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Economic Development Division
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NEWS & VIEWS

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April 2020

The Holzheimer Memorial Student Scholarship

The Economic Development Division is pleased to announce the winners of the EDD Holzheimer Scholarship competition. The committee received 22 submissions from students or recent graduates from around the United States on a wide variety of topics related to economic development planning. After deliberation, we chose the paper submitted by **Lauren Ashley Week** from University of Michigan, "Shaking Up Small Business: The Impact of Seismic Retrofitting on Small Businesses in San Francisco." The paper assesses how a 2013 San Francisco city ordinance requiring seismic upgrades of certain residential and mixed-use buildings impacted business turnover and vacancy rates in three city districts. Scholarship committee member Katie McConnell, a former student of Terry Holzheimer at Virginia Tech, said: "I know Terry would have loved this paper. The author exemplifies what Terry taught as an academic and practiced as an economic developer — to make resourceful use of available data to tell impactful stories about how political, environmental, and market forces affect local businesses and the economy."

Ms. Week will be awarded a $2,000 scholarship; she was scheduled to be recognized at a Division reception during the National Planning Conference in April, which was unfortunately cancelled.

The committee also chose to recognize two "honorable mentions":

- **Jonathan Wolfrath** (University of Wisconsin-Madison), "Downtown Economic Vitality and Business Mix in Small Wisconsin Communities"
- **Larissa Lai** (Pratt Institute), "Sustainable Circular Community Development: Planning and Implementing a Hyperlocal Food-Based Economy in the South Bronx"

Please see abstracts of all three papers in this edition of *News & Views*. Thank you to all participants, and congratulations to those recognized.

Join us at the Virtual Happy Hour, Wednesday, April 8 at 5 p.m. (CST). See page 2 for more info!

Shaking Up Small Business: The Impact of Seismic Retrofitting on Small Businesses in San Francisco

by Lauren Ashley Week, Juris Doctor-Master of Urban and Regional Planning, University of Michigan

Holzheimer Memorial Student Scholarship Essay

San Francisco is known for its history of disruption: where pioneers once searched for gold, data miners now wait for Google buses; where bohemians embraced counterculture, a new experimental generation learns to code; and while earthquakes molded, and continue to endanger, the city's topography, entrepreneurs now shape and threaten the Bay Area's cultural landscape. The region's current iteration of disruption is deeply embedded in the technology sector. While headlines often highlight tensions caused by the technology industry, less attention has been paid to San Francisco's other entrepreneurs — small business owners. As the city confronts rising rents and changing demographics, many small businesses are at risk of "disruption" and can be forced to close. However, these consequences of gentrification are not the only factors causing San Francisco's small businesses to shutter their doors.

Vacant commercial in San Francisco

The Mandatory Seismic Retrofit Program, passed

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Bylaws Changes

Submitted by Corey Proctor, Secretary-Treasurer

The Executive Committee of the Economic Development Division, upon receipt of a recommendation from its Bylaws Committee, in accordance with Division Bylaws hereby proposes changes to said bylaws. These proposed changes are submitted by the Secretary to the Division's membership for consideration according to Article 13.0 "Amendments or Replacement." A ballot will be provided to the membership to either accept or reject these changes as a whole. The proposed changes are:

1. Adding "of the Economic Development Division of the American Planning Association" to the title.
2. Revising Item 1.2.6 to read, "Promote strategies to build healthy, prosperous communities by addressing policies to encourage inclusive growth, adequate funding for infrastructure, key incentives, sustainable growth, and any policy that improves overall quality of life."
3. Revising Section 1.3 Mission to read, "The mission of the Division is to advance the practice and state of the art of economic development planning by increasing the understanding of economic development as a key element of public policy at all levels of government; , and to promote it as a critical element of the neighborhood, community, regional, and national planning process; and address the evolving workforce needs to expand social equity."
4. Revising Item 8.2.2 to read, "Newsletters and other communications may be distributed in digital format (preferred) or in hard copy via United States mail at the discretion of the Division."
5. In Section 9.1, striking "regular mail and/or" and keeping "e-mail…"
6. Adding Section 9.3 to read, "Nothing here shall prohibit the Division's ability to conduct meetings through electronic means, except that the Annual Meeting shall be conducted in person at the APA National Conference and attempts will be made to broadcast the meeting electronically to members unable to attend in person."
7. In Section 13.4, replacing "Mail or electronic" with "Electronic" in its place.

EDD members, please review the full Bylaws (showing additions and deletions) then vote on the proposed amendments (by April 27) here: bit.ly/EDD_Bylaws_2020

Join the conversation!

@APAEconDev linkedin.com/groups/2627191 @APAEconDev

CLICK TO ENGAGE

Join us for a Virtual Happy Hour!

In light of the COVID-19 situation, the EDD has organized a membership-wide **Virtual Happy Hour** for **April 8 at 5 p.m. CST**. Join us on Zoom with your favorite beverage in hand and connect with other planners across the Division (and across the country) to compare notes about surviving the coronavirus era and to chat about immediate and long-term implications for economic development planning. How can we best help position our communities for success as the economy rebounds from the pandemic?

Register in advance for this meeting:
https://bit.ly/EDD_VirtualHH_040820

Shaking Up Small Business, cont. from p. 1

by the City in 2013, accounts for a quarter of commercial vacancies in some San Francisco neighborhoods.[1] The program's goal to retrofit all seismically unstable buildings is imperative for the safety and resiliency of San Francisco. However, just as an earthquake disturbs the city's bedrock, the ordinance disrupts the small businesses that serve as the economic and cultural foundation of many neighborhoods. Although the City intended for closures and vacancies caused by retrofitting to be temporary, increased rents following remodels have led to enduring changes for the small business community. I assess the impact of mandatory seismic upgrades on San Francisco's neighborhood commercial corridors by analyzing three Supervisor Districts: 1, 2, and 5, and tracking the number of businesses which closed before, during, or after the retrofit permitting process. The resulting turnover, ownership change, and vacancy rates illuminate the tension between planning for environmental resiliency and ensuring small businesses are economically resilient. Although not all municipalities must proactively plan for earthquakes, similar resiliency efforts can impact commercial spaces and thereby communities' larger small business ecosystems. While I specifically assess San Francisco's Mandatory Seismic Retrofit Program, this analysis and its results can and should be considered in all resiliency planning efforts.

