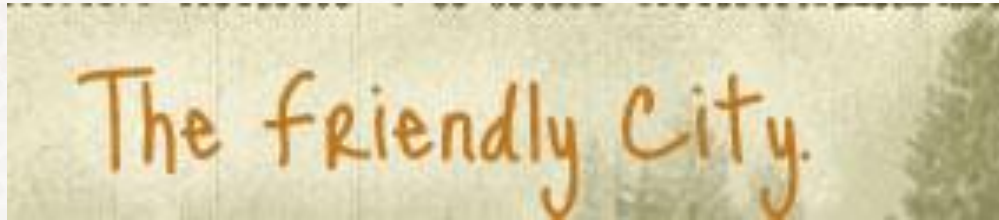




SMALL BUSINESS: REGULATION & PERMITTING TO FACILITATE SUCCESS

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Wisconsin Economic Development Corporation
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THE BUSINESS FRIENDLY CITY



Wilmington
Ranks as 2nd
Best City in
U.S. to Start a
Business



SMALL BUSINESS RELEVANCE



- Small businesses create 80% of new jobs
- Local businesses return 52% of profits to local economy
- Diversify economy and facilitate population growth
- Define the 'unique' local character
- 44.6% of jobs in small businesses are housed in downtowns
- 91% of tenants in downtowns are non-chain local establishments



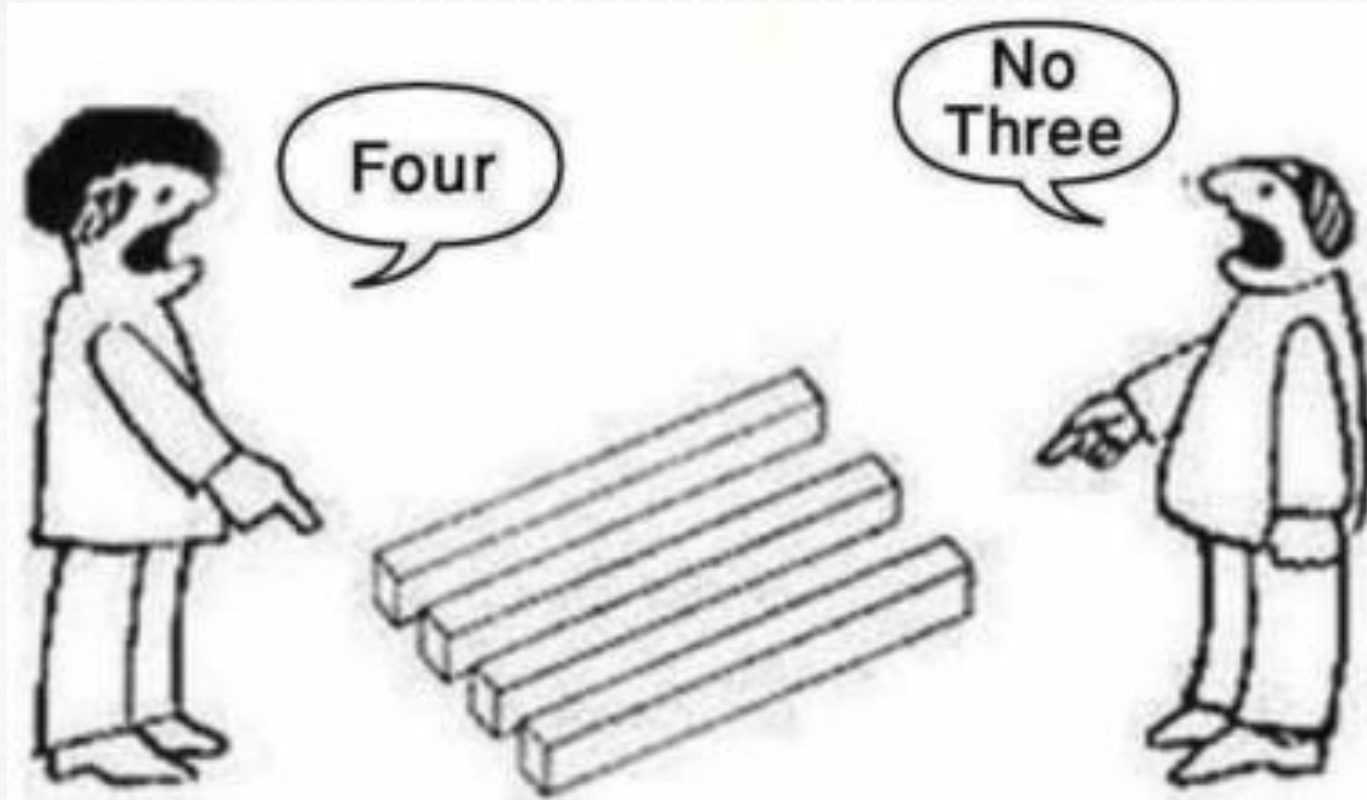
WHAT MATTERS TO SMALL BUSINESSES (THAT CITIES IMPACT)



