is the county seat. Fulton is also home to Westminster College, William Woods University, and the Missouri School for the Deaf. Fulton is a significant retail trade market for surrounding communities and has a diverse economy supported by major employers like Dollar General, Ameren, Missouri State Hospital, and the various colleges. The Auto World museum, the schools, historic attractions, and proximity to the State Capital also bring considerable tourist activity to the Fulton area.

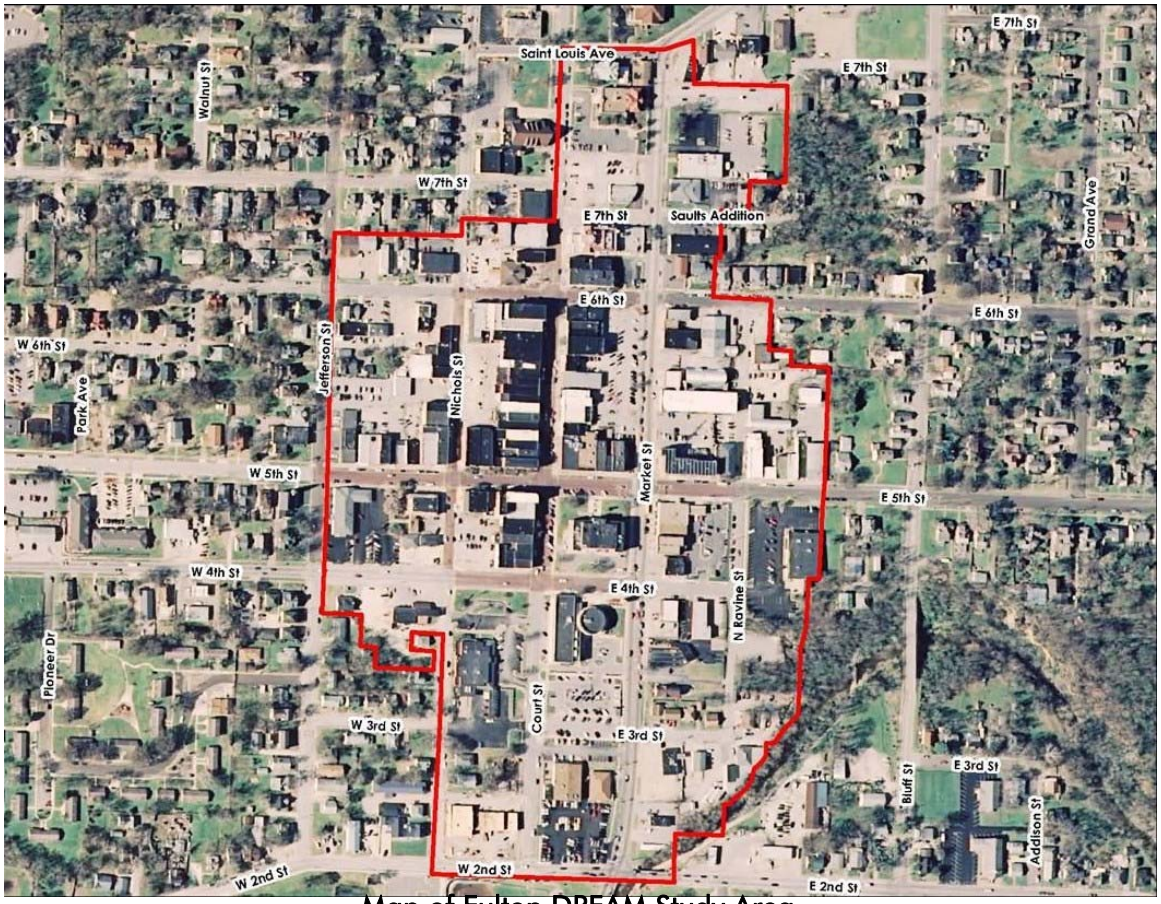
C. DOWNTOWN FULTON

Downtown Fulton reflects a long history with picturesque buildings and Victorian store fronts lining twelve blocks of original brick streets. There are approximately 68 buildings on the National Historic Register within Downtown and the surrounding area. Downtown Fulton is also the center of local government. The Callaway County Courthouse is located at 10 E. 5th Street and the Fulton City Hall is located across the street at 18 E. 4th Street. The U.S. Post Office, regional public library, various places of worship, and a wide variety of small businesses and neighborhood services are located within the DREAM Study Area. Although not located in the DREAM boundary, the renowned schools of Westminster and William Woods University continue to have a significant impact on the character and makeup of Downtown.

Downtown Fulton is the main shopping district for the City with a number of small businesses generating a significant amount of pedestrian and vehicular traffic. These businesses, as in many cities, compete with other areas of the community including newer retail and service businesses in developments to the north and south of Downtown. While this situation is often seen as a balance and may seem adequate for the City overall, the effect can be extremely detrimental to Downtown. Downtown is located adjacent to Business Route 54, but Highway 54 diverts around the City creating an indirect route to Downtown for highway drivers. Once in Downtown, new visitors can find the narrow, one-way, brick streets challenging to maneuver. The streets offer limited parking; however there are several large parking lots with rear entrance access to the buildings fronting Court Street.

Most commercial buildings in Downtown Fulton are multi-story and approximately 95% are occupied. The majority of upper floor space appears to be occupied as well, mostly due to student housing. Downtown Fulton is used primarily by residents, people conducting business, and tourists.

Downtown is located in the central section of the City. The boundaries of the DREAM Study Area are roughly St. Louis Avenue to the north, West 2nd Street to the south, mid-block between N. Racine Street and Bluff Street to the east, and Jefferson Street to the west. The Study Area is indicated on the following map:



Map of Fulton DREAM Study Area

D. Planning Efforts

The City of Fulton currently does not have a Comprehensive Plan, however a planning effort with an emphasis on Downtown Fulton originated in 1991. The Downtown Development Plan was created with a set of goals in mind, including creating a better environment for visitors, businesses, and nightlife. The planning process involved discussions with experienced historic communities, the hiring of private consultants, and the use of surveys geared toward citizens and business owners. The Downtown Development Plan was revised to include the results of these discussions and surveys. It should be noted that the Revised Downtown Development Plan is not a final plan, rather a list of goals and important steps toward the City's Downtown Revitalization planning process.

E. ORGANIZATIONS AND ACCOMPLISHMENTS

There are multiple entities advancing the revitalization efforts and promoting the importance of a vibrant Downtown Fulton. Each organization or group has its own membership that provides a set of priorities and tasks. Many of the same volunteers are utilized by multiple groups. The variety of groups demonstrates strong community support for Fulton and is a reflection of the strength of Downtown as a community gathering place.

Organizations currently leading Downtown efforts are the City of Fulton (City) and the Kingdom of Callaway Chamber of Commerce (Chamber). The City Government is centered in Downtown and is the main provider of capital improvements, public space regulation, and policy advancement. Recent accomplishments include new signage for Downtown and upgrading of water lines, parking lots, and other infrastructure improvements. While the City has initiated some incentive mechanisms and attempted others, there are none with a specific emphasis on Downtown.