Mandatory Seismic Retrofit Program

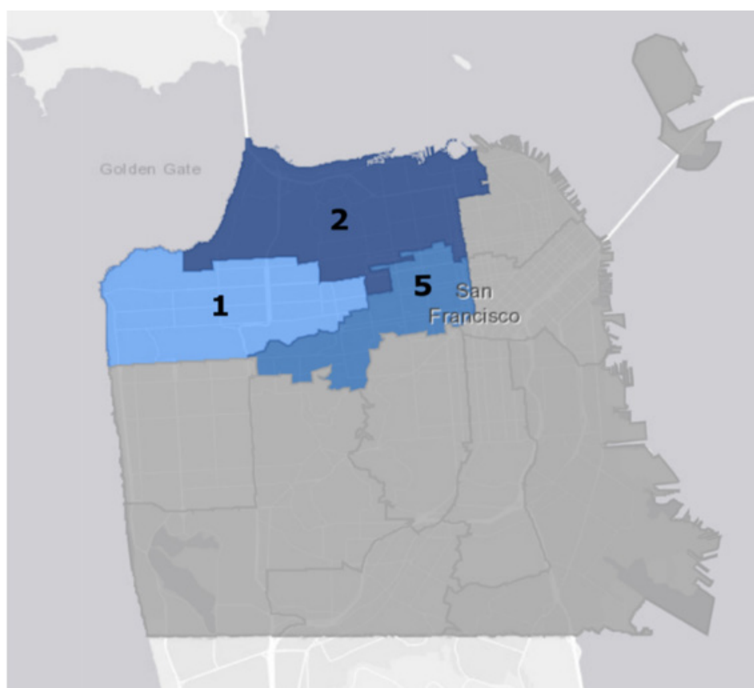
In 2013, the City of San Francisco passed Ordinance 66-13, which established the Mandatory Seismic Retrofit Program.[2] According to the U.S. Geological Survey, within the next 30 years, the probability of a 6.7 magnitude earthquake occurring in the Bay Area is 72%.[3] Due to this looming threat, the program aims to stabilize and reinforce San Francisco's aging building stock. The legislation specifically targets residential and mixed-use buildings with a "soft-story condition." Defined as "wood-frame, multi-unit residential buildings" with "soft, weak, or open-front wall lines" on the ground floor, examples of "soft-story" buildings include residences with garages or first floor commercial spaces.[4] These buildings are "particularly vulnerable to severe damage and collapse" following seismic activity. In the event of an earthquake, "soft-story" structures will account for 66% of devastated and uninhabitable housing in San Francisco.[5]

The program has affected over 5,000 buildings.[6] Municipal agencies have categorized each of these structures into four tiers. Due to my research's emphasis on the program's impact on small businesses, I will only analyze Tier IV properties, defined as "any building containing ground floor commercial uses."[7] Such properties, which account for 1,009 structures, are in the midst of retrofitting before the program's 2020 deadline. Under guidelines mandated by the San Francisco Rent Board, capital improvement costs associated with mandatory retrofits can be fully passed on to tenants over a 20-year amortization period. Although the City offers an appeals process for residential tenants with hardship, no equivalent exists for commercial occupants. Thus, San Francisco's small businesses are faced with a legally sanctioned and annually guaranteed rent increase for two decades.

Methodology

I used San Francisco's geographic information system and DataSF, an aggregator of planning-related datasets, to collect all Tier IV addresses and associated construction permit and business registration information. Records maintained by the Department of Building Inspection disclose the application date of each address' retrofit permit and the completion date of construction. The Treasurer and Tax Collector's Office maintains the location information of each registered small business, as well closures and ownership changes. In cases where business records were conflicting or not up-to-date, I

(*continued on page 4*)



Districts 1, 2, and 5[8]

Shaking Up Small Business, cont. from p. 3

supplemented the data by using the timeline feature of Google Maps, identifying "closed" businesses on Yelp, and searching commercial lease websites. A comparison of a property's construction timeline against its commercial lease start and end dates revealed the fate of each small business: survival, sale, or shut down. By tabulating the number of businesses closed, sold, or vacant, then dividing their sums over the number of impacted commercial spaces, I translated the results into turnover, ownership change, and vacancy rates.

Supervisor Districts

Eleven Supervisor Districts divide San Francisco. Representing the political boundaries of the city's elected legislative body, districts provide comparable areas for analysis due to their relatively distributed population sizes. This study will analyze Districts 1, 2, and 5. Together, they offer a statistically significant sample size of impacted commercial spaces. Moreover, their diverse racial, ethnic, and socioeconomic demographics provide a representative picture of San Francisco's overall diversity and allow for a comparison of the program's impact on different types of neighborhoods. Lastly, although the forces of gentrification have impacted the entire city, the Urban Displacement Project has identified these districts as either low risk or historically high-income and expensive. This helps decrease the confounding impact of gentrification on rising commercial rents and business change. Combined, the districts represent 85 Tier IV buildings and 180 commercial spaces.

Bounded by the Pacific Ocean to the west, the Presidio to the north, Arguello Boulevard to the east, and Golden Gate Park's southern edge, District 1 is more commonly known as The Richmond. Two commercial corridors along Geary Boulevard and Clement Street serve the district. The City has flagged 17 Tier IV structures and 32 commercial spaces among these thoroughfares.

