

Building a Vibrant Economy

Downtown Burlington is a vibrant and dynamic economic engine for not just the city, but the entire region. From retail and hospitality, to the arts and special events, our downtown and waterfront create a gravitational force in northwestern Vermont that draws residents, visitors and entrepreneurs, and underpins our quality of life and economic base.

Our downtown provides significant employment and revenues that helps to provide many of the services Burlington residents and visitors have come to enjoy. The Downtown Improvement District (DID) comprises only 2% of the city's total acres but generates 22% of the total property tax revenue. More than two-thirds of all of the city's jobs are found within a half-mile of the intersection of Church and Main Street. These downtown employees play a critical role in our downtown's economy by purchasing millions of dollars each year in goods and services, attending community events and activities, and serving as goodwill ambassadors for prospective downtown employers and visitors.

Yet over the last two decades Burlington has been losing retail and office market share to the suburbs. Higher rents, smaller floor plates, and parking challenges have resulted in the relocation of larger office users, reducing the concentration of office workers in the downtown core. Other than along Church Street, retail concentrations in other parts of downtown Burlington are discontinuous and need better connectivity to expand an activated pedestrian environment, especially toward the waterfront. Because parking is relatively cheap and easy in suburban locations, Burlington must comprehensively and creatively address parking challenges in the downtown and waterfront in order to stay competitive. A staggering lack of available and affordable housing opportunities makes it virtually impossible for many to move into the city. Increasing expectations for rent may also be discouraging locally-owned retail businesses from locating in core shopping areas, making critical an increase of new construction and supply of lower-cost incubator spaces in particular. Development of new space in Burlington can be hindered by a highly uncertain and discretionary permitting process putting us at a further disadvantage to our suburban neighbors.

All that being said, there are a number of opportunities that will help Burlington address these challenges and re-invigorate its economic place within the region.

Talkin' 'bout a Revolution

Our economy – globally as well as locally – is in the midst of a revolution: a revolution that is rooted in knowledge, information, and creativity; a revolution that favors authenticity, social and environmental responsibility, and a sense of community; a revolution that is fueled by dynamic interactions between technology, arts, culture, nature, work, play and living; a revolution that is alive and well in Burlington, and one that our community is uniquely positioned to take full advantage of in the decades ahead. This revolution is what noted sociologist and author Richard Florida has coined the “Creative Economy.”

Florida writes, “Cities are veritable magnetrons for creativity.

Great thinkers, artists, and entrepreneurs— the Creative Class at large – have always clustered and concentrated in cities. Deeper in our past the concentration of people in cities not only powered advances in agriculture, but led to the basic innovations in tool-making and the rudimentary arts that came to define civilization.” The creative class is a melting pot of social groups, career disciplines, and cultures that together generate new ideas, products and opportunities.

Burlington’s creative economy and innovative potential is percolating through a broad spectrum of arts and business. In addition to the painter, sculptor, dancer or musician, those who teach and do research at UVM, Champlain and St. Mikes, design and innovate at places like Dealer.com, IBM, and My Web Grocer, and create and concoct at Burton, Switchback or Champlain Chocolates are all part of this mix. Their nature is to seek homes within walking or biking distance to their workplace, and unique gathering spaces where creative minds can come together and intertwine. Consider by example incubator spaces for emerging artists in old warehouses on Pine or Champlain Street. Right around the corner are places like August First Bakery and Maglianero’s Café, where creative thinkers gather to eat locally sourced food while exchanging ideas and forming new collaborations. Finally, their creative energy and entrepreneurship helps to fuel and sustain more traditional businesses and services like finance, real estate and law.

The “Creative Class” comprises some 30% of the workforce nationally (and likely more here in Burlington) and includes major occupational categories such as computer and mathematical; architecture and engineering; life, physical, and social science; education, training, and library; arts, design, entertainment, sports, and media; management; business and financial operations; healthcare practitioners and technical; and high-end sales and sales management occupations.