The Chamber serves all of Callaway County and is housed at 409 Court Street, in the middle of the DREAM Study Area. Since 1924, the Chamber has helped to coordinate economic development activities for Fulton and Callaway County. For example, the Chamber was instrumental in getting a county-wide ballot initiative passed for a tourism tax. This eventually led to the establishment of the Heart of Missouri Tourism Board to market the County and the City of Fulton. Accomplishments with regard to Downtown include forming the Downtown Revitalization Committee which worked under the direction and funding of the Chamber. The Chamber was also the driving force for the City of Fulton receiving the DREAM designation in 2008.

Along with the City and Chamber, Callaway County has invested in Downtown Fulton and owns a fair amount of property. The Callaway County Courthouse is a prominent feature in the center of Downtown and provides a draw for employees, residents, and associated professional services. Many of these services occupy buildings within walking distance of the County Courthouse. Institutional and governmental land use can provide stable jobs and involved volunteers, but care must be taken that the Downtown business mix is not heavy on service offices. Often, governmental offices do not attract patrons that create a safe and friendly image for Downtown shoppers. The County provides political support to grant funding and projects and is also active and supportive of the various groups involved with Downtown Fulton.

In 2001, a group of Downtown business owners met to create the Downtown Revitalization Committee (DRC), under the direction and funding of the Chamber. The DRC was made up of 14 Chamber members with the goal of preserving Downtown's historic charm while maintaining and growing a healthy mix of commercial, residential, and cultural attributes. Then the DRC became inactive for several years. Downtown stakeholders believed that the DRC and the DREAM Initiative might be a duplication of efforts, so the Committee simply stopped meeting in 2008 once the City of Fulton received the DREAM designation. The DRC is important to the DREAM process in that they provided a singular focus on Downtown Fulton, more so than any other group.

Some key accomplishments by the DRC include creation of the Downtown Development Plan, successfully applying for National Register of Historic Places designation for the Downtown District, assisting in the installation of Downtown directional signage, and coordinating the Nichols Street parking lot renovation. Per the preliminary recommendations of DREAM Initiative, the DRC recently reorganized and has begun meeting on a monthly basis. Their new name, the Brick District Association (BDA), is a reflection on their Downtown identity and branding potential.

The private sector has marshaled some support for economic development efforts in Fulton. The Fulton Area Development Corporation (FADC) is very involved in channeling economic incentive programs to projects throughout Callaway County. This group serves as a point of contact for development projects, maintains local partnerships, and advocates on behalf of various development and business issues for the City of Fulton and the entire County.

A more detailed analysis of the City, Chamber, BDA, and FADC is provided in **Section IV** of this report. Additionally, other key groups adding to Downtown Fulton revitalization efforts include the Downtown Retail Committee, Callaway Arts Council, Callaway Betterment Foundation, Heart of Missouri Tourism Board, and two Historical organizations. These groups are briefly described as follows:

- The Downtown Retail Committee is a subcommittee of the Chamber and consists of an average of 18-22 members typically. This group works to organize special retail events throughout the year, including extending store hours, sidewalk sales, and seasonal events such as Christmas and trick-or-treating between the Downtown stores. It meets as needed and only collects funds when necessary to cover expenses.

- The Callaway Arts Council (CAC) shares office space with the Chamber at 409 Court Street. Formed in 2005 as a 501c(3) organization the CAC's mission is support of fine arts and cultural education in the community, including the Churchill Arts and Jazz Festival, held every June. However its main focus is to preserve and operate the historic Fulton Theater building located Downtown at 613 Court Street. Restoration of the Theater is a preliminary recommendation of the DREAM Initiative and is still in the early stage due to funding challenges. The CAC also runs a website, located at http://callawayarts.org/.

- Callaway Betterment Foundation (CBF) is a 501c(3) organization formed around 1985 and is located at 409 Court Street in shared office space with the Chamber. The group is charged with fundraising, receiving donations, and other activities that benefit the County as a whole. Until 2008, CBF also organized and ran the annual Fulton Street Fair in Downtown. A separate 501c(3) organization, titled the Fulton Street Fair Committee and also located at 409 Court Street, is now tasked with the event. The 3-day festival, referred to as "Hit the Bricks," involves closing several streets in Downtown for vendor booths, carnival rides, and stages for live music. The Fair was estimated to attract over 10,000 people in 2009.

- The Heart of Missouri Tourism Board (HMTB) was established in 1991 and is a 501c(3) organization. It is funded by a 3% County-wide hotel/motel tax and has a 5 member board. The HMTB operates the Heart of Missouri Tourism and Visitor Center located in Kingdom City at the interchange of Interstate 70 and Highway 54. The HMTB develops marketing materials for the whole County; however the City of Fulton gets a majority of the focus. It also operates a website, www.heartofmotourism.org.

- There are two groups dedicated to the historic preservation and focus in Fulton. The Fulton Historic Preservation Commission (FHPC) is a committee of the City and made up of 4 members who work collaboratively with individuals and community groups to identify, preserve, and protect the City's heritage and educate the public on the value of historic preservation. The FHPC is working to create an inventory of historic properties and promoting historical tourism and pride in Fulton's heritage.

  The Kingdom of Callaway Historical Society (KCHS) operates a museum at 513 Court Street in the heart of Downtown Fulton. An extensive collection of photos, artifacts and other items of historical interest and importance to Callaway County are on display and bring visitors to Downtown. Their website is www.kchsoc.org.

F. Organizational Assessment

The DREAM Initiative discussed the function of the existing organizational structure with representatives of the City and Chamber within the context of a "Downtown Organizational Assessment Questionnaire." A copy of the questionnaire is located in **Appendix 1.** Additional input from partner organizations was solicited by PGAV when necessary and numerous other sources of information were used to determine various details about Downtown Fulton.

Additionally, the DREAM Initiative reviewed responses given during focus groups conducted as part of the Community & Consumer Survey task item identified for Fulton. The Focus Group Survey Report dated January 2010 is a transcript of the comments of participants in the groups of "Long Time Residents," "New Residents," "Students," "Downtown Business Owners", and "Downtown Stakeholders." The focus groups were asked a general question about the direction of the revitalization effort in Downtown Fulton. Some of the answers received from the various groups are shown on the following page:

Long Time Residents	"It's hard to get all the business owners to do something together. If a few want to stay open later, others don't. The one great thing we've got going for our Downtown—other downtowns are all boarded up, and ours is much more active, because it's the government and banking center of the community. You've got banks, City Hall, Courthouse. Other towns don't always have that."
New Residents	"I moved here from Los Angeles and before that Fort Worth . . . and we specifically chose Fulton because of the rich diversity, a charming Downtown, two colleges, the potential was huge. But what we've run into is the fact that there's still the old mentality that doesn't want to embrace change."
Students	"They need more stores. It's a college town, and there's nothing here for us."
Downtown Business Owners	"I don't think it's going in the wrong direction, because there aren't really any buildings that are empty."
Downtown Stakeholders	"Since we have moved down there, I've tried to be a part of the group, and we don't have a good Downtown business association. They don't work together enough. And the biggest drawback I see is the hours. At 12 on Saturday, the town's dead."

