



**FINAL REPORT:
HUD CHOICE NEIGHBORHOOD PROJECT**

**SUBMITTED TO:
PROVIDENCE HOUSING AUTHORITY AND OLNEYVILLE HOUSING CORPORATION
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Executive Summary

Social Venture Partners Rhode Island (SVPRI) has been working with the Providence Housing Authority (PHA) and Olneyville Housing Corporation (OHC) on its HUD's Choice Neighborhood Planning Initiative over the past 18 months. The SVPRI team has taken a practical, action-oriented approach to exploring and stimulating economic development in Olneyville. We are confident our process has, and will continue to help PHA and OHC better understand various economic development approaches, and will continue to spur economic development in Olneyville.

We have developed and executed a four-pronged approach to better understand the economic development landscape in Olneyville and to begin to implement a variety of strategies that respond to needs and incorporate strengths of the neighborhood – assessing the landscape, needs and opportunities; providing micro enterprise development services; providing social enterprise development services; and developing next steps and recommendations.

First off, we conducted a number of focus groups with Olneyville residents. We also conducted key informant interviews with a number of anchor business leaders. The focus groups and interviews resulted in a number of consistent recommendations. Among these include:

- Improve infrastructure including improvements in roads, traffic patterns and parking availability;
- Develop and implement a broad marketing campaign to promote Olneyville businesses to residents across the state;
- Attract additional restaurants as anchors to draw consumers to the neighborhood;
- Establish an active business association;
- Provide targeted technical assistance to businesses;
- Link businesses with mentors;
- Identify and provide low cost space for start-ups.

We also engaged a team of bi-lingual Bryant University students to conduct interviews with businesses on and around Olneyville Square. They targeted 18 businesses and were able to complete 12 interviews. These interviews indicated that although most of the businesses on and around Olneyville Square are profitable and growing, there is a real need for technical assistance. Interview results also highlighted a real interest in working more collaboratively with other neighboring businesses, and improving both individual storefronts and the overall aesthetics of the Square. Finally business owners specifically expressed an interest in improved access to capital, and advertising and marketing assistance.

Throughout the duration of the grant period, the SVPRI team has also have been actively

recruiting Olneyville residents and micro entrepreneurs to participate in the micro enterprise incubation program. We have found converting those who express initial interest in the program to sign up and participate more challenging than anticipated. We therefore implemented new more active and persistent recruitment strategies.

Despite several challenges around our micro enterprise incubation program including an unexpected cut in programmatic funding from the Rhode Island Economic Development Corporation, we incubated five ventures that are located in and/or around Olneyville, or led by an entrepreneur who lives in Olneyville, in the first cohort. These businesses made varying levels of progress throughout the course of the program. Four of the five businesses are still in operation. We expect three Olneyville microenterprises to participate in the second cohort of the microenterprise incubator, which will start in early Feb. and run through mid-May. We have also been recruiting mentors that have an interest or connection to Olneyville.

The third phase of the project involved promoting social enterprise development in Olneyville. We decided to work with OHC to determine their overall organizational capacity and readiness to run social enterprises, as well as the feasibility of a number of potential social enterprises. We determined that while OHC does face staff capacity constraints that limit its ability to currently take on additional social enterprises, the overall DNA of the organization positions it well to consider social enterprise as an organizational development strategy going forward.

We initially worked with OHC's existing social enterprise, One Olneyville, through our Change Accelerator program. One Olneyville's program director Chris Ackley participated in the nine-week social enterprise incubation program. One Olneyville and Chris's leadership of the venture were consistently singled out as the leading venture and entrepreneur in the program. As a result of the high potential of this venture, the SVPRI loan committee approached OHC about their potential interest in applying for a loan to acquire additional equipment to scale the venture. These discussions are pending.

As a further component of OHC's social enterprise development strategy, SVPRI consulting produced a business plan for the Square One Business Improvement district. The plan outlines a number of strategies to attempt to achieve financial sustainability for the initiative, although it is clear that this will be challenging in the early years. The SVPRI team continues to work with OHC to engage businesses to become active participants in the Square One initiative. This work is supported by CDBG funding.

OHC's capacity to launch and effectively manage social enterprises has led the SVPRI team to recommend that they consider exploring the feasibility and developing a business plan for a mattress recycling social enterprise. The SVPRI CEO worked with a Providence College MBA student to produce an initial assessment exploring the feasibility of this venture.

Finally, OHC is considering converting the third floor of the Paragon Mill space they are redeveloping into a micro enterprise/creative sector incubator. While we believe there is

potential for this to be a successful social enterprise, it is essential that OHC develop a business plan before further pursuing this strategy. There are a growing number of shared space incubators being developed around the Providence area and it is important to understand the landscape to best differentiate and effectively compete.

Overall, the various components of the project has resulted in a number of high level recommendations for OHC and the Olneyville neighborhood moving forward.

- Continue to build on and actively market Olneyville's gritty, artistic Brooklyn image.
- Provide Comprehensive business Development Services/TA as a strategy to recruit new and retain existing micro/creative sector entrepreneurs to locate in Olneyville
- Create strategic partnerships with leading organizations providing entrepreneurial support and assistance.
- Use the Square One Business Improvement District as vehicle to gain credibility to facilitate recruiting of various businesses into technical assistance programs
- Continue to explore the feasibility of OHC developing additional and scaling existing social enterprises.

At the highest level, we recommend that OHC continue to explore and build its comprehensive economic development programming. It appears that this approach is proving an effective strategy to differentiate itself among the state's other CDCs, potentially creating opportunities for additional grant revenue.

In closing, working together on the Choice Neighborhood project has resulted in the creation of a longer-term strategic partnership between OHC and SVPRI. SVPRI and OHC have identified additional resources to support follow on partnership activities. SVPRI will continue to actively recruit members from the Olneyville community to participate in our micro enterprise incubator program. We are continuing our work implementing the Square One initiative, and promoting One Olneyville. We hope to continue to work with OHC to explore the feasibility of new social enterprises including the mattress recycling and micro enterprise incubator initiatives. We are also in early stage discussions about the feasibility of co-developing and managing a business micro loan program.

Phase One: Creating the Base of Information

SVPRI Consulting led two focus groups in coordination with the Providence Housing Authority to understand and assess the Olneyville inhabitants' personal economic development desires and needs; specifically our goal from these groups was to better understand their vision for the best use of the mill space as well as resident's desire for self-employment and microenterprise development and the related needs (life skills, incubation, capital etc. The first focus group had six attendees who were invited to attend

due to their interest in starting their own business or due to a business they were currently running. The second focus group had twelve attendees who had completed a 40-hour painting skills class taught by Sherwin-Williams and concluded with a workshop on how to find a job in home remodeling. About half of the students from this group were interested in starting their own painting enterprises.

To further understand the existing business conditions as well as the needs of current and potential micro entrepreneurs in Olneyville, we conducted a series of six key informant interviews with strategic stakeholders in the area who are currently working in the space of economic development, community development or microenterprise development and had knowledge, expertise, or their own relevant research to share.

The interviews included a range of businesses that are located in throughout Olneyville. Two businesses, Music Everywhere and Fete, are located near Olyneyville Square. Two businesses are located at 46 Dike Street, House and Birchwood Design. One business, Smith Restoration Sash, is located in the Atlantic Mills. An additional nonprofit-organization was included, Recyle-A-Bike, is located at 12 Library Court.

We also conducted research reviewing available online data and best practices nationally. Using the information gathered from the focus groups, the interviews, and research, a number of key themes/recommendations emerged:

- Most businesses were drawn to Olneyville due to the inexpensive real estate, access to major highways, and “artistic/gritty” feel.
- For established businesses, their challenges ranged based upon their stage of development (start-up to established) and their industry – more space, capital, infrastructure, and strategic direction were mentioned. For residents who owned businesses or were interested in starting businesses, challenges included start-up funds, knowledge about operating a business, and generating customers. Language skills and digital literacy were also mentioned as significant challenges.
- The Olneyville brand was recognizable by the majority of businesses. Artistic, diverse, underground...one respondent captured its essence: “It really is the Brooklyn of Providence.” It’s messy and dirty but with a unique appearance.”
- In order to draw more business to Olneyville, two major strategies were suggested: improvements in infrastructure and a broad marketing campaign to promote Olneyville to businesses and to residents across the state. Additional restaurants were also a common suggestion.
- The majority of business were not currently involved in any association of businesses within Olneyville but the majority did express interest in such an organization to determine ways to work together and help one another. One respondent noted that there is a current association that lacks leadership.

- There was overwhelming support from both the established businesses and those that participated in the focus groups for a business support services entity within Olneyville. Suggestions were made to provide workshops on a variety of topics, gather businesses to collaborate and share information, identify mentors for current business owners in specific areas, and provide low-cost space for small businesses. It was also clear that services should be customized to different target audiences in order meet the diverse range of business owners within Olneyville.

A full report based on interviews and focus groups is attached as appendix A.

Phase Two: Social Enterprise Development

After looking at several potential community groups in Olneyville with whom we could work to develop social enterprises, we decided that working with OHC would result in the greatest potential impact. We felt that their position as the leading community development organization in the neighborhood positioned them to have the most robust and wide spread community impacts. As a first step, the SVPRI team wanted to determine their organizational readiness to explore the feasibility of new, and continue to develop and scale existing social enterprises, as a workforce development strategy and revenue generator for the organization.

Through our work together, SVPRI's assessment is that OHC is well positioned to develop and implement social enterprises. OHC appears to have staff talent, which has the needed blend of mission related/industry skills coupled with a natural inclination toward business. In addition, the organizational culture and staff appear to be innovative and entrepreneurial. We therefore were able to not only help them further develop the existing One Olneyville social enterprise, we also jointly decided to develop a business plan for the Square One Initiative, a business improvement district to be launched in Olneyville. To further leverage OHC's capacity and inclination toward social enterprise development, we encourage early exploration of the feasibility of a mattress recycling social enterprise and the development of a full business plan for a micro/create sector entrepreneur shared space incubator.

One Olneyville

Director of the One Olneyville social enterprise, Chris Ackley participated in SVPRI's Change Accelerator program. The Change Accelerator is a nine-week mentor based incubator program. One Olneyville was one of the most successful ventures that participated in the program. Our network of mentors, successful entrepreneurs and business leaders, consistently pointed to One Olneyville and Chris as the venture they thought had the most potential to be successful and scale. We are confident that Chris developed new, and honed existing entrepreneurial skills. He seemed to take full advantage of mentor opportunities to improve his skills and make new connections that would allow the growth and development of the venture.

We also facilitated Chris's participation in the Providence Chamber of commerce's annual Knowledge Economy Event and plan to continue with this and other types of promotional assistance for the venture.

Business Plan Development:

The major deliverables within the Change Accelerator program are the development of a business plan for a social enterprise called a Social Enterprise Plan (SEP) and the development of several versions of an elevator pitch. Chris was able to develop both and became very fluent in talking about One Olneyville in a very compelling way.

Implementation:

Because One Olneyville was already up and running, there was not a concrete role for SVPRI to play in terms of implementation of the business plan. After the successful completion of the Change Accelerator, several members of the SVPRI loan committee decided to approach OHC about providing a potential loan to buy new equipment that would allow them to scale their business. We will continue to explore this possibility.

Social Enterprise Two: Square One Initiative

As a result of the focus group, key informants interviews and business interviews conducted by the Bryant student team, OHC decided to pursue the development of a Business Improvement District to be called the Square One Initiative. The SVPRI team therefore focused effort on developing a business plan as well as early stage implementation of the plan.

