

Downtown SLO Development Recommendations

2021





Introduction

OVERVIEW

To ensure that Downtown SLO is prepared to rapidly recover from the COVID-19 pandemic, and remain a destination of choice for residents, visitors, talent and investment for years to come, the City of SLO engaged Resonance Consultancy to explore residential, commercial and public investment opportunities with local stakeholders.

WORK PROCESS

The project began with a comprehensive review of pre-COVID and pandemic related strategies, developments and activities in Downtown SLO. This review was followed by a series of stakeholder interviews focused on identifying the issues and opportunities resulting from COVID as well as longer-term challenges that this effort should address. This information was then presented at a Future Forum visioning workshop, where stakeholders guided and prioritized recommendations for the area based on future trends and their own particular insights. The following document sets out the recommended residential, commercial and public investment opportunities resulting from this effort and includes best practice case studies for the City of San Luis Obispo to consider for the future.



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01.

Downtown SLO Today



Assets



LOCATION

Located three hours from the San Francisco Bay Area and Los Angeles, San Luis Obispo is a small town alternative for talent looking for a more relaxed lifestyle in California.



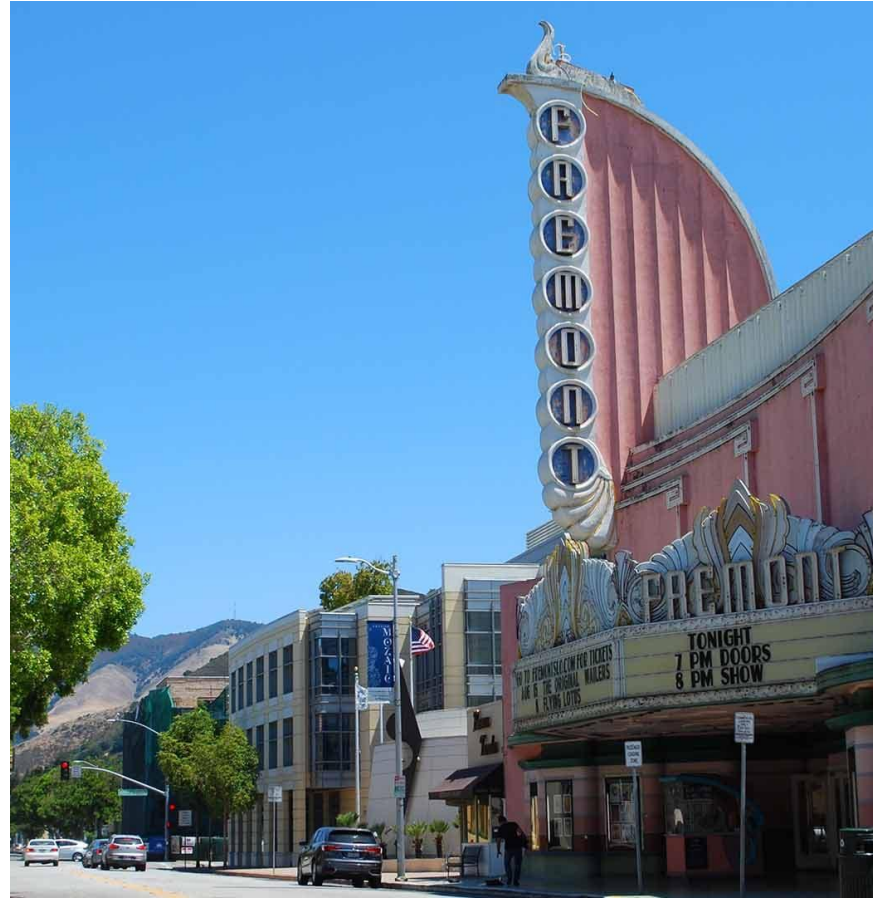
PRIMARY DESTINATION

Downtown SLO is a prime destination
for visitors to the county.



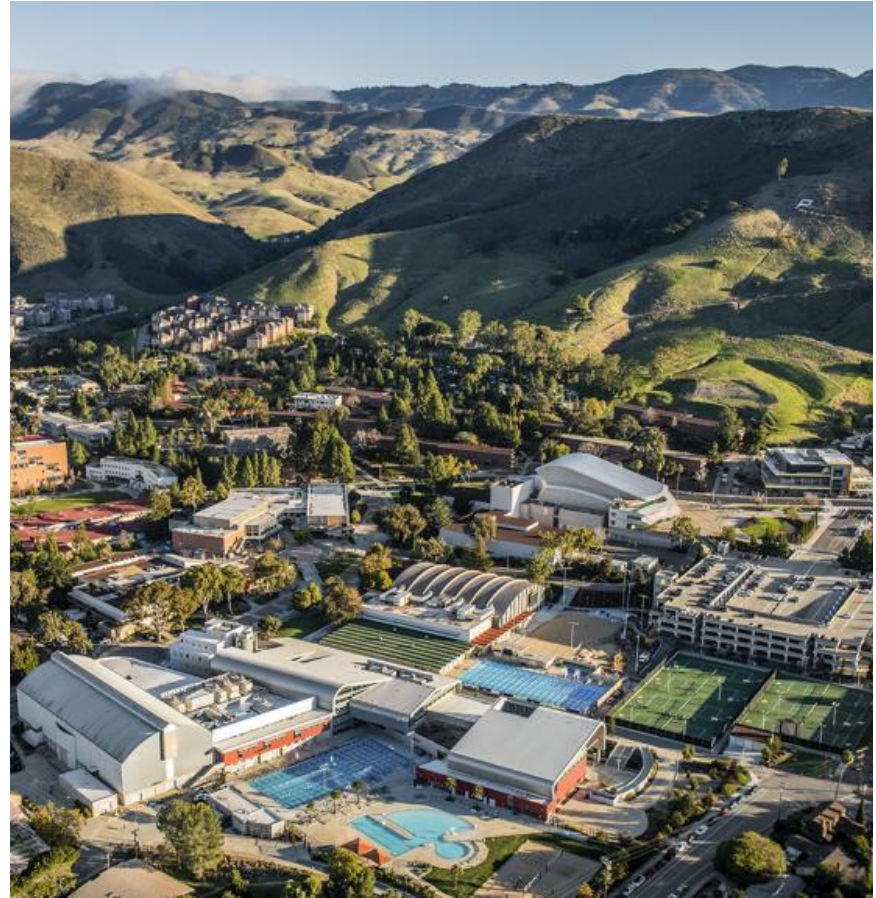
HERITAGE AND ARCHITECTURE

The heritage buildings and the
architecture differentiate downtown
visually from other areas.



CAL POLY

The concentration of students and the proximity of Cal Poly to downtown supports local businesses, especially nightlife activities.



GOVERNMENT BUILDING AND SERVICES

The location of government buildings and services in downtown drives daytime traffic and supports local businesses.



AUTHENTIC RETAIL

Unique and authentic stores have shaped the Downtown retail experience, while major chain stores have lost their appeal with changing consumer behavior.



MISSION PLAZA

Mission Plaza is a key driver for visitors in Downtown SLO, and serves as a gathering place for residents to worship, relax and enjoy outdoor activities.



BOUTIQUE HOTELS

The boutique hotels located in downtown are a welcome addition to the area and will definitely encourage more visitor traffic.



CULTURAL INSTITUTIONS

The museums and theaters located downtown offer unique activities to residents and visitors, and are a significant draw for attracting more people downtown.



PROGRAMMING

The Thursday Night Farmers Market is a major success for the community, and attracts a significant number of residents and visitors to the area.





Issues

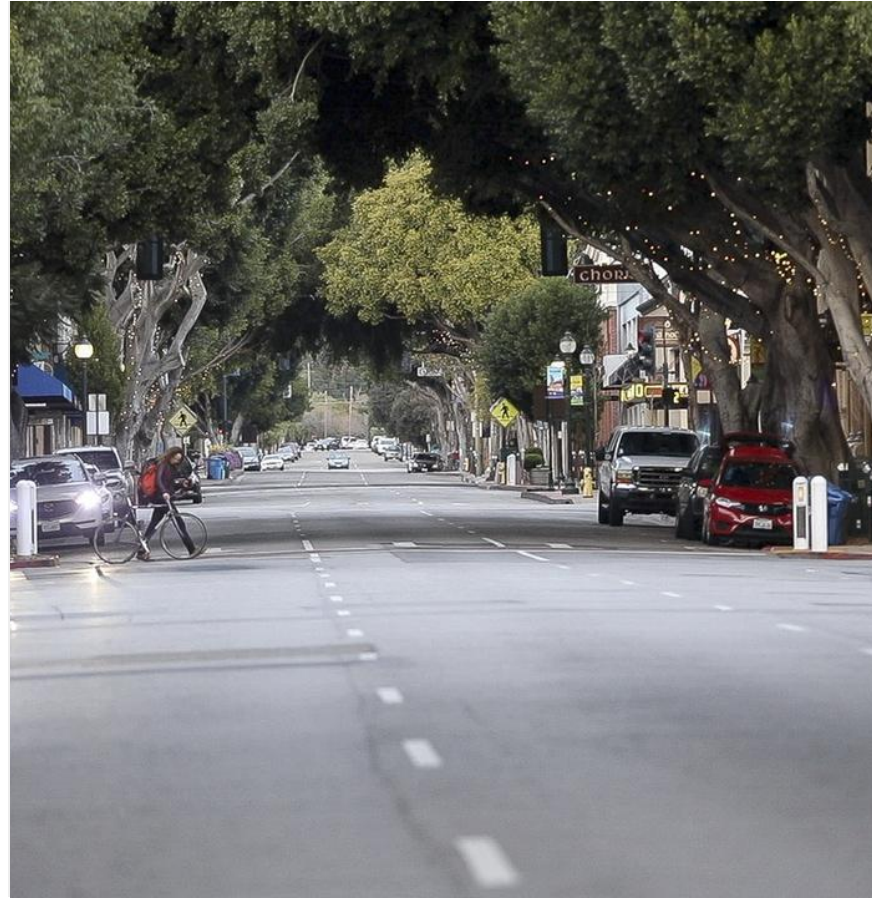
LOCAL VISITATION

Local foot traffic has significantly decreased as a result of the COVID-19 pandemic and changing consumption behaviors.



DAY TIME TRAFFIC

While Downtown SLO might be busy during nighttime and weekends, many businesses lack pedestrian traffic during the day.



RETAIL MIX

The current retail mix caters mostly to visitors and affluent households. A more diverse retail mix is required to serve and attract more residents downtown.



LAND USE REGULATIONS

Current regulations present limitations in terms of the uses allowed on ground floor commercial spaces in downtown. With a shifting retail landscape, more flexible types of uses with new permits under specific criterias will be required to allow tenants to experiment and adapt to market trends and a rise in demand for more experiences.



CITY PLANNING PROCESS

An accelerated, simplified, and flexible approval process is required in order to adapt to current challenges and reimagine downtown SLO. More flexibility can help to break away from standardized processes, reinterpret information in a novel way and produce innovative solutions, which is particularly helpful in dealing with complexity and rapid changes.



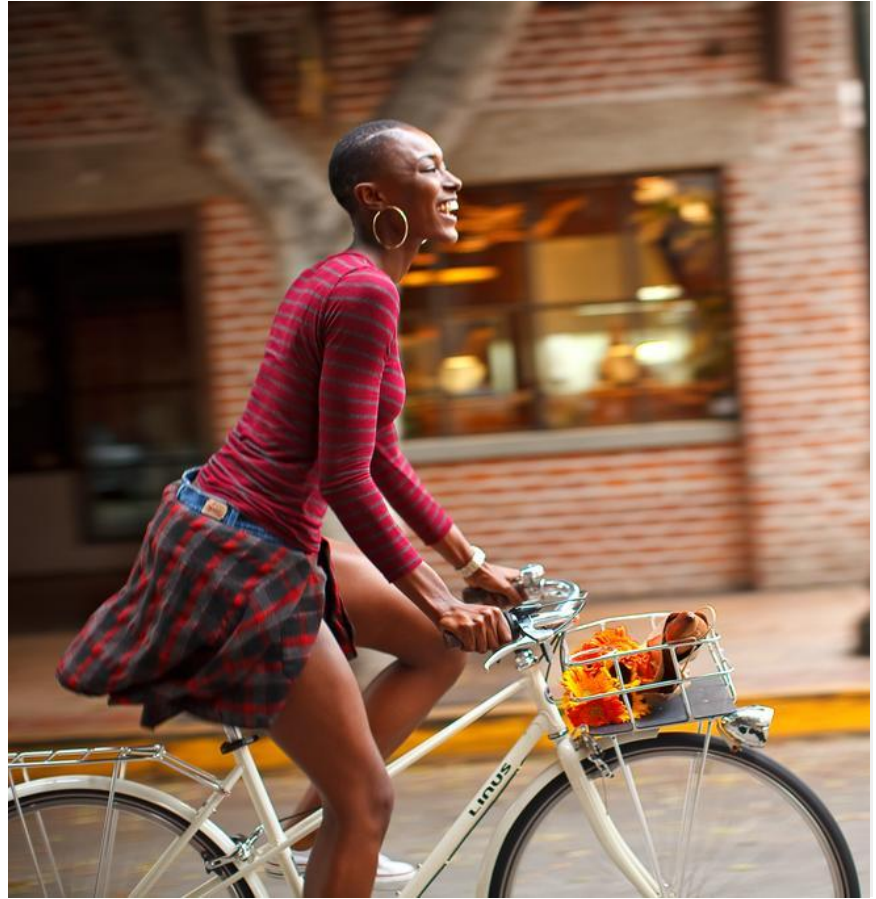
COST OF LIVING

Cost of living continues to be a major issue for many in SLO, especially for the downtown services workforce.



SAFETY AND CLEANLINESS

The ability for people to move freely in a safe environment is paramount to restoring traffic downtown.



HOMELESSNESS

The increase of homelessness in the downtown core has a direct impact on resident and visitor perception.



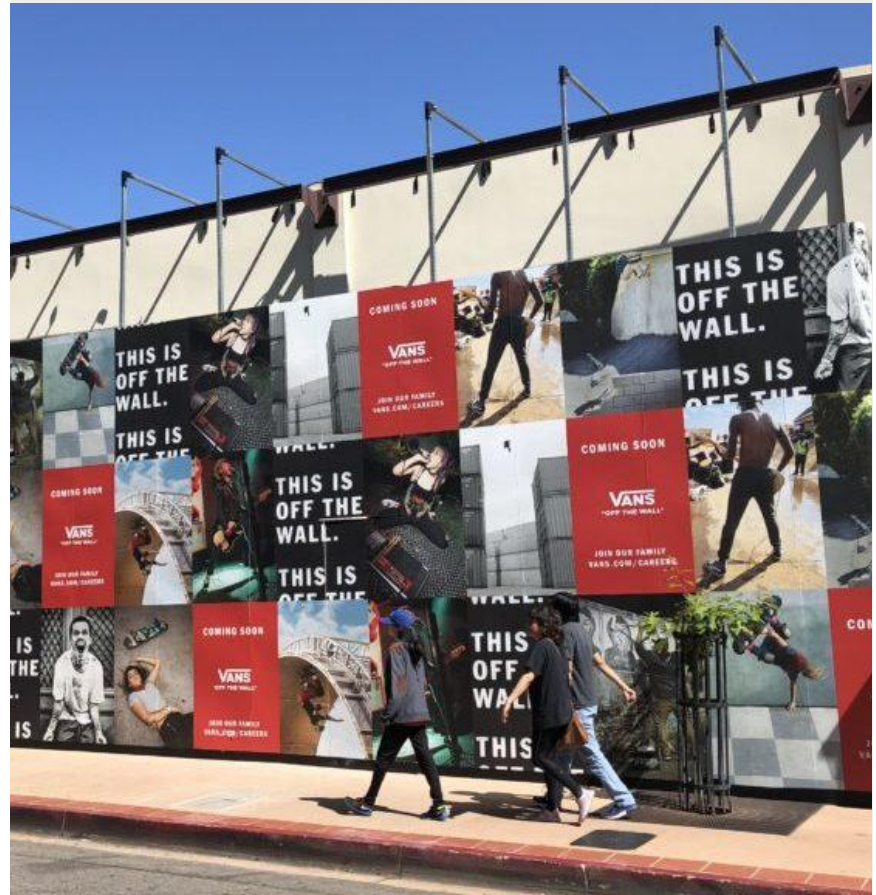
PARKING CAPACITY

A gradual transformation of downtown as an active pedestrian zone will have direct implications on parking capacity in the periphery of downtown to ensure convenient access to main street businesses.