Originally home to settlers of Irish and German ancestry, the demographics of the district shifted post-1950. Chinese-American families began to escape the crowded conditions of Chinatown to settle in The Richmond throughout the second half of the 20th century. The collapse of the Soviet Union in 1991 resulted in an influx of Russian immigrants. These communities continue to shape the culture and demographics of the district; 34% of the population is foreign born. The district also has a slightly lower-than-median household income.[10]

Excluding San Francisco's southern neighborhoods (which are majority single-family, not well connected by transit, and far away from job centers — characteristics which make these neighborhoods less susceptible to gentrification), The Richmond has been least impacted by redevelopment. 13 of the 17 census tracts within The Richmond's boundaries qualify as lower-income; a majority of these tracts are not losing lower-income residents. Furthermore, limited commercial gentrification has occurred. Almost 50% of The Richmond's commercial census tracts have never gentrified, while an additional 12% have not experienced gentrification since 2000.[11]

Although comprised of many sub-neighborhoods, the majority of District 2 can be delineated the Marina. The district serves as the city's northern gateway and is often associated with its charming architecture and

(*continued on page 5*)

District 1: The Richmond

Clement Street[9]

Shaking Up Small Business, cont. from p. 4

District 2: The Marina

Chestnut Street[12]

affluent populace. In fact, with a median household income of $128,633 (compared to the city's overall median of $88,643), the Marina is one of the wealthiest districts in San Francisco.[13] For many years the Marina lay dormant as an undeveloped marshland. Today it features luxurious waterfront properties and business districts dotted with trendy boutiques, high-end restaurants, and artisan cafes. Primarily located along Union, Lombard, and Chestnut Streets, these commercial corridors feature 27 Tier IV structures and 49 commercial spaces.

After the 1906 earthquake devastated the city's eastern housing stock, development slowly trickled west along the Pacific shoreline. However, the reveal of the Palace of Fine Arts at the 1915 Panama-Pacific International Exposition stimulated rapid investment that has shaped the district's architectural character and price range. The Marina's exclusivity has also influenced its demographics. The district is the least racially diverse of the selected areas: 78% of its population identifies as white.[14]

(*continued on page 6*)

District 5: The Haight

"Shaken" Small Businesses at Divisadero and Haight Streets:[16] *Prior to retrofitting, this building housed two smoke shops and four family-owned restaurants. After retrofitting, only one original tenant remains. An artisan coffee shop, sit-down sushi restaurant, "Instagrammable" boba shop, and "fusion" wine bar now occupy the spaces.*

Shaking Up Small Business, cont. from p. 5

The Urban Displacement Project classifies the Marina as a district not experiencing gentrification due to the large number of census tracts measured as moderate- to high-income: 16 of 18 tracts house majority moderate- to high-income residents. (Data is unavailable for the remaining two.) The historic lack of lower-income households designates the Marina as "exclusionary," and therefore not in danger of gentrification; there are relatively few lower-income households to displace. Regarding commercial gentrification, 61% of Marina census tracts have never experienced gentrification. Since 2000, small businesses have been displaced due to commercial gentrification in only one tract.[15]

Iconic gathering spaces such as Hippie Hill and the corner of Haight and Ashbury converge at the center of District 5. The Haight's history erupts with revolution, free love, and movements of the counterculture.

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Table 1: District Characteristics

	District 1	District 2	District 5
Structures[19]			
Total Tier IV Structures	17	27	41
Impacted Commercial Spaces	32	49	99
Population[20]			
Total	79,970	68,390	84,030
% Asian or Asian-American	40%	15%	19%
% African-American or Black	2%	1%	10%
% White	49%	78%	62%
%Hispanic or Latinx (of any race)	8%	7%	9%
% Foreign Born	34%	17%	24%
Median Household Income	$83,215	$128,633	$91,055
% in Poverty	11%	6%	13%
Gentrification[21]			
Total Number of Census Tracts*	17	18	20
Number of Lower Income Census Tracts	13	0	12
Number by Displacement Typologies			
Not Losing Low Income Households	7	0	1
At Risk of Gentrification	2	0	1
Ongoing Gentrification	4	0	10
Number of Moderate- to High-Income Census Tracts	3	16	8
Number by Displacement Typology			
Advanced Gentrification	0	1	3
Not Losing Low Income Households	0	0	0
At Risk of Exclusion	2	9	2
Ongoing Exclusion	1	5	3
Advanced Exclusion	0	1	0
Data Unavailable	1	2	0
Number of Commercial Census Tracts	17	18	20
Number by Gentrification Typology			
Did Not Gentrify	8	11	15
Gentrified between 1990-2000	2	6	1
Gentrified between 2000-2013	5	1	3
Gentrified both Periods	2	0	1

Shaking Up Small Business, cont. from p. 6

However, before the hippies and the Beats, the Haight housed the upper class and bourgeoisie. The opening of Golden Gate Park in 1879 stimulated the residential development of the district. Wealthy families and city elites soon moved into the area to enjoy its large lots and nearby park. Ashbury Street once held the moniker "Politician's Row." Decades later, it would be famous again as the address of the Grateful Dead. The commercial corridor along Haight Street no longer caters to a bygone bourgeoise clientele. 41 Tier IV structures house the district's contemporary retail and its 99 commercial spaces often feature bohemian businesses ranging from smoke shops to Tibetan gift stores.

The Haight's divergent history influences its diversity today. With a total population of 84,030 (the largest of the three districts), 19% identify as Asian, 62% as white, 9% as Latinx, and 10% as black. The district's reach into the historically African-American neighborhoods of Western Addition and the Filmore explains the higher-than-average proportion of black residents. (Only 5% of San Francisco's residents identify as black.)[17]

Diversity also defines the Haight's proportion of lower-income versus moderate- to high-income census tracts. Among its 20 identified tracts, 12 are classified as lower-income and 8 as moderate- to high-income. Unlike The Richmond, gentrification has impacted almost all of the Haight's lower-income population: only one tract is not losing lower-income households. Within the moderate- to high-income areas, three continue to exclude lower-income households, two are at risk of exclusion, and the remaining three are at an advanced stage of gentrification. Despite these mixed levels of residential gentrification, the Haight's commercial tenants have been relatively safeguarded from displacement: 75% of commercial tracts have never gentrified. Only three gentrified between 2000 and 2013.[18]

Turnover Rates

Turnover signifies that a new entity replaced the original business during the retrofitting process. Calculations correlating to the turnover rate were split into two categories: 1) overall; and 2) post-construction. The overall rate captures all turnovers after 2013 to account for preemptive closures in response to the program's legislation. The post-construction rate only includes turnovers occurring after initial retrofit permits were filed.