The existing organizational structure for Downtown has responded to some opportunities, but it involves multiple groups and lacks sustainability of long-term planning. Most of these groups have a focus on the City of Fulton and/or Callaway County more than solely on Downtown. Additionally, it seems that Downtown revitalization efforts are focused on small individual projects and not ongoing programming and organization. This environment will make it difficult to address the needs of an emerging Downtown revitalization and it appears that there are some roles and responsibilities that are not being fulfilled. To be discussed in **Section V**, there is a definite need to create sustainable leadership specific to Downtown while maintaining a proper relationship with the organizations that have been accepted by the community in the past. Any recommendations for existing organizations need to be sensitive to the fact that they have other parts of the community or other members to serve. Responsibilities will also need to be shifted to the appropriate groups and priorities may need to be realigned.

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; Funding; Strategic Planning; Project Planning and Facilitation; Business Attraction, Retention, and Expansion; Downtown Advocacy; Development Body; District Marketing; Special Events Planning; Retail Promotions; Downtown Beautification; and Safety and Security.

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 typically 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. However, certain types of 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

The 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 in downtown, and are very important to fostering an overall sense of community. Involving the community in the Downtown Revitalization Program will also help to foster that sense of community.

F. Organization Funding

In addition to leadership, adequate funding is one of the most important components of successful Downtown Revitalization Programs. Downtown Revitalization Programs 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 for revitalization. Large revitalization programs will not only require local resources and fund raising efforts, but may demand outside funding sources as well. 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, but not limited to: Community Improvement District tax levies and assessments; Tax Increment Financing; Transportation Development Districts; and many various state tax incentive 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. Different local fundraising activities include: membership donations; fund raising festival; historic or holiday house tours; and in-kind contributions. Outside funding opportunities include: grants; loans; and tax credit programs.

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 for the organization. These goals should be specific and measurable and 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 the many various improvement projects. Successful organizations keep a keen eye on progress by utilizing resources and overcoming obstacles in facilitating the completion of Revitalization Program goals and objectives. Project oversight will be a large component of all downtown revitalization organizations.

I. Business Retention, Attraction and Expansion

Typically, efforts of the organization in charge of this activity first 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 training, marketing assistance, access to capital, etc. More successful organizations are proactive in retention efforts by tracking lease expirations and acting to limit business losses.

Business attraction and new business development is an important component of a Downtown Revitalization Program, usually a component of the local chamber of commerce or a downtown support organization. Successful economic development programs understand the market opportunities and have realistic goals. The programs start with providing the basic needs of formation: capital, real estate, labor, and foster the ease of establishment. 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 to provide the demand necessary to support downtown 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 the sidewalks demonstrate a healthy downtown. Housing development will be addressed in much more detail in the Downtown Housing Market Analysis component of the DREAM Initiative.

K. Downtown Advocacy

As a result of downtown decline, most downtown communities, residents, and businesses feel neglected and detached from the 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, most importantly the city government. An influential downtown organization can effectively address its constituent's needs and provide one voice for their 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; preparing property for development; financial assistance; and tax incentives. Many successful Revitalization Programs create a development firm to develop initial projects that market/consumer research shows have potential demand, but at 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. Downtown Marketing

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

N. Special Events Planning

Through the use of special events, downtown organizations build partnerships, fundraise, encourage community involvement, promote downtown, and in particular promote downtown retail. Special events are essential in marketing downtown to residents that no longer view downtown as a destination, as well as to tourists from outside the Area.

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 media are necessary to encourage the community to support downtown retail.

P. Safety, Security and Beautification

In one fashion or another, every successful Downtown Revitalization Program improves safety, security and the appearance of downtown. 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.

Improving safety for rural communities mainly focuses on pedestrian traffic through crosswalks, speed bumps, and road marking. Increased signage, banners, maps, and improved wayfinding lessen congestion and help in the presentation of downtown, and also make effective marketing tools. Efforts should be made to improve or control parking in order to turn motorists into pedestrians and encourage walking throughout downtown.

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SECTION IV

EXISTING ORGANIZATIONS AND REVITALIZATION EFFORTS

A prerequisite of the DREAM Initiative selection requires that a city demonstrate community-wide support for the revitalization of Downtown. As stated in **Section II**, Fulton's residents, businesses and political leaders speak of the importance of a vibrant Downtown and their interest in Downtown Revitalization. The Downtown Revitalization that has occurred to date is primarily due to the organizations of the City of Fulton (City) and the Kingdom of Callaway Chamber of Commerce (Chamber), which oversaw the inactive Downtown Revitalization Committee (DRC), and from which the Brick District Association (BDA) is just now emerging. The existing Downtown Organizational Structure is depicted in **Appendix 2** and illustrates the relationship of various organizations impacting the Downtown Revitalization Program. The following is a description of those existing organizations and their role in supporting the Downtown Revitalization Program.

A. City of Fulton (City)

The City has an important role to play in all aspects of Downtown revitalization, but particularly: building code, nuisance, and law enforcement; solving zoning conflicts; and providing financial assistance. With regard to these responsibilities, the City has continually fulfilled its role in Downtown revitalization. The City of Fulton has several Departments with multiple responsibilities, including the Community Development Department which implements signage, building, and land use standards through zoning and code enforcement.

The City has historically provided a policy framework in regard to grant funding, the DREAM application, and public investments such as the streetscape and infrastructure improvements in Downtown. City Hall is located within the DREAM study area at 18 E. 4th Street.

The City has worked to improve the economic and physical conditions of Downtown and create opportunities for revitalization, including replacement of water lines throughout Downtown and refurbishment of Downtown parking lots. Elected leaders and City staff have encouraged and supported multiple organizations through the use of partnerships and are seeking ways to fund significant projects such as street repair and other infrastructure improvements and restoration of the Fulton Theater.

While these are positive steps in the revitalization of Downtown Fulton, the City has not placed in service a dedicated tax revenue mechanism for continuous reinvestment in Downtown. The City must balance community-wide needs with those of the Downtown. In the past, the City used incentives including TIF, NID, and TDD in other parts of the community.

B. Kingdom of Callaway Chamber of Commerce (Chamber)

The Chamber is an independent membership funded organization whose programs involve small business assistance, regional marketing, business advocacy, economic development, and event planning and promotion. The Chamber works to improve the growth, diversity, and health of the business community, encourage residents to shop locally, and support efforts to recruit new businesses to Callaway County. The Chamber also sponsors special events and produces marketing materials. It is also a common thread throughout the various other interested organizations as the Chamber shares its Downtown offices at 409 Court Street with many of these groups, including the Callaway Arts Council, Callaway Betterment Foundation, and the Fulton Street Fair Committee.

The Chamber is a 501c(6) organization and has a Board of Directors with 15 members. The Board elects a President, President-Elect, Vice President, and Secretary/Treasurer. The Board periodically reviews its goals and has approximately 23 work committees. The staff consists of 3 full-time employees, and various numbers of volunteers are utilized based on events and needs. The Chamber holds an Annual Membership Meeting where volunteer efforts are often recognized.

