



**Knoxville Central Business Improvement District
Management Corporation**

**DOWNTOWN KNOXVILLE'S
STRATEGIC BUSINESS PLAN**

DRAFT

Approved by CBID Board of Directors:

Revised:

DOWNTOWN KNOXVILLE'S STRATEGIC BUSINESS PLAN

PURPOSE

The Board and staff of Downtown Knoxville have developed a strategic plan to serve as a roadmap for the next three years. This plan includes four strategic priorities, each with measurable goals, objectives, timetables and financial impact. This is a dynamic plan subject to amendment as conditions change, objectives are accomplished and/or opportunities arise.

MISSION OF CBID

To make Downtown Knoxville a better place in which to live, work and play.

CURRENT STATE OF DOWNTOWN

Downtown Knoxville has enjoyed many successes over the last several years. The redevelopment of Market Square and the openings of Mast General Store, Regal Riviera, and the S&W Grand Cafe have served as great catalysts for downtown. Our residential numbers continue to grow and with recent residential developments such as the Burwell, Holston and JFG Lofts we now have more than 2,000 residents calling downtown home. Additionally, thousands of people come downtown each week to attend events, festivals, and concerts at one of downtown's many venues such as Market Square, the Old City, World's Fair Park, the newly renovated Historic Tennessee Theatre, Bijou Theatre, and The Square Room.

While we have seen great revitalization over the last several years, we still have opportunity for more growth and improvement. Our office market has been soft over the last few years with companies downsizing or closing including Kimberly Clark, ImagePoint, and Brunswick Boat Group. Additionally, we have seen some progress in the retail segment over the last few years; however, this is an area that CBID has identified as an additional growth opportunity.

DOWNTOWN KNOXVILLE'S STRATEGIC BUSINESS PLAN

STRATEGIC PRIORITIES:

1. Support & Maintain Quality of Life – Enhance and promote downtown as a vibrant place to live, work, play and shop.
2. Business Recruitment and Retention – CBID will proactively focus on retention of our current businesses and recruitment of retail and office projects.
3. Big Ideas – Create an evaluation/prioritization process and funding mechanism by which CBID can take an ongoing, proactive leadership role in making catalyst projects happen.
4. Governance – Ensure that CBID is compliant with laws/regulations and has the legal authority to meet its future goals and objectives.

With each of the Strategic Priorities, CBID will assemble taskforces comprised of staff, Board, CBID members, and CBID stakeholders. Taskforces will recruit other people as necessary to help achieve their goals and objectives.

Objectives and action items will be tracked while milestones and goals will be measured throughout the life of the strategic plan, with results reported back to stakeholders.

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STRATEGIC PRIORITY 1 – SUPPORT AND MAINTAIN QUALITY OF LIFE

Enhance and promote downtown as a vibrant place to live, work, play and shop.

GOALS:

1. Make downtown a clean, safe and desirable location.
2. Promote the assets of downtown
3. Help draw people downtown to live, work, play and shop.

1 - OBJECTIVE – Enhance the beautification of downtown to make it more attractive for businesses, employees, residents, and visitors.

ACTION PLAN

1. Provide façade grants to existing building owners in order to remove blight from downtown.
2. Partner with the City of Knoxville and other appropriate organizations on beautification efforts to include planters, sidewalks, media boxes, and other applicable downtown improvements.
3. Meet quarterly with task force of partnering organizations and individuals to identify, remove, and prevent graffiti from downtown buildings and structures.
4. Identify and prioritize downtown area sidewalks in need of repair and work with the City of Knoxville to improve identified sidewalks.
5. Work with property owners and City of Knoxville to remove garage from main streets, where appropriate.

TIMETABLE

- Begin work with Development Committee in March 2010 to redraft the Development Incentive Façade Grants with review and approval of grants to be completed by June 2010.
- Work with the City of Knoxville for winter and spring plantings for all existing planters throughout downtown.
- May 2010 - Begin prioritization of sidewalks in need of repair and begin discussions with the City of Knoxville on how to get them corrected.
- March 2010 – Begin quarterly meetings with graffiti taskforce.
- March 2010 – Begin work with property owners and city to develop better plan on trash removal.

IMPACT ASSESSMENT –

- \$50,000 – façade grants
- \$30,000 – beautification efforts
- \$ sidewalk repair
- \$10,000 - graffiti removal

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2 - OBJECTIVE – Promote and market downtown as a vibrant area to live, work, play and shop.

