

HENNEPIN COUNTY

MINNESOTA

Business District Initiative

2023 Program Guidelines

Solicitation opens September 7, 2023

Applications due via Hennepin County Supplier Portal 3:00PM October 5, 2023



2023 Business District Initiative Guidelines

Hennepin County Housing and Economic Development's Business District Initiative 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. The ideal project should:

- Benefit individual small businesses owners as well as the district or node as a whole;
- Support economic vitality, including local wealth building, local job access, and a small business ecosystem of goods and services;
- Demonstrate a need for public intervention to support economic vitality; and
- Create a sense of place; reflect the diverse values, culture, and heritage of the people who live there; and highlight local community assets.

The Hennepin County Housing and Redevelopment Authority (HRA) has up to \$200,000 available to support this work.

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 with multiple property owners and businesses.
- Eligible locations may be a formally established business district, such as a traditional downtown, or business nodes and informal districts that have been identified as the City as priority areas.

Eligible Uses of Funds

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; financial, legal, or tax-related services) merchandising)
- Establishment of small-business incubators

- Design and/or implementation of wayfinding, street furniture or other public realm enhancements
- Building facade improvements
- Capital costs are an acceptable use of funds, but applicants must identify sources of funds and a plan for long-term maintenance.

If you have identified a project that supports business districts, that is not identified above, please reach out to staff for pre-approval to see if it meets program objectives.

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

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.
- Applicant may subcontract portions of the award
- Projects must be completed by December 31, 2024.

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 St. Louis Park: Conducted a façade improvement grant program to further stimulate investment in the Historic Walker Lake business district. The program provided financial incentive to businesses and property owners to make lasting physical improvements to their buildings to enhance the overall aesthetics of the district, while establishing a cohesive design.

City of Wayzata: Developed a marketing and construction mitigation program to correspond with multiple construction projects that limited travel to the downtown. The city worked with the Chamber of Commerce to contract with a marketing firm to develop a mitigation plan, provide project updates, conduct door-to-door engagement and communications, and create and deliver a marketing and communications plan.

Application Process

Applications are due **October 5, 2023**, via the Hennepin County [Supplier Portal](#).

Applications must include the following items:

- 2023 Business District Initiative Application
- 2023 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). The HRA has a strong interest in measuring the impact of BDI awards. It is expected that cities will develop a process and metrics for evaluating the results the BDI award made.

Potential applicants are strongly encouraged to review projects with Ryan Kelley 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 26. Email: Ryan Kelley, ryan.kelley@hennepin.us

Evaluation of Applications

Applications will be evaluated based on the following priorities:

- Extent to which the proposal meets BDI program priorities, such as
 - Creating jobs and fostering entrepreneurship and coordination among businesses
 - Improving sense of place and the public realm emphasizing pedestrians and bicyclists
 - Supporting a higher number of small, locally-owned, and/or disadvantaged-business enterprise (DBE) businesses
- Significance of the business district to the community
- Completeness and appropriateness of the implementation plan
- Proposed evaluation plan and expected outcomes for businesses
- Demonstrated need for intervention and financial assistance
- Leverage of funds, including matching sources of funds for the proposed activities and additional investments in the business district
- Organizational capacity and plan for accomplishing the objectives and continuing support
- Support from business and property owners
- For facade improvement initiatives:
 - How the initiative would be administered, including a description of the process and criteria for sub-awarding funds
 - Timing of grant disbursement to complete façade improvements
 - Extent to which the initiative builds staff and program capacity as an on-going initiative
 - Proof of landlord approval and that business is current on property taxes

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.