Funding for the Chamber comes from various sources including membership dues, government contracts for services, fundraising events, and contributions. The Chamber provides consumer marketing, information, networking, and a forum for business issues. As a committed partner to Downtown revitalization, the Chamber produces all sales promotions, maps, and newsletters about Downtown and the Fulton area business community.

Although the Chamber attempts to play the primary role in Downtown's revitalization, its duty as the broader community representative requires a wider mission that impedes the specific expertise and capacity necessary for the unique issues faced in Downtown. It is vital that the Chamber commit a similar level of effort in the form of supporting Downtown specific leadership within the revitalization process.

C. Brick District Association (BDA)

The City and Chamber are the principal organizations working with the DREAM Initiative to lead the revitalization activities for Downtown Fulton and the City. Part of this effort included the formation of the DRC in 2001 under the guidance of the Chamber. The DRC consisted of a board made up of 14 volunteers with primary objectives to create a welcoming atmosphere to draw citizens and visitors, a healthy business environment with a variety of uses, and a sophisticated night life to further enhance the viability of Downtown.

The Committee undertook a process of surveying business owners and residents to determine a list of goals toward the revitalization of Downtown. The DRC then studied other communities and brought in consultants to help them amend the list further. These priorities were ultimately approved by the DRC as The Downtown Development Plan.

With this plan as a guide, the DRC worked to improve Downtown signage and significantly upgrade the Nichols Street parking lot. It also worked toward historic preservation by getting the Downtown District placed on the National Historic Register.

Acting as a subcommittee of the Chamber, the DRC had no real operating budget, paid employees, or bylaws in place. Funding and leadership of the DRC was generally deferred to the Chamber, and meeting space was located in the Chamber offices at 409 Court Street.

In 2011, the DRC was reorganized and renamed the Brick District Association. This organization began meeting on a monthly basis with the goal of determining needs for Downtown Fulton, reviewing recommendations of the DREAM Initiative, and laying out strategies and goals for moving forward. Formed under Fulton Community Betterment for use of their 501c(3) banner and by-laws, the group plans to eventually file for its own non-profit status.

D. Fulton Area Development Corporation (FADC)

The FADC is an independent, not for profit, professional economic development organization established by civic leaders in 1991 with a mission to promote the prosperity, economic betterment and general welfare of Fulton and Callaway County. The organization is led by a President/CEO and a Board of Directors consisting of a Chairman, Vice Chairman, and Secretary/Treasurer. It serves as a resource center for businesses and industries in the area and assists them to take advantage of municipal, county, state and federal economic programs. The FADC maintains a comprehensive inventory of available sites and buildings, works to recruit new and expanding industry to Fulton and Callaway County, develop cooperative efforts with local financial resources, and enhance workforce development and training. The organization is supported by the City, County, and multiple banks from the Fulton area.

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SECTION V

RECOMMENDED ORGANIZATIONAL STRUCTURE DEVELOPMENT & ENHANCEMENT

INTRODUCTION

The most critical component of a successful Downtown Revitalization Strategy, which is of particular importance to the DREAM Initiative, is the creation of a sustainable organizational structure with the capacity to implement DREAM recommendations and provide ongoing Downtown 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 Fulton currently has the essential assets for the creation of an organizational structure to achieve the required benchmarks necessary for success.

The current organizational structure has established a solid 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 the Downtown Revitalization Program. The evolving needs of a Downtown Revitalization Program require increased organizational structure capacity to aggressively address these elements in the future. Furthermore, several of the existing organizations could increase their own capacity to support the Downtown Revitalization Program through growth, collaboration, planning and increased financial resources.

Fulton's existing Downtown organizational structure has several entities involved in the City's evolving Downtown Revitalization Program. The City and Chamber have taken a number of steps to help Downtown Fulton succeed. The DREAM Initiative plan proposes a greater leadership role for the Brick District Association (BDA), and it is critical that the BDA has an appropriate focus for Downtown, adequate resources including personnel and funding, and support from civic leaders.

While the existing Organizational Structure clearly illustrates the current relationships of the various Downtown supporting groups; **Appendix 3** depicts the Recommended Organizational Structure and the proposed linkages between existing and new groups. These organizations, specific to Downtown, must be pursued for the success of Downtown Fulton revitalization efforts. The organizations should include BDA, with support of the Chamber, leading the effort and providing the Downtown community with advocacy, unification, and leadership. The BDA will be supported by two additional organizations; a Community Improvement District (CID) to bring the necessary services and financial support to Downtown, and a Community Development Corporation (CDC) whose role is to spur Downtown real estate development. In addition to these organizations there will need to be realignment of responsibilities to ensure an orderly effort and not disrupt important existing activities.

The following recommendations are made in two parts. First, recommendations are provided for new organizations to enhance the existing organizational structure capacity. Second, recommendations are provided for existing organizational enhancements, whether specific to an organization or to an element of successful revitalization efforts involving several organizations. Funding necessary to sustain these organizations will be addressed in more detail in the Financial Assistance Review component of the DREAM Initiative.

RECOMMENDATIONS FOR NEW ORGANIZATIONS

A. Downtown Fulton Community Improvement District (DFCID)

The DFCID will provide an extra level of service to the DREAM Study Area. The DFCID will channel private sector energy towards the solution of public problems. The DFCID will work with BDA, the City, Chamber, and a Downtown Fulton 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 Downtown Revitalization Program. Funds generated by the DFCID should be used to provide district marketing, administrative support, event promotions, infrastructure, Downtown beautification, and most importantly to encourage redevelopment of buildings.

The DFCID should contract with BDA to provide administrative and technical services for ongoing administration of the DFCID, in addition to the services discussed earlier.

The DFCID 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 hosting municipality 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 DFCID 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 or by 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 Fulton Community Development Corporation (DFCDC)

The DFCDC shall 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 duties assigned the organization. The DFCDC fulfills the traditional role of commercial and residential development activities within Downtown Fulton. The existence of the FADC will support the DFCDC and provide an effective model from which it can draw experience and board members. Funding for the DFCDC can be through donations, grants, and investment from members. The board should be made up of representatives from the primary bank members, BDA, DFCID, the City, and the Chamber. If a non-profit is desirable the DFCDC is organized in the same manner as other non-profits, pursuant to Ch. 355 statutes. And, again, as with a CID, the DFCDC Board should consist of no more than seven (7) to nine (9) members.

The formation of a separate Downtown-focused CDC may prove a difficult task due to a finite amount of resources in Fulton. In this case the other option is to charge the FADC with the role of a CDC in the revitalization of Downtown Fulton. This includes: economic, housing, and commercial real estate development, particularly small business growth. While these efforts continue for the benefit of the greater Fulton area and Callaway County, a special emphasis is needed on conducting public benefit projects and other redevelopment activities for Downtown. This can be accomplished through direct collaboration with BDA, the creation of a Downtown subcommittee and inclusion of a Downtown emphasis in the CDC's mission statement. Membership of the organization shall continue to be made up of participating banks but also include other businesses. With a multi-bank CDC loans and equity can be provided to small businesses or development partners. In order to strengthen its Downtown focus, the board should also include representatives from the BDA and DFCID, as well as the City and the Chamber. The FADC will need to operate more transparently and formally. A budget must be made available and funding plans for a three year period are important to attract investors. With greater investment and focus, the FADC can begin to affect development changes Downtown.