Research conducted by the Federal Reserve found that in large metro areas retail sector turnover was less than 18% as of 2014. The services sector experienced a turnover rate of less than 21% the same year.[23] Contrasted against these national findings the program appears to have severely impacted San Francisco's small businesses. The Richmond suffered from a turnover rate of 56% overall and 47% post-construction. The Marina lost 27 small businesses between 2013 and 2019, correlating to an overall rate of 55% and post-construction rate of 43%. Lastly, the Haight's turnover rate stands at 55% overall and 44% post-construction. Despite demographic and economic differences, seismic upgrading appears to similarly correlate to turnover in all three districts.

Ownership Change Rates

The ownership change rate tracks the sale of small businesses from one owner to another during the retrofit process. Such a change potentially indicates a forced sale caused by the program and the uncertainty of its consequences. Thus, even if a small business survives, small business owners suffer.

The ownership change rates for The Richmond, Marina, and Haight, respectively, are 16%, 8%, and 10%. While the rate was similar in the Marina and Haight,

(*continued on page 8*)

Results: The turnover, ownership change, and vacancy rates are documented below:

Table 2: District Turnover, Ownership Change, and Vacancy Rates[22]

	District 1	District 2	District 5
Impacted Commercial Spaces	32	49	99
Total Business Turnover	18	27	54
Before	3	6	10
During	5	12	20
After	10	9	24
Overall Turnover Rate	56%	55%	55%
Post-Construction Turnover Rate	47%	43%	44%
Total Ownership Change	5	4	10
Ownership Change Rate	16%	8%	10%
Total Vacant	5	11	11
Vacancy Rate	16%	22%	11%
Averages			
Average Overall Turnover Rate		55%	
Average Post-Construction Turnover Rate		45%	
Average Ownership Change Rate		11%	
Average Vacancy Rate		16%	

Shaking Up Small Business, cont. from p. 7

small business owners impacted by the program in The Richmond were almost two times more likely to sell. The Richmond has the highest proportion of lower-income census tracts, and also the largest immigrant community. These factors may contribute to the vulnerability of the district's small business owners and their likelihood to sell.

Vacancy Rates

Research conducted by the San Francisco Planning Department estimates that healthy vacancy rates fluctuate between 5-10%.[24] San Francisco does not currently achieve this with a citywide average of 12%.[25] A comparison between the citywide average and the vacancy rates calculated in this study, which only account for vacancies in Tier IV structures, reveals the impact of the program.

The Richmond surpassed the city's average at 16%. Interestingly, the Marina, with the highest median household income, lowest poverty rate, and a geographic concentration of affluent residents, has the highest vacancy at 22%. Some analysts and politicians believe San Francisco's extreme vacancy rates are indicative of landlords holding commercial spaces until they can procure higher rents.[26] This theory is not proven; however, it stands as a possible explanation for the Marina's high vacancy rate. The district has some of the fastest growing rents in San Francisco.[27] Lastly, the Haight sustains an almost healthy vacancy rate at 11%. The district's relatively low vacancy rate offers another datapoint supporting the theory of speculative landlords. As of 2019, a majority of the district's rents were decreasing.

Conclusion

San Francisco's aim to become a more resilient city is vital for its long-term health and safety. Due to the likelihood of a high magnitude earthquake, mandatory seismic retrofitting remains an important and necessary program. However, limited foresight and noncomprehensive policy analysis has shaken the core of San Francisco's neighborhood commercial corridors. In conjunction with the legally sanctioned passthrough of capital improvement costs, the program has put small businesses at risk for disruption. Across three Supervisor Districts, an average of 55% of small businesses have turned over, 45% of which closed post-construction. An additional 11% have been forced to change ownership while 16% of commercial spaces remain vacant.

Across cities and regions, resiliency planning is a necessary priority given the threat of climate change

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Shaking Up Small Business, cont. from p. 8

and natural disasters. However, resiliency programs and policies can and should be adopted with local economic development in mind. By considering the potential externalities of resiliency planning, municipalities can relieve the tension between planning for environmental and economic resiliency. For example, cities and regions can proactively pursue policies that protect small businesses, such as a hardship appeals process for commercial tenants similar to San Francisco's existing residential program. By prioritizing comprehensive approaches that consider environmental and local economic factors, municipalities can foster thriving, resilient cities and safeguard neighborhood-serving small businesses — the bedrock of resilient local economies.

— Lauren Ashley Week is currently pursuing a dual JD-Master of Urban and Regional Planning at the University of Michigan. She received her Bachelor of Arts in Legal Studies and Political Economy at the University of California, Berkeley. She can be reached at laweek@umich.edu.

Endnotes

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[18] M. Zuk and K. Chapple, "Mapping Displacement and Gentrification."
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Downtown Economic Vitality and Business Mix in Small Wisconsin Communities

by Jon Wolfrath

Holzheimer Memorial Student Scholarship Honorable Mention

In a time of growing urbanization, downtowns in small communities have experienced increased economic leakage to larger cities and to the edges of town. Small communities do not typically have funding to hire economic development consultants to execute complex market studies. Instead, they rely on existing staff to lead downtown revitalization initiatives. Peer community evaluations and business mix analyses can provide a simple and frugal way to gain local market knowledge and discover ideas to capitalize on community strengths.

