



Category: Planning

Submitted by: City of Cambridge Community Development Department – Economic Development Division

### The Challenge

Like many downtowns, the City of Cambridge is experiencing rapid changes in consumer purchasing habits; in particular the growth in on-line shopping that impacts traditional downtown districts. In Cambridge, the challenges are particularly acute. Sixty percent of residents made a personal purchase online in 2016, compared to 42% nationally. Our educated, professional population is online and tech savvy, and many look to Internet purchases for a level of ease and convenience that local retailers struggle to provide. At the same time, we have experienced robust growth in the food & beverage sector that we wanted to embrace and support. We realized that we needed to better understand these macro trends, and needed guidance to enable city staff and leaders, as well as the business community to develop best practice policy prescriptions that could be effectively implemented by the City and embraced by the community.

### The Retail Strategic Plan

The goal was to develop consensus from City leaders and the business community on a set of market-informed concrete public policy and investment recommendations the City could implement in support of viable ground level active use within the City's nine commercial districts (Harvard Square, Central Square, Kendall Square, Inman Square, East Cambridge, Porter Square, North/Upper Mass, Huron Village/Observatory Hill and Fresh Pond/Alewife). The emphasis on these districts, nearly all of which are served by mass transit, is part of the City's efforts to support sustainability through vibrant commercial districts served by alternative transit.

### The Methodological Framework

The City of Cambridge engaged Larisa Ortiz Associates (the Consultant) who employed The Commercial DNA Framework™, a research methodology that covers four key areas of analysis, the *Physical Environment*, the local *Business Environment*, *Market Demand*, and *Administrative Capacity* and was applied to each of the City's nine districts. In addition to a consideration of market conditions and quantitative data, the methodology was unique in that it also analyzed the degree to which our districts are supported and managed by a complicated mix of public and non-profit sector business entities. This consideration was important to ensure that the recommendations were reflective of what the City and its partners could accomplish with existing – or clearly defined additional – resources and staff. The assessment of *Administrative Capacity* not only took into consideration the City's capacity and that of business associations, it also included a consideration of the zoning and regulatory environment – a key area where City policy plays a significant role.

### The Process

Over a period of six months, the City of Cambridge and the Consultant team led a comprehensive outreach effort that included two focus groups, one for residents and the other for local business associations, over a dozen one-on-one interviews stakeholders, including property owners, business owners, and leaders of local neighborhood and business associations. The process also included two discrete survey tools. One was distributed to our seven local Business Associations to determine their budgets and staffing. Another was for local business owners and was distributed widely by our staff and local business associations resulting in 71 respondents. In addition, the Consultant team referred to our once-a-year customer intercept survey data collected since 2009, reflecting the view of over 2,500 respondents from seven of our districts.

Opportunities for public feedback on early findings included two public meetings, one business forum sponsored by the Cambridge Business Coalition and a public hearing to the City Council Economic Development and University Relations Committee.



Category: Planning

Submitted by: City of Cambridge Community Development Department – Economic Development Division

## Execution & Outcomes

The Action Plan is set around a series of *seven guiding principles* that inform concrete programs and policy recommendations, a number of which have already been ratified and implemented.

### Guiding Principles at-a-glance

- |  |
|--|
| 1. <b>Drive experience</b> by ensuring that districts and businesses offer unique activities and events.         |
| 2. <b>Thrive online</b> by enabling businesses to grow online sales and enhanced social media presence.          |
| 3. <b>Help small business remain competitive</b> through targeted technical assistance and financing support.    |
| 4. <b>Improve access</b> to ensure convenience/visibility to customers ( <i>also during road construction</i> ). |
| 5. <b>Build capacity of local business associations</b> to enhance marketing and promotion of districts.         |
| 6. <b>Fill gaps in the retail environment</b> to ensure continuity of active ground floor activity.              |
| 7. <b>Address regulatory barriers</b> that prevent retail flexibility and undermine small businesses.            |

The Plan resulted in a number of concrete interventions, a few of which are highlighted here. Notably, it helped re-energize lagging efforts to explore the *formation of a Business Improvement District* in Central Square, and has led to an active exploring of *advanced training and educational opportunities for business association leadership*. In recognition of the growing competition of on-line retail and continued demand for food & beverage options, the City launched a *Food Truck Pilot Program* and plans to advance the formal exploration of programs to *address the growing challenges of vacant storefronts*. Together with our Public Works Department, we have sought to address the challenges of street construction projects on small businesses, and have begun *placing banners in impacted districts* to ensure that customers know they are open for businesses, one of a number of mitigation measures under consideration. The study also drove home the increased need for retailers to explore new formats and businesses models that have created land use classification challenges. As a result, we adopted recommendations for *updates to the Commercial Land Use Classification* codes.

Finally, the direct implementable recommendations of the Plan also enabled the approval of a new staff person for our division and with this additional support, we are eager to explore more elements of the plan.

**The plan and the process were instrumental in ensuring broad consensus among city leaders, and we anticipate that we will be gaining approval for additional Action Plan recommendations in the coming years. A full summary of programs and policies that have been ratified is included in the attached PowerPoint.**