C. Downtown Fulton Retail and Business Committee (DFRBC)

The Downtown Retail Committee should be renamed and given a greater role to specifically address the economic development needs and unity of Downtown businesses. This organization can continue, initially, as a sub-committee of the Chamber to ensure early vitality, although a separate mission focused on Downtown business improvement is necessary. The DFRBC should ultimately be set up as a non-profit with a board to include Downtown business owners and members from the BDA, City, Chamber, and the DFCDC. Among the priorities of the DFRBC will be to act as the liaison between all parties responsible for Downtown retail attraction and expansion, and general business development.

RECOMMENDATIONS FOR EXISTING ORGANIZATIONAL ENHANCEMENTS

D. Brick District Association (BDA)

The BDA provides a singular focus on Downtown Fulton and therefore offers the most effective basis to lead the Downtown Revitalization Program. It is imperative that the organization takes necessary steps to strengthen and grow to fulfill this role. The BDA should continue to grow into an autonomous and non-profit corporation structure complete with bylaws and an executive board to more effectively become the "lead" entity for the Downtown. For the BDA to function as intended, it requires the hiring of a paid Executive Director to oversee operations and a support person to assist with administrative duties and other functions. The Executive Director of this organization, whether in a full or part-time capacity, is instrumental in growing respect for BDA and generating interest in Downtown Fulton.

BDA requires assistance with identifying and obtaining sustainable funding. The proposed DFCID will provide some financial relief to the BDA to assist in the hiring of employees, as stated previously. The administration of both the BDA and DFCID by the Executive Director should emphasize the development and financing of promotions, business attraction and retention, and building rehabilitation.

With increased staffing, the Executive Director will be able to allocate resources toward the goals and objectives of BDA. A goal of annual strategic planning should be accomplished and the Executive Director's role in implementing the objectives of such planning will be vital. Any opportunity for additional staffing provides the Executive Director with the ability to enhance Downtown business recruitment and expansion through one-on-one meetings with developers, prospective business owners, and property owners. Increased funding and staffing also allows the Executive Director to take an active and direct role in the ongoing development and execution of Downtown Revitalization efforts while building upon the diverse programs currently offered by other organizations.

E. City of Fulton (City)

The City of Fulton's involvement in Downtown Revitalization is critical for success. Many Downtown successes to date have occurred due to the City's participation, leadership, and financial participation. Additionally, City involvement demonstrates local government commitment and increases the likelihood of broad citizen and private interest participation. The City should assist in the development of all necessary political subdivisions and districts as well as participate in 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. The financial commitment by the City to support capital improvement projects, such as providing streetscape connections between Downtown and the colleges, should continue and exceed the current level of activity where possible. The City should 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 play an important role in all aspects of Downtown revitalization. The City should take the lead in the tough decisions that lie ahead.

1. It is recommended that the City take a supporting role, in partnership with the BDA and Chamber, in educating and informing the Downtown community about the benefits of establishing the DFCID.

2. The City will need to provide attention to Downtown code enforcement, historic preservation district 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.

   - **Fulton Historic Preservation Commission (FHPC)**

     The FHPC is attempting to put into place design guidelines for the Fulton Downtown Historic District and is instrumental in encouraging the City to obtain Certified Local Government (CLG) status. The FHPC can assist the City in the revitalization efforts by ensuring that improvements to the Downtown's buildings are always a step in the right direction, but qualified and knowledgeable appointments to this Commission will be a critical issue.

F. Kingdom of Callaway Chamber of Commerce (Chamber)

The Chamber is the lead support organization for all groups charged with bettering the entire Fulton community and Callaway County, and therefore requires a wider mission beyond just Downtown. The Chamber should continue its role as the lead unifier of community interests and encourage broad organizational support in its efforts to advance the City of Fulton, and more specifically, Downtown. The most effective way to accomplish this is to allow the BDA to fill the primary role as leader of the Downtown Fulton Revitalization Program.

The Chamber will continue to be responsible for advocacy on behalf of Downtown and promotion of its members' interests. In that regard, it will maintain its role supporting the BDA, rallying volunteers, gathering resources, and pressing for progress. However, business development, small-business assistance, entrepreneurial education, and networking opportunities offered by the Chamber will become increasingly important to the success of Downtown's revitalization as business growth occurs. Identifying future opportunities to deliver these resources to Downtown businesses, and to encourage businesses to take advantage of the Chamber's business support services, should be developed within the context of the overall Downtown revitalization effort.

G. Callaway Arts Council (Arts Council)

The encouragement of the arts and, particularly, of an artist community can provide a unique aspect to a visitor or resident's experience of Downtown Fulton. The existence of the Arts Council in Downtown provides a local organization through which grant programs, offered through the Missouri Arts Council (MAC), are managed and offered to local artists or to out-of-town artists to encourage them to perform in or relocate to Fulton. The MAC, through its Community Arts Program (CAP), provides funding to local arts councils. To be eligible for CAP funding, an organization must maintain basic eligibility requirements as follows:

- Offer programs in more than one MAC-funded arts discipline and/or offer arts services and foster the long-term cultural development of the community
- Only one organization per community may apply
- Must be a non-profit organization and either an Arts Council or a unit of local government
- Members of governing board must be elected or appointed by others than existing board members

As part of a possible Downtown CID, the Arts Council could also have access to DFCID monies with which to fund activities and add to any grant funds the organization might receive via the MAC.

H. Kingdom of Callaway Historical Society (KCHS)

The KCHS provides a cultural asset and destination for the City of Fulton, and more specifically Downtown. The KCHS also offers tremendous value in educating the Downtown Fulton organizational structure on issues of historical importance, such as preservation and historic funding opportunities. The role as a resource provider is vital and should be enhanced as the Downtown Revitalization Program progresses.

I. Heart of Missouri Tourism Board (HMTB)

The City of Fulton has a proud history as a major national and international tourist destination for its renowned universities. The schools put Fulton in the position of having a unique historic asset with which it might attract a number of new and unique visitors to the area, thus contributing to the economic and cultural environment.

The HMTB is currently a strong advocate in the promotion of Fulton to increase the number of visitors to the area. These efforts should continue and even be strengthened when possible through collaboration with the BDA. Projects that the HMTB can work collectively on with the BDA and the City include:

- Supporting groups visiting Fulton by offering assistance in the areas of event planning, special functions, and appreciation activities
- Marketing and promotion of Downtown Fulton and encouraging visitors to select Fulton as their destination
- Special projects to enhance Downtown Fulton as a visitor destination

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SECTION VI

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 BDA, as well as the leadership of the boards 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 BDA and promoting that organization heavily as the new leader of the Downtown Revitalization Program. The Chamber should assist with the continuing development of the supporting organizations and committees. Additionally, the board of the BDA will be the foundation for the remaining boards of the new establishments. A sample job description for the Executive Director position leading BDA can be found in the **Appendix 6.**

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

#1 Establish the BDA, with continuing support from the Chamber, as the leader of the Downtown Revitalization Program and incorporate recommendations of this report.