In contrast to traditional educationally-based measures, the Creative Class occupational typology takes into account **what people do** in their current occupation, **rather than their level of education.**

What we do now to support Burlington’s growing creative economy will determine much of the city’s cultural, social, political, and economic success in the future. In order to foster this success, Burlington must continue to attract people that will contribute their energy and creativity, and engage in the life of the city. By creating spaces for this creative dynamic to exist and evolve, the city can nurture emerging entrepreneurs and serve as a magnet for new ones. This must happen at a range of scales – from home occupations and street vendors to larger manufacturers and office suites.

Also important in this mix are Burlington’s historical and evolving ethnic traditions – from French-Canadian to Bhutanese. They form a rich tapestry from which to build new partnerships, business opportunities, and community spaces. Neighborhood level arts and culture have proven to bridge long-term barriers of class and ethnicity as well as age and gender, foster social and institutional connections, animate public spaces. They create value in our community in the form of diverse new businesses, enriching the built environment, and advancing Burlington’s unique and authentic character.

Last but certainly not least, the city must continue to nurture its already vibrant arts scene by encouraging the creation of more affordable places to live and work, support the business of the arts, and continue developing a thriving urban experience. The arts – traditional and modern, performance and visual - is the nectar that both attracts and sustains the creative economy, and fosters the eclectic aesthetic that transforms a simple space or an entire city into something unique. Making this kind of intentional and collective effort to foster arts and culture will enhance Burlington’s the ability to attract, retain and nourish the attention of the creative class.

Old North End:

A true mosaic where people from many cultures have traditionally settled and started a new life; a place to celebrate new and old ethnic traditions, arts, music, and food.

Downtown:

Where the creative arts are taught, showcased and sold to the world.

Pine St / South End:

A place where evolving and emerging artists and entrepreneurs come together to create an eclectic cluster of studios, galleries, business, and workshops that celebrate the creative spirit.

Mix it Up

Burlington's downtown offers a diversity of uses and services that attract and support a very wide range of needs and interests. A balance of the residential, commercial, and social services that are necessary to sustain our downtown's economic vitality is essential. While the creative economy is emerging as a dominating force, it doesn't mean that we put all of our eggs in one basket. Diversity is what really makes for a healthy local economy – large and small, local and national, service and professional, retail and manufacturing. Each sector and business helps to support another. Each business adds to the diversity of the employment and customer base of our community making us more resilient to economic winds and sustainable over the long term. What the downtown and waterfront need is more space - more opportunities for new retail and hospitality at the street level with more office and residential uses upstairs. Efforts that support and encourage all of the economic drivers in our community are necessary in order to build and sustain a vibrant local economic base. This includes supporting economic development efforts in the downtown and on the waterfront, but also elsewhere in the city and region.

Take it to the Streets

When it comes to the vibrancy that Burlington is most known for, it's all about shopping, dining and entertainment. Much of this activity occurs on and around the Church Street Marketplace. Why – because there is a critical mass of active uses at the street level which attract and engage pedestrians, and the storefronts and streetscape is attractive, well-lit, kept clean, and free of snow and ice. This vibe and aesthetic needs to be expanded to the side streets surrounding the Marketplace, and extend all the way to the waterfront. New infill, redevelopment, and adaptive reuse throughout the downtown must prioritize creating an active and inviting pedestrian environment. So too must public investments and programs like clean and wider sidewalks, pedestrian-scale lighting, benches and public art, street trees and flowers, street musicians and outdoor cafes (see also the previous articles on "What Works" and "Urban is Back"). While focusing on creating an active pedestrian environment has obvious benefits for retail and hospitality businesses, it also creates an environment that is very attractive for many other types of businesses who want to be where the action is - not only to support their own bottom-line but to be able to attract and retain high quality employees.

In Sidebar

Expand the Business Improvement District

Having lots of great stores and restaurants is critical, but so is having a clean and attractive public realm where all visitors feel welcome and safe. The Church Street Marketplace is a four-block business improvement district (BID) that currently provides many services that go above and beyond what the City offers. This includes enhanced street lighting, more frequent street cleaning and plowing, special

plantings, management of street vendors and musicians, special events and promotions, and joint marketing. Despite the failure of similar efforts in other communities, the success of the Church Street Marketplace is without question. Recently discussions over expanding the BID to encompass the whole of the downtown and waterfront area have been initiated by a group of local business owners as a way to enhance the overall feel and experience of all downtown visitors, workers and businesses. Expanding the BID has the potential to provide additional services that would help implement many of the ideas and initiatives critical to the growing success of the downtown. In addition to the kinds of things the Marketplace already provides, an expanded BID might also include retail recruitment, service and hospitality training, visitor ambassadors, and parking and transportation demand management.

