## Program Statement

With the financial support of the Local Initiatives Support Corporation (LISC), Downtown Shareholders is pleased to announce the launch the second round of **Pop-Up! Downtown KCK**, a retail development initiative to enliven Downtown Kansas City, Kansas. Pop-Up! Downtown KCK matches select entrepreneurs with high-visibility, well-sited spaces at free or reduced rent, and provides an opportunity for local entrepreneurs to test a retail concept or determine whether Downtown KCK is a viable long-term location for their business.

The goal of Pop-Up! Downtown KCK is to create a vibrant downtown that serves as a destination for Wyandotte County and Greater Kansas City. Downtown Shareholders will achieve this goal by facilitating the short-term lease of vacant storefronts in Downtown KCK. Downtown Shareholders matches entrepreneurs looking to launch their business or test the downtown market on a short-term basis with property owners who have street-level storefront and office space available for occupancy.

All Pop-Up! Downtown KCK leases will be negotiated between the business owner and the respective landlord. Downtown Shareholders will encourage business and property owners to enter into long-term leases at the conclusion of the program. The second round of Pop-Up! Downtown KCK is expected to run through the holiday season, from approximately November 1 into the New Year, and possibly beyond. Businesses and properties will be vetted through a competitive RFP process, and may qualify for supporting funds from Downtown Shareholders and other sources.

## Overview and Best Practices

From Atlanta to Dayton, Shreveport to Duluth, and Chattanooga to San Jose, Pop-Up retail has become a whirlwind phenomenon in the revitalization of older downtowns. The concept is simple: offer free or reduced rent in vacant storefronts to small businesses, and launch the program with a marketing blitz that gives people a reason to go downtown.

Pop-Up retail programs are typically operated by non-profit downtown development corporations, as well as small-town Main Street programs. Pop-Up retail originated in the late 1990s among mass-merchant retailers, who were interested in evaluating small-scale, proof-of-market concepts by operating kiosks or “mini”-storefronts for short periods of time, sometimes as little as a weekend or several days. The kiosks were typically situated in high-traffic, high-visibility locations that would be impractical or too costly for a full-fledged retail store. When successful, Pop-Up shops often generated exponentially higher sales (on a square foot basis) than a standard bricks-and-mortar storefront.

The first attempts to link the Pop-Up concept to downtown revitalization emerged less than a decade ago. In 2007, Kent State University’s Urban Design Collaborative pioneered the idea of “Pop-Up City”, a series of ephemeral events (typically staged over a weekend) in the City of Cleveland, first on vacant lots, and later in a vacant storefront downtown. The basic idea that started in Cleveland is at the heart of Pop-Up projects across America: use temporary, highly-publicized and carefully-orchestrated interventions to draw visitors and attention to neglected spots in the city.

Downtown Pop-Up retail programs typically run for periods ranging from a few days to a few months, are usually launched in concert with a major weekend event, and sometimes are organized around seasonal (particularly Christmas holiday) themes. The number of Pop-Up businesses in a given program can range from 1 to 15, and sponsoring organizations often cluster the venues within a relatively small, walkable area to encourage active pedestrian traffic and high volumes of prospective customers. Some downtown organizations even run several cycles of Pop-Up programs over the course of the year, coordinated with other major downtown events. Successful programs not only provide momentum for revitalization by bringing new businesses and customers downtown, but also can generate program revenue for downtown development organizations.

## Pop-Up! Downtown KCK Site Selection Priorities and Analysis

While participation in Pop-Up! Downtown KCK is open to any property owner within the Downtown Shareholders service area, priority will be given to storefronts located on Minnesota Avenue between 7th Street and 10th Street. DTS staff and board members have targeted this area to support the infill of vacant but usable buildings, fill in gaps on blocks that already have active retail traffic, promote a cluster of active storefronts within close walking distance of each other, and support existing businesses downtown.