VACANCY RATES

Elevated vacancy rates will have a negative impact on the look and feel of Downtown SLO, and further increase the level of homeless in the core due to a lack of business activity.



UNIVERSITY FOOTPRINT

Cal Poly has a big presence in Downtown SLO, the future of online education and the change in student population could have an impact on the local business mix.



BUSINESS TRAVEL

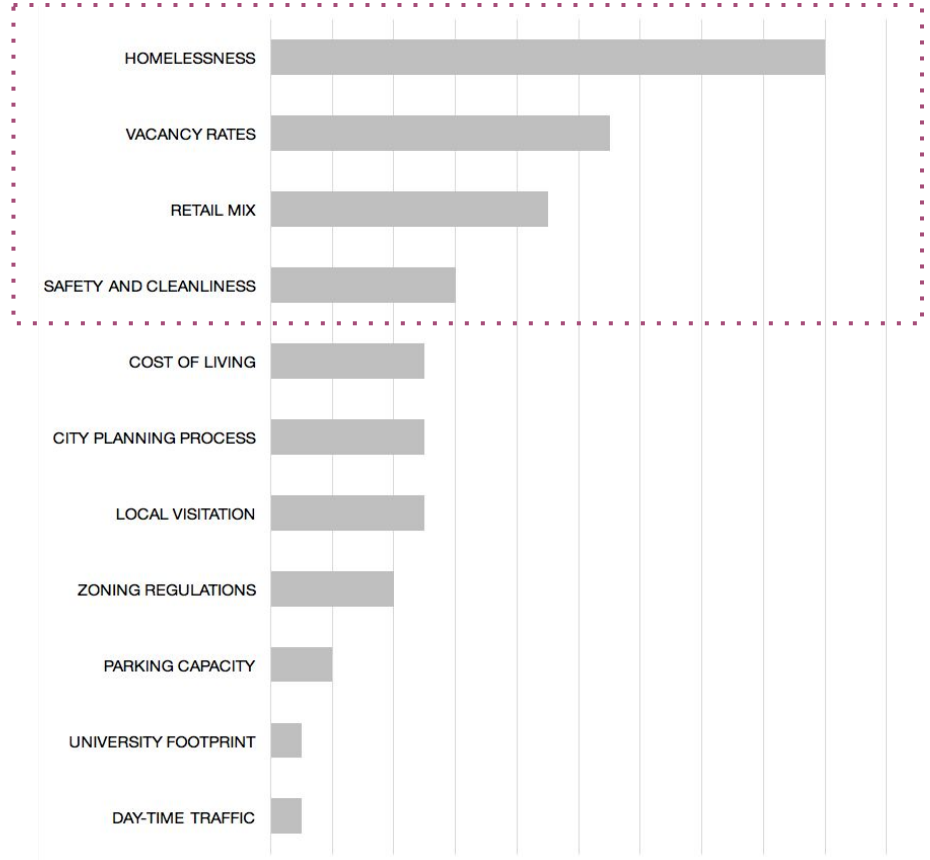
Business travel is likely to decrease in SLO as a result of remote working adoption. Hotel nights will have to be filled by an increase in leisure visitors.



TOP ISSUES TODAY

Homelessness, safety, and cleanliness are top of mind in Downtown SLO. The future vacancy rates and the current retail present major challenges for the vitality of the area.

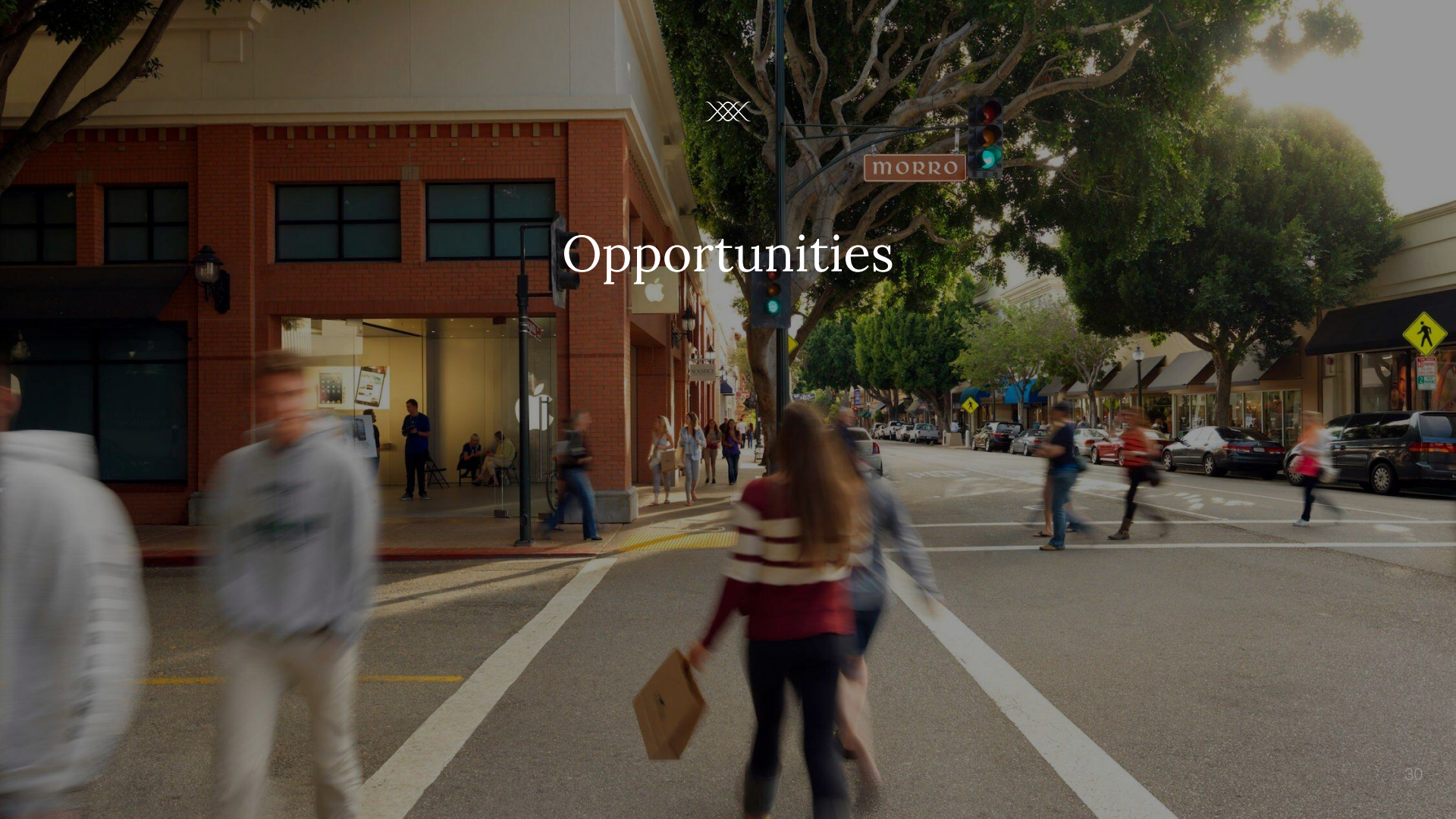
Future Forum: Stakeholder Responses (n=67)





MORRO

Opportunities



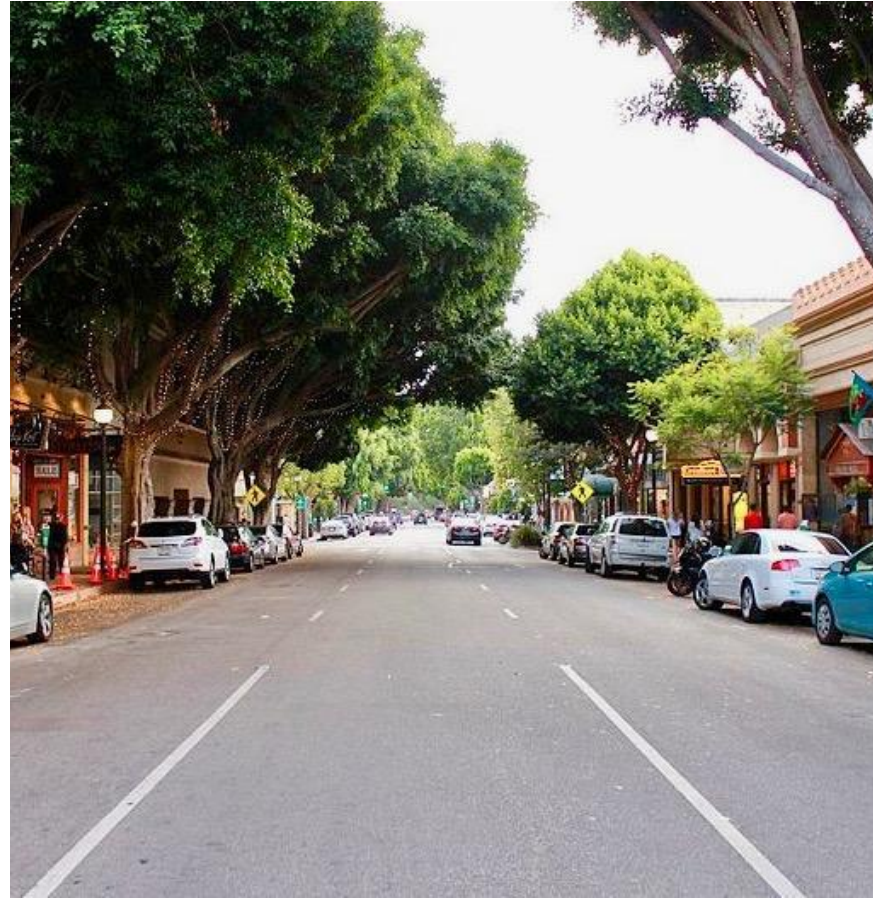
WALKABILITY

Walkability and bikeability throughout the entire core- during the day- or the night- needs to be a focus for increasing traffic and activity downtown.



TRAFFIC MANAGEMENT

Both car and pedestrian traffic could be regulated by investing in traffic management technology in order to control the urban environment based on programming, traffic volume, and period of the day.



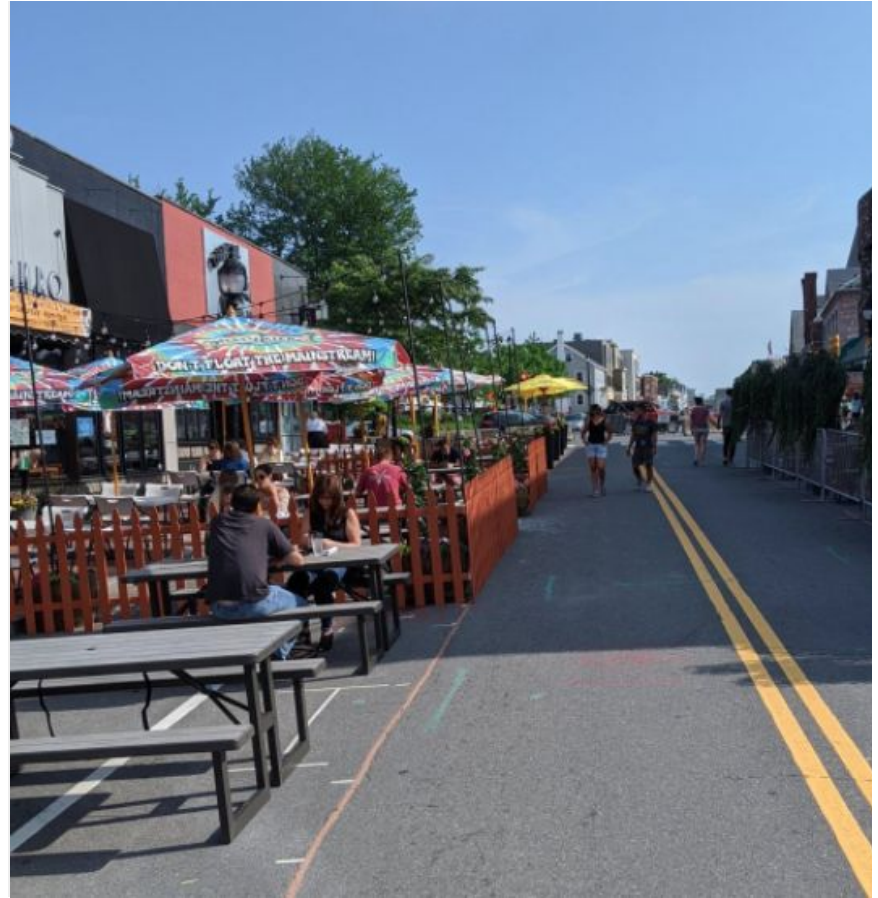
NIGHTLIFE ENTERTAINMENT

The diversification of entertainment offerings, currently mostly limited to bars and live music, is an opportunity to further activate the downtown core, attract new audiences, and support new businesses.



PATIOS AND PARKLETS

Expanding and investing into a more permanent outdoor dining initiative is an opportunity to improve the food and beverage experiences and the livability of downtown.



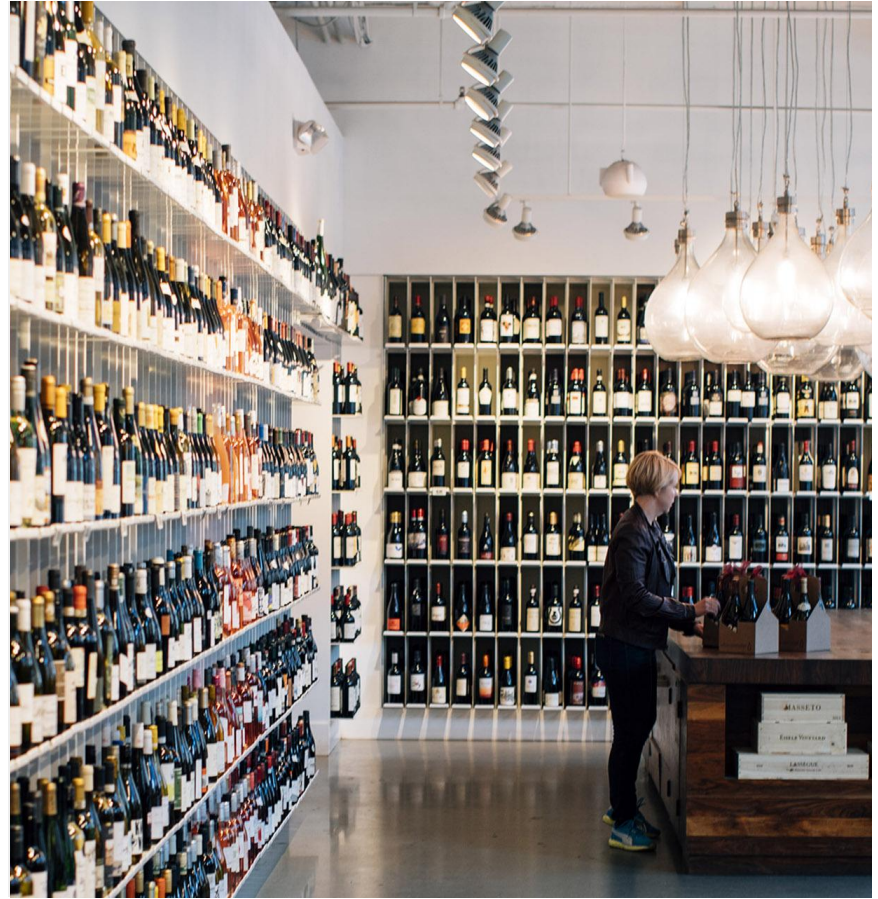
ROOFTOPS

The introduction of new rooftop spaces along the commercial core is a popular initiative for businesses to diversify the downtown environment, and residents/visitors to enjoy more outdoor activities and programming.