#2 The BDA, City, and Chamber begin the task of developing outreach plans for the Downtown Fulton Community Improvement District (DFCID).

#3 The BDA, City, and Chamber begin the task of developing outreach plans for the Downtown Fulton Community Development Corporation (DFCDC), or assisting FADC in assuming a larger Downtown focus.

#4 The BDA, City, Chamber and FADC begin to assist with creation of the Downtown Fulton Retail and Business Commission (DFRBC).

Along with these responsibility and role adjustments, a realignment of resources such as personnel and funding sources may 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 with the best unified front possible provided to the public.

The additional work of goal development, bylaw creation or adjustment, and mission and vision development 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. Assistance in evaluating these aspects can be found in the Appendix 7.

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

Appendix 1

Downtown Organization Assessment Questionnaire

APPENDIX 1

DREAM Fulton
Downtown Organizational Assessment Questionnaire

The Downtown Organizational Assessment Questionnaire is part of a process to help the Fulton community evaluate existing downtown organizations. The process which is defined as the Organizational Structure Review will give the Fulton community an understanding of the various roles and functions of existing organizations and recommendations for potential new organizations.

It is important for the Downtown community to look at its organizations to determine how it might improve some of its functions, just as it is important to gauge the interest of the community in Downtown's revitalization. It is beneficial to have many perspectives on how these organizations function.

Please answer all questions which apply to your organization.

Community Characteristics

1. Is there strong private business interest in downtown revitalization?
    a. If so what businesses?
2. Is there strong private citizen interest in downtown revitalization?
    a. In the downtown community?
    b. In the community at-large?
3. Is there a large amount of conflict in the community (Downtown and at-large) about downtown revitalization?
4. Was there a Downtown Organization previously that is no longer functioning or no longer exists?
    a. If so, please explain.

Organization Characteristics

5. Is there an organization that is leading efforts towards downtown revitalization? *If there are multiple organizations LEADING various efforts please complete all questions for each.*
6. Name of organization.
7. What type of organization is it (non-profit, for-profit, chamber of commerce, political subdivision, etc.)?
8. What year was the organization established?

9. How many full time employees does it have?

10. How many part time employees does it have?

11. How many volunteers does it have?

12. Where is the organization located?

13. What type of physical facilities does the organization have?

14. Roughly, how many city blocks does the organization cover/represent?

15. Note significant organizational accomplishments.

16. Note significant organizational failures.

17. Note significant organizational challenges.

18. To what extent is the organization involved in providing the following services:

    a. Capital Improvements (installing pedestrian-scale lighting and street furniture; planting trees and landscaping)
    b. Consumer Marketing (producing festivals and events; coordinating sales promotions; producing maps, brochures and newsletters)
    c. Economic Development (offering incentives to new and expanding businesses)
    d. Maintenance (removing litter and graffiti, cleaning sidewalks, trimming trees, etc…)
    e. Parking and Transportation (managing public parking lots, signage and bus shelters)
    f. Policy Advocacy (promoting public policies to the community; lobbying the government on behalf of business interests)
    g. Public Space Regulation (managing sidewalk vending; controlling vehicle loading, etc…)
    h. Security (providing supplementary security guards, working with city police department, etc…)
    i. Social Services (aiding low income, providing job training, supplying youth services, etc…)
    j. Any other services not mentioned

Mission, Purpose, Goals, Vision, Etc.

19. Is there a straightforward and up-to-date written mission statement?

20. Is there a strategic plan being utilized?

21. Are the goals of the organization written, agreed upon, and clear to all?

22. Currently, what are the goals of the organization? Are the goals achievable?

23. Is there a process for setting/renewing goals?

24. Are short term (1 to 3 years) objectives understood and agreed upon by their respective committees/boards?

25. Are long term (3 years+) objectives understood and agreed upon by their respective committees/boards?

26. Are the bylaws current and functional?

27. Does the organization periodically assess its:

    a. Mission, goals and strategic plan?
    b. Committee structure and performance?
    c. Board membership and participation?
    d. General membership participation?
    e. Follow through on commitments?
    f. Budget and goal setting process?
    g. Role in the community?

Internal Organization Assessment – Committees

28. How many committees are involved in your organization's activities?

29. What type of activities do the committees conduct?

30. Do committees have clear written goals and objectives?

31. How do the committees function?

32. Do the committees have specific roles and responsibilities that all members of the organization understand?

33. Is the committee structure and membership make-up reviewed annually for relevancy?

Internal Organization Assessment – Board

34. How many members are on the governing board?
35. Does the organization's board currently have committed and active members?
36. Does the organization's board currently have enough people to carry out its purposes and goals?
37. Do board members have diverse downtown/community interests and perspectives?
38. Do board members have the right mix of skills to lead and direct?
39. Does the organization have a system for recruiting board members for specific needs?
40. Do terms of office provide for stable yet renewing leadership?
41. Does the organization have an orientation session for new board members?
42. Does the organization's board have a drop-out or non-attendance problem?
43. Do board members trust each other?
44. Do board members get along well with each other?
45. Do board members avoid conflicts of interest?
46. Do board members act as a team and work together?
47. Do board members enjoy the organizations meetings and activities?
48. Are board members talents being fully utilized?
49. Are board members individual contributions recognized?
50. Are board members collective efforts acknowledged?
51. Are board members able to help the board and its committees examine and improve its processes?

Internal Organization Assessment – Membership

52. Does the organization currently have committed and active members?

53. Does the organization's membership base have diverse downtown/ community interests and perspectives?

54. Is the organization's membership base growing, shrinking, stable?

55. Does the organization currently have enough people to carry out its purposes and goals?

56. Does the organization have sufficient skills and diverse community interests and perspectives?

57. Does the organization have a system for recruiting members for specific needs?

58. Does the organization have an orientation session for new members?

59. Are general member's talents being fully utilized?

60. Are general member's individual and collective contributions recognized?

Leadership Characteristics and Effectiveness

61. Are board decisions usually made by:

    h. The board

    i. The officers

    j. Executive director

    k. The committees

    l. Specific individuals

    m. The membership

    n. Combination of above

    o. Does the leadership of the board and its committees effectively encourage different points of view in discussions?

62. Does the leadership of the board and its committees effectively minimize personality differences?

63. Does the leadership of the board and its committees effectively deal with power struggles and hidden agendas?

64. Does the leadership of the board and its committees encourage teamwork?

65. Does the leadership of the board and its committees instill enthusiasm for work to be accomplished?

66. Does the leadership of the board and its committees identify and celebrate milestones?

67. Has the board clearly identified its roles and responsibilities as a board?

68. Has the board clearly identified the roles and responsibilities of the executive director, and his/her relationship to the entire board?

69. Has the board established a process for obtaining staff input for board decision making?

70. Do board and committee meetings have agendas and are they announced in advance of the meeting?

71. Do board and committee meetings follow these agendas?

72. Do board and committee meetings proceed efficiently and effectively?

73. Do board and committee meetings have minutes prepared and distributed in a timely manner?

74. Does the leadership ensure that action goes forward in an orderly manner by seeing to it that decisions are actually made?

