

1 Introduction

The Downtown Benchmarking and Best Practices Report is meant to assist Burlington's Downtown Task Group in achieving its mandate to update Burlington's Core Commitment and:

1. Review the current health of downtown and identify current challenges and opportunities. This may include consultation with an extended list of stakeholders as identified by the Task Group.
2. Review the current initiatives of each of the member organizations, and assess the alignment of each with the current challenges and opportunities.
3. Review the vision for downtown and make recommendations on any changes that the task group considers appropriate.
4. Develop a set of recommended actions to address challenges and exploit opportunities, and including budget implications, partnership opportunities and responsibilities for each of the member organizations in implementing the recommended action plan.
5. Participate as a group or individually in city-led activities to exchange information and views with the broader community on the vision for downtown.
6. Develop a set of recommended indicators which should be tracked on an ongoing basis to measure success.

2 Purpose of Report

In assisting the Downtown Task Group in meeting its mandate, the Downtown Benchmarking and Best Practices Report seeks to identify critical success factors for downtown revitalization and best practices for downtowns and Business Improvement Areas (BIA) from other jurisdictions. The goals for this report are to:

- Create a comprehensive historical and current profile Burlington's Downtown
- Benchmark the performance of Burlington's downtown
- Share best practices and successes from other jurisdictions, and
- Create a baseline for future data collection on Burlington's downtown

In order to achieve its purposes, the report presents:

- The findings from a literature review on factors contributing to downtown success
- An current and historical profile of downtown Burlington's socio-economic factors
- A current and historical profile for the Burlington Downtown Business Association (BDBA)
- A comprehensive comparative analysis of Burlington's downtown and it's BIA with other successful downtowns and BIAs, and
- Presentation of identified critical success factors for downtowns and BIAs and a comparison to the theoretical factors identified from the literature review

3 Summary of Key Findings

A number of key findings related to the collection of information, Burlington specific benchmarks and comparative municipal BIA and downtown benchmarks have been noted. Below a summary of the key findings from all research conducted as part of this study is presented.

3.1 Collection of Information

3.1.1 Downtown Boundary Definition

The largest challenge to producing this report has been the challenges in defining downtown boundaries, for Burlington and other municipalities, which are congruent with data collection boundaries from various data sets. As with many municipalities, the City of Burlington does not have one commonly understood or defined downtown boundary. Through applying a consistent research methodology, the boundary definition challenge has been overcome. However, because of boundary challenges the data sets comparing municipalities cannot be considered a perfect fit for downtown areas and therefore, the resulting data and analysis should be read with this in mind. Should Burlington seek to define its downtown boundary, it may be advantageous for future data collection on the downtown to consider data collection boundaries.

3.1.2 Data Collection

The boundary definition challenge is further complicated by the fact that different data sets, such as the 2006 census and Halton's Best Planning Estimates, use different boundaries for data collection (census dissemination areas and traffic zones respectively). This made collecting data on all of the measures and indicators proposed by the Task Group challenging because multiple mapping layers had to be used to determine a line of best fit around a boundary.

Further, there is some data that was requested to be included in the study that Burlington does not track on a regular basis for the downtown area or does not track at all. This made data collection a time consuming process and noted a number of gaps that Burlington may want to consider beginning to track for benchmarking. The new indicators that would require new data and collection process include:

- Commercial vacancy rates
- Office vacancy rates
- Number of jobs located in the downtown, and
- Activity generators/festivals and events.

In addition, on-going benchmarking downtown Burlington's performance may benefit from some new processes to collect existing data specifically for the downtown in an on-going way. New processes could be used to gather downtown specific data on:

- Population and demographics
- Information on current value assessment, and
- Building permit values for the downtown.

3.2 Burlington Specific Benchmarks

3.2.1 Current Downtown Burlington Profile

An analysis and review of the current downtown and historical profile identify a few trends that are worth noting:

- The population of Downtown Burlington is increasing (6.6% of the city's population in 2006 and 6.3% in 2011). Estimates indicate that by 2031, 8.4% of the city's overall population will live in Downtown Burlington. This reflects the intensification expected within the urban growth centre as mandated by the Province.