This study examines the downtowns of 140 Wisconsin municipalities in the population range of 2,500 to 25,000 to identify economically vital downtowns and establish business mix medians for benchmark comparisons. For cities with a population greater than 10,000 ("medium cities"), downtown is defined as a .5-mile radius from the center of downtown, while a .25-mile radius is used for cities with a population less than 10,000 ("small cities"). Data from these geographies was used to identify what industries are located downtown and to assess economic vitality, which can be defined in many ways.[1] The economic vitality measures calculated in this study are:

- Downtown Businesses per Capita
- Downtown Employment per Capita
- Percent of Businesses Downtown
- Percent of Employment Downtown
- Percent of Population Downtown
- 2010-2018 Downtown Population Change

These metrics are intended to provide an assessment of how economically successful a community is by looking at three primary aspects of economic vitality: businesses, employees, and residents. These Wisconsin communities were ranked based on their performance with these metrics to identify economically vital downtowns for finding ideal peer communities.

Results

The cities that performed well with these economic vitality metrics pass an initial "smell" test and are generally considered to be economically successful. The full list is available upon request. Table 1 provides benchmark economic vitality data that can be used to ascertain how your downtown is performing amongst its peers. Medium and small communities had similar medians in these measurements.

Table 2 is a business mix table that is a reference point to assess your own downtown's business mix.

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Table 1: Economic Vitality Measurements (Medium Cities)

	Downtown Businesses per Capita	Downtown Employment per Capita	Percent of Businesses Downtown	Percent of Employment Downtown	Percent of Population Downtown	2010-2018 Downtown Population Change
Median	0.015	0.140	38%	25%	21%	1%
Mean	0.016	0.158	36%	26%	21%	1%
High	0.027	0.326	50%	47%	34%	13%
Low	0.006	0.056	14%	9%	9%	-3%
Range	0.021	0.271	35%	38%	25%	16%

Downtown Economic Vitality, cont. from p. 10

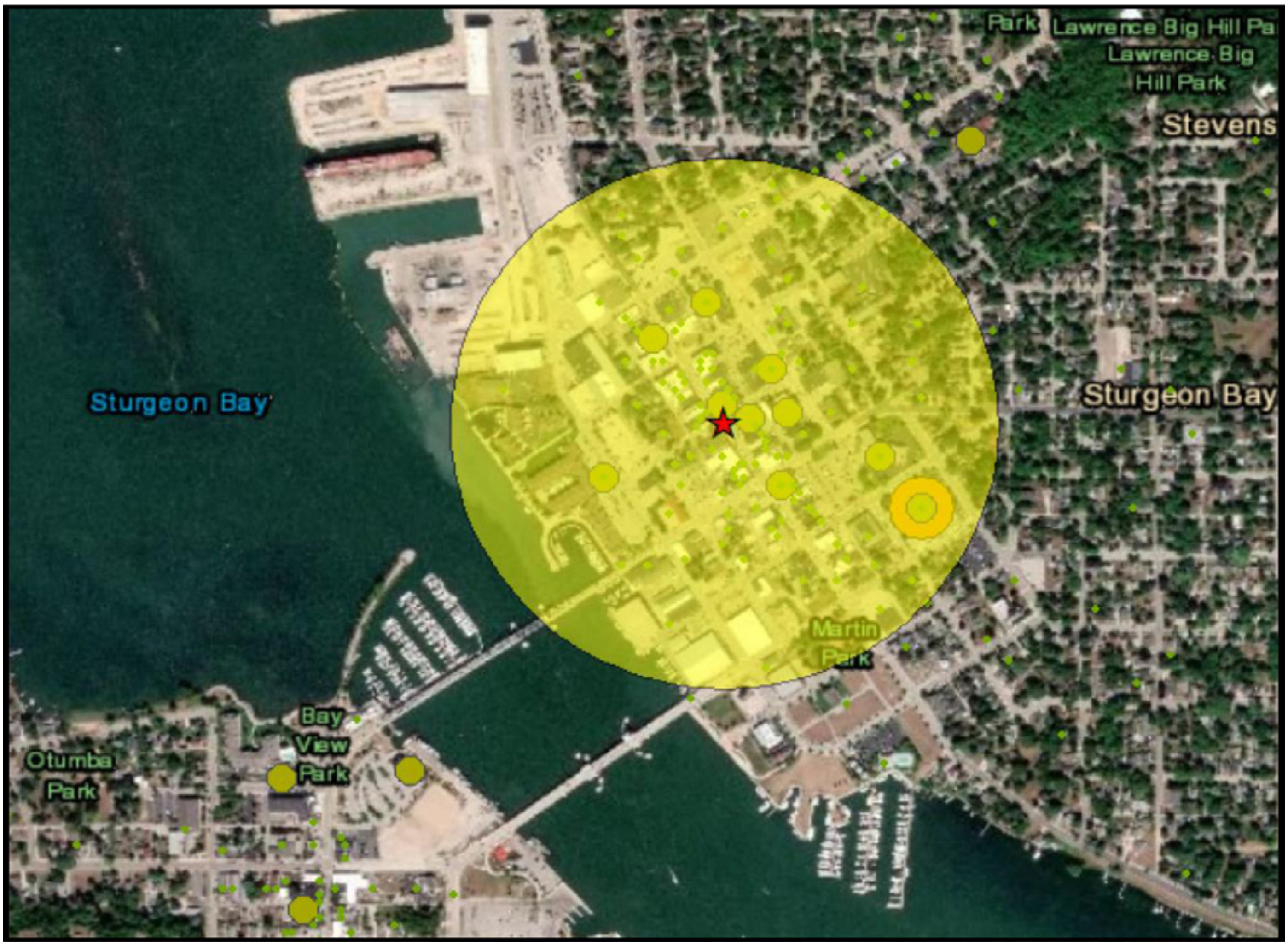


Figure 1: Example of .5-Mile Ring (Surgeon Bay)

Although larger communities had more businesses, industry mix in both groups were roughly the same analyzed as a percentage of total businesses. Interestingly, retail composed the exact same percentage of businesses with 14%. A similar analysis can be done strictly comparing kinds of retail, which is the industry category that is most prone to locating downtown.