Business Plan Development

SVPRI Consulting developed a business plan for a Business Innovation District in Olneyville Square (the Square One Initiative). The methodology included research into national trends that was focused on 16 successful Business Improvement Districts (BIDs) and Neighborhood Main Streets Programs that have similar characteristics and/or demographics to Olneyville. Each of these models was extensively researched. 6 experts nationally who have run these BIDs were interviewed as were experts from the National Trust for Historic Preservation, the Rose Center for Public Leadership in Land Use at the Urban Land Institute and the Providence Downtown Improvement District. Research into the local market was focused on expanding beyond existing information provided through research conducted through the focus groups, key informant interviews, and the Bryant Students. The goal was to gain relevant information to support the business plan but also to start the process of business engagement by developing a detailed understanding of the individual interests and concerns of businesses related to economic development in the square. 10 local businesses were interviewed to support this effort. In addition to the summaries of business suggestions provided throughout the plan, the addendums include details from each of the individual interviews that will be valuable for

Marketing recommendations include: Developing a strong brand that ties the three core business types together (arts/entertainment, Hispanic businesses, environmental and nonprofit organizations); Public relations efforts to highlight the vibrancy of the Square and specific places to visit/new happenings; and Community Events – in successful BIDs across the country events are an important way to attract visitors and improve the reputation of a business district. The plan includes detailed tactics, funding and suggested collaborations.

Recommendations for operations follow the National Trust for Historic Preservation's Main Streets Model with small changes to reflect the specific needs and resources in Olneyville. The recommended structure includes a part-time staff member to oversee a volunteer board and volunteer committees. The volunteer board should be made up of approximately 12 individuals, including committee chairs who will oversee the following six committees, which are explained in detail in the plan: Promotions, Organization, Design, Economic Restructuring, Safety, Recycling/Cleanup/Greening the Square. It is recommended in the plan that funding for the BID be a public/private partnership and include the following: 35% ongoing Community Development Block Grant Funding; 20% Earned Income (One Olneyville); 15% State and Local Foundations (i.e. United Way, Champlin Foundation, others); 15% State Funding (through special projects – DOT, RIPTA, DLT, etc.); 10% Banner Sponsorship from Local Businesses; 5% Event and Marketing Specific Funding from Local Businesses. This model includes an assumption that One Olneyville will complete a business plan that will enable it to support the earned income component. If that is not the case it is still possible to develop the BID model utilizing the other sources of funding, however it will take longer to bring to scale and to accomplish all the original goals. The timing is ideal for this effort and businesses are eager to participate.

A full business plan is attached as Appendix B.

Business Plan Implementation

SVPRI is engaged in implementing the strategy outlined in the Square One initiative. SVPRI's Director of microenterprise Antonietta Falconi has been leading these efforts. Her experience in small business development coupled with the fact that she is bilingual make her well-positioned to do the work. Using the background information provided in surveys conducted with local business owners earlier last year, Antonietta engaged in initial outreach to meet business owners and start identifying individuals receptive to technical assistance services, particularly Spanish speakers. SVPRI will continue to focus most of the business assistance on having business owners participate in SVPRI's Microenterprise Incubator.

The current outreach activities also support the efforts to engage business owners to join an advisory council that can lead improvement initiatives in the Olneyville Square area. SVPRI has been working closely with the OHC team, and the marketing consultant they have hired to reach out to business owners and nonprofit leaders and get them involved in creating a vision to market Olneyville Square to a broader audience. We hope to create a

strong correlation to the efforts to improve the area as a whole, with the efforts to support business development at an individual business level.

Mattress Recycling

We conducted an early stage assessment looking at the need for mattress recycling in Providence and the feasibility for OHC to launch and run a mattress recycling social enterprise. We researched several successful national models. And while, this type of social enterprise has the potential to create jobs, address a significant environmental challenge and be financially sustainable, we recommend that a comprehensive feasibility study and business plan be developed before OHC pursues this opportunity.

An early assessment for the project, which looks at the need and operational requirements is attached as appendix C. We have also attached a pamphlet which describes the work of a successful mattress recycling venture DR3 which is actively sharing its intellectual property and business model through the support of the Robert Wood Johnson Foundation.

Microenterprise/Creative Sector Incubator

OHC has been exploring the feasibility of converting the third floor of the Paragon Mill they are redeveloping into a creative sector and microenterprise incubator. OHC is considering providing affordable desks and/or offices as well as shared common space such as a fully equipped conference room to start-ups. While we believe that this concept has the potential to be a revenue generator, mission-based social enterprise, we strongly recommend that OHC conduct a comprehensive business plan prior to further pursuing and committing to this venture. There is increased competition in the shared space incubator model across the city and many start-ups have real limits in their ability to pay.

Social Enterprise Recommendations

We recommend that OHC (and PHA) continue to explore social enterprise strategies. OHC leadership appears to be very innovative and entrepreneurial. They appear to be adaptive and interested to add to their programming to create increased opportunities for community members. Further the OHC team seems to possess the business acumen needed to run a business venture.

Phase Three: Microenterprise Development

Our goal was to identify a cohort of approximately 10 current and potential micro entrepreneurs to participate in the micro enterprise Incubator. Another goal was to identify additional mentors to add to our current pool that may have skill sets relevant to particular needs of Olneyville micro entrepreneurs. We also planned to work closely with the cohort of entrepreneurs to ensure that we provided sufficient follow on services.

We faced several unforeseen barriers in this portion of the project. First off, the Rhode Island Economic Development Corporation (RIEDC), which was the entity that was providing the funding for the general administration of the incubator, abruptly cut the funding for the project shortly after 38 Studios, the company they had provided a \$75 Million loan guarantee, went bankrupt. This put our project well behind schedule and forced us to re-develop and deploy the site with different positioning and at a different URL. We therefore were only able to fully run one cohort during the official grant period. The up side to this is that we have now redeveloped the site and secured additional funding that will allow us to continue to run the program for the long term. We plan to continue to focus on Olneyville as a primary target market for this program. In addition, we have developed a partnership with the Center for Women and Enterprise and the Department of Labor and Training that will allow individuals who are unemployed to continue to collect benefits if they are actively pursuing developing their own self-employment option. (this takes the place of the traditional requirement to be actively seeking a job).

An additional barrier was that recruiting entrepreneurs to actively participate in this program proved more difficult than anticipated. We actively recruited entrepreneurs through a variety of venues. There were two focus groups held in coordination with the Providence Housing Authority. The first focus group had six attendees who were invited to attend due to their interest in starting their own business or due to a business they were currently running. The second focus group had twelve attendees who had completed a 40-hour painting skills class taught by Sherwin-Williams and concluded with a workshop on how to find a job in home remodeling. About half of the students were interested in starting their own painting enterprises.

In addition, a team of bi-lingual Bryant business students visited and interviewed 12 Olneyville Businesses. They identified six businesses as potential participants in the incubator program. Although none have yet to participate in the program we continue to work with them to convert their interest into participation.

Despite the above and additional follow up, none of the participants actually were converted to actual participants in the program. This made us better understand the real effort needed in order to convert potential interest in the program to actual participation in the program.

Understanding the Microenterprise Landscape and Technical Assistance Needs:

SVPRI engaged four bi-lingual Bryant University students to conduct interviews with businesses on and around Olneyville Square. The team worked closely with SVPRI and OHC to develop an appropriate interview protocol and then to translate the protocol into Spanish. The goal of the interviews was to understand their current business feasibility and to understand their technical assistance needs and their interest in participating in the SVPRI microenterprise incubator program. The team identified 18 businesses to interview and completed 12 of the 18 interviews. The results of the interviews are as follows:

- 60% of business have non family member employees;
- 73% of businesses said they have been profitable in the last three years;
- 17% of businesses have hired in the past three years;
- 9% have fired individuals in the last three years;
- When asked about their greatest needs, 28% stated access to capital, 24% advertising, 8% stated technology and 8% marketing;
- 9% have sought out capital from City or other sources;
- 82% stated they have plans to grow their business;
- 100% had a computer that they use for business;
- 18% talk to other business owners about how they could jointly improve community;
- 80% stated they would like to participate in a group that worked jointly to try to improve the Olneyville business community;
- 58% of businesses were interested in improving their storefronts;
- When asked to rank the quality of their storefront on a scale of 1 to 5 with five being the highest quality, the average was a 3;
- Of the businesses interviewed the highest number were restaurants (17%) but there seemed to be a mix with 67% being other.

A ppt presentation is attached as a deliverable to OHC.

The Bryant students strongly recommend Mariluz Party Time, Mi Sueño Bakery, Miguelangelo Photo & Video, La Lupita, and One Stop Party Store as potential participants in the incubator program. These business owners seemed interested in the OBI program and thought it was a good opportunity to help them grow their business. Many of them need support with marketing and publicity; owners want to start marketing their businesses on Facebook and Twitter. They also need assistance with financing; taxation issues, developing loan applications, exploring other business opportunities, etc. We plan to continue to encourage these businesses to participate in our programs since they have been reporting positive business performance with profitable operations and have plans to grow in the future.

Identify Micro entrepreneurs

SVPRI ran the first cohort of the Online Business Incubator for three months in the spring of 2012. We had several businesses that were either located in the larger Olneyville neighborhood or led by an entrepreneur who lived in the neighborhood.

- **Sidewalk Ends Farm** (Fay Strongin & Tess Brown-Lavoie): These entrepreneurs were actively engaged in the program and they developed pretty active, started a business plan while in program. They were looking at additional space to expand their growing abilities. She participated in the TEDx program.
- **Catering Business** (Georgina Sarpong) – She was relatively inactive throughout the program. She changed her plan midway. We will continue to work with her as she does seem to be committed long term to starting her own business.

- **Urban Farm** (Adam Graffunder) – Urban Farm was relatively inactive. He got another job that occupied
- **Yasmin Kuhn Jewelry Design** (Yasmin Kuhn). Yasmin developed a business plan throughout the program and made significant progress throughout the program. She also provided positive feedback about the impact the program had on her venture. Through mentor networks, she was able to develop new high potential contacts with other individuals in the jewelry industry.
- **Casey Spencer Graphic Design** (Casey Spencer) - She was relatively inactive but was able to get some successful contracts for her business.

The next round of this program will begin in February 2013. To date, we have several Olneyville entrepreneurs that have expressed and confirmed participation. Joan Wyand is an artist that aspires to expand her artist studio into a small business. There is another individual living in Olneyville that wants to launch a catering business. Finally, we are also confident that Mariluz will participate.

Outreach began a little before the holiday season. We are looking at this round as another pilot and are confident that outreach and recruitment will continue to gain traction as the program develops an increased track record. Our hope is that word of mouth eventually becomes the most effective marketing and recruitment tool. We are continuing to reach out to the people that showed interest in business development to explain the details of the 15 week microenterprise incubator. Additional services such as workshops and one-on-one assistance will also be provided periodically.

Identify Mentors

We have continued to work to identify business leaders within Olneyville who are interested to help develop businesses in this community. The mentor recruitment and engagement process is fluid. We currently have 30 mentors participating in the program.

Phase Four: Recommendations and Conclusions

Based on the findings and outcomes of the various phases of our work in Olneyville, we have developed a set of initial recommendations. We look forward to working together with OHC to further explore and potentially implement these as well as others that become evident as SVPRI and OHC continue to work together on economic development strategies in Olneyville.