75. Does the leadership see to it that all members understand that decision?

76. Does the leadership see to it that someone takes responsibility?

77. Does the leadership see to it that visible results occur?

78. Does the leadership see to it that results are reported to the group?

79. Has the organization established standards of performance or benchmarks from which to evaluate outcomes? If so, please identify and explain those that apply:

    a. Crime Rates
    b. Taxable retail sales
    c. Number of jobs created
    d. Pedestrian/visitor counts
    e. Lease rates
    f. Customer attitude survey
    g. Occupancy rate
    h. Business license revenue
    i. Population
    j. Change in tax base
    k. Value of real property investment
    l. Population density
    m. Other

Fiscal Resources

80. Approximately what is the organizations annual budget?

81. Which of the following are sources of funding for your organization (estimate percentage of total budget for each)?

    a. Special tax assessment on property and/or business
    b. Bonds (public or private)
    c. Voluntary donations
    d. In-Kind contributions
    e. City general tax revenues
    f. Subsidies or grants from Federal Gov't
    g. Subsidies or grants from State Gov't
    h. Sale of goods or services

82. What fundraising activities does the organization undertake?

83. Are the organization's resources sufficient to achieve its goals?

84. Are the organization's resources being used effectively?

85. Is the organization driven primarily by its:

    a. Budget
    b. Goals/strategic plan
    c. Outside factors

Community Networking and Coalition Building

86. Does the organization relate to other community groups and governmental units through ongoing, working relationships?

87. What types of other community groups and governmental units does the organization work with?

    a. Municipality
    b. Community Improvement District
    c. Business Associations
    d. Chamber of Commerce
    e. Economic Development Organization
    f. Visitor or tourism association
    g. Service Club
    h. Environmental Groups
    i. Historic Preservation of Conservation Groups
    j. Historical/Heritage Society
    k. Museum
    l. Churches/Places of faith
    m. Schools/Colleges/Universities
    n. Horticulture Organizations
    o. Arts and Culture Groups
    p. Senior Groups
    q. Youth Centers/Groups

88. Does the organization seek out new relationships and build coalitions of mutual interest?

89. Does the organization have input into public policy?

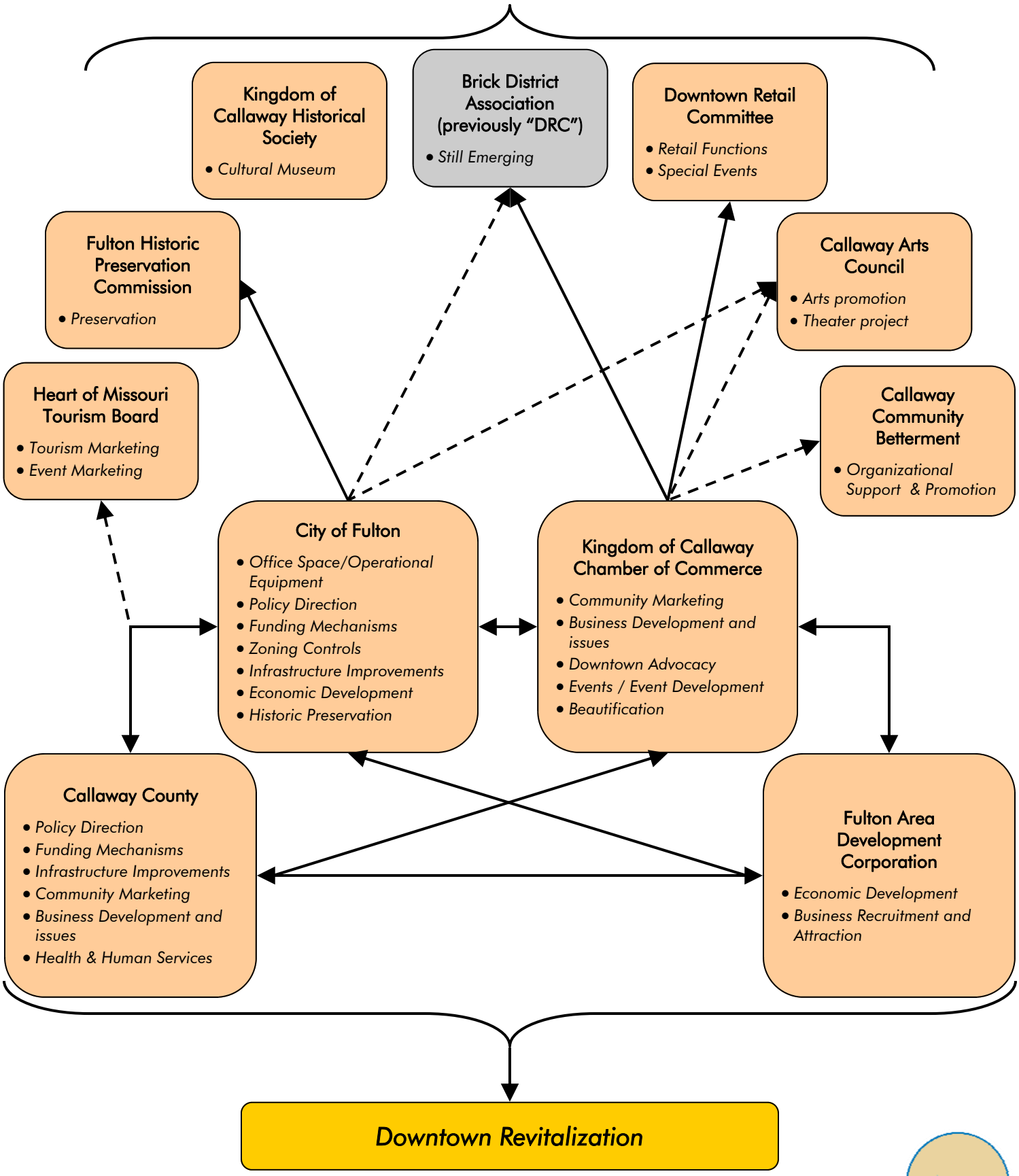
90. Does the organization network at the regional, state, national levels?