Applications

1. Peer Community Evaluation

Economic vitality metrics presented in this study should be used to identify peer communities with vital downtowns to maximize learning opportunities. Case studies of these communities can be carried out through independent research, discussion with city staff, and site visits. Through peer community analysis you can begin to answer questions like:

- "If your downtown leads your peers, what strengths can you build on?"
- "If your downtown lags your peers, are you missing opportunities to grow in certain sectors?"
- "What specific economic development strategies and have worked in the peer city downtown or other business district?"[2]

2. Market Analysis

Market analyses are commonly executed to understand what types of businesses are needed downtown and business mix data is crucial to performing these market assessments. Although consultants are commonly used for formal market analyses, city staff can complete a simplified version.[3]

(*continued on page 12*)

Downtown Economic Vitality, cont. from p. 11

Table 2: Downtown Industry Mix by Median Number of Businesses

Industry	Num of Bus Medium Cities	Percent	Num of Bus Small Cities	Percent
Agric/Forestry/Fish/Hunt	0	0%	0	0%
Mining	0	0%	0	0%
Utilities	0	0%	0	0%
Construction	9	5%	4	6%
Manufacturing	6	3%	3	5%
Wholesale Trade	4	2%	1	2%
Retail Trade	27	14%	9	14%
Transportation/Warehouse	2	1%	1	2%
Information	4	2%	1	2%
Finance/Insurance	17	9%	5	8%
Real Estate/Rent/Leasing	9	5%	3	5%
Prof/Scientific/Tech Service	17	9%	4	6%
Mgmt of Comp/Enterprises	0	0%	0	0%
Admin/Support/Waste Mgmt	6	3%	1	2%
Educational Services	5	3%	2	3%
HealthCare/Social Assist	14	7%	5	8%
Arts/Entertainment/Rec	6	3%	1	2%
Accommodation/Food Service	18	9%	6	10%
Other Service excl Pub Admin	25	13%	10	16%
Public Administration	18	9%	4	6%
Unclassified Establishments	10	5%	3	5%

The data presented in this study is expected to be used for market analyses by:

a. Understanding and evaluating your own community's downtown business mix. Planners can infer what the community's weaknesses and strengths are through business mix comparisons.

b. Guiding decisions on business expansion and recruitment efforts. City staff can discern what a community can realistically expect for growth capacity in industry sectors and provide prospective business owners with a basic understanding of local market potential.

Small communities should use peer community evaluation and business mix analyses to gain background knowledge of local markets. It can be completed inexpensively by people without a formal education in economic development, which may be the only option for a community. Although these two analyses do not fully comprehend the complexity of market environments, they can improve community knowledge of markets and uncover potential steps forward.

— Jon Wolfrath graduated this December from the University of Wisconsin-Madison with a Masters in Urban and Regional Planning. He is currently working for the City of Janesville, Wisconsin as an Associate Planner. He can be reached at jwolfrath1@blc.edu.

Endnotes

1 Edwards, Mary, et al. "Downtown Success Indicators." University of Illinois at Urbana-Champaign, Aug.2014. https://cced.ces.uwex.edu/files/2014/12/Downtown_Success_Indicators_2014.pdf.

2 Clark, Jill, Ryan Pesch, and Bill Ryan. "Peer City Comparison." Downtown Market Analysis. Last modified 2011. https://fyi.extension.wisc.edu/downtown-market-analysis/understanding-the-market/peer-city-comparison/.

3 Clark, Jill, Ryan Pesch, and Bill Ryan. "Peer City Comparison." Downtown Market Analysis. Last modified 2011. https://fyi.extension.wisc.edu/downtown-market-analysis/understanding-the-market/peer-city-comparison/.

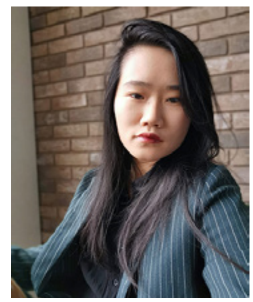
Sustainable Circular Community Development: Planning and Implementing a Hyperlocal Food-Based Economy in the South Bronx

by Larissa Lai, Pratt Institute Graduate Center for Planning and the Environment (with project team members Isil Akgul, Samuel Pressman, and Erica Asinas)

The concept of a "Circular Community" was first conceived during the Fall 2018 Sustainable Communities studio at Pratt led by Professor Emeritus Ronald Shiffman, Chair Eve Baron and Professor Courtney Knapp when the class was tasked to develop strategies to reduce capital leakage and generate prosperity in the now gentrifying neighborhood of Bedford-Stuyvesant for clients Bedford-Stuyvesant Restoration Corporation — the nation's first community development corporation Professor Shiffman helped found, and Brooklyn Movement Center.

The "Circular Community" concept is based on circular economy principles prevalent in sustainable development and industrial ecology fields to design out "waste," mimicking natural cycles in which everything is re-used. When applied to community economic development, the hyperlocal circularity of value and resources help address multiple social, health, and economic challenges underserved communities are facing. The coupling of economic development with sustainable development places social equity at the core, crucial for the resilience of underserved communities in times of climate and financial crises.