1. **OHC should continue to explore and build its comprehensive economic development programming.** This focus and early stage expertise appears to be an opportunity to effectively differentiate itself among the state's other CDCs. For example, I believe OHC is the only CDC in the state that is running a social enterprise.

2. **Continue to build on and actively market the gritty, artistic Brooklyn image of Olneyville.** It appears that there is a growing number of businesses and individuals that embody and are embracing this image. It is important that Olneyville leadership work together to further develop this positioning and its associated marketing campaign that community members can jointly embrace and promote.
3. **Recruit micro entrepreneurial talent:** Continue to develop and provide a comprehensive menu of microenterprise development services that will position Olneyville as a destination for micro entrepreneurs. The Olneyville specific micro enterprise loan fund that OHC, Building Futures and SVPRI are exploring could be a strategic addition to this menu of services.
4. **Retain and cultivate existing micro/small enterprises:** Continue to develop and provide a comprehensive menu of microenterprise development services that will position Olneyville as a destination for micro entrepreneurs.
5. **Conduct a Business Plan for Microenterprise/Creative Sector Incubator:** It is important the OHC fully explore the feasibility of its proposed microenterprise/creative sector incubator in Paragon Mill. There are a growing number of shared space initiatives and a business plan will allow a clear path for differentiation.
6. **Create additional strategic partnerships with existing community groups to achieve goals.** These could include but should not be limited to:
 - Association of Independent Colleges and Universities (AICU): We encourage Olneyville to create a partnership with AICU to actively promote Olneyville as a destination neighborhood for students who are graduating and staying in Providence.
 - Founders League: Participate in this new hub for entrepreneurs. Seek their help in getting the word out about Paragon ect...
 - Capital Good Fund: Help provide financial literacy and micro loans for Olneyville residents.
 - SBA partner programs including Center for Women and Enterprise, Small Business Development Center, South Eastern Economic Development Corporation: see if these programs can add to and build on existing programming in Olneyville.
7. **Use Business Improvement District as vehicle to gain credibility for recruiting to various business technical assistance programs:** Early experience (difficulty converting micro entrepreneurs who express interest in incubator to participants in program) has indicated that increased follow up, coupled with increased awareness, credibility, and trust, are needed to ensure robust engagement between business owners/potential micro entrepreneurs and

technical assistance providers. Square One can play an important role in vetting and promoting TA providers.

- 8. Explore Feasibility of OHC Developing Additional Social Enterprises.** We particularly encourage OHC to continue to explore the feasibility of a mattress recycling venture and if deemed appropriate to seek resources to develop a full blown business plan for this venture. A mattress recycling venture could be a good use for unused mill space that would require little up front funding.

Appendix A: Results from Focus Groups and Key Informant Interviews

Summary

From the interviews and focus groups conducted, there are a number of key themes that emerged:

- Most businesses were drawn to Olneyville due to the inexpensive real estate, access to major highways, and “artistic/gritty” feel.
- For established businesses, their challenges ranged based upon their stage of development (start-up to established) and their industry – more space, capital, infrastructure, and strategic direction were mentioned. For residents who owned businesses or were interested in starting businesses, challenges included start-up funds, knowledge about operating a business, and generating customers. Language skills and digital literacy were also mentioned as significant challenges.
- The Olneyville brand was recognizable by the majority of businesses. Artistic, diverse, underground...one respondent captured its essence: “It really is the Brooklyn of Providence.” It’s messy and dirty but with a unique appearance.”
- In order to draw more business to Olneyville, two major strategies were suggested: improvements in infrastructure and a broad marketing campaign to promote Olneyville to businesses and to residents across the state. Additional restaurants were also a common suggestion.
- The majority of business were not currently involved in any association of businesses within Olneyville but the majority did express interest in such an organization to determine ways to work together and help one another. One respondent noted that there is a current association that lacks leadership.
- There was overwhelming support from both the established businesses and those that participated in the focus groups for a business support services entity within Olneyville. Suggestions were made to provide workshops on a variety of topics, gather businesses to collaborate and share information, identify mentors for current business owners in specific areas, and provide low-cost space for small businesses. It was also clear that services should be customized to different target audiences in order meet the diverse range of business owners within Olneyville.

Interviews with Olneyville Businesses

Process

The interviews included a range of businesses that are located in throughout Olneyville. Two businesses, Music Everywhere and Fete, are located near Olyneyville Square. Two businesses are located at 46 Dike Street, House and Birchwood Design. One business, Smith Restoration Sash, is located in the Atlantic Mills. An additional nonprofit-organization was included, Recycle-A-Bike, is located at 12 Library Court. A description of each business is included below:

Business/Organization	Description
Music Everywhere Tabber Kickstarter Campaign Website	Music Everywhere is a start-up organization that participated in the Betaspring Incubator program. Their initial effort was to produce a guitar teaching device, Tabber, which includes embedding LED lights into the neck of a guiter and is connected to your iPhone. In addition, they created a space for “in-person” interactions around music called “The Garage”. It was originally intended to be a co-working space for musicians, but has become more of a rehearsal space. It includes a full stage and audio system.
Fête Website	Fête is New England’s boutique live music venue dedicated to providing innovative music programming to an audience as diverse as New England itself. Fête’s mission is to rejuvenate the relationship between music and revelry; create a haven where both artists and audiences engage in a unique and gratifying cultural experience and actively participate in the revitalization of Olneyville, a unique and historic Providence neighborhood.
Birchwood Design Group Website	Birchwood Design Group provides creative, viable and sustainable landscape design solutions and whose founders believe in the growth and achievement of its employees. The company specializes in commercial, institutional and public projects throughout Rhode Island and Southeastern New England. There are currently three employees.
Smith Restoration Sash Website	Smith Restoration Sash is a business that creates wooden windows and designs and manufactures the hardware for those windows. It has been operating within the Atlantic Mills for 10 years. There is only one full time staff person, with some part time help.
House: Resale Gallery Website	House Resale Gallery is the premiere destination in Rhode Island for buying and selling quality furniture (both resale and consignment). Our style ranges from vintage to industrial to modern, and our focus is on one-of-a-kind pieces that can transform your home. Each piece in our collection is carefully selected and in some cases, lovingly restored. The company

Business/Organization	Description
Recycle-A-Bike	<p>opened in April 2012 and currently has one employee. Recycle-A-Bike is a nonprofit community bike shop. <i>“You can come to the shop - you can use the tools and fix your bike yourself; or people can help you fix your bike; we offer expertise; we also resell bicycles to pay expenses; it is sort of like a bike shop but do-it-yourself. We give people the skills to maintain their bicycle and offer classes to adults and to children with an arrangement with Providence After School Alliance.”</i></p>

[Website](#)

Locating A Business in Olneyville

What factors contributed to your decision to locate your business in Olneyville?

- Olneyville seemed like the most **artistic neighborhood in Providence**. Artsy-feel. It had a very cool music venue, Fete, which we are located directly behind. We share a similar target audience to Fete.
- It wasn't that complex. We needed to leave the space at The Steel Yard - we basically had very little financial history/track record. We worked with a realtor to find **inexpensive space** - something we thought we could afford. Settled on this space – and with a leap faith, hoped that we could afford the space.
- The decision to locate in Olneyville was **primarily the low rent**, the ability to grow the business within a large factory space, and **access to Route 95** for customers and for deliveries. Similar space in Boston was \$12 per square foot, in Olneyville, it is \$3 a square foot and the rent has not been raised in ten years. Utilities are not included – so including utilities and 4400 square feet – the rent is \$1300 per month.
- Why not? We are fighters. We believe in Providence. Olneyville has the **potential to transform** without losing its soul.
- We were looking at a number of places to work from, including our homes and other places from here to East Providence. When we talked with Chris about the studio, we weren't sure about Olneyville Square. The **scenario fit our budget** and we cohabitated with Chris (the architect who renovated the building). We, in fact, have found it extremely easy for clients to get in and out of Olneyville Square and get on the highway system or into the city. We are very happy to see other businesses pop up in this area. Fete, Wes's Rib House. It is an exciting place. We see the changes that OHC and the city are making. There is **lots of potential space**. There is so much available here. It would be nice to see it develop and see it attract more people to the area.
- **Allure of the industrial spaces and the cheap rent** - economically reasons. Up above the low rent, the **ability to differentiate myself** - I didn't want to be another antique dealer. I wanted to be a gallery that was an affordable destination. Affordable had to play into my operating costs. I also believe that I spatially achieved that. For my aesthetic, I am comfortable around factory space. I wanted to marry the textile industry with the furniture industry. The more I learned about Olneyville, the more impressed I

was with Westminster Avenue straight out of Olneyville which used to house all the furniture stores in RI. You're a dreamer when you are 44 and on your third business. **You ultimately want to make a difference.** I determined this community would be the place to make the biggest difference in terms of bringing jobs and money into Olneyville. Knowing that you are confident that there are residuals for being part of a community that needs you. There are people willing to take a risk in Olneyville on the business front.

Impediments to Growth

What impediments do you face in starting/growing your business?

- With our Tabber product, the main challenge is **manufacturing and manufacturing delays**. We are using the rehearsal space to backfill the Tabber business. Unfortunately, people don't like to come to Olneyville. They don't like parking – people have to park on the street. The intersection in the Square is really bad – it is hard to cross the street. For events, we create “walking” signs because we are basically in an alley. People are used to coming to Providence but where in Olneyville? People think it is a new city. It feels like it is growing but people don't know about it. People think it is a “scary part of town”.
- **Trying to figure out the right direction** that we want to head into. We have three people here - who will be our next hire that will speak to the direction we want to go in? What kinds of clients are desirable to us - long lasting? We work in MA and RI and as we try to branch out into Boston, CT, or beyond...what are the types of projects that we want? We want to be able to sustain the company by participating in both planning efforts and the implementation of those plans. What is the next step for us? We want to grow carefully, with consideration. We want to have a commitment to the next person we bring into the group.
- **Parking**. We are leasing parking spaces and it is incredibly expensive. People say there is a perception issue but that isn't the problem. We recently had a small incident, a skirmish that was linked to other clubs and activities in Providence – and it was damaging. A czar of Olneyville is needed to help lead the effort around creative solutions. We need a **marketing plan**. It is taking small steps to move these efforts forward.
- **More space**. I need a receiving room. My challenge would be **location** - there are people who do not know how to get here. Discerning people who are looking for better furniture use Craigslist, for a unique shopping experience. Part of the allure of Craigslist is the hunt. We can be a hunt. If I was next to the Antique mart, there is no differentiation. Can I out clever the Frog and Toad dude who is way cool? I'd rather throw my hat in the ring for Olneyville - than Hope Street or Wickenden. It's more of a story. It's more of an adventure. I think people are ready for that. For walking into a place that is gritty on the outside, and be pleasantly surprised on the inside.
- I will be expanding to pop-up resale at Brooklyn Flea market in Fort Green. I will also be doing a tent sale on June 2nd because I have furniture in the workshop ready to be sold. The challenges of growth - **could I move into two spaces?** Or I know can make more money in trash to treasure than consignment? So, if I can in six months, if I don't

have a **running workshop with 5-6 people** from Olneyville who are refinishing furniture, I will have let myself down. If you are able, you can learn to restore furniture and sell it, and see what you can do for your family. There is a huge open workshop in Versailles (but not ready to expand yet) –I know I could fix it here and sell it elsewhere.

