

HENNEPIN COUNTY
MINNESOTA

Business District Initiative
2024 Program Guidelines

Attachment 1

Request for Applications opens September 5, 2024

Applications due via Hennepin County Supplier Portal by 3:00PM October 1, 2024



2024 Business District Initiative Guidelines

Hennepin County Housing and Economic Development's Business District Initiative (BDI) supports city efforts to strengthen small business districts, main streets, and cultural corridors. Thriving commercial main streets and small business districts provide important goods and services, create a sense of place, and help make communities desirable and productive. Small businesses produce considerable tax revenue, provide jobs, and serve as hubs of activity. Successful small business districts and cultural corridors provide opportunities to foster entrepreneurship and help support the region's innovation economy. The Business District Initiative provides funding assistance for the implementation of strategies that enhance the economic vitality of these priority business districts and cultural corridors in suburban municipalities.

Cities are in the best position to design and implement strategies that support their community's priority business districts. BDI program priorities are to:

- Promote compact, walkable environments
- Create a vibrant sense of place
- Highlight local community assets, including those that reflect the diverse values, culture, and heritage of the people who live and work there
- Support economic vitality, job creation, and equitable access to economic opportunity
- Build connections to the locally-owned, independent small business ecosystem

The Hennepin County Housing and Redevelopment Authority (HRA) has up to \$200,000 available across the Business District Initiative and Hennepin Planning Grants program.

Eligible Applicants

- Suburban municipalities, housing and redevelopment authorities, economic development authorities, or port authorities

Eligible Locations

- Suburban Hennepin County business districts, main streets, and cultural corridors with high concentrations of locally-owned, neighborhood-focused retail, office, restaurant and/or entertainment uses that offer a variety of goods and services in a walkable or aspiring-to-be walkable environment
- Eligible locations may be a formally established business district, such as a traditional downtown, or business nodes and informal districts or business clusters that have been identified by the Applicant as priority areas
- Eligible projects must benefit a cluster of four or more businesses and be in locations that:
 - benefit two or more property owners
 - include two or more buildings, excluding incubators
 - each building in eligible area must have two or more occupants

Eligible Uses of Funds

The Business District Initiative supports vibrant business districts or nodes that are, or are trying to be compact, have an easily recognized identity, encourage walkability and connections between places within and near the district or node, have public spaces that make people feel welcome, and reflect the communities that they serve. While some business districts have developed over time to reflect most or all these elements, many districts, nodes, or business clusters are at different stages of achieving these characteristics. BDI seeks to fund interventions that advance the above elements. In general, eligible uses include, but are not limited to:

- Business recruitment
- District-wide marketing, branding, and/or promotion initiatives
- Technical assistance for business districts (limited to special service district or business-association establishment; may include financial, legal, or tax-related services related to creating a business district, and merchandising)
- Establishment of small-business incubators
- Design and/or implementation of placemaking strategies to promote walkability
- Public realm enhancements that encourage open and accessible uses for public space, including but not limited to street furniture, wayfinding, façade improvements, and other fixtures that enhance the sense of place
- Other project ideas consistent with BDI objectives may be considered with prior approval from Hennepin County staff

The following table outlines different forms of business districts and the type of BDI projects most impactful for each district typology. Hennepin County encourages Applicants to review the table and closely consider the needs of the district and the type of intervention when completing the application.

Business District Typology	Goals	BDI Eligible Uses
<p>Historic Downtown</p> <p>Traditional "Main Street" business district with an assortment of retail, restaurants and services; easily recognized identity within the city and to nearby communities</p>	<ul style="list-style-type: none"> • improve access to public spaces • create cohesive brand identity reflected throughout district • enhance efforts to encourage walking and biking within and to the area • expand walkable nature of the area to support Main Street businesses • support local businesses through targeted marketing 	<ul style="list-style-type: none"> • district-wide marketing or branding efforts • placemaking and/or public realm enhancements • technical assistance as defined above across the business district • business recruitment
<p>Suburban Downtown</p> <p>Suburban setting with occasional mixed-use developments, often features public spaces like nearby parks or plazas, more auto-dependent</p>	<ul style="list-style-type: none"> • enhance connectivity to destinations nearby and within the district • foster a vibrant, pedestrian-friendly environment • support local businesses through targeted marketing and branding • develop public spaces that encourage more foot traffic • encourage a diverse mix of tenants to enhance attractiveness 	<ul style="list-style-type: none"> • district-wide marketing or branding efforts • placemaking and/or public realm enhancements • technical assistance as defined above across the business district • business recruitment
<p>Neighborhood Business Node</p> <p>Smaller business districts serving local neighborhoods, mix of retail, services, and dining, walkable and bike-friendly with nearby residential areas, often includes assets such as libraries or community centers</p>	<ul style="list-style-type: none"> • strengthen existing walkability, and/or improve pedestrian environment • promote local businesses and community engagement • foster a sense of community through regular events and activities • support local businesses through targeted marketing and branding 	<ul style="list-style-type: none"> • technical assistance as defined above across the business district • districtwide marketing or branding efforts • placemaking and/or public realm enhancements • business recruitment