ACTION PLAN

1. Enhance marketing efforts to promote downtown through existing newsletters, social media, and media relations with supplemental advertising opportunities.
2. Sponsor events which draw people downtown and support existing retail businesses.
3. Develop and distribute Downtown Guide/Visitor's Guide.
4. Develop Annual Report which highlights the successes, development, etc for downtown.
5. Maintain and strengthen website for downtown.

TIMETABLE

- March 2010 - develop inclusive marketing plan outlining specific outreach opportunities and activities for fiscal year
- Ongoing sponsorship of events
- February 2010 – begin production of Downtown Guide with completion expected in April 2010.
- May 2010 – start development of Annual Report with completion expected by August 2010
- Ongoing maintenance and update of website

IMPACT ASSESSMENT –

- \$10,000 – promote downtown/WBIR feed
- \$60,000 – event sponsorship
- \$7,500 – Downtown Guide
- \$2,500 – Annual Report (development/print)
- \$5,000 – maintenance/new projects
- \$ - advertising, printing, and other marketing needs as identified in strategic marketing plan

3 - OBJECTIVE – Continue to market and improve parking and transportation in and around downtown.

ACTION PLAN

1. Market the different parking options in downtown via website, downtown guide, and applicable printed materials.
2. Promote free parking in downtown on nights/weekends via website, downtown guide, media relations, event partnerships, and advertising opportunities.
3. Promote and assist the businesses on the 100 block of Gay Street and other identified areas in need with advertising.

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4. Administer the Residential Parking Program and Parking Token Program.
5. In partnership with KAT, promote and advertise the trolley system in/around downtown via web site, downtown guide, and applicable printed materials.

TIMETABLE

- Ongoing - Continue to advertise parking options in downtown via website, downtown guide, and printed materials.
- Ongoing - Continue to promote the free parking program on nights and weekends and trolley system via website, downtown guide, media relations, event partnerships, and advertising opportunities
- Ongoing – Continue to administer Residential Parking Program and Parking Token Program.
- Ongoing - Continue to promote trolley system via web site, downtown guide, and applicable printed materials.

IMPACT ASSESSMENT

- \$10,000 – Assisting businesses on the 100 block of Gay Street during closure
- \$1,000 – Net from administration and discount of Parking Token Program
- \$ - Additional marketing efforts specifically communicating parking options (microsite, printed materials, advertising, etc.)

4 - OBJECTIVE – Further the safety and security of downtown.

ACTION PLAN

1. Continue to work closely with Knoxville Police Department, Public Building Authority, City of Knoxville, TVA Police, neighborhood associations, etc. to keep downtown a safe area.
2. Educate downtown visitors, businesses, employees and residents on panhandling through “give a hand up, not a hand out” marketing campaign.
3. Work with individual businesses and/or residents on potential lighting and/or security needs.

TIMETABLE

- Ongoing - Continue work and open conversation with KPD, PBA, City of Knoxville and neighborhood associations
- June 2010 - Develop educational campaign regarding panhandling to be implemented in 2010-2011 fiscal year
- Ongoing - Continue work and meetings with individual businesses on lighting/security needs

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IMPACT ASSESSMENT –

- \$10,000 – panhandling education
- \$5,000 – security (lighting needs, cameras, etc.)

STRATEGIC PRIORITY 2 – BUSINESS RECRUITMENT & RETENTION

CBID will proactively focus on retention of our current businesses and recruitment of retail and office projects.

GOALS:

1. Have a net gain in the number of employees and businesses, both office and retail, with a focus on non-restaurant retailers. As of December 2009, CBID had:
 - 1,531 businesses, which are comprised of office and retail (data gathered from Reference USA)
 - 22,500 employees (data gathered from TN Dept of Labor & Workforce Dev)
 - 31 non-restaurant retailers
2. Promote and market downtown as a place to live, work, play and shop.
3. Undertake programs/projects that support business recruitment and retention and enhance the business environment.

1 - OBJECTIVE – Develop a comprehensive Information Clearinghouse (IC) for business recruitment and retention that details information about doing business in downtown, which can be promoted via our website, newsletter, brochures, social media, traditional media and other appropriate channels.

ACTION PLAN

1. Compile a comprehensive list of all potential incentives available to companies who locate businesses downtown.
2. Create an easy-to-follow check list of specific information on how to open and operate a business downtown including but not limited to applying for business licenses, providing parking for employees and customers, marketing to the downtown community, etc.
3. Develop a step-by-step guide for building and remodeling in the downtown area, including but not limited to building permits, Downtown Design Guidelines, temporary traffic closures procedures, list of key contacts, etc.
4. Ensure that the CBID property database of available space is current/accurate.
5. Compile downtown demographics and statistics pertinent to potential retailers or businesses looking to open or expand a business downtown.