- **Having enough people to conduct our business** is by far our #1 challenge. We rely on volunteers and that is how we get the work done - with a small budget. There are lots of details involved in being responsible - much of that detail is not dealt with or comprehended. We are flying by seat of our pants - it's going well – but we could use more people and recruiting people is difficult and we aren't that skilled at it. My attempts to recruit are to go to events to find people who might be interested. It would be nice to have more money...money is not on the top of my list. We have a way to make money...but people would be more helpful. There are areas of expertise that we would like to involve - all of our volunteers have day jobs.
- My work is a very narrow scope – wooden window making is an archaic craft. The hardware business, which has grown by 42% in the last year, is expanding. I design and manufacture the hardware (in Taiwan) and recently developed an arrangement with an fulfillment company in Chicago to handle order processing. The largest impediment to growing the hardware business is **capital**. It requires a significant investment to design and develop additional hardware elements.

Olneyville Brand

What makes Olneyville a unique neighborhood? What is Olneyville's "brand"?

- **Arts and diversity.** Lots of different kinds of people which is “cool”. “It really is the Brooklyn of Providence.” It’s messy and dirty but with a unique appearance.
- Honestly, I've lived in Providence for a long time. I used to go to Olneyville 30 years ago...and to Atlantic Mills to a flea market. Olneyville **does not seem like a unique place**. There are some good ethnic restaurants - it is on the way to Silver Lake. There is not something that jumps out at me.
- The brand has a unique character. It is like an **outpost for artists**, renegade, it is on the **fringes** (not just population)...but the building stock allows for a lot of possibilities that can happen here that can't happen elsewhere. If you are living on East Side, there is not that kind of space. It is reminiscent of Fort Thunder which was an artist enclave that was on Harris Avenue - fantastically painted inside. We walk a lot at lunch to check out the areas - there is a lot of dirt, grime, litter. But it has a particular appeal; you feel like you are doing something different, that you are in a different area that you want to show people.
- The **topography is exceptional**. Straddled by the river and the grid out of factories. I hope Olneyville takes time to think broadly about how to use the Square as a **commerce geographic triangle**. The factories that surround the Square host the space. Within the rerouting, people will think that there is something going on in that factory. **Olneyville must appreciate its corners as much as its centers**. I have a workshop in the Versailles building - I use their garage for sanding and painting. It is very exposed space. My hours are completely different than the artistic hours - I believe I have not met the

visual artists...I've been meeting the performance artists who live in Versailles. They work 10PM - 6AM.

- Admittedly, I helicopter in and out. I see Olneyville as a place **where immigrants can get a foothold on life**. There is a company in the mills called Embassy Creations, which is one of the largest producers of foam cased products. They have over 100 employees in the mills – press operators, sewers. Mostly from the Latino community. They are a huge employer and the largest renters in the mills.
- Olneyville is an **underground arts enclave**. There are hipsters and live bands that play in dangerous, life threatening mills. It doesn't want to embrace its brand and everything that can come with it. People run from history when it should be embraced. It doesn't embrace that Shep Fairey had a studio here.
- It's important to build a brand. The brand of Olneyville - it looks like it is **reinventing itself**. It seems as though people are losing the fear. That is a good sign. People should be feel ready and willing to park their car and drop a \$100, and not be afraid.
- I like Olneyville. I have never been hassled here. I enjoy seeing people who are **the first step of the ladder and who are working hard**. OHC has done a terrific job over the last ten years – improving the housing stock, Riverside Park. A very positive difference in 10 years.

Drawing more Businesses to Olneyville

What would draw more businesses to Olneyville?

- The basics: **street signs, crosswalks, parking, safety**. There are not too many good places to eat or do things. Wes's Rib House is good, but there aren't too many other options.
- The **traffic** is awful. It is really bad. I usually bike there. I don't have to worry about parking. It is really traffic. I am very aware of the noise from Route 10 and the highway. It is a source of dirt, commotion. It is not a visually beautiful part of the city - it is grimy. **Making it more attractive** would be helpful - but it could cause prices to go up...there is a tug of war between making something appear to be nicer and then making it unaffordable. There needs to be affordability.
- People say it is "hot" - and that it is an **up and coming place**. Rising Sun is cool and the restaurants on Valley are cool. But the Square is rough - it is not well kept - people aren't making good decisions about how to renovate properties.
- I think there is a stigma around Olneyville. People who live in Foster aren't going to go to Olneyville - it's a small town attitude. Personally, I would be fine walking down the street - it isn't dangerous to me. It isn't Philly, Baltimore. Providence was voted one of the safest cities. Olneyville needs to get **past that stigma** - there needs to be a **marketing effort** - a concentrated campaign to say that it is a vibrant community - that has things going on. Even if they are small in the short term - it is a **cool place and needs to be touted as such**.

- Absentee landlords are prevalent - there are so many problems caused by that. It is another tug of war - residents are losing as landlords refuse to make improvements and property owners are not present they do not well by their neighbors. Many of them are just not interested - and just interested in money. Property owners should be stewards - not just owners.
- **Infrastructure improvements. Sidewalks, streetscape.** There are potholes in the streets. If you are working late, and there is an overpass, you will not diddle-dally to get to your car. There is a lack of light; you are on the border of a highway. There is a perception that it is not safe, although that may not be the reality. When infrastructure is presented well, clean roadways, nice sidewalks, areas for bicyclists to commute...it creates a cooperative space. That can be affordable. There are people working out of their home that would like something quiet and a place where they can work with others. **Several small businesses that can create a vibe to attract more businesses.** Having safe **bike routes** and **places to eat at lunch.** Facade improvement would go a long way to make Square more cohesive. There is incredible building stock already there - but there is a lot of visual clutter. There is so much going on... plus the noise of the traffic. It is a lot to take in. Keeping the character of the buildings but improving awnings, signage would go a long way.
- It would be interesting to explore something like the “knowledge district” as the reinvention of the jewelry district in downtown Providence. Something like the “**creative district**” and market it towards the not only affordable space for artists, sole proprietorships, small business but also for industrial and mechanical gurus – creative thinkers who need space (not necessarily pretty space) to invent, explore, etc. (similar to the music studio behind Fete). The food industry seems to have defined this coop in many cities, but maybe for Olneyville, the industrial aspect is more appropriate.
- **Market to attract larger companies in the industrial world** that can create jobs and have a larger presence. Similar to the Steel Yard but maybe a different and separate business model.
- It does not advertise itself well as its own neighborhood. They would get a lot of mileage out of saying, "**Accessible to 95**", over and over again. I say, "Take the 6 - take the first exit off the 6", that is one of my slogans. I support Fertile Underground and this morning I got coffee at 7 Stars. It is important to get a burrito a few times a week. Olneyville is A) Accessible – it always has been and B) Safe - **you need to declare that you are.** You also have to own up to the statistics. 41% below poverty level. The best thing I can do is create jobs. I hope that can happen soon. I would like to move more into customer service and administration and have four workers in my workshop.
- There is also a danger of gentrification - like Four Points in Boston. Artists were forced out - I know we don't live in a utopia - can you maintain that sense of being cutting edge without driving people out? Whether it's **tax credits, or benefits for improvements.**
- We need a coffee shop, an **American style restaurant**, more bar culture. We need a marketing and advertizing plan to talk about Olneyville. We need to develop things to do during the daytime. We need to look to other examples like Williamsburg, Five Points (Atlanta), and the Middle East in Cambridge. We (Fete) would love to be open during the day and be viewed as a resource to the community.

Business Involvement

In what ways, would you like to be involved with other businesses in the community?

- **It would be great to share connections – people don't really know about us.** It may bring good referrals. We've reached out to Fete but didn't hear back...and haven't asked again. It is important to know your neighbors. We would definitely be interested in connecting with other businesses in Olneyville.
- Yes, definitely. We are neighbors and it is tight where we are. The parking is tight - and trash is another major issue. Property that is zoned commercially means city does not pick up trash is a huge problem. We **should be working together to address the issues.** The guy who runs NY Systems runs something - the Olneyville Collaborative. We have not been involved.
- Not really. I do what I do and my customer base is not here. Ideally, I will be able to build up the hardware business over time – and eventually sell the window making business as a turnkey operation – or actually teach the business to someone.
- We would like to **be a good neighbor**, find out about their businesses, and determine how we can develop relationships and network, how we can develop or participate in programs and events, and how we **can help facilitate changes** from a City and State level. It would be interesting to find out if there are any existing informal or formal associations, how they interact and how we can get into the mix and bring in other businesses that are new to the area or have even been here awhile. The language difference poses and interesting challenge among different businesses as well.
- We use local business to cater our events. We should **coordinate the businesses** to put a full-page ad in The Phoenix – Come to Olneyville! We need to meet with the press and discuss how they portray the neighborhood in the media. It is unfair how they paint the community. We want to bring a diverse set of performances to Fete – even the Philharmonic should play in Olneyville.
- It would be great to have a **social media collaborative**: Facebook, Blog, Twitter and even Pinterest management for small businesses in Olneyville and an online community campaign. Also an **Events Calendar** supporting for profit business with economic support for cost of such events. A **Furniture Bazaar** at the Paragon!! Let's approach other markets to bring stimulation to Olneyville.

Are you part on an entrepreneur/social enterprise/small business owner affinity group? Would such a group be useful to you?

- We are **connected to the Betaspring** incubator community. Yes, a group would be useful.
- Our Program Directors may know. We have received support from SVPRI, New Roots, and attended trainings at RI Foundation. A **nonprofit group of organizations based in Olneyville would be great** - it may not be me, but perhaps someone from our Board could participate.

- There is a **community-feel in the Mills**. Heritage Restoration, English for Action, Olneyville Neighborhood Association, The Flea Market. There is also Dancraft and a furniture upholsterer. There is very much a community of hard-working people with modest means. There are also people who actually “live” in the Mills – due to the cheap rent and massive space. The landlord is not courting these kinds of tenants – but they are here.
- Several. We have been working with Groundwork Providence, Southside Community Land Trust, Women in Transportation, Urban Land Institute, New Building Council. We are not involved in a business association in Olneyville yet. **Absolutely interested in coming together** with other businesses.
- We are **not currently involved** but are in the process of creating the Olneyville Night Life Committee, as a result of the recent incident.
- I am collaborating with Wes's to do a grill outside during my tent sale. I am talking to Fete about doing a cocktail party and a combined show. I am a straight shooter - **the collaboration that needs to happen is accessible here**. I can call any business on the Square and they will help. I am creating a community bulletin Board and want to offer "free taco" Tuesdays. I am trying to offer great product at low prices and making sure there is a high quality attached to it. **How am I going to coexist with other businesses that are supporting an extracurricular lifestyle?** Wes says that he is packed at 2AM. Fete's concerts start after 9PM. How do I align myself with businesses that are like minded? If you are going to buy an ottoman, you aren't going to wait for ten hours for the concert to start...
- The current merchant association **lacks leadership** and doesn't do anything actively visible in the community.

Business Supports

If a business support services organization were created in Olneyville, what types of training or services would be most helpful to you?

- That is a super cool idea. Marketing our rehearsal space – how do we get the word out and generate income from that part of our business.
- Maybe it is specific to design disciplines, but if they can create a space where there can be **a place where people can meet and have a forum to discuss issues** - whatever they may be. "I can't make payroll because I am a start-up." We may be in different businesses but share common problems. RISD has a program called, "Creative Mornings"...where people talk about design and business or other topics that might have **cross pollination**. For more established businesses, perhaps, presentations on ways to get know them and what they are doing. You don't usually just knock on people's door and say, “Hey – what do you do?”. **A real community space that is vibrant and a place where you can have charrettes on projects.**
- It sounds like something we could use... **we can use all the help we can get**. We need to recruit people, how do we get people into the organization, and be committed to the organization...we have had difficulty retaining volunteers. People is part of our

gap...help with some of the compliance issues as related to being a nonprofit organization, regulations, safety issues as it relates to our organization. I want to make sure people don't get hurt, that our space is safe - that we are complying with rules and regulations, and properly insured.