In Sidebar

Downtown Development Revolving Fund

Money is always an issue when it comes to development. In response, several cities around the country have created successful downtown development revolving funds oriented toward supporting redevelopment of historic commercial and residential structures and encouragement of appropriate infill construction in commercial districts. These funds function primarily as sources of loans (although some make grants, as well), and borrowers must demonstrate that their projects meet financial, design and social requirements in order to qualify. Creating affordable housing and supporting locally owned businesses are also encouraged, often in partnership with housing finance agencies or other programs. Financing can be made available to for-profit and nonprofit property owners, as well as commercial tenants. The City should consider the benefits of establishing a similar fund for use in the downtown and waterfront as a means to leverage private investment as well as building in a mechanism to assure that appropriate design and materials standards are met for downtown historic districts.

Girl Power!

Nationally eighty-five percent (85%) of household buying decisions are made by women, and women are downtown's most frequent customer. Our downtown features the highest concentration of women's clothing and accessory stores in the region. Restaurateurs develop food and drink offerings specifically to appeal to the preferences and palates of women. Our numerous downtown events and activities and our spectacular waterfront draw women (and their children and families).

With all of this growing power and influence, downtown Burlington – and downtowns across the country – continues to be planned and designed by men. What's needed is a shift in thinking about how we will plan and design our downtown in the future. Our female customers have needs and concerns well beyond what males require, and we must be attentive to them if we want to continue to be a place where women want to shop, dine, work and bring their families.

Our female customers demand higher standards for public amenities. Public streets and parking garages must be clean, well lit, and regularly maintained. Anything less gives the impression that the City does not care and the community is not safe. Restroom facilities must also be clean, nicely designed and well maintained. Streets and sidewalks must be designed in a way that accommodates women's footwear and strollers. Women also have a broader color spectrum than men – beyond the traditional whites, grays and blues of downtowns. Future designs need to include more vibrant colors in public (and private) development. Rather than painting the interiors of our municipal parking garages white, for example, we should be considering using wider range of vibrant colors.

Work and Live

Current demographic and economic trends favor more urban living - whether it's baby-boomers or millennials, creatives or bankers. More and more people want to spend less time commuting, and live close to urban amenities. Today local businesses have to compete with other "cool" urban meccas such as Portland, Boston, New York and Washington in order to attract the best and brightest employees. Building a diverse assortment of new housing opportunities is an essential economic development strategy. By providing more housing choices (both unit types and affordability ranges) that are appealing to a wider range of people, we can attract a more diverse workforce, and customer base to sustain and

grow our downtown retail and hospitality businesses. More people living downtown will also need convenient access to everyday goods and services like general merchandise, grocery, hardware, electronics, office supply, and pharmacies further diversifying our retail mix. Assuming similar spending behaviors as for existing residents, every 100 new households living downtown can generate an additional \$1.8 million to \$2.4 million in captured annual retail sales. So like a diverse economic mix, a diverse land use mix helps to maintain a more sustainable and resilient community.

However, more downtown housing increases the possibility of conflicts between residents and our night-time economy. The desire to live “where the action is” may be strong, but new downtown residents can be rudely awakened (pun intended!) by the realities of living in a mixed-use district. New downtown housing developments must consider the realities of our night-time economy. Bedrooms, for example, should not be built facing busy public streets and thoroughfares, and soundproofing measures for windows and walls should be included. Rather than approach these challenges from a strictly regulatory and compliance perspective, efforts must be undertaken to bring together bar and restaurant operators, public safety officials, city policy makers and residents to find solutions through collaboration. The city should more fully leverage resources provided through the International Downtown Association and Responsible Hospitality Institute.

Yes you CAN get here from there!