FOOD CULTURE

SLO's strong food culture is a driver for many visitors, and culinary experiences are among the main drivers for residents. The development of new culinary concepts celebrating SLO's terroir are paramount to the downtown experience.



POP-UP RETAIL

The development of a pop-up retail program in partnership with property owners is an opportunity to activate downtown commercial spaces and support smaller retail tenants.



DIVERSIFY BUILDING USES

The ability to segment large commercial spaces in order to adapt to local demand and developing trends is essential in order to attract new tenants downtown and diversify current experiences.



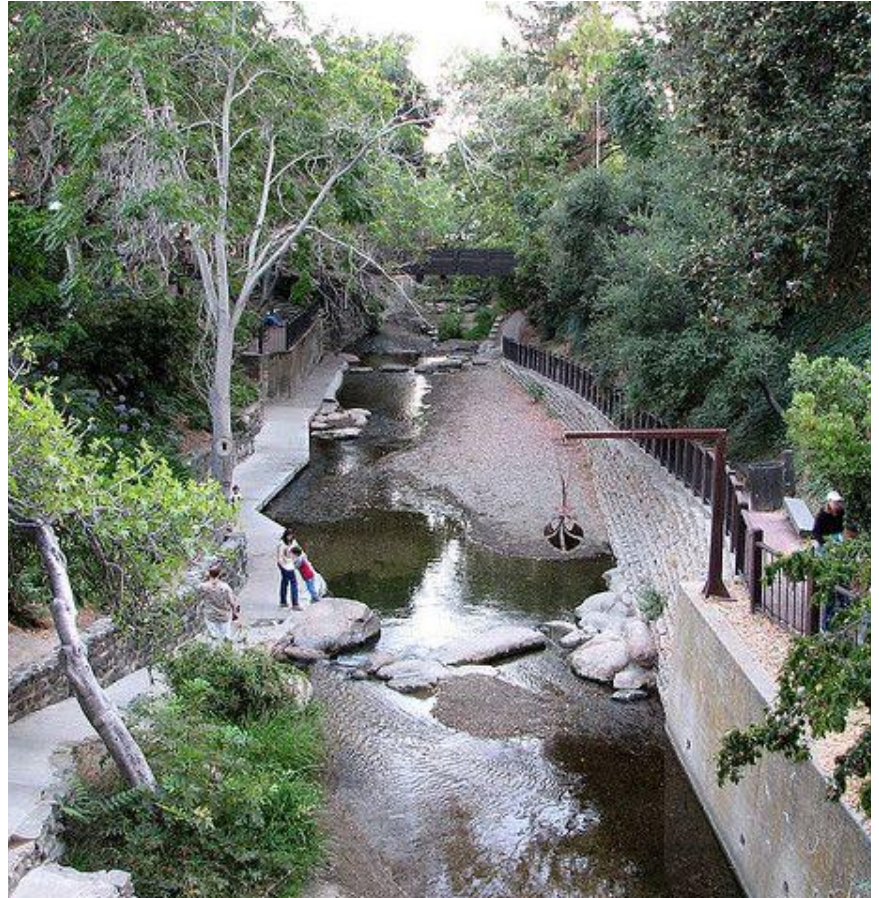
REMOTE WORKING

The exodus of talent from large metropolitan areas is likely to continue as people search for more livable environments in proximity to these markets. Infrastructure, housing, and alternative work spaces will be required to address growing needs and trends.



SAN LUIS OBISPO CREEK

The creek is an underdeveloped amenity in the downtown core.



HOUSING AND NEW TYPOLOGIES

The development of new and different housing downtown is an opportunity to attract more residents, drive foot traffic, and support local businesses.



PUBLIC ART AND CULTURAL PROGRAMMING

Additional cultural programming developed in collaboration with local institutions and the creative community will activate the street and further anchor Downtown SLO's character.



EVENT FRAMEWORK

A framework to facilitate event programming approvals and simplifying requirements for creating cultural events and pop-up activations in public spaces is an opportunity to diversify and coordinate programming in downtown SLO.



EVENT INFRASTRUCTURE

Based on overcapacity of current outdoor venues in downtown, investments in event infrastructure may be required in the long term to facilitate the organization and implementation of increased programming initiatives.



URBAN LIGHTING

Urban lighting has always played a role of prime importance in safer outdoors public spaces and crime prevention, such placemaking initiatives would add a sense of place and character to downtown.



LAST MILE TRANSPORTATION

Micro transit options are an opportunity to connect residents and visitors to downtown activities without significantly increasing vehicle traffic.



MIXED-USE DEVELOPMENT

Mixed-use developments need to be responsive to changing trends and introduce new types of live, work and play experiences and attract new audiences.



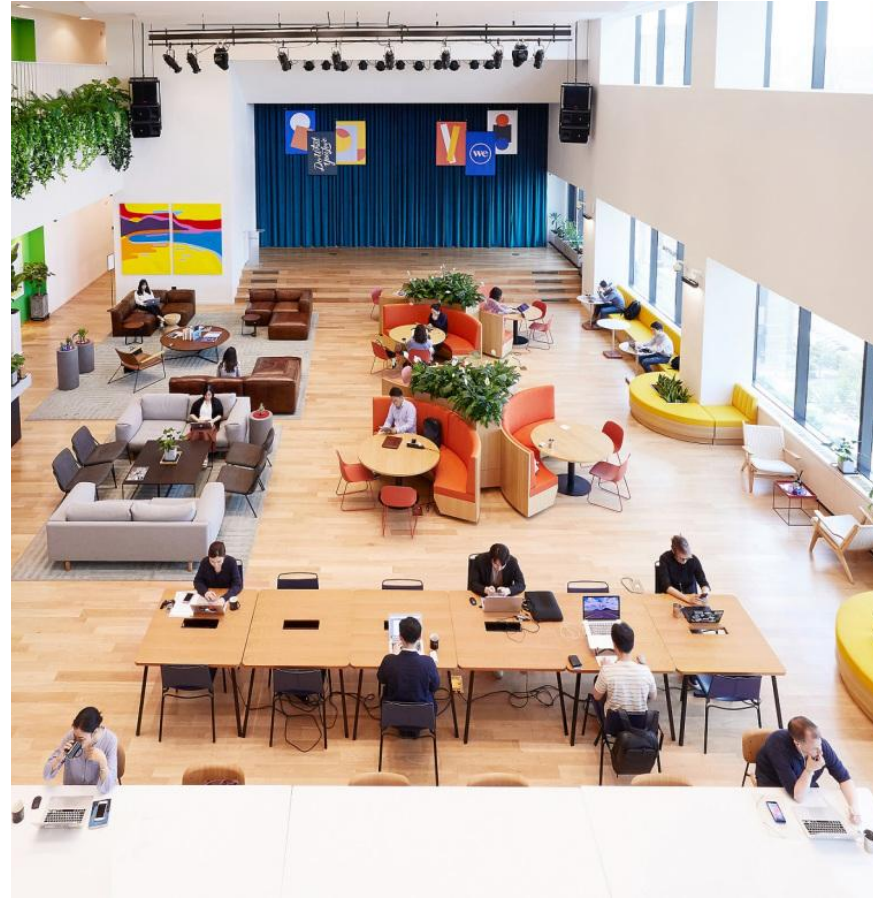
BUSINESS INCUBATOR

The expansion and diversification of the business incubator is an opportunity to attract entrepreneurs and drive innovation downtown for all types of industries.



CO-WORKING SPACES

An increase in remote work will require purpose built and flexible co-working spaces for independent workers to meet and co-create.



CULTURAL DISTRICT

The concentration of cultural institutions and venues is an opportunity to promote SLO's cultural scene in the region.



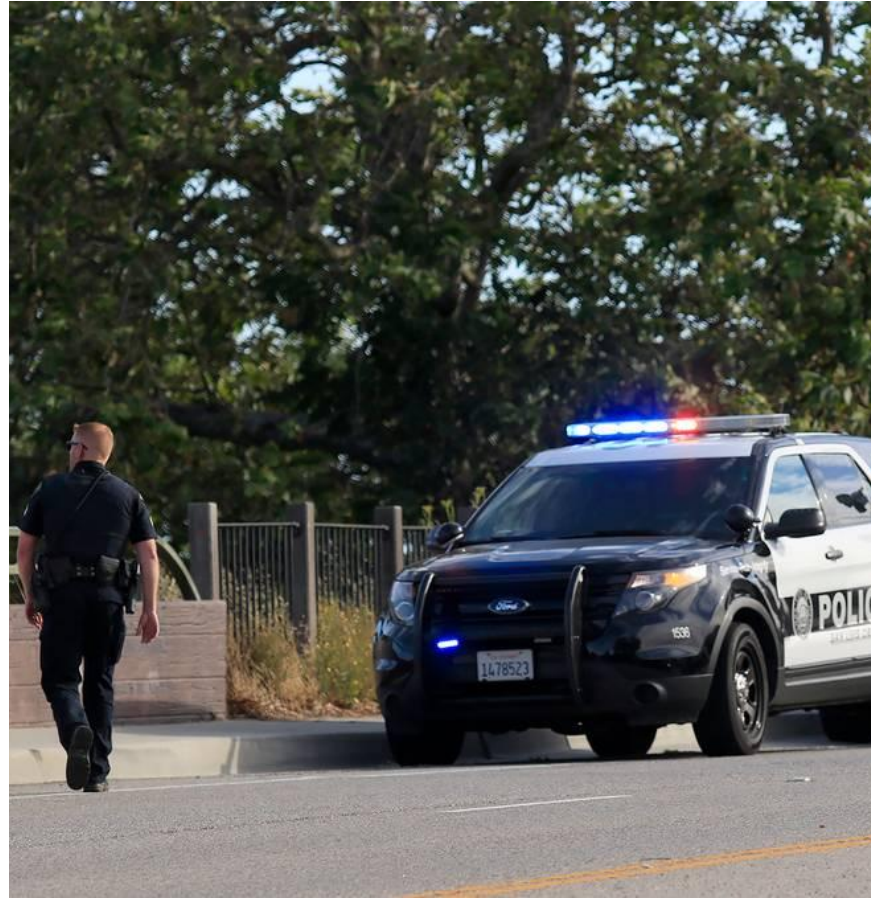
SLO MUSEUM OF ART EXPANSION

An expansion of the Museum of Art could act as a catalyst for cultural programming in Downtown SLO.



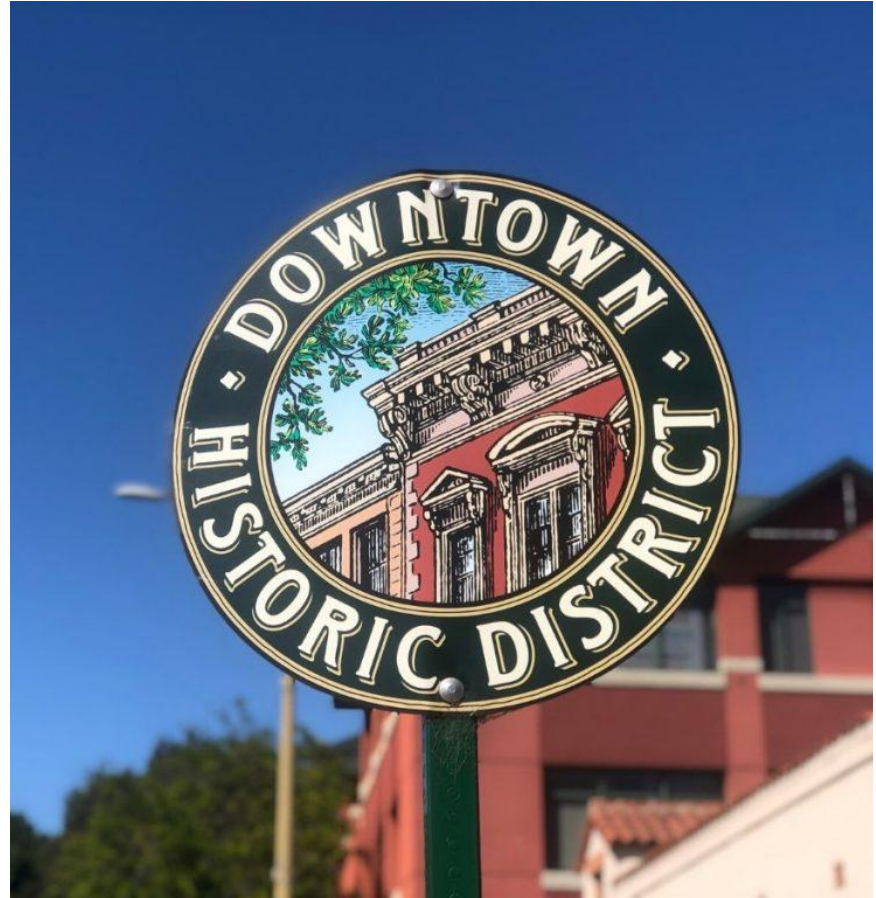
DOWNTOWN POLICE SUB-STATION

The introduction of a police substation downtown would be a crime/homelessness deterrent and add to a greater perception of safety.



LONG-TERM PARTNERSHIP

Downtown SLO, whose mission is to foster an economically vibrant downtown, is well positioned to emphasize collaboration between public organizations and private partners.