- I would be interested in **bookkeeping and using Quicken**. Marketing support. Incubator space for other small ventures would be a great idea.
- A way to find tradespeople. **Electronic job board** to see who is looking for what. A way for residents to find businesses that need help. Technical support for promotions, graphic design. Understand where I can put signs, what are the regulations if any. A new business would want to know who the police officer is the patrol - who is manning the neighborhood. If I have a cocktail party, if something happens, who do I call? A **new business welcome packet** could be helpful. I am lucky to be on a parking lot.
- Sales related, social media, marketing, and **data/information management**.

Focus Groups

Process

There were two focus groups held in coordination with the Providence Housing Authority. The first focus group had six attendees who were invited to attend due to their interest in starting their own business or due to a business they were currently running. The second focus group had twelve attendees who had completed a 40-hour painting skills class taught by Sherwin-Williams and concluded with a workshop on how to find a job in home remodeling. About half of the students were interested in starting their own painting enterprises.

Starting Your Own Business

How many of you have already started your own business? What business ideas do you have?

Current Businesses

- Contracting – small renovations, remodeling
- Music production
- Food products – salsa, jam

Business Ideas

- Locksmith
- Fixing appliances and selling them
- Painting
- Bakery
- Catering
- Photography
- Grocery store

Challenges

What are the challenges you are facing as you consider starting or growing your own business?

Monetary Support

- Money for marketing and advertizing
- General start-up funds
- Raising money to produce music; identifying investors

Insurance and Regulations

- Business insurance
- Becoming bonded
- Understanding what licenses that are required – for repairing appliances and selling appliances
- Different licenses for food preparation and sales of prepared foods
- Regulations associated with remodeling
- Acquiring appropriate insurance including liability, worker's compensation

Customer Relationships

- Dealing with difficult customers
- Estimating prices for projects
- Internet marketing
- English speaking skills

Physical Plant

- Determining the best location – in home or in a shop
- Acquiring additional space for supplies

Training & Services

General

- How to run a business
- How to be entrepreneurial
- Mentoring programs – mentors who were available to meet with (not too busy)
- Time management
- How to give back to the community/involve community
- Marketing – how to advertise

Skills/Technical

- English Language Skills
- Computer classes – digital literacy
- How to build a website
- “Green” construction and certification
- CPR and safety training
- Technical advice to fix appliances – a mentor in a similar field
- Electrician training program – or mentor
- How to run a “food” business – products and tools
- Introduction to e-commerce tools/online businesses
- How to sell photographs online

Financial

- Payroll
- Budgeting
- Accounting
- Separating personal and professional finances
- How to file taxes
- Dealing with customers
- Loans and grants and support to determine which may be best suited for the business

Human Resources

- Hiring employees versus independent contractors

Training Delivery

Where should these trainings or services be offered? What would be most convenient for you?

- 144 Dodge Street is a good location
- A location that is easily accessible, on the bus route, in Olneyville
- Early mornings or evenings; a variety of different times would be best to allow people to meet their family commitments
- Ideally if a program was completed, students could apply for funding for their businesses
- Computer training may also be helpful but will need support to use computer

Connections

In what ways, would you like to be involved with other businesses in the community?

- Absolutely would like to be involved
- Primarily for referrals and referral development
- For marketing
- For word of mouth referrals
- To work together as a team
- To help create relationships and introductions for other businesses

Appendix B: Square One Initiative Business Plan



Square One Initiative Business Plan

OLNEYVILLE HOUSING CORPORATION
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I. Executive Summary

This business plan for a Business Innovation District in Olneyville Square (the Square One Initiative) was completed for Olneyville Housing Corporation by Social Venture Partners Rhode Island in collaboration with The Capacity Group, LLC. The methodology included research into national trends that was focused on 16 successful Business Improvement Districts (BIDs) and Neighborhood Main Streets Programs that have similar characteristics and/or demographics to Olneyville. Each of these models was extensively researched. 6 experts nationally who have run these BIDs were interviewed as were experts from the National Trust for Historic Preservation, the Rose Center for Public Leadership in Land Use at the Urban Land Institute and the Providence Downtown Improvement District. Research into the local market was focused on expanding beyond existing information provided through research conducted by Bryant University Students and FIO Partners. The goal was to gain relevant information to support the business plan but also to start the process of business engagement by developing a detailed understanding of the individual interests and concerns of businesses related to economic development in the square. 10 local businesses were interviewed to support this effort. In addition to the summaries of business suggestions provided throughout the plan, the addendums include details from each of the individual interviews that will be valuable for one-on-one outreach going forward. Following are the recommendations that resulted from this process:

Marketing recommendations include: Developing a strong brand that ties the three core business types together (arts/entertainment, Hispanic businesses, environmental and nonprofit organizations); Public relations efforts to highlight the vibrancy of the Square and specific places to visit/new happenings; and Community Events – in successful BIDs across the country events are an important way to attract visitors and improve the reputation of a business district. The plan includes detailed tactics, funding and suggested collaborations.

Recommendations for operations follow the National Trust for Historic Preservation's Main Streets Model with small changes to reflect the specific needs and resources in Olneyville. The recommended structure includes a part-time staff member to oversee a volunteer board and volunteer committees. The volunteer board should be made up of approximately 12 individuals, including committee chairs who will oversee the following six committees, which are explained in detail in the plan: Promotions, Organization, Design, Economic Restructuring, Safety, Recycling/Cleanup/Greening the Square. It is recommended in the plan that funding for the BID be a public/private partnership and include the following: 35% ongoing Community Development Block Grant Funding; 20% Earned Income (One Olneyville); 15% State and Local Foundations (i.e. United Way, Champlin Foundation, others); 15% State Funding (through special projects – DOT, RIPTA, DLT, etc.); 10% Banner Sponsorship from Local Businesses; 5% Event and Marketing Specific Funding from Local Businesses. This model includes an assumption that One Olneyville will complete a business plan that will enable it to support the earned income component. If that is not the case it is still possible to develop the BID model utilizing the other sources of funding, however it will take longer to bring to scale and to accomplish all the original goals. The timing is ideal for this effort and businesses are eager to participate.

II. MARKET RESEARCH AND ANALYSIS

a. National Trends

Research into national trends was focused on 16 successful Business Improvement Districts (BIDs) and Neighborhood Main Streets Programs that have similar characteristics and/or demographics to Olneyville. 6 experts nationally who have run these BIDs were directly interviewed as were experts from the National Trust for Historic Preservation, the Rose Center for Public Leadership in Land Use at the Urban Land Institute and the Providence Downtown Improvement District. The following themes emerged:

The majority of successful BIDS closely follow the Main Streets model, which was developed by the National Trust for Historic Preservation. There are four main points that are always addressed in this model including Promotions, Organization, Design and Economic Restructuring. When necessary, some BIDs also include a fifth focus point to

address safety and/or cleanliness. Following is an overview of the key elements that interviewees cited as supporting the success of their BIDs. Additional information specific to each BID or Main Streets program researched, including budgets, logos, specific successes, weakness, and other helpful information is included in Addendums B, C and D.

Key Elements in Successful National Models

- One-to-one outreach is critical
 - Outreach and communication are critical for successful BID development; email and mail outreach is not comprehensive enough—one-to-one outreach is needed. A large portion of the Director’s time in the initial stages of the BiD will be spent forging relationships, identifying areas of concern for individual stakeholders and building consensus and appropriate methods for engagement.
- Ensure the Board of Directors is widely representative
 - From the very beginning, include property owners, commercial tenants, residential tenants and public representatives in the discussion/planning process
 - Include city council members and keep them engaged in the effort
 - Young residents should also be included to keep a pulse on emerging trends.
 - Engage residents in general to identify what is attractive to visitors and promotional strategies that are most effective.
- Engage immigrant business owners and residents by providing them with translation, relevant services/opportunities and engaging them in BID planning
 - This is something that many BIDs struggle to do well
 - Developing an intentional personalized outreach strategy is critical
- Parking is often key issue and should be addressed in an opportunistic fashion
 - Create angle in or 90 degree parking whenever possible, especially as substitutes to parallel parking
 - Parking lots are only useful if trying to concentrate pedestrian traffic within small radius (approximately three blocks)
 - Find out whether parking improvements can be made for local areas or if these decisions are determined through district-wide changes
- Most BIDs depend on city funds or assessments from business owners
 - Other innovative funding streams are typically very small and include assistance from foundations, CDCs, local universities, and company sponsorships.
- Collaboration with government agencies is critical

- The local Police department and Department of Parks and Recreation tend to help with the safety and beautification elements of BID efforts
- Volunteers account for the majority of BID efforts, such as planning activities and event, but there must be some paid staff to manage and coordinate them
 - Many successful BIDS have over one hundred volunteers, heavily relying on community residents.
- Marketing and promotions are a critical component
 - Businesses, property owners and residents partner through volunteer engagement in the BID to support local events, discounts, and other attractions to the area
 - Develop a core identify for the neighborhood and align activities to this identity
 - Support local businesses with marketing and promotions

b. Local Market

While Rhode Island and Providence have not been particularly strong in supporting efforts to improve local business districts, there are many strengths within the Olneyville community that can support this effort.

Strength – Business Interest in Supporting the Effort
Threat – Intensive One-to-One Outreach Required

One of Olneyville’s greatest strengths is the interest that businesses have in creating a successful BID. Across the board, nearly all the businesses interviewed expressed an interest in supporting the effort. However a threat to the process is the intensive one-on-one outreach it will take to get these businesses working together in a unified way. Eventually there could be an incredibly successful volunteer-driven BID but it will take resources to get to that point and an intensive one-to-one outreach strategy. Volunteer committees should be built from this one-to-one approach. Businesses will need to be engaged based on where they initially express interest, concern and opportunity to provide support. Most businesses indicated an interest in supporting joint events in the square as well as supporting general joint marketing efforts.

Strength – High Traffic Area
Weakness – Pedestrian Traffic and Parking Concerns

Another strength of Olneyville Square in terms of creating a BID is the high volume of traffic that passes through the square. Efforts to attract attention to events through banners, etc. will be seen by many people from many different neighborhoods. The downside is that traffic creates a difficult pedestrian environment. Parking and pedestrian accessibility were mentioned by business owners as key challenges to economic development in the square.

Strength – Significant Research Conducted and Initial Funding Secured

Weakness – Lack of Consistent City/State Financing Relative to Successful National Models

Olneyville Housing Corporation has engaged in significant research to support the development of a BID, engaging Social Venture Partners Rhode Island in partnership with FIO Partners and The Capacity Group, as well as a student group from Bryant University. In depth research has been conducted to understand the needs of businesses and the make up of the economic environment. Funding was secured through Community Development Block Grant funds to develop an initial marketing campaign, facility improvements and business planning. However, an Olneyville BID will be at a deficit in comparison to national models as a result of not having a clear means of ongoing financial support. Most BIDS generate funds either through ongoing use of Community Development Block Grant funds or through a business tax levy. The best approach in Olneyville will be a public-private partnership, which is discussed in greater detail in the finance section of this plan.