TIMETABLE – Work will begin immediately with completion of the IC by April 2010, general updates will be ongoing.

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IMPACT ASSESSMENT – Data compilation and creation of checklist, step-by-step guides and other material can be done with current staffing; although there will be an increase the Director and Marketing Coordinator's time.

2 - OBJECTIVE – Develop a list of industries and specific businesses to recruit to downtown.

ACTION PLAN

1. Analyze the results of the recently completed Downtown Knoxville Survey to identify industries that stakeholders want to see downtown.
2. Revisit Blount Hunter's Retail Study (including its embedded Perception and Usage Study), Crandall Arambula's Civic Vision for Downtown, and any other relevant studies that deal with downtown retail to identify recommendations for a successful retail mix for downtown.
3. Compile a new list of targeted industries and prioritize those that equally appeal to our three primary user segments (visitors, employees and residents of downtown).
4. Compile list of actual companies that fit within the type of targeted businesses. List to include contact and any other relevant information.

TIMETABLE –Work will begin immediately and be completed in June 2011.

IMPACT ASSESSMENT – Current staff/taskforce can accomplish these activities. Increased time and cost in Director and Marketing Coordinator's time.

3 - OBJECTIVE – Promote Downtown Knoxville as a vibrant area for business growth and as a unique place to live, work, play and shop by creating a marketing and promotional campaign encouraging businesses to locate downtown.

ACTION PLAN

1. Staff develops a marketing plan and materials that positions downtown Knoxville as a unique place to locate a successful business.
2. Staff develops a marketing page/brochure, which markets and promotes downtown that complements existing promotional pieces already developed by the Knoxville Chamber/Innovation Valley.
3. Solicit positive testimonials from small and large businesses, both office and retailers, about the success they have found by locating their businesses downtown.
4. Develop a new section of the CBID website or a companion microsite that presents the demographics, testimonials and other information in a compelling fashion so as to generate leads of new businesses wanting to locate downtown and offers the checklists, step-by-step guides and other Information Clearinghouse materials to prospective businesses.
5. Collaborate with Knoxville Chamber/Innovation Valley on a downtown specific marketing piece for site selectors.

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TIMETABLE – Work will begin immediately to gather testimonials and develop companion marketing pieces. Development of microsite will begin in May 2010 with completion expected November 2010. Marketing efforts will be ongoing.

IMPACT ASSESSMENT - Current staff can pull together the marketing pieces, testimonials and information for the website.

- Increased time and cost in Director and Marketing Coordinator.
- \$3,500 - Cost of having complementing marketing piece laid out and printed.
- \$10,000 - Cost of developing marketing/promotional material.
- \$5,000 - \$10,000 – Cost to place clearinghouse information and other marketing materials on website or develop microsite.

4 - OBJECTIVE – Develop a retention program that encourages businesses that are currently located downtown to stay downtown.

ACTION PLAN

1. Work with City of Knoxville, Knoxville Chamber, property managers and downtown businesses to develop a list of at-risk businesses in need of assistance including but not limited to expiring leases, financial assistance, and/or general problems or issues.
2. CBID staff will hold retention meetings with businesses and involve partnering organizations, as needed, for assistance to retain business.
3. CBID will conduct retention meetings with 40 different businesses a year.

TIMETABLE –Work will begin immediately and continue throughout the following years.

IMPACT ASSESSMENT – Current staff can accomplish this objective. Increased time and cost in Director and Marketing Coordinator.

5 - OBJECTIVE – Proactively recruit new businesses to downtown in coordination with broker community and existing partners.

ACTION PLAN

1. Work in coordination with partners and broker community to directly solicit the businesses identified in the new target list with phone calls, site visits, business networking, and other personal contacts.
2. Engage the broker community and existing partners by making them aware of our target industries/businesses, marketing materials, incentives, available space, etc. with quarterly gatherings.

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3. Respond to leads generated through the marketing and promotional campaign, whether through the website, phone calls, or other personal contact.
4. Biannual update of the Perception & Usage Study for downtown.

TIMETABLE – Work with real estate brokers will begin immediately with a big push in November 2010 to coincide with the completion of the Information Clearinghouse and microsite on the CBID website. Response to generated leads will be ongoing.

IMPACT ASSESSMENT – Current staff can manage lead responses and kick-off event/gathering for broker community. Increased time and cost in Director and Marketing Coordinator.