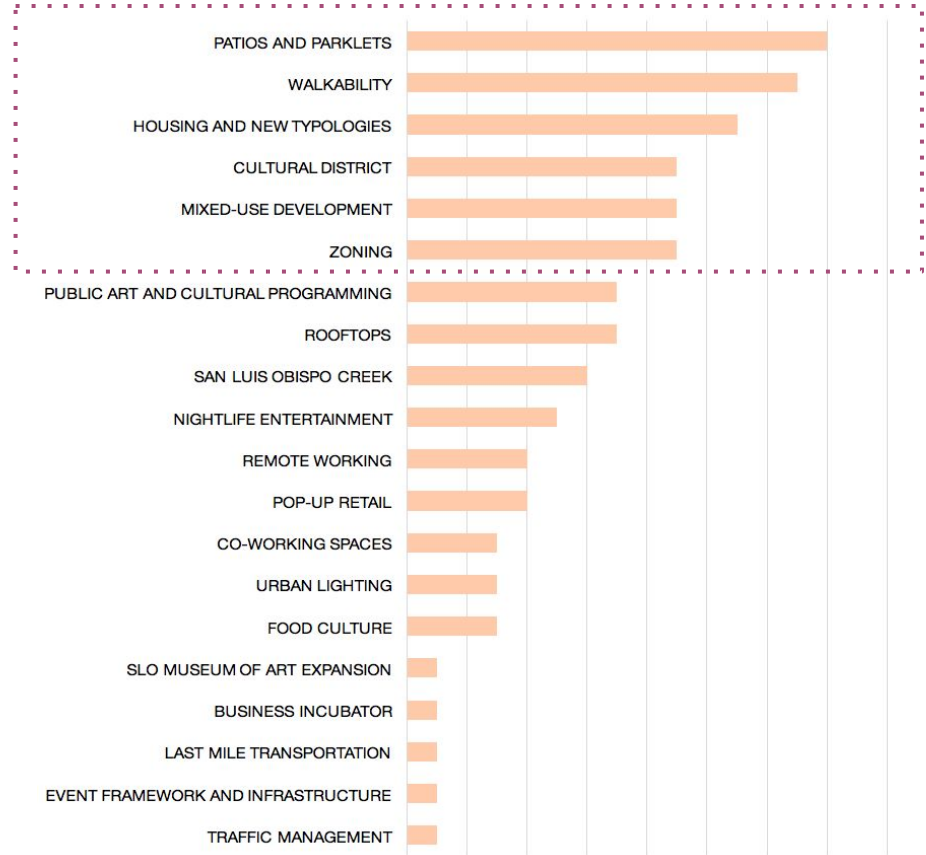


TOP OPPORTUNITIES IN THE FUTURE

Walkability and outdoor patios are key opportunities to create a more vibrant and livable downtown. More flexible zoning, mixed-use developments, and more housing options are needed to attract new activities and residents in Downtown SLO.

Based on the number of cultural institutions in the area, the cultural district would anchor downtown as a culture and entertainment destination.

Future Forum: Stakeholder Responses (n=112)



02.

Future Trends

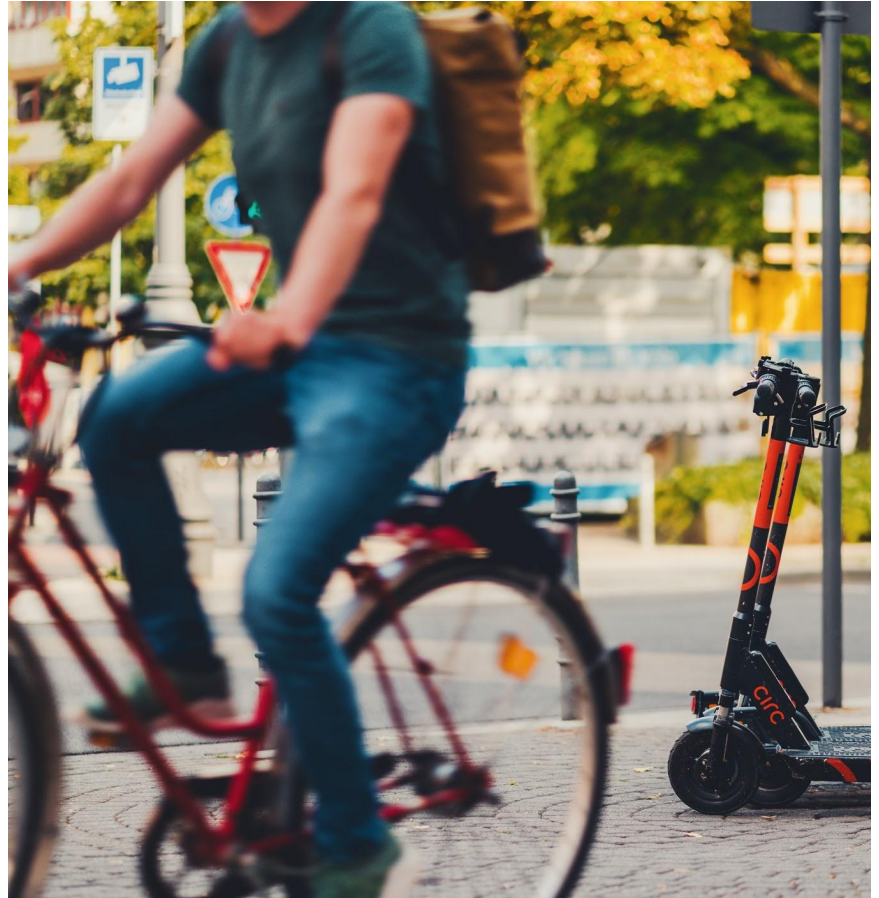




Live

15-MIN CITY

People are flocking to neighborhoods where walkability and bikeability thrives.



LOCALISM

Local and authentic businesses will become increasingly more important to the residential community.



PEOPLE AND WELLBEING FIRST

Safety, quality of life, and liveability are increasingly important when deciding where to live.



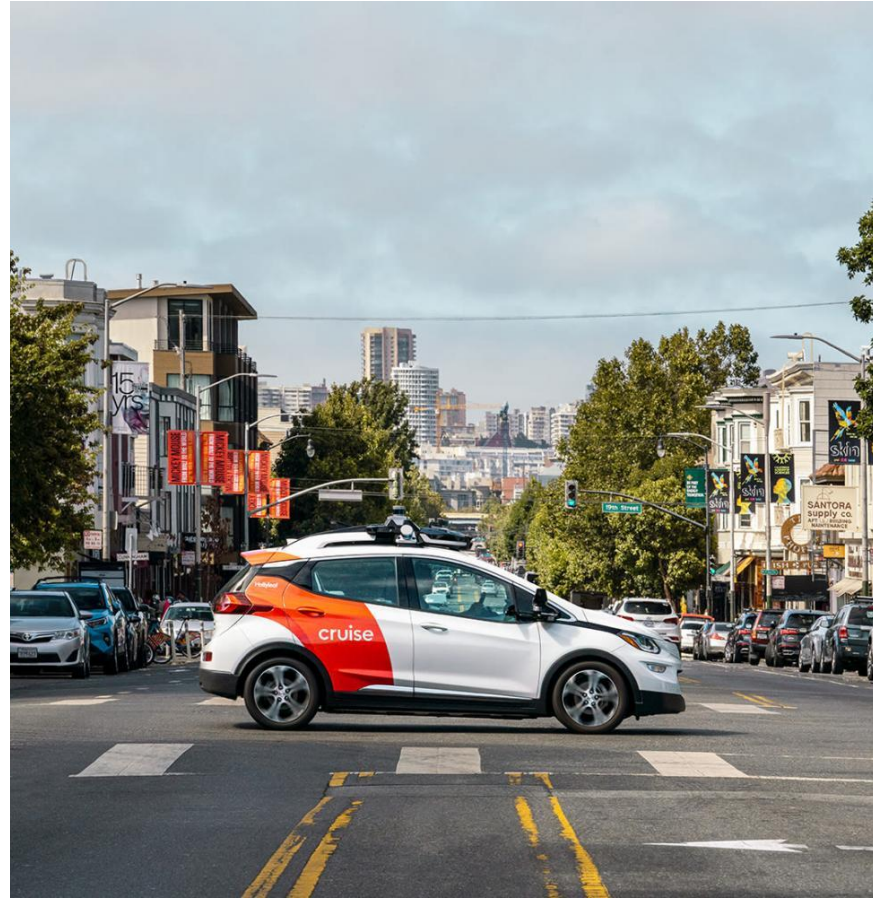
RECONNECTING THE PUBLIC REALM

Public space design will focus on human
experience and merge new uses.



SMALL CITIES AS SMART CITIES

Small cities are making it easier for new technologies and civic services.



REMOTE LIVING

Nearly two-thirds of residents said the pandemic has influenced their desire to move, and 19% are likely to move out of San Francisco.

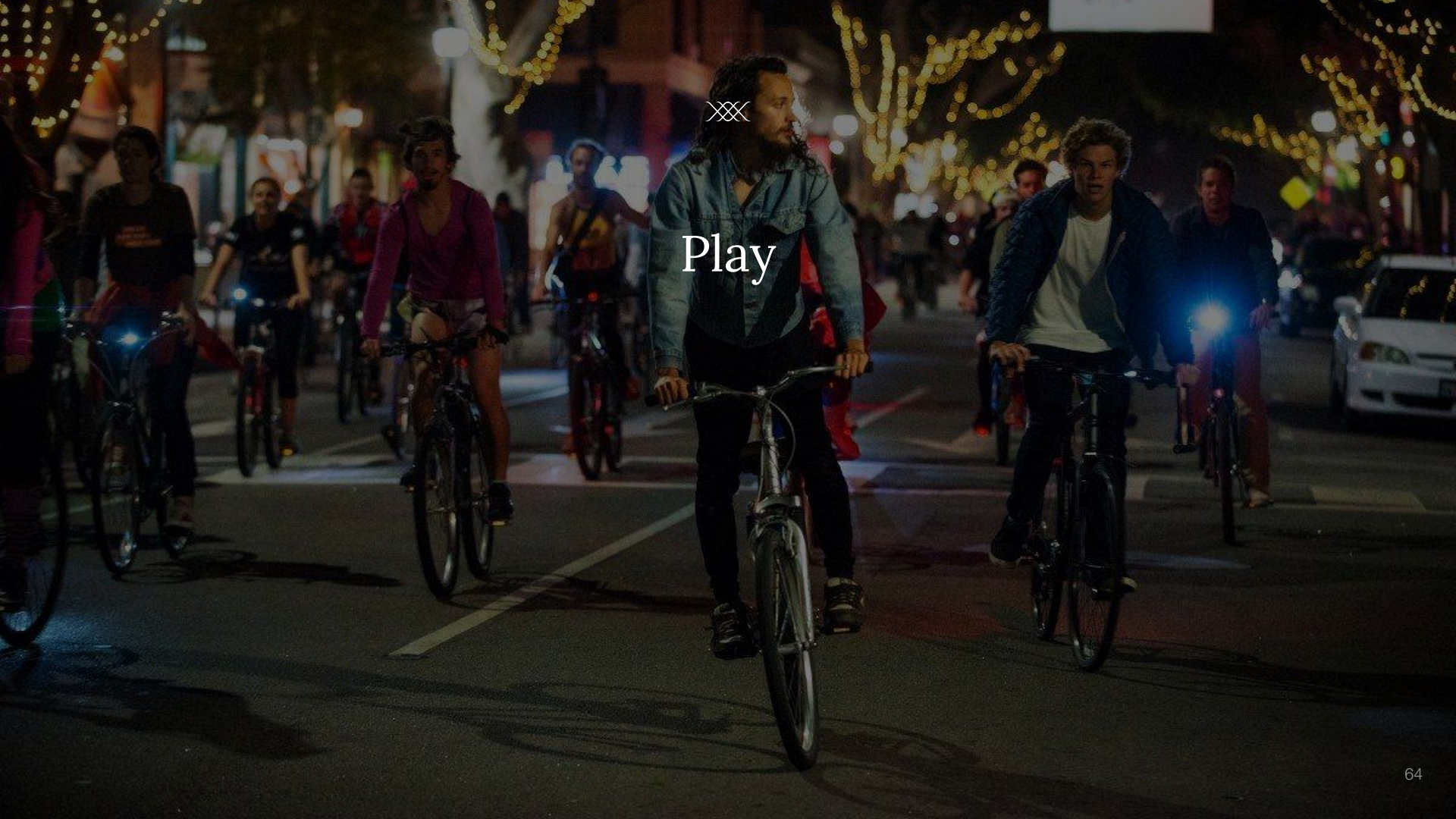


SOLO HOUSEHOLDS

The rise of one-person households and new housing typologies are a result of changing lifestyles and demographic shifts.

In 1960, 85% lived with family in the household, today the proportion is less than 65%, and 25% live alone.



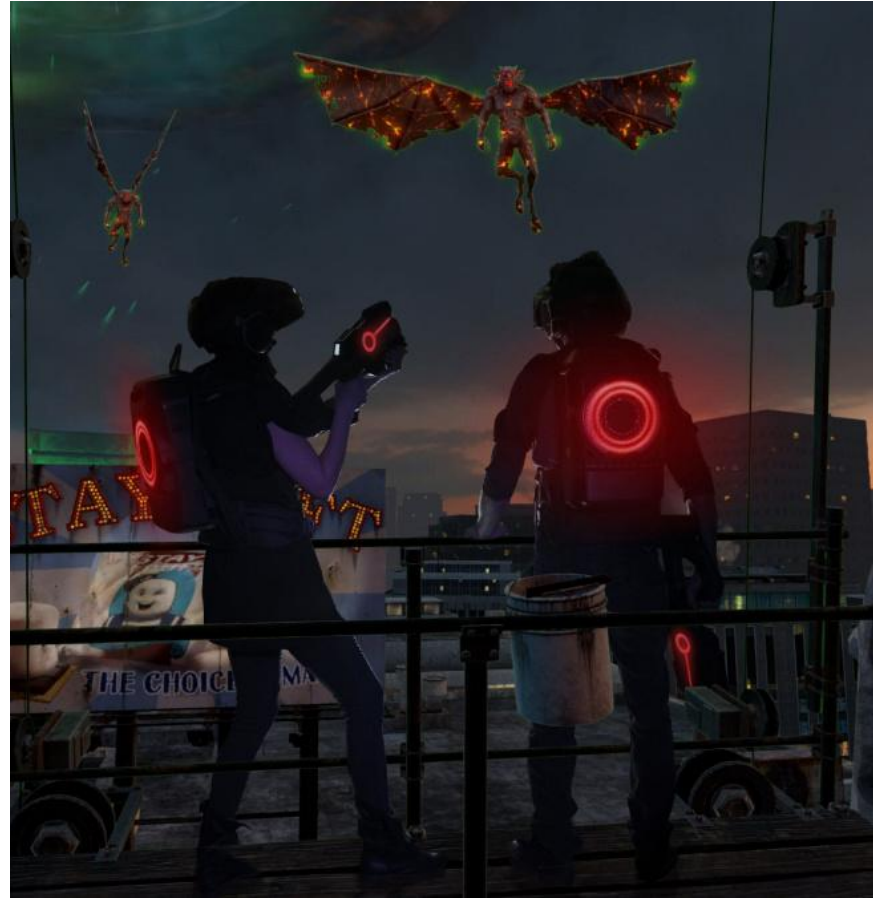


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Play

LEISURE AND EXPERIENTIAL BOOM

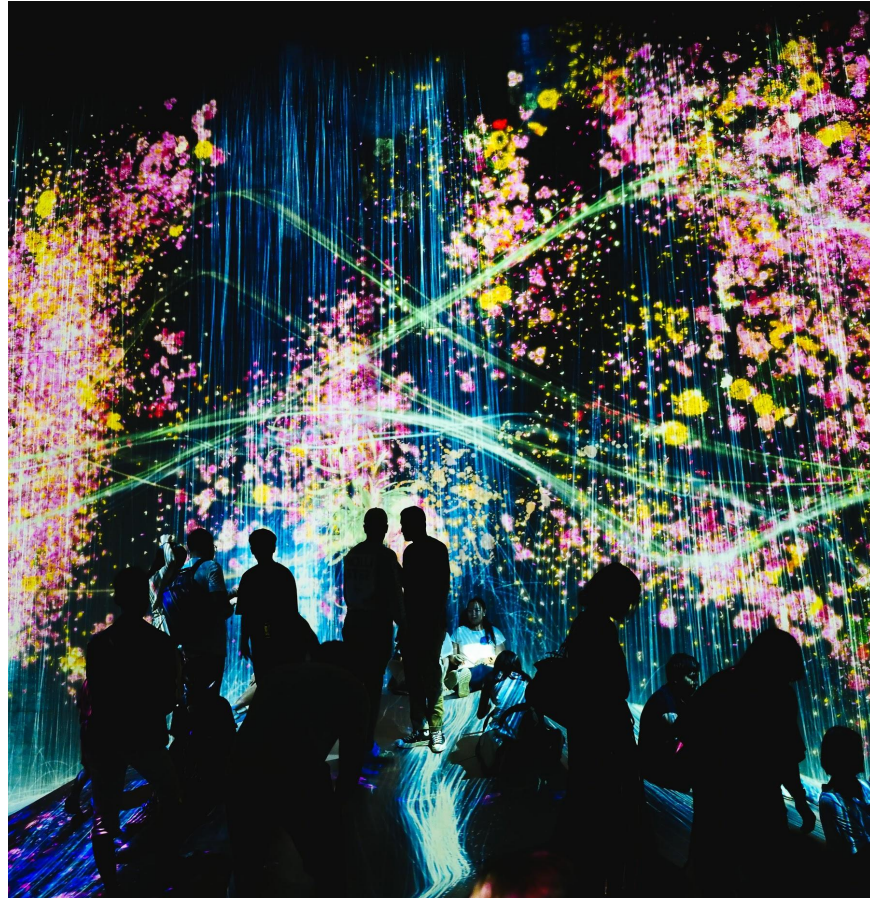
Time spent on leisure activities has risen by just under seven hours per week, as a result of an increase in overall spare time.