Strength – A Burgeoning Arts and Entertainment District, Established Small and Mid-Size Businesses, including Hispanic Businesses and a Strong Grassroots Nonprofit Sector
Threat – Finding Ways to Engage all Three Sectors in a Unified Internal and External Vision

Business owners agree that Olneyville Square has been improving consistently over time. There is a burgeoning arts and entertainment sector (including Dirt Palace, Yellow Peril, Fete and Cuban Revolution), established small and mid-size businesses (including La Lupita, L Sweet Lumber), a strong grassroots nonprofit sector (including Recycle-A-Bike and Woonesquatucket River Watershed Council) that all combine to create the feel of a growing district. There are natural connections between each of these groups. However, these connections need to be appropriately leveraged to create a larger whole that can be effectively marketed.

Detailed feedback from conversations with 10 local business owners is included in Addendum A. This detailed feedback creates a critical first step in the one-to-one outreach to local businesses and should be built on in the early stages of BID development. Businesses were chosen for these conversations based on their lack of participation in previous outreach and research efforts conducted through Olneyville Housing Corporation’s initial steering committee meeting and Social Venture Partners Rhode Island and FIO Parters’ initial research. Following is a synopsis of the ten conversations conducted specifically to support this business plan. The final recommendations in the plan include information from all research conducted to date:

- Business owners are interested in revitalizing Olneyville Square and are generally enthusiastic about an Olneyville BID. Improving attractiveness

and usability of the square while building on existing neighborhood strengths is considered important.

- Efforts to continue to engage these businesses will be most successful through one-on-one engagement and by asking them to participate on committees specifically connected to their interests and resources.
- Most businesses would be willing to give their time and in-kind resources to the BID effort, but only a couple suggested willingness to offer monetary support
- The main priority is improving parking and pedestrian traffic by creating more crosswalks, sidewalks, and stop signs and parking options
- Additional priorities included beautification, advertising and security.

Providing translators when working with local business owners whose first language is Spanish is critical to building relationships. As part of the business planning process we were able to build relationships with immigrant owned local businesses utilizing a Spanish-speaking consultant. Each of the business owners were interested in being engaged in economic development in the area.

SUMMARY OF INTERVIEWS WITH HISPANIC BUSINESS OWNERS		
Complete Interviews in Addendum E		
Date	September 13, 18 and 21, 2012	
Interviewer	Lucia Ramirez (interviews conducted in Spanish)	
Interviewees	Owners of Hispanics' businesses in Olneyville Square	
TOPIC	I. In your opinion, which problems prevent bringing more costumers to Olneyville Square?	II. What kinds of improvements to Olneyville Square do you think would bring your business more customers/revenue?
INSECURITY	<ul style="list-style-type: none"> - Aggressive people in the street. - The glass window in some businesses were broken in the last months. - There was a shooting on District Street six months ago. - Some customers have had items stolen in the street. - There are thieves in the street who arrive at businesses selling stolen articles. - Delayed police response. 	<ul style="list-style-type: none"> - Meetings with the Police to discuss an increase of its presence in the area and strategies to prevent robberies, for instance a walking police officer. - Setting up security cameras around the square connected with the police station.
LACK OF PARKING	Most of the Hispanic businesses do not have a	- Meetings with the Police to coordinate a better way to

	<p>parking lot, which impacts the arrival of customers:</p> <ul style="list-style-type: none"> - Client are afraid to pay parking tickets. - The time for parking is very short. - Customers do not know the parking rules as they change frequently. - Businesses cannot plan collective events. 	<p>control the traffic in the area considering its commercial activity, for instance reviewing the time of parking.</p> <ul style="list-style-type: none"> - To find areas for parking using the space of the buildings located in 50 Plainfield Street and 128 Dike Street that are abandoned.
BEAUTIFICATION	<ul style="list-style-type: none"> - Old infrastructure: Behind the square there are a couple of old and empty buildings, which affect the appearance of the area. They are located at 50 Plainfield Street and 128 Dike Street. - Some businesses do not have enough money to afford the improvement of their storefront. This causes the area to look uncared for. 	<ul style="list-style-type: none"> - To unify all business signs and fix the front of some of them.
ADVERTISING	<p>Most of the interviewees felt that Olneyville Square would benefit from more advertising because people in Providence know it but they do not realize that they can find Hispanic products there.</p> <p>However, one of businesses disagreed with this idea because probably they will lose some American customers, who will think that they do not speak English.</p>	<ul style="list-style-type: none"> - Training in advertising strategies. - Planning and developing collective events such as setting up a Christmas tree, bringing hot chocolate to the costumers and decorating businesses with Christmas lights. - To design and distribute brochures and flyers with the products, services and contact information of the businesses located in Olneyville Square. - To place a big advertisement in the intersection between

		Westminster and Broadway Street with the same information of the flyers and brochures - Newspaper advertising
LACK OF CROSSWALKS	- There are not crosswalks in the middle of the Olneyville Square and some drivers do not respect the speed limit that is 25 miles per hour. - The location of the bus stop in the middle of the square sometimes generates traffic	- Meetings with the Police to coordinate a better way to control the traffic in the area considering its commercial activity, for instance monitoring speed limits.
III. Would you be interested in participating in helping to make any of the improvements you suggested happen? How would you like to participate?		
- Most of the local businesses' owners would be willing to participate in the following activities: <ul style="list-style-type: none"> • Meetings with the Police • Trainings regarding advertising strategies • Collective events - They suggested these times to schedule meetings: weekend afternoons or weekday afternoons after 6:00 PM. - Two of the interviewees would be willing to donate a small amount of money if the activities proposed are necessary and they were consulted.		

Also of note, during the research process Frank Latorre, Director of Public Space, Providence, Downtown Improvement District, explained the foundation of the Providence Downtown Improvement District (DID) and the need for strong leadership and visibility. The Providence DID was established through funding with a grant from the Champlin Foundation and the quasi-municipal organization is now self-sustaining through a 4% tax on the property tax paid by property owners in the district. They have an annual budget of \$1.3M and twenty full-time employees.

III. MARKETING PLAN

a. Overall Marketing Strategy

Balanced promotions should reflect the multiple dimensions of the area and ensure that everyone feels included through a common theme that is easily identifiable to those inside and outside the area. Olneyville Housing Corporation should work with a marketing firm that can develop a brand for the square that builds on and connects the following existing elements:

The arts and entertainment scene (examples: Fete, Cuban Revolution, Dirt Palace, Yellow Peril Gallery).

There is a growing arts and entertainment scene in Olneyville Square and these businesses are interested in supporting business improvement efforts as evidenced by their high turnout at the first steering committee meeting. These businesses have the knowledge and means to support and market large scale events in the square that could attract a diverse audience from inside and outside the neighborhood.

Hispanic culture (examples: La Lupita (Traditional Mexican Food), Panaderia Y Reposteria (Bakery), Botanica (Religious Articles, Statues, Pictures))

Many of the Hispanic business owners expressed an interest in highlighting Hispanic culture in the square. Some mentioned that people know the area but do not know that they can find Hispanic products there.

Respected and engaged nonprofits groups (examples: Recycle-A-Bike, United Way).

Some businesses in Olneyville Square indicated that they already have connections with the watershed improvement efforts of the Woonesquatucket River Watershed Council and with United Way. These nonprofits are adding to edgy youthful feeling that is attracting more people to Olneyville Square. These organizations provide the opportunity to frame square cleanup and beautification as an artistic and environmental action. This approach could be very appealing and lead to increased traffic in the square.

Core elements of a marketing strategy should include:

- Strong branding that connects the three core business types and ties the businesses in the square together both visually and generally in the minds of individuals from both inside and outside the neighborhood. Suggestions have been made that reflect the creative energy that is driven by Olneyville Square's industrial and cultural heritage.
- Public relations – ensuring that articles are written in the Providence Journal and there are features on local television and radio that highlight the vibrancy of the Square, specific places to visit and new happenings.

- Community Events – in successful BIDs across the country, large scale events are an important way to attract business and improve the reputation of a business district.

b. Tactics

Specific tactics that have been successful in other BIDs with similar neighborhood characteristics and demographics include:

- Creating a unified logo design for the square that ties businesses together
- Working with businesses that do not have clear signage
- Creating and distributing a community guide or newsletter to promote businesses and events (as is done in the 125th Street Harlem BID, Mission Hill Main Streets in Boston and Fruitvale BID)
- Halloween walks (as done by Mission Hill Main Streets and Little Five Points Business Association) or other holiday events– these have been very successful in other BIDs. Christmas lighting and activities were mentioned by local businesses as a successful event from the past in Olneyville
- Monthly events with specials, musical performances, and other events to draw people to the area

Committees formed as part of the BID structure outlined later in this plan should seek to make it as easy as possible for businesses to participate.

An additional approach should be to provide advertising and presentation strategies to local businesses, especially small businesses in Olneyville Square. This will help individual business better represent themselves to the public but also improve the look and feel of the Square overall.

A particularly unique way to market Olneyville Square, that builds on the existing character, would be to tap into the youthful environmental movement and bike culture. Utilizing terms like “Recycling in the Square” versus sanitation could greatly enhance volunteer recruitment among young residents. Organizations such as Recycle-A-Bike, the Steel Yard and the Woonosquatucket River Water Council provide the opportunity to frame square cleanup and beautification as an artistic and environmental action. This approach could be very appealing and lead to increased traffic in the square.

Since Olneyville is unique from other parts of the city with its unusual demographic mix of immigrants and artists – it is important to focus on their unique abilities and needs in order to effectively engage the community.

Concern for garbage and debris pick-up and removal is not only an environmental and safety concern but is closely tied the beautification and revitalization of many business districts throughout the country. Environmental sustainability is closely connected to

urban revitalization and environmental and arts programming have been incorporated into many award winning revitalization projects in recent years.¹ In addition, safe and convenient removal of electronic goods (refrigerators, computers, TVs, etc.) can become a self sustaining business in itself. For example, a program called *Recycle Here* in Detroit, MI, is a privately run city beautification and environmentally conscious clean-up program that began as “a grassroots, neighborhood, recycling event and evolved into a city-wide, fully-funded, neighborhood recycling program.”² Through this environmentally conscious program, jobs have been created, improvements have been made and widespread attention has been brought to the needs of this distressed city.

Recycle Here is a good example of a grassroots effort developing into a public/private partnership and collaboration with city departments. It is also particularly relevant because it engages a wide range of residents including artists. In addition to the diverse immigrant and Spanish speaking population in Olneyville, artists and environmental organizations maintain a large presence and influence in the Olneyville Neighborhood. Incorporating an environmentally sustainable program into Olneyville Square beautification would branch beyond the basic maintenance of a downtown area – and provide a much needed service in the Olneyville neighborhood. It could serve to train and educate a diverse population while also engaging the skills of Olneyville’s creative and environmentally conscientious residents. It would also address some of the environmental concerns that the WRWC has around the downtown area. WRWC has a developed a long history and positive influence in the Olneyville neighborhood. Therefore incorporating this type of service into OHC’s Downtown Beautification program and workforce would not only add a fresh twist to the effort.

c. Pricing, Financing and Collaboration

The marketing and events aspects of the plan are the most likely to be able to attract financial and in-kind support from businesses. Many indicated that they would be interested in supporting marketing efforts. In addition to in-kind support and volunteer organization this could also include the following:

- Banner sponsorship – 20% of the banners that are being designed for the square could be set aside for paid business advertising (this will to double duty of highlighting the businesses in the square and providing funding to the effort). This was successful in another national BID.
- Joint funding of newsletters or other marketing materials

¹ M. McGrath & K. Seavey, “Leading by example: the community projects of 2011 All-America City Award finalists,” 2012, National Civic Review. 101.1 (Spring 2012): p54

² *Recycle Here* website, <http://www.recyclehere.net/>

- Recycle-A-Bike is very interested in supporting the addition of bike racks in the square, promoting a more bike friendly environment, and generally participating in business improvement efforts.
- Woonosquatucket River Watershed Council is interested in supporting efforts to connect the Square to revitalized areas of the watershed and continuing to work on plans to restore the river and create a river walk in the business district area.
- Fete expressed an interest in supporting the development of a large-scale event in the square.
- Cuban Revolution expressed an interest in providing meeting space and participating in community events similar to those they have supported through the Woonosquatucket River Watershed Council.