- Predictability
- Transparency
- Cost
- Flexibility/Ability to be Unique
- Support Network/Resources



PERCEPTION VS. REALITY



BUSINESS PERMITTING STUDY

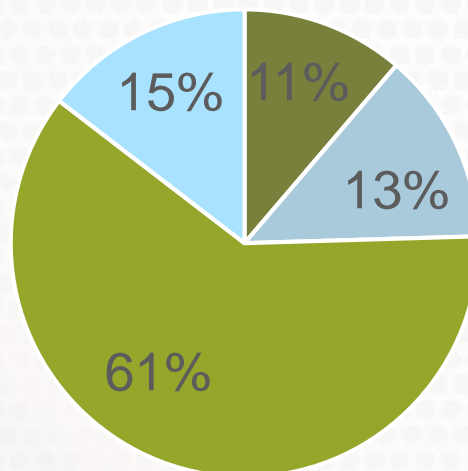


➤ 2015 Business Startup Permitting Survey

- Evaluated 10 Wisconsin communities of 20,000 to 50,000 population.
- Sample storefront business of 2,000 SF with minimal interior/exterior improvements.

➤ Findings:

- Permitting fees for same business varied from \$95 to \$1,486 across communities.



Average Cost Elements

- Occupancy Permit
- Sign Fees
- Building Improvement
- Electrical & Plumbing



BUSINESS PERMITTING STUDY



➤ Findings:

- Fee structures based on square footage of improved space were 3-11 times higher than cost or per fixture structures.
- Average committee/individual meetings required ranged from 2-4.
 - 60% of communities have online or email permitting for all or nearly all processes.
 - 30% of businesses surveyed indicated some challenge meeting permitting/noticing timelines during startup.



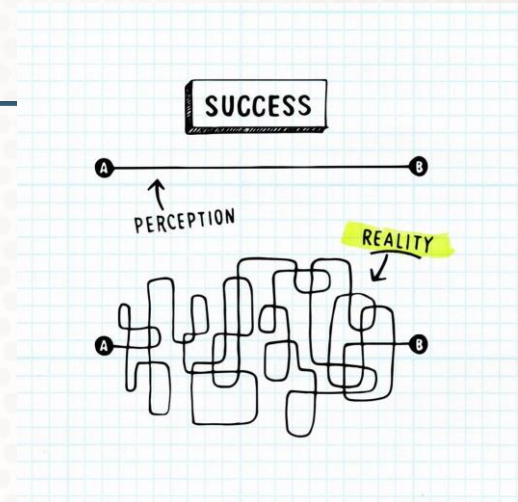
STARTUP EXPERIENCE

➤ User Experience Survey

- 3-5 businesses starting up within the past year in each community.

➤ Findings:

- More than 75% of businesses reported either;
 - Having difficulty obtaining accurate timing and cost estimates for City processes/permitting.
 - Experiencing/perceiving that the process was not standardized, but varied depending on the individual project or applicant.
- At least one respondent in each community identified a desire for a business startup information guide and a point person to handle and direct calls from incoming businesses.
- Businesses that worked with at least one outside advisor (SBDC, Chamber, Downtown Org, etc.) had more positive experiences.