PHYGITAL ENVIRONMENTS



From formal to informal
entertainment.



RETAIL TRANSFORMATION



The shift to e-commerce is increasing the importance of the customer experience.



RESTAURANT REINVENTION



More authentic, more entertaining,
more convenient.



THE RISE OF MAIN STREETS AS DESTINATIONS



More 24/7 and less 9-to-5, more appealing, hospitality-oriented, and highly-amenitized destinations.





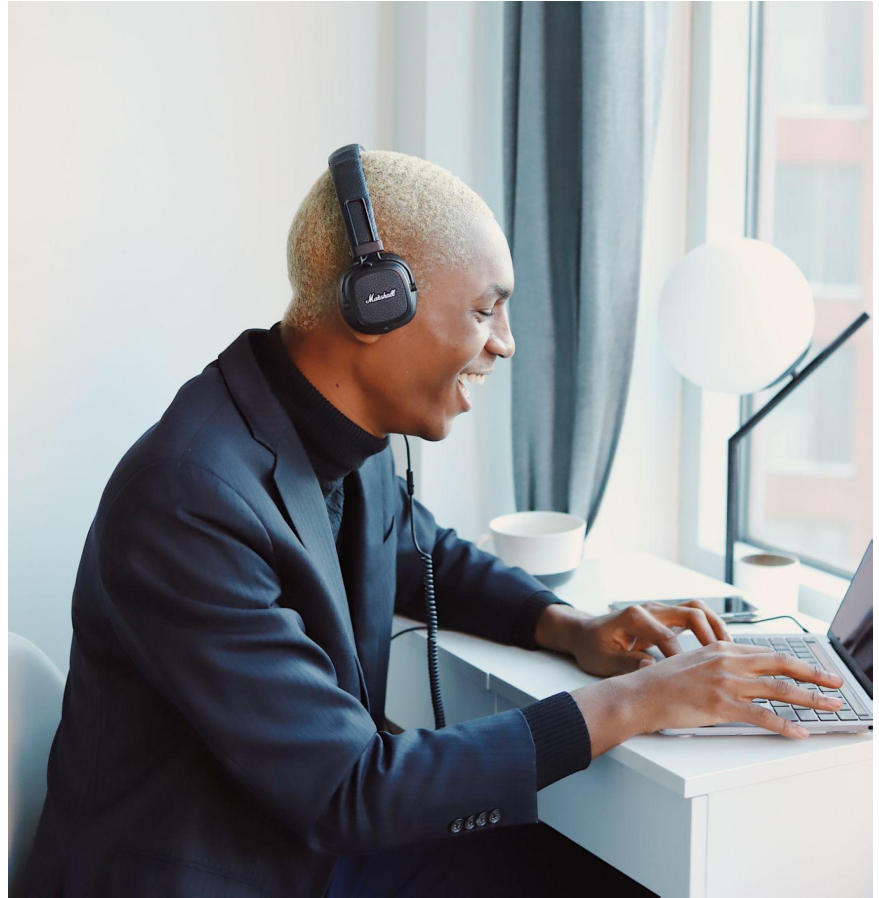
Work



FLEX WORK GOES MAINSTREAM

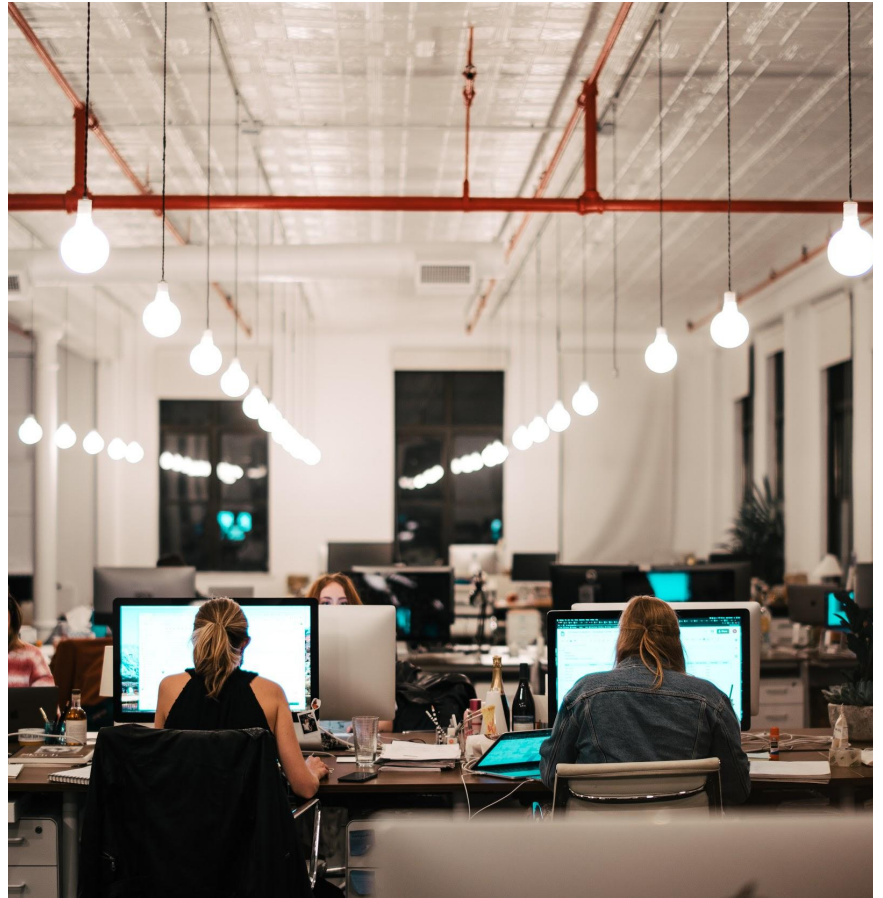


Office workers expect to work from home an average of 1.5 days per week even after the pandemic is over.



OFFICE SPACE RECOVERY

Hybrid models will require
work spaces to adapt.



SATELLITE OFFICES AND THIRD PLACES ON THE RISE

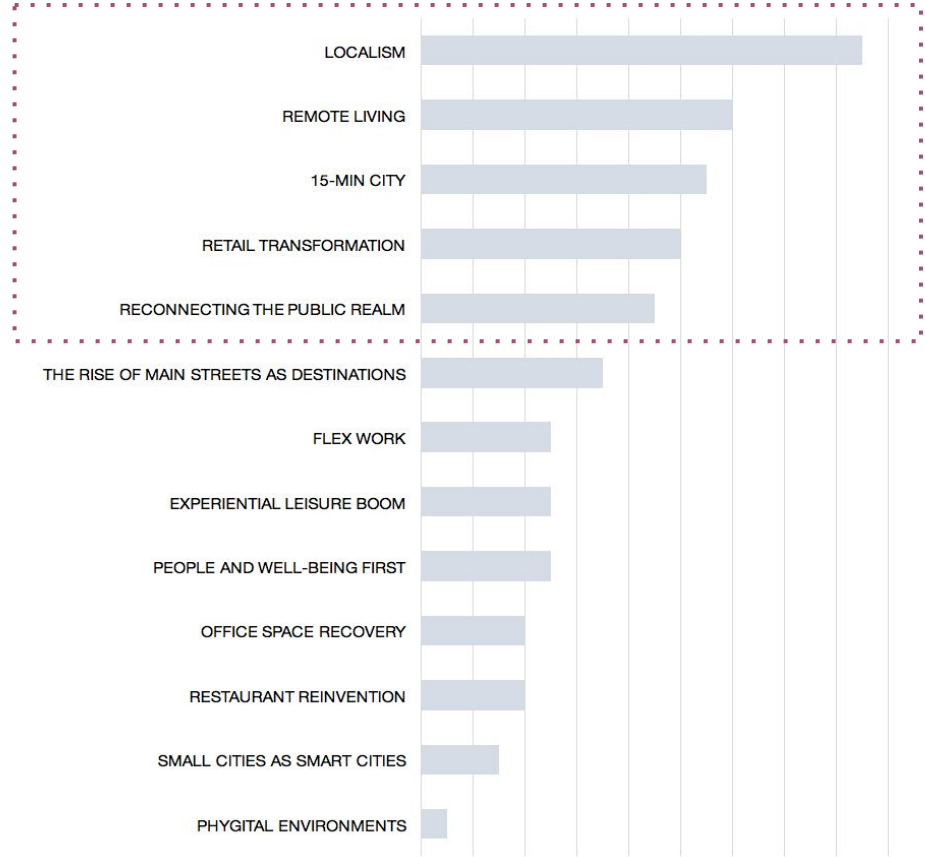
Satellite offices in close proximity to talent pools and educational institutions are on the rise to service remote workers.



MOST INFLUENTIAL TRENDS IN THE FUTURE

Localism, the 15-min city concept will drive the area's transformation and reconnect the public realm, while remote living is an opportunity to attract more families and talent to live in SLO. The evolution of retail and the rise of online businesses will transform downtown's retail landscape.

Future Forum: Stakeholder Responses (n=93)





03.

Residential Development Opportunities



Introduce more flexible zoning regulations

CHALLENGE

Current zoning regulations and code requirements limit the potential for more density and building conversions in Downtown SLO and surrounding areas.

SOLUTION

The revision of specific zoning regulations and use list in strategic areas by the City of SLO is an opportunity to allow and accelerate new and more diverse uses in Downtown SLO, from affordable housing to student housing, and multi-family typologies. The diversification of uses in these areas will allow the market to fill some of these spaces in the future within a more flexible framework.



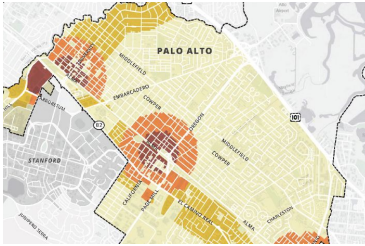
Zoning changes to allow for higher residential density

CHALLENGE

Current zoning codes limit residential density in specific areas. In existing residential areas, density levels may have been set well below what the market and infrastructure are capable of supporting. In other cases, zoning codes may prohibit residential development in areas where it may now be appropriate. In areas where demand for housing exceeds supply, these limits make it difficult to correct this imbalance and thus contribute to higher rents and home purchase prices.

SOLUTION

To increase the overall housing supply, a revision of the zoning code is an opportunity for the the City of SLO to facilitate growth by: identifying opportunities in existing areas to increase residential density in and around downtown, opening up commercial zones to more flexible mixed-use developments and different uses, and examining design review processes and other zoning approvals processes.



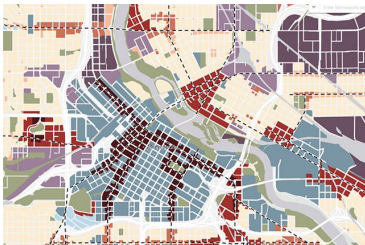
[PALO ALTO, CA](#)

The City of Palo Alto updated its zoning code to increase allowable density in residential multifamily zones from 15 to 20 units per acre. The changes also ensured that the City's zoning code was compatible with the Statewide Density Bonus Law to encourage additional development of affordable multifamily housing. The City adopted an incremental approach to define specific density standards for specified zones and to keep higher density developments in close proximity to areas that already support multifamily housing.



[FAIRFAX COUNTY, VA](#)

To allow the housing supply to keep up with population growth—and avoid contributing to increased traffic congestion—Fairfax County rezoned areas around Metro transit stations and certain commercial corridors to allow for higher-density residential development. The upzoning increased the permissible floor area ratio of new buildings in designated areas from 2.0 or 3.0 to 5.0 FAR.



[MINNEAPOLIS, MN](#)

The City of Minneapolis approved the Minneapolis 2040 plan in January 2020, which upzones significant portions of land currently zoned for single-family residences. This plan will make way for multi-family housing such as triplexes and higher density transit-oriented development.



Zoning changes to facilitate the use of lower-cost housing types

CHALLENGE

The availability of affordable housing depends in part on the provisions laid out in the local zoning ordinance or code and to some extent the acceptability of increased density by the community. More diverse and affordable housing is required in and around downtown to support local services and businesses, and provide housing options for local talent.

SOLUTION

Zoning changes that convert land use in specific areas to allow for more affordable housing types where new units will be compatible with existing development patterns, is an opportunity to significantly streamline the development process for new product types, in conjunction with flexible density programs. A modification to the code will require the City of SLO to work to ensure regulations in standards for products like manufactured or modular homes are aligned with such provisions.



COMPANION JUNIOR UNITS PROGRAM, SAN DIEGO, CA

The City of San Diego developed a dedicated *Companion Unit* website portal to share all information regarding ADUs, including links to code sections, information on fee schedules, and statistics on ADU construction in San Diego. The City also amended regulations that make it easier and less expensive to build ADUs and JADUs.



STANDARD PLAN PROGRAM, LOS ANGELES, CA

In an effort to streamline the approvals process and bolster the supply of housing in the City of Los Angeles, the Department of Building and Safety has pre-approved a series of “standard plans” to accelerate the permitting process and allow owners to quickly develop an ADU on their property. Under the Standard Plan Program, plans are designed by private licensed architects, and engineers to accommodate various site conditions.



ADU ORDINANCE, SAN JOSE, CA

The City of San José aligned the City’s zoning code relative to ADUs with the state laws to simplify regulations. In 2020, the City Council also updated San Jose’s zoning code to allow for tiny homes on wheels (THOWs) as part of the program with a simpler, lower-cost permit process, and an adapted permit checklist.



Update parking requirements and expand parking solutions

CHALLENGE

While parking requirements are replaced by an in-lieu parking fee within the Downtown Commercial Zoning District for new developments, the rise in resident parking demand is slowly impacting parking supply in surrounding neighbourhoods due to a lack of assigned infrastructure in the area.

SOLUTION

Downtown SLO currently encourages residential development by reducing parking requirements, under the parking in-lieu fee program. To anticipate adverse impacts of additional resident parking demand, new parking solutions and an increase in the supply of reserved residential parking within existing infrastructure are required to meet current and future demand. Such measures are also an opportunity to extend the pilot program, expand the current parking assessment district and update parking in-lieu fees to support new parking developments based on roadway capacity or community priorities.



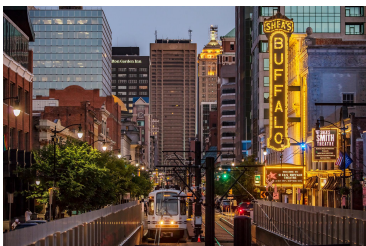
[BERKELEY, CA](#)

The City of Berkeley recently removed minimum parking requirements across the city, and formulated maximum caps on parking instead for new residential construction, in an effort to pivot residents away from driving in favor of more sustainable forms of transit.