Holzheimer Memorial Student Scholarship Honorable Mention



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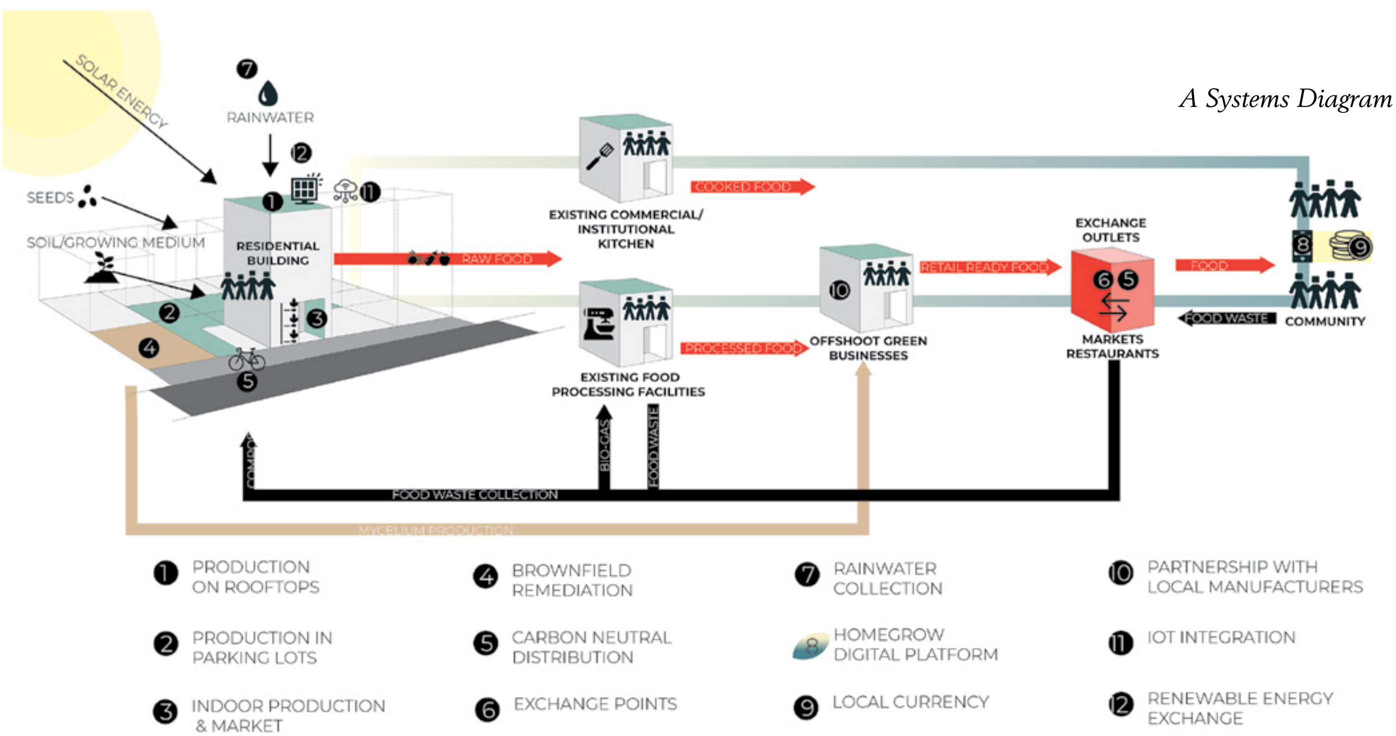

A Systems Diagram

Sustainable Circular Community Development, cont. from p. 13

The original paper reports on a special project that focuses on deploying a "Circular Community" in the South Bronx with the aim to produce what is consumed in a hyperlocal (neighborhood) scale, beginning with the food and urban agriculture industries by a grassroots approach. We explore the design, viability, and reasoning for a micro food hub/value-added food enterprise ecosystem for the community gardens and residents of the South Bronx. The South Bronx is home to the Hunts Point Food Distribution Center, the largest wholesale food hub in the world — while it has provided employment for some in the area, the trucking traffic it brought to the South Bronx greatly contributed to the area's extremely high rates of air pollution and asthma. On the other hand, the South Bronx is home to a lush network of community gardens, which have been established in empty lots by local residents for beautification and growing of crops during the "Bronx is burning" era of economic downturn and social unrest in the 70s. These community gardens are reminiscent of victory gardens created during the two world wars across nations to boost morale and food production during a time of instability and resource shortages. Apart from growing crops, the community gardens have forged many important social connections leading to greater community organizing and advocacy initiatives in the area for social and environmental justice. The project is based on the legacy of grassroots organizing and environmental advocacy in the South Bronx, which Pratt students collaborated with We Stay!/Nos Quedamos Community Development Corporation — an organization which played a pivotal role in the '90s protesting against the city's urban renewal plans and subsequently leading the drafting of a community-led urban redevelopment plan — and the New York City Community Garden Coalition (NYCCGC) to reimagine equitable land use and economic development in a sustainable South Bronx in relation to the initiation of the South Bronx Land and Community Resource Trust (SBxLCRT) the aforementioned organizations are in the process of developing.

The existence of many small businesses and community gardens are threatened facing the vast economic power of large corporations and developers. The project seeks to support the economic development of the local community for its residents, and revisits old ideas in solidary economies such as cooperatives and local currencies and pairs them with modern technologies. This is further supported by current research and practice in sustainability from circular design to ideas to bring agriculture and manufacturing back into the urban center. The concept is set in the hyperlocal, or the neighborhood scale — effectively the human or community scale that puts basic human needs of food and socialization at the core. The hyperlocal scale also supports the potential for carbon neutral, (hyper)-localized manufacturing and distribution of foods and goods. Such ideas of localization often bring us back to the issue of relevancy in a larger context — the project looks at scalability through maintaining distributed peer-to-peer production system enabled by digital platforms (building a commons of community resources, cooperatives, and open access business development tools) and technologies such as blockchain supported IoT (internet of things) networks that can manage a network of non-hierarchical producers and the circulation of their resources of products, bringing the supply chain capabilities of large corporations to community producers.

A stakeholder meeting led by Raymond Figueroa at South Bronx Brook Park (Community Garden).

Our proposed design of a hyperlocal food system in the South Bronx around the Melrose area also examine

(*continued on page 15*)

Sustainable Circular Community Development, cont. from p. 14

Two Pratt student team members interviewing a community gardener/activist at Rainbow Garden in South Bronx.

physical features such as how to maximize the surface area for urban agriculture, using underutilized restaurant commercial kitchens during their off-time and existing store/community spaces as "exchange points." The original paper has also proposed implementation strategies, funding, and organizational systems for the project to ensure the direction of benefits to the community.

