Staff Report

To: The Loop CID Board

From: Carrie Gartner

Date: June 24, 2022

Re: FY2023 Budget Recommendations

Overview
Our budget is created based on our organization's overarching goals and the goals set by various public planning processes. The main project areas included in the CID Petition are organized based on Environment and Economy, and include beautification and streetscape, public safety, economic development, marketing, and advocacy. Since the district has been established, have completed two major public plans focused on Environment (The Loop Corridor Plan) and Economy (the Small-Scale Manufacturing Plan).

Organizational Goals

Corridor Plan Goals

- Manage Access and Traffic
- Green the Street
- Enhance the Streetscape (ie, amenities, lighting, public art)
- Extend the Pedestrian Environment
- Improve the Bicycle Network
- Create Public Spaces
- Define the Street's Identity
- Manage Stormwater
- Attract Economic Investment

Small-Scale Manufacturing Plan Goals

- Establish a clear vision for development
- Build upon catalytic partnerships to attract makers, businesses, developers and other investments, particularly among those typically excluded from the system
- Help make city processes predictable and transparent
- Activate The Loop with branding and programming
- Provide business development support

The following is an overview of recommended expenditures, with the understanding that project specifics can be determined later as the need appears. All projects are mapped onto the previously outlined goals from both the Loop Corridor Plan and the Small- Scale Manufacturing Plan.

Our priority project this year is the construction of the permanent shared kitchen, which will be a catalytic economic generator for the street, as well as a way to activate the area with increased small business and customer interactions.

1) Beautification and Streetscape (Environment)

Recurring Expenses

Banners
These funds are for banner installation and maintenance. Additional funding added this year to install new banner designs.

Plan Goals:
- Enhance the Streetscape
- Define the Street's Identity
- Activate The Loop with Branding and Programming

Cost: 10,000 plus committee/staff time

Holiday Decorations
Installation of our Holiday-themed piece of Street Art (selected last year) and other décor in combination with a winter event.

Plan Goals:
- Enhance the Streetscape
- Define the Street's Identity
- Activate The Loop with Branding and Programming

Cost: No cost, committee/staff time

Pop-Up Spaces
Upkeep of the Pop-Up lot and the Bike Repair Station, including planting and watering of containers.

Plan Goals:
- Enhance the Streetscape
- Create Public Spaces
- Define the Street's Identity
- Activate The Loop with Branding and Programming

Cost: $4,000 plus committee/staff time.

Street Art
Creation and installation of up to 10 pieces of street art along the corridor.

Plan Goals:

- Enhance the Streetscape
- Create Public Spaces
- Define the Street's Identity
- Activate The Loop with Branding and Programming
- Build upon catalytic partnerships to attract makers, businesses, developers and other investments, particularly among those typically excluded from the system

Cost: $10,000 plus committee/staff time.

Landscaping
Adding landscaping at a key intersection. Includes plants, planting, and regular watering.

Plan Goals:

- Enhance the Streetscape
- Create Public Spaces
- Define the Street's Identity

Cost: $10,000 plus committee/staff time.

Non-Recurring Expenses

Banners
These funds are for the design and production of new banners.

Plan Goals:

- Enhance the Streetscape
- Define the Street's Identity
- Activate The Loop with Branding and Programming

Cost: $25,000 plus committee/staff time

2) Marketing, Events, and Economic Development (Economy)

Recurring Expenses

Industry Memberships
Membership in various organizations, particularly focused on economic development, urban planning, etc.

Plan Goals:

- Build upon Catalytic Partnerships to Attract Makers, Businesses, Developers and Other Investments
- Attract Economic Investment

Cost: $2,000

Kitchen Operations

Includes rent, utilities, services, and manager salary. Our revenues are naturally capped by the size of the temporary location and the limited storage space. This and the fact that we have an additional rent payment for the temporary location means we will have a difficult time breaking even while we are in the temporary location. The following actions are being taken as a result:

1) Implementing a better check in system to ensure that all clients are at the appropriate hourly tier.
2) Reviewing increase in tier rates, while still maintaining affordability for startups
3) Reviewing more realistic rates for cold storage
4) Helping current clients expand operations to move up in rate tiers

Once the permanent kitchen has opened, it is recommended that we revise estimates for kitchen revenues and expenses to better reflect the new space.

Plan Goals:

- Build upon Catalytic Partnerships to Attract Makers, Businesses, Developers and Other Investments
- Provide Business Development Support
- Attract Economic Investment

Cost: $113,880

Marketing

Loop advertising focused on business niches, events, makers, and general branding. Working with Loop businesses, local makers, and our Pop-Up Park and new shared spaces to host events or activities. Also includes events, printing, mailings, website services, etc.

Plan Goals:

- Attract Economic Investment
- Define the Street's Identity
- Provide Business Development Support
- Create Public Spaces
- Activate The Loop with Branding and Programming

Cost: $14,500 plus committee/staff time

Non-Recurring Expenses

Kitchen Construction
Estimated costs for kitchen build out. A portion will be funded via the City's Workforce Development Grant and the remainder through a draw down of CID funds.

Plan Goals:

- Create Public Spaces
- Establish a clear vision for development
- Build upon Catalytic Partnerships to Attract Makers, Businesses, Developers and Other Investments
- Provide Business Development Support
- Attract Economic Investment

Cost: $546,138

Kitchen Equipment
City Workforce Development Grant funding for kitchen equipment such as tables, refrigerators, freezers, hoods, HVAC, etc. A portion of the equipment (both grant eligible and non-eligible) are occurring in the FY22 budget so this number does not reflect the full cost.

Plan Goals:

- Create Public Spaces
- Establish a clear vision for development
- Build upon Catalytic Partnerships to Attract Makers, Businesses, Developers and Other Investments
- Provide Business Development Support
- Attract Economic Investment

Cost: $50,000

Kitchen Scholarships
This is the amount included in the City Workforce Development Grant application for minority scholarships. Each scholarship is $2500 over 6 months plus comped kitchen time at Tier 1. The remaining $10,000 in funding will be distributed in future years once the new kitchen has opened.

Plan Goals:

- Build upon Catalytic Partnerships to Attract Makers, Businesses, Developers and Other Investments
- Provide Business Development Support
- Attract Economic Investment

Cost: $5,000

3) Program Management and Administration

Minor increase in program management due to normal increases for services and supplies. Note that kitchen expenses are included in the Kitchen Operations line item for the duration of the temporary location.

Staff salary line items have a COLA of 6% pending approval. Actual salaries will be determined by the Executive Committee and the Executive Director (in the case of the Event Coordinator position) after staff reviews.