[SANTA MONICA, CA](#)

As part of the City's Downtown Parking Assessment District, Santa Monica introduced a parking in-lieu fee of \$20,000 per parking space, with a fee restructure based on local pro formas, while investing in new structures or leasing private space, and advancing Transportation Demand Management (TDM) measures as part of the review and approval of development projects.



[BUFFALO, NY](#)

Buffalo, NY approved the Unified Development Ordinance in 2016, moving to a form-based code focused on contextual and sustainable development. The new code better aligns housing development with actual parking needs based on current market demand.



Streamline building permitting processes

CHALLENGE

Today, the process associated with obtaining approval for new construction in SLO County can be time-consuming and/or costly, which can dampen the amount of new development and increase costs.

SOLUTION

To streamline the permitting process, the City of SLO should initiate a comprehensive review of all steps in the building permit approval process and identify the factors that most significantly suppress new residential construction and redevelopment. This process should include engaging with developers, permitting staff and other stakeholders to identify where inefficiencies, delays, and duplicative or conflicting building permit requirements currently exist. This initiative will make the region more attractive to developers, helping to increase the housing supply over the long term.



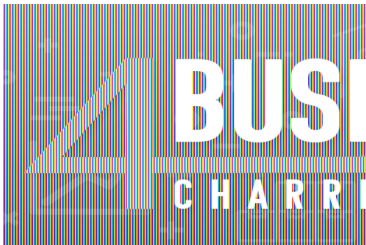
SACRAMENTO, CA

The City of Sacramento introduced the Sacramento Streamline platform to expedite permitting processes for both residential and commercial projects. It provides a Development Tracker tool, an Electronic Plan Check program, and an Online Permitting program.



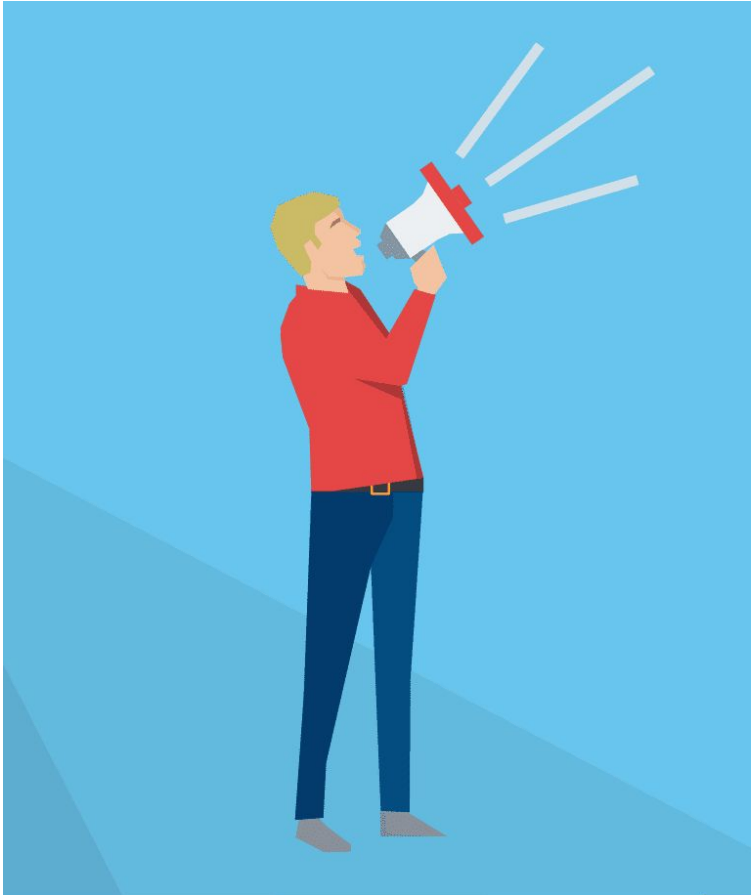
SAN JOSE, CA

The City of San Jose developed a new platform, SJePlans, for development partners to submit project plans electronically in order to facilitate the review process and monitor project status. For more complex projects, the city offers a plan review service with express or enhanced express options available for a fee.



MONTGOMERY COUNTY, MD

Montgomery County launched a cross-agency initiative to streamline the development process, involving the Department of Permitting Services, Fire and Rescue Services, and the Planning Board. The County held two forums early in the process, in which members of the public were invited to make a statement and/or submit testimony to help identify bottlenecks, duplicative review requirements, and inconsistencies.



Advocate for more diverse housing options

CHALLENGE

Based on the current development patterns, local perception relative to new housing typologies and increased density is relatively negative.

SOLUTION

Ongoing dialogue between residents and government allows the community to remain responsive to problems, develop a shared understanding of rules, and ensure the system responds in a timely manner to emerging needs in order to solve local challenges.



[CENTRAL CITY ASSOCIATION, LOS ANGELES, CA](#)

The Central City Association advocates for creating new housing in Downtown and supports broad-based policies that encourage the production of new housing at a range of income levels, in order to transform Downtown LA as a thriving mixed-income community for employees, residents and visitors.



[DOWNTOWN SEATTLE ASSOCIATION, SEATTLE, WA](#)

The Downtown Seattle Association advocates for the creation of more affordable and market-rate housing downtown. To increase support towards a more affordable city, the DSA was also a founding member of Seattle for Everyone, a coalition of nonprofit developers, private developers, affordable housing providers, and labor groups, with the objective of developing innovative policy and regulatory recommendations.



[DOWNTOWN SACRAMENTO PARTNERSHIP, SACRAMENTO, CA](#)

The Downtown Sacramento Partnership advocates for impactful solutions to homelessness by supporting increased capacity, diversity, and supply of affordable housing, and rapid rehousing options. To improve the quality of life of the homeless, the DSP actively supports community service providers to connect them with programs in order to facilitate their recovery and ultimately end their state of homelessness.

04.

Commercial Development Opportunities





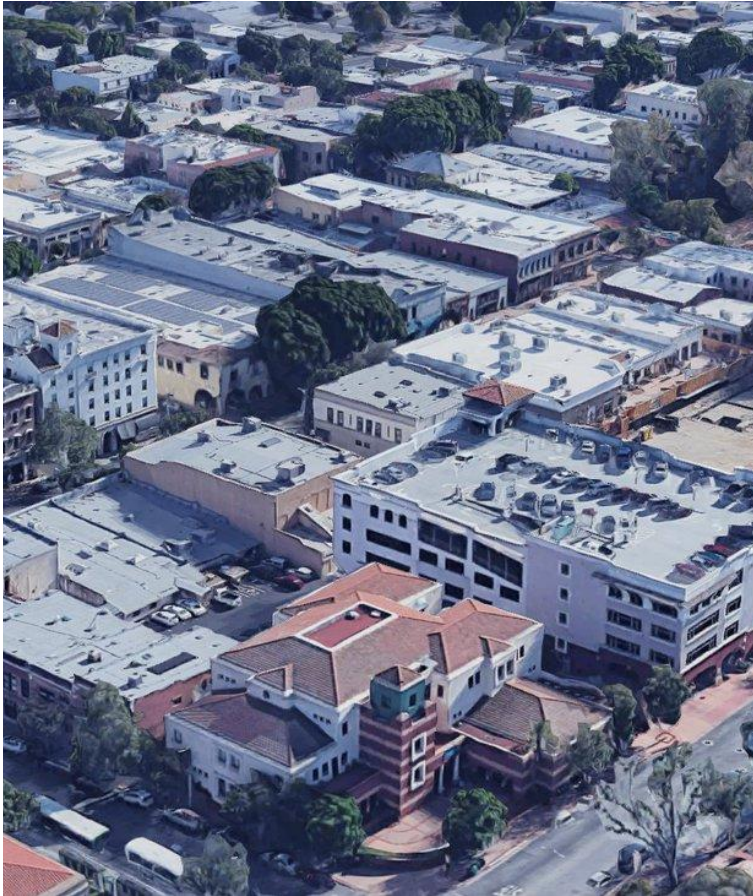
Zoning and use list changes to facilitate mixed-use commercial

CHALLENGE

The rapid changing landscape of the retail industry is challenging local retailers to reevaluate their physical space requirements and infrastructure needs in order to adapt to new market conditions.

SOLUTION

To support local businesses in such a transition, the City of SLO should revise the use list in order to allow owners and tenants to innovate and introduce additional flexibility. The ability for developers and owners to segment buildings and combine different occupancies has become essential for many in order to react to consumer patterns and remain relevant in the marketplace. This process is also an occasion for the city to adopt future-oriented zoning updates to allow for additional uses, introduce new experiences downtown, and adapt to shifting market trends.



Create a Municipal Development Corporation

CHALLENGE

The land development and approval process in SLO is relatively complex limiting the opportunity for the development of new mixed-use developments and more housing in and around Downtown SLO.

SOLUTION

The creation of a Municipal Development Corporation or a Urban Development Corporation is an opportunity to assist in realizing and advancing the transformation of Downtown SLO into a more modern, vibrant, and complete community. Through real estate development activities, such organizations enable the City to achieve strategic community objectives by optimizing the use and value of city owned lands, leveraging civic facilities, and encouraging private sector development in specific areas. For example, the corporation will work with existing local developers on specific developments as its resources allow, attract outside investment to help fund new or stalled sub-divisions, and may develop subdivision and projects independently as needed.



CMLC, CALGARY, CA

Calgary Municipal Land Corporation (CMLC) was incorporated in 2007 as a wholly owned subsidiary of the City of Calgary to implement and execute the Rivers District Community Revitalization Plan – a public infrastructure program approved by the City of Calgary and the Province of Alberta to kick-start Calgary’s urban renewal. To finance the revitalization, a Community Revitalization Levy (CRL) was created to provide a means to segregate property tax revenue increases that result from redevelopment in the Rivers District into a fund for infrastructure improvements – similar to Tax Increment Financing (TIF).



3CDC, CINCINNATI, OH

Established in 2003, Cincinnati Center City Development Corporation (3CDC) is a nonprofit focused on revitalizing Cincinnati’s downtown core. Its creation was recommended by a City of Cincinnati Economic Development Task Force as part of an overall system to increase the effectiveness and efficiency of development activities in the City of Cincinnati. The CDC’s specific objectives include creating high density, mixed-use development and “great” civic spaces, preserving historic structures, improving streetscapes, and developing diverse, mixed-income neighborhoods supported by local business. The 3CDC is funded privately, through a combination of corporate contributions, management fees, and below-market developer fees.



BUDC, BUFFALO, NY

Buffalo Urban Development Corporation (BUDC) is the City of Buffalo’s not-for-profit development agency, reclaiming distressed land and buildings for future development. BUDC seeks to create an environment conducive to private investment, provide oversight and visioning for projects of regional significance, serve as a liaison among various public and private stakeholders, serve as a conduit for public funding of significant projects and serve as a real estate holding company for certain public-sector projects. The BUDC is mainly funded by the Wilson Foundation Grants, Empire State Development / Restore NY Grants and rental income.



Introduce Tax Increment Financing (TIF) Districts

CHALLENGE

The rise of vacant, underutilized or obsolete buildings in Downtown SLO, and the difficulty to attract investors to develop housing and revitalize the area is a growing challenge. At the same time, the City of SLO faces constraints in financing and planning sustainably for this market shift to grow in the long term. TIF Districts provide the mechanism to invest in specific areas and guide financing for defined uses. To avoid tax concerns, TIF districts are prioritized in areas where increases in tax revenue would be unlikely without the increased public investment.

SOLUTION

In California, the Enhanced Infrastructure Financing District (EIFD) law provides broad authority for local agencies to use tax increment to finance different projects. The definition of a TIF district in Downtown SLO or surrounding areas such as the Downtown Transit Center is an opportunity to accelerate the development of affordable housing and the transformation of commercial mixed-use projects by requiring that a percentage of TIF revenue is reserved for these purposes.



[FRUITVALE VILLAGE, OAKLAND, CA](#)

Developed by the Unity Council, a local nonprofit community development corporation, Fruitvale Village – a four-acre mixed-use, mixed-income, transit-oriented development – mixes 37 market-rate loft-style apartments with ten affordable units, office space, more than 20 retail stores, a seniors' center, a Head Start child development center, a city of Oakland public library, and a health clinic. As a nonprofit developer, and limited access to debt, investment capital, or in-house funds, the City of Oakland voted to integrate Fruitvale Village as part of a tax increment financing district to receive TIF funds.



[PEARL DISTRICT, PORTLAND, OR](#)

The TIF District has supported the construction of 2,200 units of affordable housing, interspersed with market rate units within the Pearl District, as part of more than 7,000 new residential units, as well as offices and stores adjacent to downtown. To ensure the development of affordable housing, the City of Portland sets aside 40 percent of the tax increment funds (TIF) raised in urban renewal districts to specifically support affordable housing.



[TIFD, DALLAS, TX](#)

With the vision to revitalize Downtown Dallas and attract more people to live in the area, the City of Dallas introduced a tax increment financing (TIF) district program to fund the development of underutilized land – Mercantile Place and the Farmers Market TIFD are examples of this transformation. The [Mercantile Place](#) developed through a public-private partnership was a catalyst for new housing development in the area, and the conversion of historic office buildings. The [Farmers Market TIF District](#) was created to facilitate the redevelopment of the Dallas Farmers Market and adjacent land.



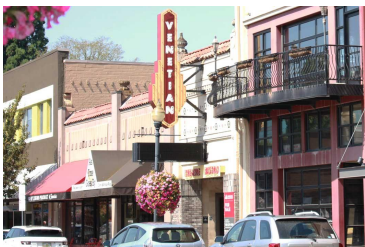
Develop a storefront program

CHALLENGE

Storefronts are important to Downtown SLO. They house local businesses, are a visible part of the street, and define the character and feel of a community. Well-designed storefronts enhance and give identity to the neighborhood.

SOLUTION

The introduction of a new storefront program is an opportunity to support local businesses, revitalize Downtown SLO's main streets and preserve its unique character for residents and visitors. Such programs include targeted areas and types of properties, as well as specific design requirements in order to develop a homogenous urban environment.



HILLSBORO, OR

The purpose of the Downtown Storefront Improvement Grant Program is to revitalize the city's main streets and preserve its unique character. The program offers financial incentives in the form of a rebate on construction and design to applicants considering an exterior rehabilitation or renovation of a commercial structure. For each individual building structure, the maximum award is \$40,000, with a required 1:1 property/business owner match.