COMMON LIMITATIONS



- Restrictive Signage Guidelines.
- Outdoor Activity Limitations.
- Overly Prescriptive Design Guidelines.
- Outdated Ordinances.



SIGNAGE = MARKETING



- 76% of customers entered a new business based only on signs.
- 68% of customers believe that signage reflects the quality of goods.
- Downtown stores need to cater to both pedestrians and autos = two separate audiences. Valance/awning, window and projecting/sandwich board signs are necessary.



OUTDOOR ACTIVITY



- Restaurant returns up to 65%
 - Attracts expanded audience (visitors, younger patrons)
 - Increases tolerance for delay
 - Increase in alcoholic beverage sales (43% of patrons)
- Non-Restaurant returns of up to 20%
 - Serves as extension of merchandising / draws attention
 - Creates sense of activity, community



PUBLIC SPACE DESIGN



- As much as 50% of shopping decisions are influenced by merchandising vs. product characteristics
- Are these things illegal in your downtown?
 - Murals
 - Public Art
 - Outdoor Merchandising
 - Non-standard Street Furniture



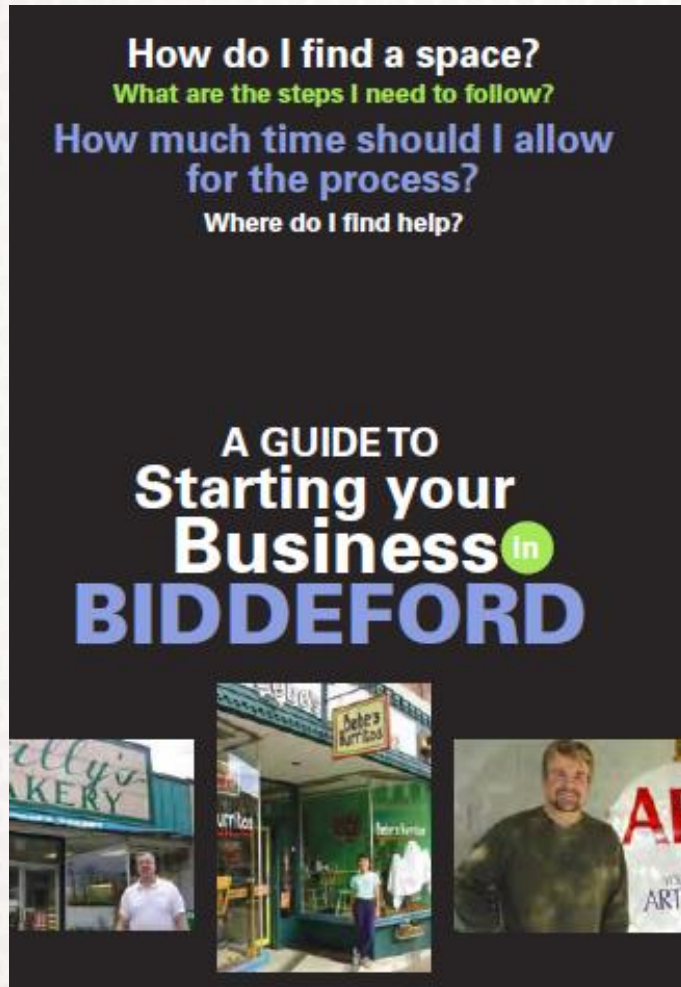
OUTDATED REGULATIONS



- Usage limitations based on previous tenants/problem children
 - De facto base of 'grandfathered in' uses.
 - Conditional use for all new businesses (i.e. restaurants)
- Setbacks & Parking requirements treating downtown and commercial strip development equally.
- Limiting residential uses/mixed-use, or limiting updates to center city properties.
- Conflict between zoning and comprehensive plan/economic development goals.