The micro food hub/hyperlocal food system project described in the original paper is an interdisciplinary student-led initiative, with student team members Isil Akgul, Samuel Pressman, and Erica Asinas (now Pratt GCPE graduates). The team worked closely with Raymond Figueroa, Director of the New York City Community Garden Coalition and Adjunct Professor at Pratt, and Petr Stand, Planning Consultant at Nos Quedamos CDC over the past year. Isil led the mapping and physical/place-based aspects of the project, while Samuel and Erica conducted oral history interviews with gardeners and collected data from community gardens in the South Bronx and across the city to quantify the potential of aggregating garden produce to develop value-added food enterprises, and to measure the ecosystem services the gardens provide that contributes to the climate resiliency of the areas. This data is additionally used for a legal advocacy project with Earth Justice to designate community gardens as New York State Critical Environmental Area (NYS: CEAs) to protect gardens from being razed and sold by the city for real estate interest. The project is still in progress with current Pratt students contributing as part of coursework, and with Ray Figueroa leading Micro Food Hub community convenings beginning December 2019, which has now garnered support from CUNY and the New York City Department of Health and Mental Hygiene to conduct stakeholder outreach.

If you are interested to learn more about the ongoing project please visit www.circularcommunties.org (site going online in Spring 2020) or contact Larissa Lai at llai4@pratt.edu.

Raymond Figueroa (Director, New York City Community Garden Coalition; Adjunct Professor, Pratt GCPE) is currently leading the Micro Food Hub project community stakeholder engagement process and can be reached at ray.nyccgc@gmail.com.

This Thesis/Demonstration of Professional Competence was submitted in partial fulfillment of the requirements for the degree of Master of Science in City and Regional Planning (2019); supervised by Professor John Shapiro and Professor Ronald Shiffman.

This year's Holzheimer Memorial Student Scholarship review committee consisted of:

- Dr. Greg Schrock (Portland State University), Chair
- Dr. Margaret Cowell (Virginia Tech)
- Dr. Li (Kerry) Fang (Florida State University)
- Corey Proctor (Forrest County MS)
- Katie McConnell (Arlington VA Economic Development)
- Emily Egan (City of Elmhurst IL)

We thank them for their service!

The EDD Welcomes Our New Membership Chair — Meet Marisa Mutty

Marisa Mutty, Lead Planner & Development Associate, Redevelopment Resources Madison, WI

Please talk about your history/ career in planning and your current role.

I am currently a planner with Redevelopment Resources. We are a consulting firm based in Madison, WI and focus on community development and economic development. We work with municipalities, economic development organization, and the private sector on a variety of projects including strategic planning, downtown revitalization, incentives strategy, comprehensive planning, housing studies, and project implementation. I have been with Redevelopment Resources for about a year and prior to that, I was working on my master's in Urban and Regional Planning at the University of Wisconsin-Madison during which I held a couple different internships in both the public and private sectors. Before starting my master's, I worked in healthcare IT for five years as a result of my engineering background. I am currently pursuing my AICP certification and am a member of the AICP Candidate program.

How did you find out about the Economic Development Division and what got you interested in becoming involved?

I originally signed up when I was a student and could join divisions for free with my student membership. After graduating and starting my current position, I became a full member of the Economic Development Division, as it was among the divisions most relevant to my work. I decided to get involved in the division because it seemed like a great opportunity to meet more people working on economic development issues through a planning lens.

What do you feel like you have gained from your involvement in the Economic Development Division?

I've already met several people in the Division that I've been able to connect with and have gained some valuable resources and insights from the newsletters.

Talk about your current role in the Division and some of the things you would like to accomplish in that role.

I am working to engage more people in the Division, both as members and as volunteers. One of my goals right now is to increase the number of students and new APA members who continue their Economic Development Division memberships when they become full APA members like I did. To do that, we want to engage these members early on and show them the value they can get out of joining and being active in the Division.

What message do you have for those considering becoming more involved in the Division?

Go for it! Before taking on this role, I hadn't been involved in APA much other than going to my chapter conferences as a student but I'm really glad I volunteered. It's a great opportunity to meet others in the field and learn from your peers. If you're interested in joining or volunteering for the Division, please reach out to me or join us at the Virtual Happy Hour to learn more!

Marisa can be reached at (608) 571-7434, by email at marisa@redevelopment-resources.com. or on LinkedIn.

Volunteer Opportunities with the Economic Development Division

APA
American Planning Association
Economic Development Division

Please consider filling one of the Division's empty volunteer positions:

1. The **Social Media Coordinator** will work with the Communications Chair to post information and promote the Division on Twitter, LinkedIn, Facebook, and Instagram. The Social Media Manager must be familiar with various social media platforms.

2. The **Newsletter Coordinator** will work with the Communications Chair to write and collect articles for the quarterly newsletter about economic development. The Journalists will also work with the Newsletter Coordinator to research the best way for the Division to share information with its membership.

3. The **Learning Committee Chair** will work with Division Leadership to ensure that the learning objectives of the division are being met. Preference will be given to someone with connections to academia.

4. The **Webinar Coordinator** will work with the Learning Chair to conduct the successful webinar program. The Webinar Coordinator will work with the Planning Webcast Series to hold webinars. He/She will design, lead, and promote the webinars. Preference will be given to someone with connections to academia.

If you are interested in volunteering, please reach Rebecca Leonard at rebecca@lionheartplaces.com or (970) 948-6281. Thank you!

We are disappointed to announce that the 2020 National Planning Conference, originally scheduled for April 25–28 in Houston, is canceled in line with recommendations by the U.S. Centers for Disease Control. Registered attendees have the option of receiving a full refund or maintaining a credit with APA that can be applied to other programs, services, or membership renewal through September 30, 2021.

NPC20 DISCOVER INSPIRATION APRIL 25–28 | HOUSTON