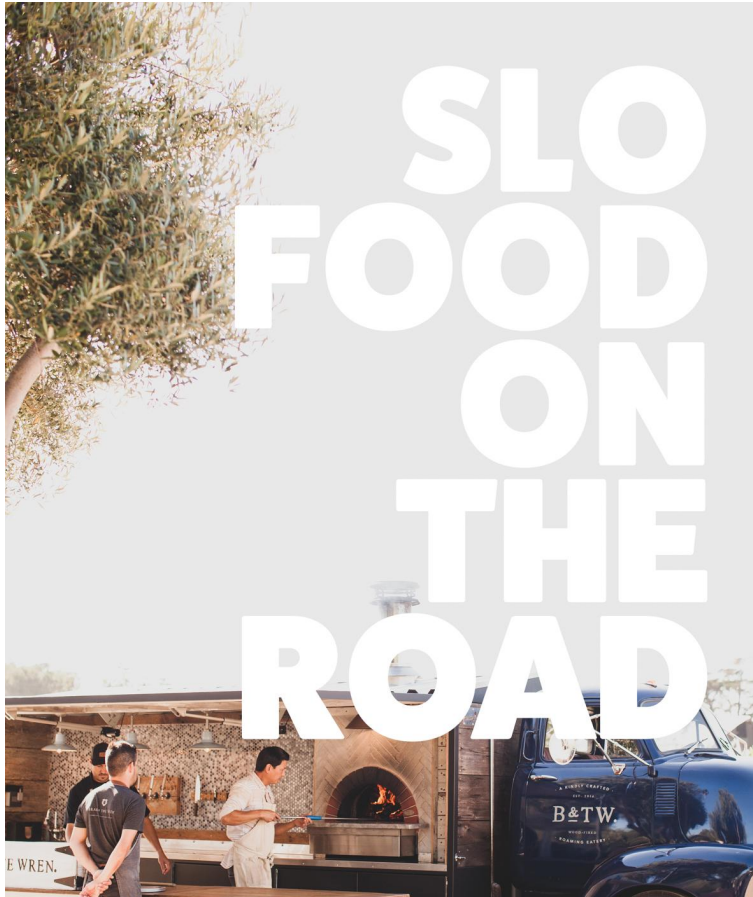
PHILADELPHIA, PA

In Philadelphia, business and property owners may be eligible to receive grant money for facade improvements. The program can reimburse up to 50 percent of the cost of eligible improvements to a maximum of \$10,000 for a single commercial property, or up to \$15,000 for a multiple-address or corner business property.



EDMONTON, AB

The City of Edmonton offers two types of storefront grants:
Storefront Improvement Grant - a matching reimbursement grant for large, impactful exterior renovations, up to 50% of project costs. Mid-block buildings may be eligible for up to \$25,000. Corner buildings may be eligible for up to \$50,000.
Storefront Refresh Grant - a matching reimbursement grant for small exterior renovations, up to a maximum of \$1000 per building.



Facilitate business permit applications

CHALLENGE

Local governments play a central role in determining business permit regulations and, as a result, startup rates. The current permitting process and lack of flexibility is a limitation for many businesses to adapt and change activity or use in Downtown SLO.

SOLUTION

While business permits are often governed by state law, a licensing and permitting reform is an opportunity for the City of SLO to introduce more flexibility and redesign government services with a human-centered approach by simplifying licenses required for specific uses, and introducing a platform to guide applicants in the process. The introduction of a simplified process and a single point of contact can be a catalyst for local entrepreneurship and economic development by coordinating information with other jurisdictions and advising small businesses in the process.



NEIGHBORHOOD COMMERCIAL DISTRICTS, SAN FRANCISCO, CA

To accelerate business permit approvals and changes, the City of San Francisco introduced a new initiative to shift the approval process for small businesses from authorizations granted by the Planning Commission at a public hearing to an over-the-counter administrative approval, while eliminating neighborhood notification for most storefront land use changes in Neighborhood Commercial Districts and provides existing businesses with greater flexibility to adapt their operations. The new process streamlines permit reviews to 30-days to allow small businesses to move faster and have expanded flexibility.

LICENSING AND PERMITTING REFORM, CHICAGO, IL

To simplify complex compliance obligations and reduce administrative costs for small businesses permitting, the City of Chicago passed a reform ordinance in 2012 to reduce the number of license types from 117 to 49 (-60%). By reducing the number of license categories, the reform saved Chicago small businesses \$2 million in license fees each year. In addition to this, the City of Chicago introduced neighborhood-based resources to help businesses adhere to regulations in an effort to facilitate the business inspection process.

DEPARTMENT OF DOING, GAINESVILLE, FL

In 2015, the City of Gainesville worked with IDEO to help redesign city government to lower the barriers to creating a new business or applying for new permits. To create a human-centered process and platform, the City of Gainesville introduced the Department of Doing as a one-stop shop for obtaining permits to start a business or develop property, as well as a website and back-end system for completing these same processes online. All applicants are personally guided by the Department to facilitate the application process.





Introduce a Retail Vacancy Tax

CHALLENGE

With increased retail vacancy rates and empty storefronts, main streets across the country are facing a new reality as a result of a boom in online shopping and changing consumer behaviors. The demographic factors that contribute to closures in smaller towns also can make retailers tougher to replace. Recent national studies confirmed that retail will be the hardest hit as a result of the COVID-19 pandemic.

SOLUTION

A vacant storefront tax is an opportunity to incentivize landlords to work in partnership with the City of SLO and small businesses to attract new tenants at market rates based on new baselines. The implementation of such a tax will need to take into consideration other mechanisms to reform the zoning code and increase development downtown to avoid conflicts between policies, and be implemented based on accurate data and future plans.



SAN FRANCISCO, CA

Proposition D in San Francisco applies a \$250 tax per linear foot of frontage to retail spaces that remain vacant for six or more months in neighborhood commercial zones. The tax increases incrementally based on the duration of the vacancy: the tax doubles in the second year to \$500 per foot, and then it's \$1000 per foot every year after that.



WASHINGTON, DC

In 2011, Washington D.C. introduced new property tax rates for vacant commercial and residential properties (Class 3: \$5.00 per \$100 of assessed value) and for blighted properties (Class 4: \$10.00 per \$100 of assessed value). The DCRA and the Office of Tax and Revenue (OTR) share responsibility for the identification and processing of vacant properties. The DC Code provides for exceptions that may allow a vacant property to receive the lower Class 1 or Class 2 tax rate.



NEW BEDFORD, MA

In 2008, the City of New Bedford passed a measure, Regulation of Vacant Buildings, that fines landlords \$500 annually for each vacant storefront, subsequently increasing over time by \$1,000 each year. The vacant registration is required within 45 days of a building becoming vacant.



05.

Public Investment Opportunities

Public transportation plan and infrastructure investment

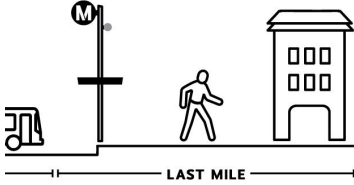
CHALLENGE

A public transportation plan update is required to better connect downtown to surrounding areas and identify new infrastructure investments based on new technologies and sustainable transit options.

SOLUTION

A new public transportation plan is an opportunity to better connect downtown services with surrounding residential areas and facilitate access to the area by both improving the existing downtown transit center and a last mile transportation system to encourage active transportation options and limit vehicular traffic in pedestrian areas.





FIRST/LAST MILE STRATEGIC PLAN, LOS ANGELES, CA

The L.A. County Metropolitan Transportation Authority and the Southern California Association of Governments developed an award-winning strategic plan to improve access for transit stations in the context of new and emerging first/last mile mobility options. Key recommendations included: infrastructure for walking, rolling, and biking, shared use services, facilities for making modal connections, and information technology.



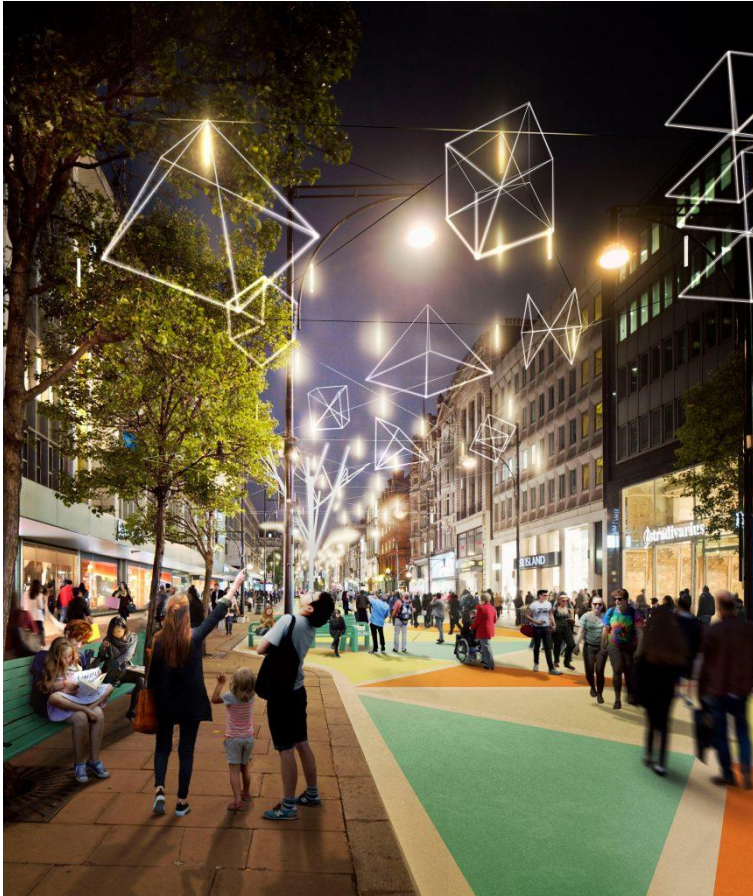
NEW TRANSPORTATION VISION, SAN DIEGO, CA

The San Diego Association of Governments (SANDAG) introduced a new transportation vision for the region following five main strategies, including: Complete Corridors, Transit Leap, Mobility Hubs, Flexible Fleets, and the Next OS. The objective of the plan is to reduce reliance on single-occupancy vehicles and offer additional shared transportation options by 2050. The new vision spans from urban to suburban communities, and major streets or highways.



LIVEABLE STREETS, LOS ANGELES, LA

Based on the City of Los Angeles Mobility Plan 2035, the Liveable Streets program implements key action from Active Transportation to Safe Routes, Great Streets to People St, and Open Streets. As part of these initiatives the Active Transportation Division seeks opportunities to connect neighborhoods and destinations to make transit options more accessible, and help re-imagine neighborhood centers by focusing on connectivity along main streets.



Plan permanent pedestrian zones

CHALLENGE

The transformation of main streets into entertainment destinations is presenting new challenges for cities to manage both vehicular and pedestrian traffic with other commercial uses within the public realm.

SOLUTION

The potential closure (periodic or permanent) of Higuera and/or Monterrey Streets is a significant opportunity to transform the downtown environment and streamline the entertainment experience between major anchors. A feasibility study will be required to explore options based on current programs, transportation plans, and existing infrastructure, and define the most appropriate plan.



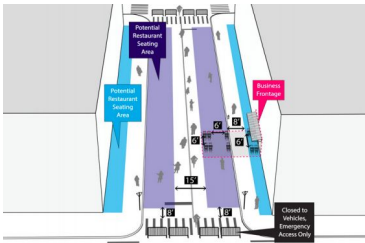
THIRD STREET, SANTA MONICA, CA

The transformation of Third Street from a car to a pedestrian oriented zone by the City of Santa Monica marked the development of a three-block open-air mixed-use destination connected by parking infrastructure on all ends. Besides great shopping and dining, the area has many entertainment alternatives, such as movie theaters, venues for performances, clubs and bars. Both the eclectic mix of street artists and performers and the Downtown Santa Monica Farmers' Markets are popular with visitors and residents alike.



MAIN STREET MOVES, VENTURA, CA

The City of Ventura and the Downtown Ventura Partners (DVP) worked closely with the local business community to introduce and expand the Main Street Moves program until 2022 in order to pedestrianize a five-block area. allowing restaurants to create outdoor dining areas and retail shops to offer outdoor shopping options.



OPEN STREETS, NEW YORK, NY

New York City is extending the Open Streets program to make the initiative a permanent in specific areas of the city. The program extends from Open Restaurants to Open Culture, and Open Storefronts in an effort to support the recovery of small businesses. In total, 87 streets participate in the program.



Introduce a permanent outdoor dining program

CHALLENGE

Most patios and parklets were designed to be semi-permanent installations to welcome customers outside in response to the COVID pandemic. The popularity of these initiatives from both business owners and residents is forcing cities to rethink these programs as permanent installations.

SOLUTION

Patios and parklets have been well received by both residents and businesses – expanding and investing into a more permanent initiative is an opportunity to support local businesses and welcome customers in a safe environment while reinforcing Downtown SLO as a culinary destination for locals and visitors. To create a homogenous urban environment in line with the area's architecture, the permanent program will include a set of design guidelines for all businesses.



COVID OUTDOOR DINING, SAN RAFAEL, CA

The City of San Rafael extended the COVID Outdoor Dining program at least until November 30, 2022, and as a result approved all current temporary and semi-permanent structures built in parking lanes, to support restaurants and other small businesses in the recovery process.



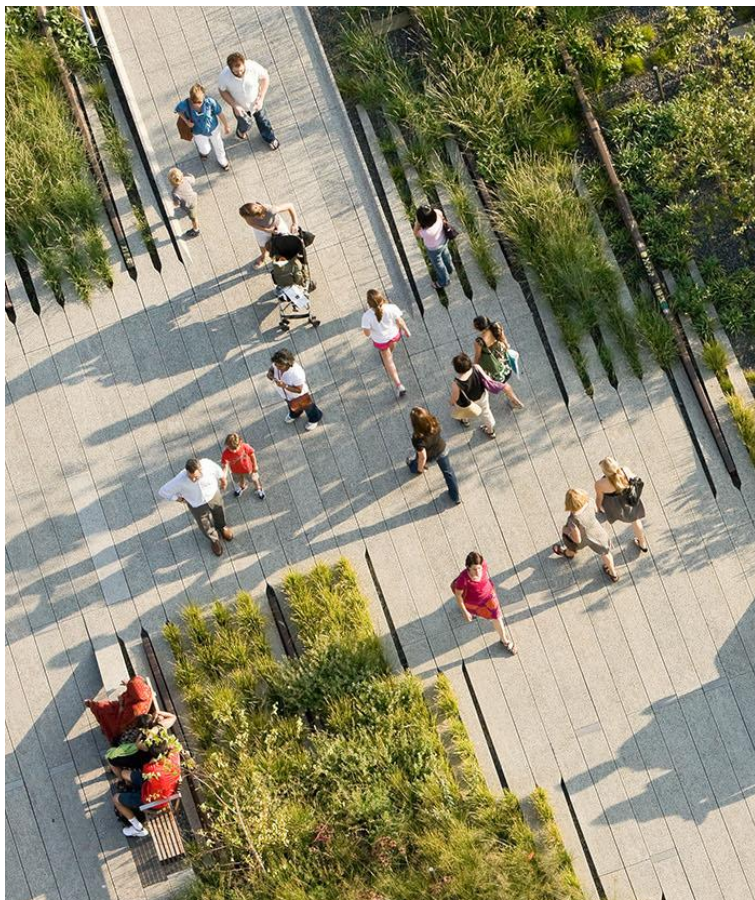
OPEN RESTAURANTS PROGRAM, NEW YORK, NY

New York City recently made the Open Restaurants program permanent. The program allows restaurants in the city to extend seating onto streets, sidewalks and public spaces. The extended program allows restaurants to expand their frontage space to include seating in front of adjacent businesses based on capacity. In addition, the city's Open Streets program, which designated dozens of city blocks to shut down to car traffic for dining in the street over the summer, was also made a permanent fixture.



OUTDOOR STREET DINING, CINCINNATI, OH

The City of Cincinnati converted the temporary outdoor dining program into a permanent program, referred to as “*Streateries*”. The city is partnering with Cincinnati Center City Development Corp. (3CDC) to implement the program in specific areas by constructing concrete curb bump-outs, expanding sidewalks and repurposing on-street parking spaces into elevated parklets, as well as shutting down portions of streets for outdoor dining.



Develop a greenway to connect surrounding parks

CHALLENGE

The San Luis Obispo Creek and surrounding parks located in Downtown SLO are disjointed and disconnected from surrounding neighborhoods.