TOP 5 WAYS TO BE BUSINESS FRIENDLY,



- 1) Publish a startup guide.
 - Provide everything businesses need to know about timing, costs and regulations.
 - List contacts and resources.
 - Make it available online.

TOP 5 WAYS TO BE BUSINESS FRIENDLY,



- 2) Make it easy to predict and control costs, fees and timing in advance.
 - Make fee structures transparent and predictable without an engineering degree.
 - Facilitate online applications/permitting/calculators.

TOP 5 WAYS TO BE BUSINESS FRIENDLY,



3) Make sure regulations are doing their job.

- Evaluate whether a favorite shopping street in a nearby community would be permitted locally
- What percent of buildings/uses in a local are currently nonconforming?



CHANGING PERCEPTIONS



Temporary
Signs

Back-In
Parking

Outdoor
Merchandising
& Seating

Public
Art

Narrow
Street



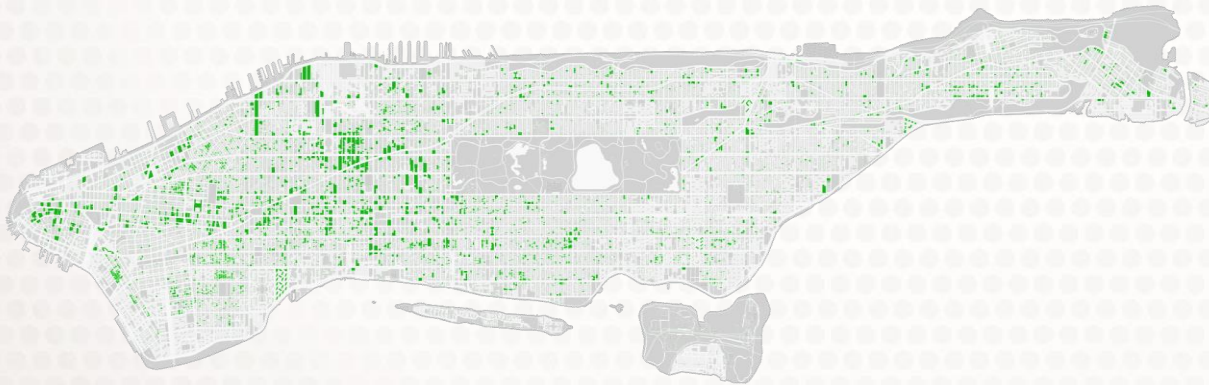
NONCOMPLIANCE BY TYPE



➤ Too tall



➤ Too many residential units



➤ Too much commercial space (%)

PARKING



➤ Parking.

- Many downtowns utilize same parking regulations as other commercial districts.
- Spaces determined by use, downstairs and up.
- Example vacant building renovated requires 4 spaces for commercial and 1 space for residential unit.

➤ Strategies.

- Provide municipal space discounted purchase for upper floor unit conversions.
- Waive parking requirements for existing buildings.
- Create parking overlay district for downtown reducing parking requirement for infill.



TOP 5 WAYS TO BE BUSINESS FRIENDLY,

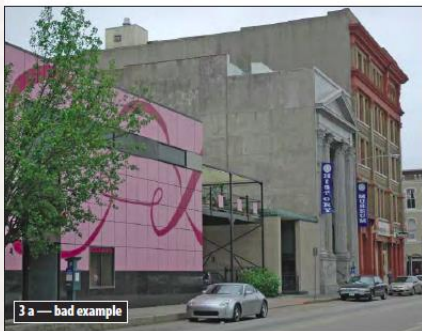


4) Provide a vision, not a script.

- Encourage rather than discourage.
- Make it possible to encounter any of these unique spots within your community.



TOP 5 WAYS TO BE BUSINESS FRIENDLY,



5) Make it easy to comply.

- Provide visual guidelines understandable by business owners and contractors.
- Have a separate document for existing buildings vs. new construction.
- Offer alternate meeting times or liaison services for businesses with projects.



QUESTIONS?

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