- There is a strong concentration of seniors (70+ years of age) in downtown Burlington (28.0% of the total downtown population as compared to 11.3% of the city-wide population).
- There are relatively more people between the ages of 55-69 concentrated in the downtown (25.6% of the downtown population, as compared to 15.8% of the city-wide population).
- The downtown concentration of 20-35 year olds is 6% higher than the city-wide average.
- There are 7.4% fewer people between the ages of 0-19 in downtown Burlington relative to the city-wide average.
- Overall, it appears that individual and household income levels in the downtown are generally lower than for the whole city. However, there are areas in the downtown, not included in the defined downtown boundary used for this study, that generally have higher than average income.
- Downtown Burlington has a concentration of apartments and buildings with five or more storeys (66.1%) relative to city-wide levels (15.1%) and fewer single-detached houses (17.1%) relative to city-wide levels (55.0%).
- Residential ownership is about 20% higher city-wide (79.6%) relative to Downtown Burlington (59.5%). Conversely, the presence of residential rentals is about 20% higher in Downtown Burlington (59.5%) relative to city-wide totals (40.5%).
- Between 2011 and 2031 it is projected that there will be 3,161 more jobs located within Downtown Burlington and 9,696 jobs added to the city-wide job inventory. This means that between 2011 and 2031 33% of future job growth in Burlington is forecasted to occur within Downtown Burlington.
- In 2010, 10% of total business establishments and 3% of total business floor space was located in downtown Burlington.
- In 2011, there were 12 major events and 31 community events in the downtown. Even with this level of activity in the downtown, there were still 77 weekend days available for more events to occur in the downtown. Most of the weekend days available occur in the winter months and shoulder season.

3.2.2 Historical Downtown Burlington Profile

- Over the last 15 years, the population of downtown Burlington has increased by 3472 people.
- From 1996 to 2006, 35-54 year olds and over 70+ year olds have been among the top three age groups in the downtown.
- Historically, the highest concentration of housing type in the downtown has been apartment buildings with five or more storeys followed by apartment buildings that have fewer than five storeys. The concentration of both of these types of housing is much higher in downtown Burlington when compared to city-wide totals.
- There is an increasing occurrence in dwelling ownership in the downtown, from 27.3% in 1996 to 40.5% in 2006, and a decrease in dwelling rentals, from 72.7% in 1996 to 59.5% in 2006. The upward trend in home ownership and decrease in home rental is echoed when examining city-wide figures.
- There are more incorporated entities who own property in the south of the downtown Urban Growth Centre than in the north. Most properties owned by incorporated entities in the Urban Growth Centre are occupied by tenants.

Executive Summary

Downtown Benchmarking and Best Practices Report

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3.2.3 Business Improvement Area Indicators

- The majority of BIAs (38%) had 2011 levies that were \$500,001 or more, followed by \$250,001 - \$500,000 (24%). The BDBA has a budget that falls within the \$250,001 - \$500,000 range.
- The majority of BIAs (71.4%), including the BDBA, indicated that they seek additional funding outside of their levy.
- Based on the BDBA estimated vacancy rate of 8% to 12%, the BDBA vacancy rate is in line with other BIAs included in this study.
- Based on the business turnover rates provided by other BIAs, the BDBA was tracking 4% and 6% higher than the 2010 and 2011 median and averages.
- Burlington Downtown's business mix has a lower percentage of retail and professional, but a higher percentage of personal services and restaurants, located within its boundary.
- Municipalities are the number one partner for BIAs, followed by Tourism and Economic Development Departments/Corporations.
- BIAs work more with certain partners on certain types of projects. However, there is a broad understanding of the importance placed on forming unique partnerships that are mutually beneficial for the municipality and the BIA. A one size fits all model for partnership arrangements is not considered likely to succeed, instead municipalities and BIAs should both conduct analysis of their strengths, weaknesses, threats and opportunities in order to identify unique partners and unique partnerships on projects and initiatives.
- There are opportunities for the BDBA to begin to collect some information to assist in data gaps for downtown benchmarking. Some data where the BDBA's expertise may be helpful at the collection stage is the number of jobs downtown and the commercial/office vacancy rate.

3.3 Comparative Municipal BIA and Downtown Benchmarks

3.3.1 Comparative Analysis

- 58.3% of municipalities included in this study complete annual reports on the downtown.
- 69.2% municipalities included in this study track performance measures or indicators for downtown benchmarking. The most commonly tracked indicators are:
 1. New residential units/commercial floor space (80%)
 2. Population/demographics (80%)
 3. Commercial vacancy rates (70%)
 4. Business mix (60%), and
 5. Retail mix (50%).
- 69.2% municipalities included in this study have a designated office, group of staff or an individual dedicated to the downtown. Planning is the most common department for dedicated downtown staff resources to be located in (44.4%). Most municipalities have at least one staff member focused on the downtown and 45.5% of municipalities have 2 dedicated staff resources and 18.2% of municipalities have over 2 dedicated staff resources.
- The City of Burlington's dedicated staff resources of 0.5 persons whose work focuses on the downtown is below the municipal average.