<p>Commercial Strip Mall</p> <p>Retail stores and service businesses along major roads, mostly car-oriented with larger parking lots, typically features national chains and big-box retailers, limited pedestrian connectivity and public spaces</p>	<ul style="list-style-type: none"> • improve pedestrian and bicycle access • develop public spaces that encourage foot traffic and contribute to a sense of place • diversify tenant mix to include more local and unique businesses 	<ul style="list-style-type: none"> • technical assistance, as defined above, across the business district • business recruitment
<p>Concentration of Stand-Alone Storefronts</p> <p>Individual freestanding commercial buildings spread over an area, variety of business types often locally owned, less cohesive identity compared to centralized districts, more car-dependent with limited walkability</p>	<ul style="list-style-type: none"> • enhance identity and try to connect to broader business and local community • promote collaboration and joint marketing/branding among businesses 	<ul style="list-style-type: none"> • technical assistance across business district • business recruitment

We recognize that individual districts may have requirements and needs that cannot easily be captured in these recommendations. Applicants are encouraged to reach out to staff to discuss any project ideas that are not identified in the eligible activities listed above or in the business district table to determine if they meet program goals.

Ineligible Uses of Funds

- Land use planning or zoning studies
- Redevelopment feasibility / market analyses
- Business organization operational support
- Internal administrative and overhead costs
- Projects that disproportionately benefit a single property owner
- Stand-alone landscaping projects
- Temporary improvements or events
- Infrastructure costs

Application Process

Applications are due by 3:00 p.m. October 1, 2024 via the Hennepin County [Supplier Portal](#).

Applications must include the following items:

- 2024 Business District Initiative Application
- 2024 BDI Budget Form
- Map(s) of project area(s)
- Letters or resolutions of support

Funding recommendations are anticipated in November. Awards are not final until approved by the Hennepin County Housing and Redevelopment Authority (HRA).

Potential applicants are strongly encouraged to review projects with Ryan Kelley (ryan.kelley@hennepin.us) prior to application submittal. County staff will be available to provide technical assistance to applicants prior to submitting their applications, but not later than September 19th, 2024.

Other Program Details

- Maximum award amount is \$50,000.
- Awards will be provided in the form of a grant to the applicant. Disbursement of funds will be tied to specific eligible uses of funds, specific agreed upon outcomes, and other terms outlined in a grant agreement.
- Funds are disbursed on a cost-incurred basis. Only eligible activities that occur after the date of grant-award are eligible for reimbursement.
- Matching funds from the city are not required but are encouraged and considered in proposal evaluation.
- Applicant may subcontract portions of the award.
- Projects must be completed by December 31, 2026.

Evaluation of Applications

Applications will be evaluated based on the following priorities:

- Completeness and clarity of proposal, including:
 - Clear description of project area and how it meets program criteria
 - Detailed list of tasks or activities with explanation for how they will improve the business district and result in the desired outcomes or results
 - Reasonable budget commensurate with proposed activities
- Extent to which the proposal meets BDI program priorities, such as
 - Degree to which the proposed activities relate to the type of business district and strategies relate to fundamental aspects of walkability and district vibrancy
 - Generating economic activity and supporting equitable access to economic opportunity, including support for small, locally-owned, and/or disadvantaged-business enterprise (DBE) businesses
 - Improving sense of place and the public realm emphasizing pedestrians and bicyclists
 - Improving or increasing access to public spaces that are vibrant and welcoming

- Readiness and need
 - Organizational capacity for implementing project
 - Support from business and property owners
 - Expressed support from City Council
 - Identified matching sources of funds for the proposed activities and additional investments in the business district

The HRA has a strong interest in measuring the impact of BDI awards. It is expected that cities will work with Hennepin County staff to develop a process and metrics for evaluating the results the BDI award made, including pre-and post-intervention assessments.

Applications will be reviewed by a committee consisting of Hennepin County Housing and Economic Development staff and additional reviewers as deemed necessary to thoroughly evaluate applications.

Hennepin County HED manages several other programs that provide assistance to cities with land use projects, including Hennepin Planning Grants, Façade Improvement Program, and Active Living grants. The County reserves the right to refer applicants to other programs that may be better aligned with proposed project goals, as timing and funding allows.

Examples of Past Projects

City of Hopkins: Implemented a Friendly Storefronts project to make “high impact, low cost” improvements to spruce-up storefronts to lure more shoppers into local businesses and make downtown more welcoming to pedestrians.

City of Osseo: Created a marketing campaign to promote its Central Avenue business district, including a business directory, social media promotions, and a [series of videos](#) promoting the business district as well as individual businesses.

City of Edina: Currently working to develop and implement a comprehensive wayfinding strategy in the 50th and France business district to help visitors navigate the pedestrian walkways that connect businesses. The phased approach will involve local business owners and enhance the sense of place.