IV. Operations Plan

a. Structure Recommendations

The recommendations below on how to structure the BID are based on the National Historic Trust’s Main Streets initiative as well as the specific components that Olneyville Housing Corporation is interested in including in the effort: a part-time director, engaging in efforts to market the square, One Olneyville (sanitation, ambassador, plans, equipment, graffiti removal, etc.) and a microenterprise specialist (inclusion of business resource in Paragon Mills).

Almost all of the researched BIDs operate with a director and a diverse board of directors made up of property owners, commercial tenants, residential tenants and public representatives. It is recommended that the Square One Initiative operate under this same model.

A part-time director would be necessary to support a Board of Directors and oversee volunteer committees. The director would also support marketing efforts.

It is critical to have representation on the Board and among volunteers from these stakeholders groups:

- Property owners
- Large business owners
- Small business owners (including minority business owners)
- Local residents – including young members
- Nonprofits

The BID would ideally be structured as a board with a President, Treasurer, Vice-President and Secretary. Approximately 12 board members would be ideal with 4-5 separate committees that have committee chairs. Titled board members and volunteer committee chairs (which should also be board members) should expect to spend at least 2 hours per week in their role. They will focus on planning in specific areas and coordinating volunteers.

Significant initial outreach and engagement efforts will be required to reach the stage of a fully functioning board and volunteer committees. Even in the later stage development of the BID a director will be required to coordinator volunteers and support their activities.

Volunteer committees would include the following, in line with the National Trust for Historic Preservation's Main Street's Program and including some additional elements related to specific needs in Olneyville Square. Structuring volunteer engagement in this way is critical to focus efforts and expertise and also to enable volunteers to easily find the areas where they best fit and can have the most impact.

Following are recommendations for the subcommittees:

Promotions: This committee would focus on creating a positive image of the Olneyville Square business district and marketing the district. This would include organizing press attention, general ongoing marketing of events and happenings both within and outside the community, and organizing large scale events in the square to attract visitors.

Organization: This committee would focus on conducting significant outreach to engage a large number of stakeholders in the BID, including board members and volunteers. This committee would also focus on building partnerships and consensus among various stakeholders. Special Events should be held that have a specific intent of bringing different business groups and cultural groups together to bring shared understanding of the needs in the square. This group would focus on that effort as well.

Design: This committee would work to ensure that Olneyville Square is inviting to shoppers and residents. The focus should be on "public and private buildings, storefronts, signs public spaces, parking areas, street furniture, public art, landscaping, merchandising, window displays and promotional material. An appealing atmosphere, created through attention to all of these visual elements, conveys a positive message about the commercial district and what it has to offer." (National Trust for Historic Preservation Main Street program <http://www.preservationnation.org/main-street/about-main-street/the-approach/>) Parking is a particular concern for many business owners that could be addressed by this group.

Economic Restructuring: This committee would focus on the vitality of the businesses in the district including attracting new business, advocating for appropriate business development with the city and state, and bringing resources and supports to existing businesses.

Safety: This committee would focus on ongoing interface with the police department as well as local businesses to identify opportunities to support safety as well as perceptions of safety. In some BIDs this has included working with property owners to incentivize businesses to remove bars from windows. Most of the business owners identified challenges for pedestrian traffic as a key concern. In this case they would like to identify safety in an economic development context as well.

Recycling/Cleanup/Greening the Square: This committee should interface with One Olneyville, ensuring they have the resources to do their work and ensuring that Olneyville Square strives to be a clean, recycle friendly, bike friendly green area.

b. Collaborations

A key strength in Olneyville Square are the businesses with the potential and interest for collaborating to support these efforts. Following are recommendations for collaborations:

Promotions: Olneyville Housing Corporation should draw on the expertise of the arts and entertainment businesses in the square to support promotions efforts. The owner of Fete has a particular expertise in this area but other businesses could also be helpful in developing unique and exciting events to draw interest to the square and support the development of creative marketing approaches. These businesses include: Cuban Revolution, Dirt Palace and Yellow Peril Gallery. Each of these businesses has expressed an interest in supporting business development efforts in Olneyville Square. Hispanic business owners should also be engaged in this committee. The majority of Hispanic business owners indicated an interest in supporting community wide events. They will have a unique cultural perspective that will likely work well with ideas coming from the arts and entertainment community. Exciting events and ideas could be generated as a result. Some will be jointly organized and some may be separately organized to appeal to different groups.

Organization: Recycle-A-Bike runs almost entirely on volunteers. United Way has a number of staff that work in the area and are committed to community revitalization. The Woonosquatucket River Watershed Council has a history of organizing Olneyville residents to participate in cleanup activities. All of these nonprofit organizations could be strong partners in organizing volunteers. City Council members can also be key allies in this effort. For nonprofits and city council members this is a win-win collaboration where they are able to bring their organizing expertise and unique groups of supporters to the effort but also gain access themselves to individuals who might be interested in their organizations.

Design: The artists located in Olneyville Square would also make strong allies to support efforts to beautify and improve the look and feel of the square overall. Recycle-A-Bike

has also expressed an interest in providing bike racks. The Steel Yard, while not located right in the square could also be a strong ally. Ground Work Providence has already established a collaboration to help provide a public piece in the square and could be tapped to engage in ongoing efforts. Parking and traffic issues could potentially involve collaboration with the Department of Transportation to discuss a better way to control the traffic and parking in the area, considering its commercial activity, for instance reviewing the time of parking and parking options. Some businesses suggested considering partnerships with local property owners to expand parking options – Citizens Bank, using the space for buildings located at 50 Plainfield Street and 128 Dike Street that are abandoned. Façade improvements can be considered through joint discussion and planning with local business owners.

Economic Restructuring: Social Venture Partners Rhode Island and the MicroEnterprise Specialist should be considered as key collaborators in this effort. Although United Way does not participate specifically in economic development they do have an interest in Olneyville and Olneyville Square in general and if were presented with a particular policy opportunity or approached to develop policy priorities, they could potentially be a strong ally.

Safety (Including Pedestrian Traffic): The Police Department, City Council, Mayor’s Office and Department of Transportation could all be helpful allies in supporting safety efforts. They should be at the table for Safety Committee meetings. Pedestrian traffic concerns are shared across all businesses in the square. Many Hispanic business owners in the square identified general safety as well as pedestrian traffic safety as a priority and expressed an interest in supporting these efforts. L Sweet Lumber, United Way, Cuban Revolution and Birchwood Design Group and also expressed concern regarding safer pedestrian routes and an interest in supporting improvement efforts.

Recycling/Cleanup/Greening the Square: This committee could draw interest from young, environmentally minded residents as well as support from the Woonasquatucket River Watershed Council (WRWC) and Recycle-A-Bike. The WRWC was interested in providing support regarding plantings (using environmentally friendly design and planting standards) and removal of existing debris and control of future debris that have or might have a negative environmental impact to the Woonasquatucket River habitat and water quality. They would be happy to share existing information and other resources that would help guide that process. A suggestion was also made that that the collaboration that the WRWC has had with the Providence Parks Department could be duplicated with OHC / SVPRI and the Department of Public Works.

National Historic Trusts National Main Streets Initiatives – Efforts should be made to further connect with the National Historic Trust Main Street’s program and identify opportunities for appropriate designations and technical assistance.

c. Staffing Considerations

A part-time director is critical to support the BID and oversee the volunteer board and committees.

A work crew is required for beautification and sanitation efforts. Currently the crew operates with 5 youth working 5 hours per week at \$12 per hour through One Olneyville.

V. Financials

a. Expenses and Operating Income

It is typical for 40-70% of expenses to be spent on internal salaries or external consultant salaries for the staffing to oversee the BID. The rest of the funding in the Square One Initiative Model would be allocated to physical improvements (including beautification, sanitation, façade improvements) technical assistance for businesses (including support with promotions and advertising), promotion and general overhead.

The original intention was for One Olneyville to generate enough profit to enable it to fully support the BID. One Olneyville is currently going through the Change Accelerator Program with Social Venture Partners Rhode Island to determine the extent to which One Olneyville can expect to generate profit. Given the competitive marketplace for the services offered by One Olneyville it is recommended that other sources of funding are identified as well. A recommended breakdown of funding sources is as follows:

- 35% Ongoing Community Development Block Grant Funding
- 20% Earned Income – One Olneyville
- 15% State and Local Foundations (i.e. United Way, Champlin Foundation, others)
- 15% State Funding (through special projects – DOT, RIPTA, DLT, etc.)
- 10% Banner Sponsorship from Local Businesses – sell bottom 20% of banners for advertising
- 5% Funding from Local Businesses to Support Specific Event and Joint Marketing Efforts

b. Profit Potential and Durability

Until One Olneyville completes a business plan it is unclear whether it will be able to generate enough income to support an Olneyville BID. Following is some information that will support that business planning process:

Identifying potential clients will clearly be the key consideration. Commercial clients are the most appropriate focus. Assuming that the quality and price of work is nearly equal to that of similar firms, a key advantage in pitching business would be to identify that the profits will all go back into revitalization of the business district, which will in turn benefit commercial customers.

Some potential commercial customers could include:

Multiple or Mixed Use:

Rising Sun Mills / Armory Revival Company
United Way
Atlantic Mills
Monahasset Mills
Eagle Square

Individual owners:

Michael Soloman - Wes' Rib House
Fete - Music venue/ night club
Citizen's Bank
Bank of America

Non-profits & Community Centers:

Nickerson Community Center
Joslin Community Center
Hive Archive
Steel Yard

Schools:

Providence School Department:
William D'Bate Elementary
Paul Cuffee School

Churches:

Various individual and major diocesan (Baptist, Catholic, etc...)

There are many (approx. 50+) small businesses who provide basic landscape, maintenance and snow removal services in the RI area. It is a competitive business.

For snow removal in particular companies have varying rates depending on the

amount of snow and size of commercial property. For small storms, businesses charge around \$75-\$80 minimum, but the price goes up depending on difficulty and weather intensity. If commercial properties wanted to opt for a seasonal contract, the prices are approximately \$1,000 for the entire winter. There are many factors involved in snow plowing and it was difficult to get consistent responses. Access to the lot/sidewalks is important, in addition to where the plowers have to move the snow. Snow removal from the property is an added cost. There is also the issue of when the plowers come, either after so many inches of snowfall or just after the storm ended, and these decisions affect price.

Small landscaping jobs consisting of mowing and minor planting/mulching and such could be around \$35/week, but it could also go up to \$80/week, depending on the property size.

c. Fixed, Variable and Semi-Variable Costs

Fixed costs for the BID would include a part-time director, the One Olneyville sanitation and beautification crew and overhead. Semi-variable costs would include materials and supplies for sanitation and beautification. Marketing and events expenses are variable costs.