- There is a correlation between the level of dedicated services and the completion of regular state of the downtown reports and their level of comprehensiveness; the more resources, human and financial dedicated to the downtown, the more indicators are tracked and benchmarked in reports.
- A review of the content of other's state of the downtown reports reveals some indicators that Burlington may want to consider including in future state of the downtown reports. Possible future indicators include:
 - Information on current value assessment
 - Commercial vacancy rates
 - Office vacancy rates
 - Number of jobs located in the downtown, and
 - Activity generators/festivals and events.
- A strong majority of municipalities and BIAs are within a Community Improvement Plan and have financial incentives available to property and business owners. Of the municipal respondent, only the Town of Oakville and the City of Burlington do not have a downtown Community Improvement Plan.
- Façade improvement grants and property improvement grants are the most common type of incentive available to business and property owners.
- All funding for incentive programs is provided by the municipality.
- Qualitative evidence supports the positive contribution that community improvement plans and financial incentives/grants have had on downtown revitalization and development programs. Some municipalities cite the existence of incentives as a critical factor to their downtown revitalization programs and others cite them as one positive factor among many. Overall, all municipalities and BIAs with incentives available have indicated that they have provided for positive economic benefits.
- Both downtowns and BIAs rated the following attractions within their top five:
 - Farmers' market
 - Library
 - Retail stores, and
 - Professional services.
- Both downtowns and BIAs rated the following anchors within their top five:
 - Waterfront
 - Civic centre/city hall, and
 - Parks/greenspace.
- 33.3% of BIAs have a very high or high level of involvement in business recruitment and 57.2% have a moderate or low level of involvement.
- 57.1% of BIAs complete some sort of business skills enrichment programming for their members.

3.3.2 Critical Success Factors

The literature review on factors and indicators required for a successful downtown revealed that there are not common specific goals for indicators or factors that are promoted as leading to success. It is evident from the literature review that different downtowns play different roles within their municipality and their roles, or combination of roles, can affect the economic performance of a downtown relative to city as a whole. Every municipal downtown is unique. The uniqueness of downtowns makes it difficult to identify critical success factors and specific indicator targets that will be useful and appropriate for all downtowns. This is in part because success looks different everywhere; what is a successful business and retail mix in one city may not be successful in another.

Despite the limitations in forming broad-reaching success indicators and factors that apply to all downtowns, some general conclusions can be drawn from the literature review.

- Municipalities who define success as the provision of a positive quality of life should look beyond the traditional economic indicators that are used to measure downtown health and include indicators on the social and environmental situation.
- Although the ideal mix for a downtown is unclear, a number of factors should be considered important for downtown success, including population mass and increased density, walkability, existence of public spaces, waterfronts (when applicable), designed streetscapes, parking placement and connectivity.

As part of this study, municipalities and BIAs were identified three factors that they consider critical to their success.

The top five themes identified by **municipalities** using a key word count for number of appearances in all critical success factor questions responses are:

1. Residential and employment intensification to provide a concentration of people a pedestrian activity
2. Political support from council and funding./programming support
3. Vibrant and visionary downtown
4. Business mix and business interest
5. Cooperation with BIA and local boards, Post-secondary institutions and support, Marketing and Communications, and Transit and transportation

The top five themes identified by **BIAs** using a key word count for number of appearances in all critical success factor question responses are:

1. Communication, marketing, and branding
2. Support and relationship with city and city council
3. Cooperation and partnership with other BIAs and local boards
4. Creativity and risk taking
5. Committed and active BIA board and Public engagement

Figure 1 presents the top five themes of critical success factors identified by municipal downtowns and BIAs. The common themes across municipalities and BIAs have been highlighted for emphasis.

Figure 1: Commonly Identified Critical Success Factor Themes for Municipal Downtowns and BIAs

Theme Rank	Municipal Downtowns	BIAs
1	Residential and employment intensification to provide a concentration of people a pedestrian activity	Communication, marketing, and branding
2	Political support from council and funding/programming support	Support and relationship with city and city council
3	Vibrant and visionary downtown	Cooperation and partnership with other BIAs and local boards
4	Business mix and business interest	Creativity and risk taking
5	Cooperation with BIA and local boards	Committed and active BIA board
	Post-secondary institutions and support	
	Marketing and Communications	Public engagement
	Transit and transportation	

- Three critical success factor themes were identified by both municipal downtowns and Bias:
- Political support from council, funding/programming support, and the relationship with city and city council
 - Communication, marketing, and branding, and
 - Cooperation with BIA, other BIAs, and local boards.