In 2015, DTS hopes to successfully launch up to three Pop-Up businesses in high-visibility locations downtown. Pop-Up programs typically pursue two goals: allowing established businesses to test the market in a downtown location, and allowing entrepreneurial start-ups to develop business experience while undertaking proof-of-concept for a new product or service. Selection of businesses and properties will be made by an ad-hoc working group including DTS staff, Board members, and representatives of the DTS Economic Development and Marketing committees.

## Business and Property Owner Proposal Requirements

One of the key purposes of the Pop-Up! Downtown KCK program is to support and promote local entrepreneurs. DTS staff will undertake extensive outreach to community and neighborhood organizations, as well as to property owners, in promoting the program. All proposals will remain confidential. Upon acceptance into the program, all Pop-Up! Downtown KCK tenants and property owners will be featured in the DTS e-newsletter, on the DTS website, and in DTS marketing materials.

The Business RFP requests basic information, such as prior business experience and available investment resources, and encourages local entrepreneurs to develop a well-conceived business proposition. The Business RFP not only promotes sound business concepts, but also asks local entrepreneurs to explain how their business will benefit the image and perception of Downtown KCK. Business owners are encouraged to submit a complete business plan to better allow DTS to evaluate their application.

Properties will be chosen for the Pop-Up! Downtown KCK program based on their interior features and locational advantages, including street-level access and visibility. The selection committee also will consider requested rents, availability of necessary store fixtures, and owner contribution toward program costs in evaluating proposed locations. Business owners will be encouraged to invest sweat equity, and property owners will be encouraged to offer in-kind assistance, to help reduce the costs of tenant finish and time to launch.

Occupancy of vacant spaces for Pop-Up! Downtown KCK will require the approval of the Unified Government’s Building Inspection, Urban Planning and Business License departments. Because properties will be vetted in advance of their selection, Downtown Shareholders expects the costs of permits and time required for building inspections to be relatively straightforward, especially if the space previously has been used and is appropriately zoned for a similar business activity. Property owners should anticipate incurring expenses adequate to make the property code-compliant if they wish to participate in the program. All properties selected for the program must be occupable, without structural flaws or need for extensive renovations. Business owners are required to carry general liability insurance. Downtown Shareholders can provide help identifying a downtown insurance brokers to facilitate coverage.

Because they tend to pose nuisance issues and trigger parking and state licensing issues, alcohol-related businesses and businesses involving live entertainment are discouraged. All food-related applicants are responsible for obtaining appropriate licenses and permits from the Unified Government Health Department. Downtown Shareholders will work with selected property owners and Unified Government staff to provide assistance in obtaining city occupancy approval.

Pop-Up! Downtown KCK lease terms are typically variable, and last from one to four months. All leases will be negotiated between the business owner and the respective landlord. Downtown Shareholders will evaluate properties based on their location, condition, readiness and suitability for the program, as well as proposed lease rates and owner pledges toward finish costs. Downtown Shareholders will encourage business and property owners to enter into long-term leases at the conclusion of the program.

## Pop-Up! Downtown KCK Program Timeline

* October 2015: RFP issued
* October 30, 2015, 5:00 p.m.: Deadline for **Pop-Up! Downtown KCK** application
* Week of November 2, 2015: Selection/notification of Pop-Up! sites; interviews/selection of Pop-Up! retail tenants
* Early November: Lease negotiations with property owner and tenant begin.
* Mid-November 2015: Pop-Up! retail tenants notified and announced via DTS website/newsletter
* Mid-November 2015: Permitting/Licensing Review period. Downtown Shareholders can provide guidance for required local permits and business licenses, but all permits and licenses are subject to local ordinances and approval by the Unified Government.
* November **XX**, 2015: **Pop-Up! Downtown KCK** Tentative Round II Launch Date

[around Downtown Christmas Lighting Date]

* January 2016: Tentative **Pop-Up! Downtown KCK** Round II Wrap Date