SOLUTION

The development of a greenway connecting the core of Downtown SLO and surrounding parks and areas is an opportunity to create a new connector to drive more pedestrian and bike traffic along key nodes. Such an initiative will help connect existing parks within the area, including Mitchell and Emerson Park, along the San Luis Obispo Creek, and improve connectivity with the university.



14TH STREET GREENWAY, SAN DIEGO, CA

The 14th Street Greenway Project extends 11 blocks from C Street to Commercial Street. In addition to helping transform Downtown San Diego into a world-class urban center, it aligns the goals of the City's Climate Action Plan and the Downtown San Diego Mobility Plan. The first phase of the project was funded through a grant issued by the San Diego Association of Governments.



THE GREEN LINE, TORONTO, ON

The Green Line in Toronto aims to connect 45 public spaces located North of Downtown Toronto. While most of the parcels along the 3-mile corridor are already city-owned parks, the project focuses on connecting these existing spaces with new ones by incorporating adjacent parcels, implementing streetscape improvements, and creating a cohesive design language along the new Green Line. The master plan is lead by the City's Parks, Forestry and Recreation department in partnership with Park People.



DOWNTOWN GREENWAY, GREENSBORO, NC

The Downtown Greenway is a planned 4-mile walking and biking trail looping around downtown Greensboro connecting not only other trails and greenways but businesses, universities and neighborhoods. The initiative is a collaborative project between the City of Greensboro and Action Greensboro – supported by both grants and bonds – to generate a local economic impact, enhance green spaces, and promote fitness and well-being.



Improve creeks, parks and play zones

CHALLENGE

The San Luis Obispo Creek and surrounding parks are disregarded by residents and visitors as a result of ageing infrastructure and a lack of investment.

SOLUTION

The transformation of the San Luis Obispo Creek into a pedestrian-friendly destination is a unique opportunity to connect the urban fabric and surrounding business and create a new attraction in Downtown SLO. As part of the greenway corridor, investments in new park amenities and play zones will also help drive more families to the area.



DOWNTOWN CREEKS DEVELOPMENT PLAN, LAFAYETTE, CA

The City of Lafayette developed a Downtown Creeks Development plan to maintain and preserve the creeks as natural assets while positioning these as assets for surrounding developments and businesses. The plan encourages surrounding buildings to provide both access and views of the creek through window placement, decks, balconies, and outdoor spaces.



WALLER CREEK DISTRICT MASTER PLAN, AUSTIN, TX

The City of Austin developed a new master plan to reinforce the ecological identity of the creek corridor and transform the area as a more attractive place for activities. The surrounding parkland is enhanced as an attractive setting for outdoor dining and other activities that also contribute to the livability and vitality of the neighborhood.



RIVER WALK, SAN ANTONIO, TX

The City of San Antonio and the San Antonio River Walk Commission developed the Paseo del Rio Master Plan to develop a pedestrian link between Alamo Plaza, La Villita and Main Plaza. The plan has generated a new real estate dynamic in the center of San Antonio and now draws several million tourist per year.



Develop a placemaking program

CHALLENGE

The demand for more temporary placemaking initiatives from both local businesses and communities has forced cities to introduce new programs to guide and fund community led initiatives as well as focus revitalization efforts in key neighborhoods and areas.

SOLUTION

The development of a placemaking platform and program is an opportunity to reconnect and redesign the public realm to create a more exciting urban environment while engaging with the community by allowing citizens to participate in the process. Such a program also represents an opportunity to build closer relations with private partners to fund specific placemaking initiatives.



LIVEABLE STREETS, LOS ANGELES, LA

Los Angeles Department of Transportation developed a Liveable Streets program to improve city streets through community partnerships. Programs extend from bicycle parking to parklets, and play streets. The platform enables all citizens and organizations to interact online with the programs and projects that support safe and great streets.



PLACEMAKING PROGRAM, CHARLOTTE, NC

In 2018, the City of Charlotte introduced a citywide Placemaking Program lead by the Urban Design Center, an entity within the Planning, Design, and Development department to transform underutilized public spaces. To facilitate implementation and community engagement, the program features a Placemaking Hub, a one-stop-shop for public realm enhancement tools, a Local Placemaking Artist Pool, and a Placemaking Grant.



GROUNDPLAY, SAN FRANCISCO, CA

Groundplay is a multi-agency program of the County and City of San Francisco enabling residents to build temporary installations that turn underused public spaces into community places. The program is in part funded by community donors in order to implement placemaking projects, while providing the necessary resources to prepare application packages.



Introduce a downtown cultural arts and entertainment district

CHALLENGE

While Downtown SLO concentrates a number of cultural institutions, the challenge is to create and promote a strong arts and entertainment destination to attract additional locals and visitors to the area rather than redistributing the current visitor base.

SOLUTION

Downtowns that offer an exciting district provide residents and visitors with an additional reason to visit, and as a result helps to reinforce the perception of Downtown SLO as a vibrant destination. The introduction of a Cultural Arts & Entertainment District is an opportunity to anchor the destination and consolidate current organizations, such as SLO Museum of Art, SLO Children's Museum, and surrounding theatres, with emerging projects or initiatives.



OCEANSIDE CULTURAL DISTRICT, OCEANSIDE, CA

Oceanside Cultural District is anchored by the Oceanside Museum of Art, the California Surf Museum, and the historical Star Theatre, and is home to the MainStreet Oceanside's Farmer's Market and Sunset Market. Designated as one of California's Cultural Districts, Oceanside has become an emerging Southern California cultural destination.



BLVD CULTURAL DISTRICT, LANCASTER, LA

The BLVD Cultural District in downtown Lancaster is the cultural epicenter for Northern Los Angeles County. Anchored by the Lancaster Museum of Art and History (MOAH) and the Lancaster Performing Arts Center (LPAC), the District showcases both local and international art, and home to the Pow! Wow! Antelope Valley mural festival. The BLVD is part of the California Cultural Districts program lead by the California Arts Council.



NOTO ARTS & ENTERTAINMENT DISTRICT, TOPEKA, KS

As part of the Downtown Master Plan, NOTO successfully positioned itself as the arts district in Topeka through the consolidation process, distinguishing it from other areas. The public art strategy supported the transition and increased traffic to the neighborhood. NOTO is anchored by the NOTO Arts Center.



Create a multi-purpose event center

CHALLENGE

Successful Arts & Entertainment Districts are in most cases anchored by an event center to attract conferences, concerts, and events. While downtown is home to a number of cultural organizations, Downtown SLO is currently missing a catalyst to elevate its profile, attract a diversity of events and meet the needs of the local arts community.

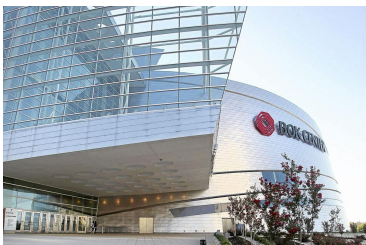
SOLUTION

The City of SLO will explore the feasibility of a new multi-purpose event center downtown to respond to a demand in multi-purpose community spaces and attract larger public and private events to the area. The new development entity at the City of SLO would lead the development and management of the new multi-purpose event center.



[ARTS DISTRICT CENTER, LOS ANGELES, LA](#)

Led by a private developer, Arts District Center (ADC) envisions a purpose-built destination for the creative industry in the Los Angeles Arts District. The mixed-use development project will offer a 24,000 SF art event space, a 113-room Arts District Hotel, and 129 condominiums, including a residency program for young artists and curators to be led by Los Angeles County Museum of Art (LACMA).



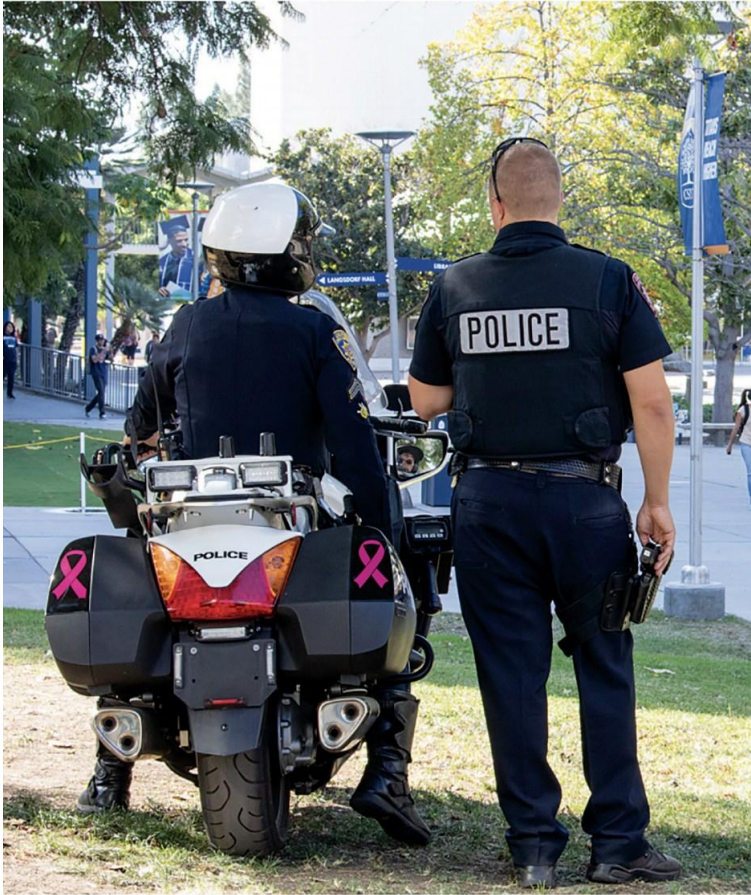
[BOK CENTER, TULSA, OK](#)

The BOK Center was developed as part of the Tulsa County Vision 2025 to anchor Downtown Tulsa and the Brady Arts District as a major arts and entertainment destination for the region. As a multi-purpose arena and a primary indoor sports and event venue attracting major events, the BOK Center acts as an economic development catalyst for the area driving regional traffic to surrounding neighborhoods.



[KANSAS CITY LIVE!, POWER & LIGHT DISTRICT, KANSAS CITY, KS](#)

Developed as a public-private partnership between Kansas City, the state of Missouri, and the Cordish Company, the Power & Light District is a large-scale mixed-use development anchored by Kansas City Live! And the Sprint Center arena. Kansas City Live! is a multi-level dining and entertainment venue, with a covered outdoor plaza for major concerts and events. The venue has become a catalyst for the neighborhood attracting one million visitors per year.



Develop a new police substation in the downtown core

CHALLENGE

The rise in the levels of nuisance and homelessness in Downtown SLO is a growing challenge for local business owners and operators. The situation ultimately impacts the perception of the area and as a result traffic and spending downtown – causing financial hardships to local businesses. Both safety and cleanliness are some of the most important factors to attract residents and visitors to the area.

SOLUTION

The re-introduction of a police substation within the downtown core is an opportunity for the City of SLO to increase community services and optimize police operations, presence, and response time in the area. The police substation will be integrated within the commercial landscape and designed to be a safe and welcoming environment. Its location will facilitate partnerships with social services to respond to homelessness and behavioral health needs.



DOWNTOWN PUBLIC SAFETY DISTRICT, ALBUQUERQUE, NM

To improve safety downtown, the City of Albuquerque and the Albuquerque Police Department (APD) developed a new Downtown Public Safety District – a special public safety model for the city – and reopened and staffed the Old Town police substation to increase police presence. To address homelessness and behavioral health needs in Downtown, APD also assigned Crisis Outreach and Support Teams (COAST) and Crisis Intervention Team (CIT) officers to the Downtown Public Safety District.



POLICE SUBSTATION, ALEXANDRIA, LA

The City of Alexandria established a new police substation at City Hall as a result of increased vehicle and pedestrian traffic downtown. With a more central location, the objective of the new substation is to also improve partnerships with business owners as well as work with the Homeless Coalition and the homeless population.



POLICE SUBSTATION, BEND, OR

The City of Bend Police and Economic Development departments partnered with the Downtown Bend Business Association to open a new Police substation in downtown Bend. The new police substation is part of a strategy to improve safety downtown and community engagement. The substation is integrated as part of an existing parking garage.



Increase community and social services in the Downtown area

CHALLENGE

Many cities in California are faced with the challenge to meet the needs of a growing homeless population. Recently, the levels of homelessness in Downtown SLO have increased as a result of the COVID-19 pandemic. Based on the Economic Roundtable report, pandemic-related unemployment will start a brutal cycle of homelessness across the country, nearly doubling the number of additional working-age adults with no place of their own to sleep, representing an additional 131,000 in California.

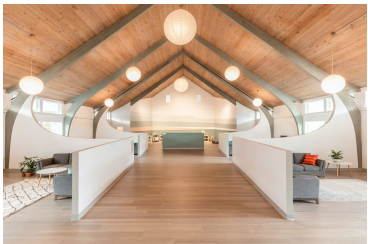
SOLUTION

To address social challenges such as homelessness, investing in additional homeless infrastructure is an opportunity to anticipate future challenges while addressing specific needs in order to limit urban camps and homeless concentrations in the downtown core or along local main streets.



TINY HOME VILLAGE, LOS ANGELES, CA

The Chandler Boulevard Bridge Home Village was designed and built in just 13 weeks by the city's Bureau of Engineering to provide shelter to its homeless population. The 40-home, 75-bed community at 11471 Chandler Blvd. offers 64-square-foot living spaces with heat, air conditioning, windows, a small desk and front door that locks. The city of Los Angeles developed and funded the project — each unit costs \$7,500 for labor and materials — with the help of L.A. based Lehrer Architects and the Bureau of Engineering.



FAMILY VILLAGE SHELTER, PORTLAND, OR

Operated by Portland Homeless Family Solutions, Family Village is the first and only trauma-informed shelter in Oregon. The shelter provides opportunities for healing and rebuilding after experiencing homelessness partnered with a wide range of support to move families back into housing and stability. Half of the shelter is funded through the Home for Everyone Joint Office of Homeless Services, and the other half is donated from local businesses, and foundations.



CENTER FOR PUBLIC INTEREST DESIGN, PORTLAND, OR

The Center for Public Interest Design (CPID) is a research center at Portland State University that aims to investigate, promote, and engage in inclusive design practices that address the growing needs of underserved communities. CPID is behind Clackamas County Veterans Village and the Kenton Women's Village — two transitional pod-shelter communities.



06.

Appendix: Development Recommendations

Development Recommendations

RESIDENTIAL DEVELOPMENT OPPORTUNITIES

- 1.1 Introduce more flexible zoning regulations
- 1.2 Zoning changes to allow for higher residential density
- 1.3 Zoning changes to facilitate the use of lower-cost housing types
- 1.4 Update parking requirements and expand parking solutions
- 1.5 Streamline building permitting processes
- 1.6 Advocate for more diverse housing options

COMMERCIAL DEVELOPMENT OPPORTUNITIES

- 2.1 Zoning and use list changes to facilitate mixed-use commercial
- 2.2 Create a Municipal Development Corporation
- 2.3 Introduce Tax Increment Financing (TIF) Districts
- 2.4 Develop a storefront program
- 2.5 Facilitate business permit applications
- 2.6 Introduce a Retail Vacancy Tax

PUBLIC DEVELOPMENT OPPORTUNITIES

- 3.1 Public transportation plan and infrastructure investment
- 3.2 Plan permanent pedestrian zones
- 3.3 Introduce a permanent outdoor dining program
- 3.4 Develop a greenway to connect surrounding parks
- 3.5 Improve creeks, parks and play zones
- 3.6 Develop a placemaking program
- 3.7 Introduce a downtown cultural arts and entertainment district
- 3.8 Create a multi-purpose event center
- 3.9 Develop a new police substation in the downtown core
- 3.10 Increase community and social services in the Downtown area

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