- \$5,000/year for event/gathering for broker community.
- \$8,000/biannually for Perception & Usage Study

STRATEGIC PRIORITY 3 – BIG IDEAS

Create an evaluation/prioritization process and funding mechanism by which CBID can take an ongoing, proactive leadership role in making catalyst projects happen.

GOALS:

1. Annually identify catalyst projects for CBID to support through management, funding, programming, advocacy or other means.
2. Enhance CBID's ability to fund catalyst projects through existing assessments, debt instruments, or new sources of revenue.

1 - OBJECTIVE – Create a detailed process for identification and prioritization of Big Ideas that can be used on an ongoing basis to evaluate catalyst projects.

ACTION PLAN

1. Compile a short list of Big Ideas while also focusing on current opportunities.
 - a. Conduct an annual Downtown Knoxville survey to determine what stakeholders believe are the Big Ideas and what general services/amenities they would like to see.
 - b. Solicit input from CBID Board, committees, partners and stakeholders.
 - c. As part of the annual Downtown Knoxville survey and analysis, research the need and desire for a downtown incubator.
 - d. Review current and past reports such as Blount Hunter's Retail Report, Crandall Arambula's Civic Vision for Downtown, etc. to gather ideas for next Big Idea.

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2. Determine qualitative and/or quantitative measuring factors that will be used to qualify an idea as a Big Idea (e.g. "you will know it when you see it", "x" percent increase in sales tax revenue, number of new employees, residents and/or visitors it brings to downtown, etc.) with Mast General and Regal Riviera serving as a baseline.
3. When one or more Big Idea(s) is identified, solicit the support of appropriate partnering organizations for accomplishment of stated idea(s).

TIMETABLE

1. Survey to be completed in April 2010 and subsequently each year in April.
2. Finalize the identification, review and selection process for Big Ideas by June 2010.
3. Evaluate and analyze the Big Idea and associated risks, benefits, etc. by September 2010.

IMPACT ASSESSMENT – Current staff/taskforce can solicit and prioritize ideas. There will be a minimum yearly usage charge for survey of at least \$200. Increased time and cost in Director and Marketing Coordinator. There will likely be significant cost associated with each Big Idea that CBID chooses to support.

2 - OBJECTIVE – Study funding mechanisms and ways to create additional revenue to support our Big Idea, other Strategic Priorities and/or CBID in general.

ACTION PLAN

1. Study alternative ways to fund Big Idea catalyst project(s) and other strategic priorities, including but not limited to changing our traditional budgeting process; identifying government funding, grants or other independent sources of funding; and increasing our revenue stream and verifying the legalities of such alternative revenues.
 - a. Review other downtown organizations and their funding sources, particularly business improvement districts (BIDs) that have income in addition to BID assessments.
 - b. Study the feasibility of implementing a membership program for downtown Knoxville.
 - c. Research and assess programs such as the Downtown Gift Card that can be used as a fundraiser for CBID while also supporting key constituent groups.
 - d. Research opportunities for grants to fund specific projects or CBID in general.

TIMETABLE

- Taskforce reviews ideas and makes recommendations to CBID Board by September 2010

IMPACT ASSESSMENT – Staff/working group can evaluate different funding sources. Legal counsel may be necessary for implementation of programs. Cost should be under \$1,500. Increased time and cost in Director and Marketing Coordinator.

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STRATEGIC PRIORITY 4 – GOVERNANCE

Ensure that CBID is compliant with laws/regulations and has the legal authority to meet its future goals and objectives.

GOAL:

- Confirm that CBID is compliant with our current by-laws, city ordinance, and state legislation and has the legal authority to meet our future goals and objectives.
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OBJECTIVE – Review State of Tennessee’s legislation enabling business improvement districts, City of Knoxville’s ordinance allowing the creation of CBID, and CBID by-laws to ensure the organization is in compliance. Additionally, taskforce will consider the current goals and objectives of CBID to ensure we have the legal authority to meet them.

ACTION PLAN

- Review state legislation, city ordinance, and by-laws.
- Confer with other BIDs or downtown organizations in Tennessee regarding possible legislative changes.
- Coordinate possible legislative change with the City of Knoxville and any other interested party.
- If changes in state legislation are necessary, hire counsel to draft new legislation.

TIMETABLE

- Taskforce will begin review of current laws/regulations and recommendations to the CBID Board by November 2009.
- If necessary, retain counsel to draft new state legislation by September 2010 (for 2011 state legislative session).

IMPACT ASSESSMENT – Current staff/taskforce can confer with other BIDs in Tennessee and review the state legislation, city ordinance and by-laws. Legal counsel will be necessary to draft state legislation. Cost should be under \$1,500