Appendix 2

Existing Downtown Organizational Structure

APPENDIX 2

EXISTING DOWNTOWN ORGANIZATION STRUCTURE



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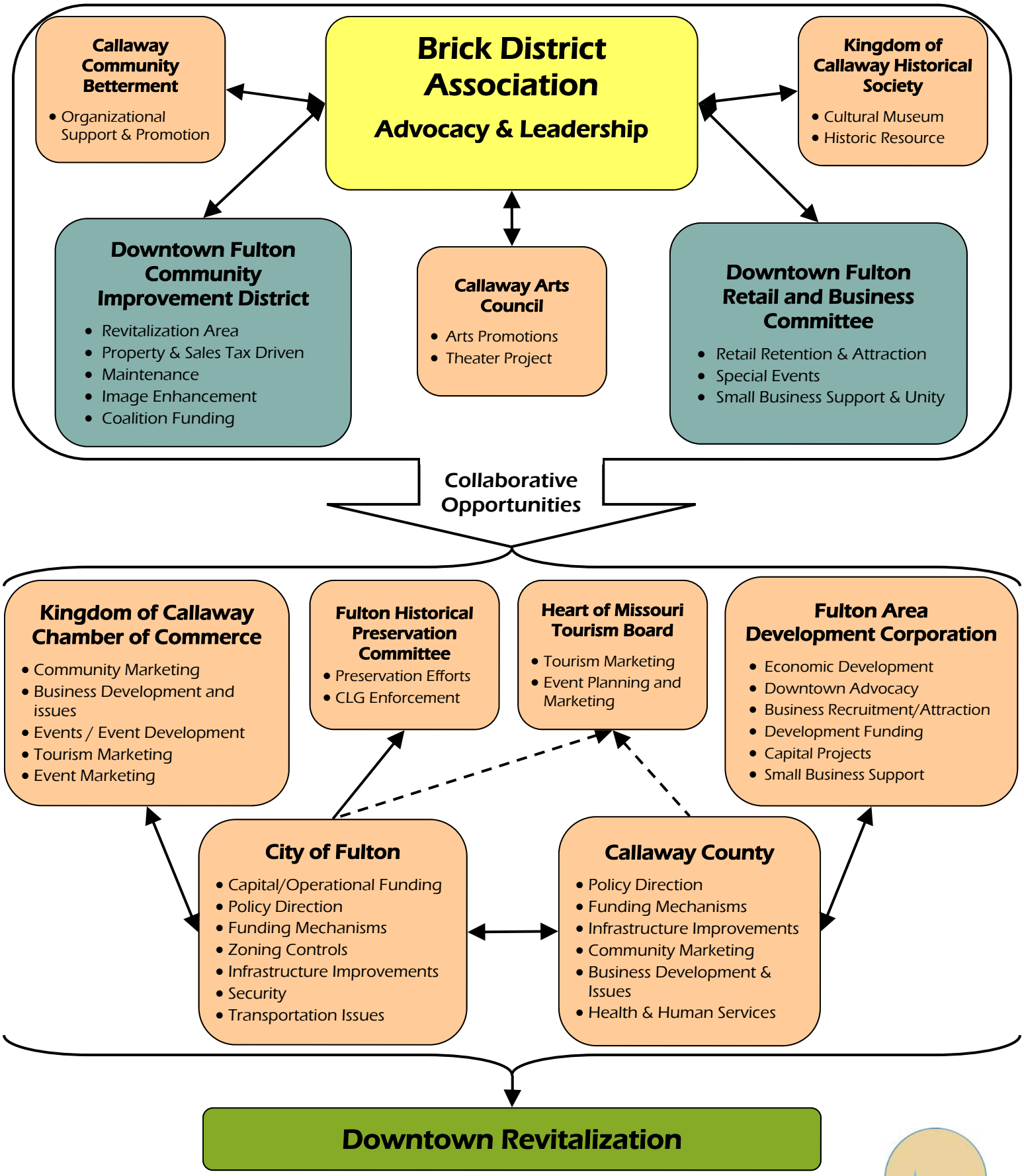
D·R·E·A·M INITIATIVE

Appendix 3

Recommended Downtown Organizational Structure

APPENDIX 3

RECOMMENDED DOWNTOWN FULTON ORGANIZATIONAL STRUCTURE



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Appendix 4

Downtown Organizations and Responsibilities

Appendix 4 - Downtown Organizations & Responsibilities

Elements of a Successful Organization	*Existing Organizations*				*Recommended Organizations or Changes*		
	City of Fulton	Kingdom of Callaway Chamber of Commerce	Fulton Area Development Corporation	Brick District Association	Downtown Fulton Community Improvement District	Downtown Fulton Community Development Corporation	Downtown Fulton Retail and Business Committee
Leadership	Essential	Essential	Support	Essential		Support	Support
Management Characteristics	Essential	Support	Essential	Essential	Support	Support	Support
Board Attributes	Support	Essential	Essential	Essential	Essential	Essential	Essential
Forming Partnerships	Essential	Essential	Essential	Essential	Support	Support	Essential
Community Involvement	Essential	Essential	Support	Essential			Essential
Organization Funding	Essential	Support	Support		Essential	Essential	Support
Organizational Strategic Planning	Essential	Support	Support	Essential	Essential		
Project Planning and Facilitation	Essential	Support	Support	Essential		Support	Support
Expansion and Attraction	Essential	Essential	Essential	Support	Support	Essential	Essential
Residential Development and Neighborhood Revitalization	Essential			Support	Support	Essential	
Downtown Advocacy	Essential	Support	Support	Essential	Essential	Essential	Essential
Real Estate Development Body	Support		Essential			Essential	
Downtown Marketing	Support	Support	Support	Essential	Essential	Support	Essential
Special Events Planning	Support	Support		Essential	Support		Essential
Retail and Event Promotions	Support	Support		Essential			Essential
Safety, Security, and Beautification	Essential			Support	Support		

Essential Participant Support Participant

Appendix 5

Specific Downtown Issues and Responsibilities

Appendix 5 - Specific Downtown Issues & Responsibilities

	Existing Organizations				*Recommended Organizations or Changes*		
	City of Fulton	Kingdom of Callaway Chamber of Commerce	Fulton Area Development Corporation	Brick District Association	Downtown Fulton Community Improvement District	Downtown Fulton Community Development Corporation	Downtown Fulton Retail and Business Committee
Building Design Standards	Essential Participant			Support Responsibility	Support Responsibility		
Building Code Enforcement	Essential Participant			Support Responsibility			
Entryway Design Standards	Essential Participant			Essential Participant	Support Responsibility		
Wayfinding Improvements	Essential Participant			Essential Participant	Support Responsibility		
Retail Attraction		Essential Participant	Essential Participant	Support Responsibility	Support Responsibility	Support Responsibility	Essential Participant
Retail Promotions		Essential Participant	Support Responsibility	Support Responsibility	Support Responsibility		Essential Participant
Merchant Education		Essential Participant	Support Responsibility	Support Responsibility			Essential Participant
Commercial Property Acquisitions	Support Responsibility	Support Responsibility	Essential Participant	Support Responsibility		Essential Participant	
Commercial Property Renovations	Support Responsibility	Support Responsibility	Support Responsibility	Support Responsibility	Support Responsibility	Essential Participant	
Façade Improvements (Revolving Loan Fund)	Support Responsibility	Support Responsibility	Essential Participant	Essential Participant	Support Responsibility	Essential Participant	
Parking Lot Improvements	Essential Participant			Support Responsibility	Essential Participant		
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		Essential Participant
Tourism Marketing	Essential Participant	Essential Participant		Support Responsibility			Support Responsibility
Housing Stock Improvements	Support Responsibility			Support Responsibility		Essential Participant	

Essential Participant

Support Responsibility

Appendix 6

Sample Job Description

APPENDIX 6

Sample Job Description – Executive Director

Position Overview

The Executive Director position requires an energetic, results-oriented professional eager to be the champion of Downtown Fulton. 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 6

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

Appendix 7

Board and 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.

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.

- **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.

- 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 emission, 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.

DOWNTOWN ORGANIZATION CHECKLIST

The following pages contain a Downtown Organization Checklist which the emerging Brick District Association should utilize as they move forward with their re-organization process.

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.

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 is 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

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.