Traffic and parking are the most important issues for the business community when asked how we can enhance Burlington’s vitality. It’s kind of like that Yogi Berra line “Nobody goes there anymore. It’s too crowded.” We are blessed to have such a problem, but that doesn’t diminish the importance of addressing these real concerns and perceptions. Transportation solutions are explained in the section called “Getting Around Town,” but the short version is about creating diversity and choice. By providing more housing and transportation choices that are appealing to a wide range of people, individuals and families can choose what works best for them at any given time. People who have the opportunity to live and work downtown can do so without the need to commute and perhaps own a second (or even one) car. Creating more downtown housing was found to be the most effective strategy to reduce traffic congestion. Others, particularly commuters, who have a choice to use convenient public transit or a safe bike lane, can do so further reducing congestion and parking demand. Just riding one day a week is a 20% reduction in their contribution to traffic congestion, parking demand and air pollution. For the rest, and still a majority, maintaining and expanding the city’s urban street grid, good wayfinding, and convenient parking on the periphery of the downtown will help to maintain a safe and high quality pedestrian environment within the heart of the downtown and waterfront to support business activity.

Behave Yourself

Downtown is always going to attract an intricate blend of people because it’s where all the action is and they too are a part of the urban grit and fabric. Burlington’s downtown and waterfront are places where everyone is welcome. It’s not about what someone looks like, but instead about the appropriateness of their behavior - some things are just not OK to say (or shout) or do, everyone should feel safe. The physical environment influences behavior, and thinking carefully about how we design our urban places is critically important to making our downtown a safer and more secure place for residents, employees, visitors and businesses. Crime Prevention Through Environmental Design (CPTED) encourages changes in the physical design of our buildings, streets, sidewalks and parks to minimize opportunities for crime to be committed. Individual strategies can include increased security lighting, locking gates, landscape design that discourages intrusion, scheduling activities in certain areas to attract more people. CPTED practices can result in a dramatic reduction in crime, improved business climate and increased pedestrian activity and awareness. In the end it’s all about comfort – making people feel welcomed and comfortable, while in turn making those not behaving responsibly to feel more exposed and vulnerable.

For many people on the street, especially those dealing with substance abuse and mental illness, it’s not so simple. Our social service organizations are key downtown stakeholders, and make Herculean efforts everyday to address a wide range of social issues. Our Street Outreach Program is a national model for helping to manage the needs of many who have nowhere to turn and need a helping hand. Because we are a regional center, our social services are used by those living in and beyond our community. Burlington has the highest concentration and number of social service agencies in the state with 32 non-

profit and government organizations delivering services through 65 different locations – 32 of which are in the Downtown. However, such high concentrations of social service providers can become easily unmanageable if all stakeholders are not working together and don't keep an eye on some of the larger implications and interactions. By example the downtown is arguably not the best environment for those in recovery from alcohol and drug addiction. The presence of active drug dealing and the highest concentration of drinking establishments in the state create serious challenges for those in recovery. Of particular concern is that our most vulnerable and challenged citizens increasingly face victimization. Again, it's about the environment and how it influences – positively or negatively – behavior. Efforts to locate or expand social services need to consider the therapeutic quality and benefits of the location where services are provided, and for many this means places more removed from the challenges and temptations of the urban core.

TOOLS:

Facilitate infill, allow for a more diverse range of unit and building types, and simplify the public approvals process by developing a form-based zoning code for the downtown and waterfront area.

Expand the Business Improvement District (BID) to provide enhanced community services and management across the entire downtown and waterfront area.

Explore creation of a Downtown Development Revolving Fund to help finance capital investments, programs and services

Develop a more comprehensive economic development capacity within City government throughout the community funded through a variety of federal, state and local sources including consideration of a 1% dedicated tax.

Develop a unified process and consistent standards to manage and encourage a distribution of street vendors and performers throughout the downtown and waterfront.

Build capacity within Burlington's arts community through strategies such as public and private funding for not-for-profits, information-sharing, networking, management assistance, and coordination.

Develop a business and public policy climate that encourages creativity with a public commitment to economic development that actively enables creative enterprises and individual artists.

Define and promote a creative identity and brand for Burlington so that residents, current and prospective employers, creative workers, and visitors understand the City's unique and authentic identity as a home and destination.

Incentivize upper-story residential and creative enterprises as well as live/work opportunities.

Enhance Burlington's neighborhoods and encourage creative businesses, artist housing, cultural programming, parks and open space, and cultural attractions.