One Olneyville will need to identify fixed, variable and semi-variable costs in business planning to identify profit potential.

d. Months to Breakeven and Months to Reach Positive Cash Flow

One Olneyville will need to develop a business plan to establish profit potential and identify months to breakeven and months to reach positive cash flow. This would then impact the revenue potential for the BID.

VI. Desired Financing

A five-year revenue and expenses forecast is attached as Addendum E. It includes the following financing requirements:

Allocation of ongoing Community Development Block Grant funding

Profit generated from One Olneyville

Foundation support from United Way, Champlin, others

Businesses to share marketing and event costs

Paid advertising on banners from local businesses

State funding for special projects

There is also the potential need for financing for a \$12,000 truck with snowplow and \$865 in additional maintenance equipment if One Olneyville is able to secure additional clients.

Appendix C: The Providence Mattress Recycling Project

Proposed Mission Statement

Our vision is that a mattress recycling facility will be developed in the city of Providence with the purpose of employing local residents and to encourage a long-term paradigm shift from the status quo to one envisioned by alternatives. Our task is to partner with local business, civic organizations and stakeholder institutions to increase their recycling rates, green and clean our neighborhoods and empower communities and individuals economically through job creation. To facilitate the timely and efficient removal and recycling of unwanted mattresses, providing the highest convenience to the customer and minimizing environmental hazards.

Background

Nearly 40 million mattresses and box springs are sold in the United States each year for use in residential and institutional settings. Each year, over 30 million mattresses are sent to landfills across the country; more than 8000 per day. Mattresses range in size from 27 to 60 cubic feet, and average about 60lbs. Mattresses can take decades to decompose in a landfill and can absorb hazardous materials.

Used mattresses represent a significant cost for many local governments and institutions to manage. Mattresses are bulky, yet relatively light, and most landfill tipping fees are based on the weight of the item dumped, not its volume. As a result, used mattresses consume a large amount of landfill space relative to their light weight. Only a small percentage of mattresses and box springs are recycled annually. On average, 60-90% of a mattress can be recycled, depending on its original quality and condition.

The principle materials that can be recovered and recycled from a mattress are steel, foam, fiber, wood and other filling materials. There are existing markets for the reuse of these items into other products provided they are separated, thus preventing them from becoming part of the landfill.

However, the value of the recovered mattress materials alone may not sustain a long-term mattress recycling operation. Finding a sustainable income source to supplement scrap revenue is vital for a successful operation. Options may include collecting fees from consumers, retailers, manufacturers or municipalities equal to the tipping fee that a landfill would otherwise have charged had the mattress instead been dumped at the landfill, and not dismantled. In fact, it may be economically more efficient for the landfill to pay a dismantler to take the used mattresses rather than consume the dump's limited space (opportunity costs incurred in accepting mattresses is approximately \$15.00/mattress; the landfill would be more profitable if it were to pay less than \$15 per unit for someone else to dispose of the used mattress).

Mattresses are costly for taxpayers, municipalities and Rhode Island. Mattresses have therefore been targeted as a high priority issue. During FY10, the city Providence spent 12.1% of its solid waste budget on mattress disposal. Providence currently contracts directly with Waste Management for appointment pick-ups from which point mattresses are transported to an incineration facility. Providence only transports to Rhode Island

Resource Recovery Corporation (RIRRC) when highway officials pick up abandoned mattresses in public areas.

It is evident that these parallel streams lead to elevated costs which are passed on to the taxpayer. Providence expended \$513,000 for the collection of 18,650 mattresses and box springs, at a cost of approximately \$28 per mattress. The total cost for garbage pickup in the city of Providence in FY10 was \$4,224,985. As a result the costs associated with hauling and disposing of mattresses accounted for 12.1% of the city's solid waste budget.

Proposed Project Focus

This project is focused on mattresses and box springs from initially from residential sources including both single and multi-dwelling units. Providence municipalities are comprised of approximately 178,053 people and 62,000 households; 72% are housing units in multi-unit structures (US Census Data, 2007-11). Furthermore, large-scale generators such as hospitals, hotels, retailers and consumers are also significant sources of used mattress waste streams which when leveraged can contribute to the recycling program's longevity. Retail businesses are particularly noteworthy within this community recycling construct.

Project Summary

Hauling waste from Providence to the landfill in Johnston, RI may be a logistical problem for any Providence municipality. Bulky, abandoned mattresses can only prove to make the problem worse. Our proposition is to develop a working group and bring together key stakeholders that can influence and help get the mattresses out of waste streams, out of the landfill and into a recycling facility.

The working group can potentially be made up of representatives from various government agencies, legislative representatives, community leadership, the hospitality industry, mattress retailers and waste haulers interested in taking on this new venture.

First, we must identify what funds – state, local and/or third party funds can be leveraged to establish mattress collection infrastructure and get community organizations such as the Olneyville Housing Corporation, the equipment and training needed to develop a workforce around the proposed business plan. Second, product development funds and analysis can assist with engagement for finding preferably local markets for the mattress components. Third, set practical conditions to shape and influence what residents, consumers and retailers do with used mattresses in order to transform their behavior and attitudes toward responsible mattress disposal.

How it is groundbreaking

The need for mattress recycling is long known, and attempts are being made in a handful of cities around the country. What's groundbreaking is that it can be run as a partnership with pre-existing conditions and infrastructure. A partnership created to posture the Olneyville Housing Corporation in the lead (alongside Social Venture Partners Rhode Island consulting) with support from the City of Providence and a collaboration of key business stakeholders. This partnership can translate into a sustainable industry,

providing urgently needed new “green” jobs to the residents of the local community.

The Providence Mattress Recycling Project potentially could be a model program and an open-source of logistical support for new disposal projects within RI. It potentially could assist with sharing information about best-practices and start-up and logistical issues to consider. In this way, the project can influence and provide keen insight into making such operations more commercially viable in support of Rhode Island community regionalization.

Potential Project Partners /Working Group Stakeholders

City of Providence

City of Providence, Department of Public Works

Rhode Island Resource Recovery Corporation (RIRRC)

Rhode Island Department of Environmental Management

Greater Providence Chamber of Commerce

Providence Fire Department

Providence Police Department

Select Legislative Representatives

Social Venture Partners Rhode Island

Project Goals/Strategies

Proposition is to employ community members to deconstruct mattresses and recycle the materials in the mattresses in an environmentally wise, and fiscally manageable manner. To develop a business model that can be duplicated around the city and/or state, with no locally comparable competitors yet identified. Indirect competitors may include out-of-state waste management contractors. Considering these factors, preliminary research indicates Providence has a large enough market to support operational needs for mattress recycling based on business models with similar operational requirements, plans and existing infrastructure.

A recycling operation facility has the potential to create jobs for Providence residents with barriers to employment such as the formerly incarcerated, at-risk youth, veterans, single parents and other underemployed or unemployed people. Project can potentially provide up to 15–20 direct administrative and entry level jobs, and 5–10 indirect logistic, transportation, and broker jobs. (Job training must be provided in warehouse management, forklift driving, baling & material handling). Social objectives and/or social rehabilitation program can help create equality with the establishment of a job creation program. Mattress recycling creates entry-level jobs that are appropriate for people with barriers to employment. Workers are trained in highly transferable skills such as driving a forklift, operating machinery and warehouse safety. It will responsibly reuse and recycle materials, provide quality goods and services to the community and generate revenue to support charitable activities.

Proposed Way Ahead – A Recycling Social Enterprise

Moving forward, we are eager to identify and confirm mutually beneficial partnerships with the City of Providence, Providence Department of Public Works, RIRRC, local

communities, Greater Providence Chamber of Commerce and back-end support chains to guarantee to potential revenue sources to pilot the recycling, and invest in basic infrastructure. Simultaneously, we will work to establish a home base for operations.

The objective of the recycling program is to engage those identified with a barrier to employment and prepare them for long term success in life and the job market through comprehensive training and practical application of value-added skill sets. Our methodology is a combination of transitional employment programming and industry based training, which scaffolds incentives and responsibilities as an employee moves through this model. Professionalism, preparedness, positivity and pride must be cultural, with foundational skills to attain and maintain while the model supports earning formal credentials to build a trade.

Because we may be working with individuals that have very little to no job skills or experience, in addition to working through multiple barriers in their lives while they are initially enrolling in our program - it is crucial that the type of work has appropriate points of entry. Simultaneously, the quantity of physical work that can be generated is vital to the goal of producing multiple job opportunities. Cost effectiveness will determine how sustainable the overall business model can be as wages are paid to all that participate in the program. Lastly, one must consider the impact of the business, making sure that the business model is mission consistent and does not have a negative impact on the community and/or environment.

Used Mattress Collection Logistics

Efficient transporting of the used mattresses to the recycling facility and then the recovered materials from the facility is critical and can be costly and time consuming. The number of times that a mattress or material is handled and moved must be minimized. A recycling facility should establish well-organized and prearranged methods and schedules for collection. This may be best accomplished by collaborating with major sources of used mattresses (waste haulers, landfills, retailers, municipalities) and shippers of the recovered materials. Hauling individual mattresses directly to the recycling facility may prove to be impractical. Rather, the used mattresses might first be taken by the Providence DPW from the curbside and/or local collection points, from which they can be transported to the recycling facility on larger trucks.

Another potential collection option could be the Providence Solid Waste Transfer/Collection Station. It could be provided a site at their main waste transfer station where haulers could set mattresses aside for later transport to the Recycling facility. This method must take care to avoid causing logistical problems since those collections might provide a temporary spike in supply; synchronization is key towards providing a viable means for maintaining a steady supply of used mattresses to the Recycling facility.

Similarly, RI solid waste haulers can also play a fundamental role in transporting mattresses (from landfill). Some waste haulers use central transfer stations and could thus be potentially encouraged to separate collected mattresses for later delivery to the Recycling facility (individual waste haulers may already be segregating much of the

collected waste in order to transport products efficiently to a given landfill based on distance and tipping fees).

The recycle facility should also have an initial collection point of its own, having the ability to accept individual mattresses from consumers. This would likely reduce illegal dumping of mattresses in community areas. The mattresses must then be taken from the collection point to the processing facility. Additional options that need to be considered will include using transitory storage devices (trailers/conex boxes) and/or marshaling areas, or offloading mattresses immediately. This will be directly related to the number of mattresses supplied to the recycling operation and the facility's processing capacity.

Also, retailers are often the first potential point of contact for many used mattresses. If they pick-up a used mattress as a service for customers buying a new mattress, retailers could then serve as a convenient initial collection point for the used mattresses. Options for delivering those mattresses to a recycling facility include the retailer's trucks, the manufacturers' shipper (when it leaves the retailer after delivering new mattresses) or a third party hauler. Using a retailer's trucks would be the most efficient in terms of minimizing the handling steps. A third party hauler or the manufacturer's shipper could also transport the used mattresses that the retailer has collected to the recycling facility, but would potentially involve additional handling expenses.

Likewise, coordinating with high volume mattress consumers (such as hotels, hospitals, government agencies, universities, etc.) on their replacement schedules might also allow for efficient collection and transportation of used mattresses to the recycling facility if warranted.

Capital Equipment and the Labor Process

The process of dismantling and removing the innerspring unit from a mattress is efficiently achieved by "filleting" the unit. This is typically done manually using box cutters or by using similar tools. Mattress units in good condition can typically be filleted by hand (using a box-cutter) at an efficient rate. Other necessary equipment may include roller conveyors and magnets to separate steel from shredded mattresses and bailers to prepare the recovered steel spring units for consolidation, delivery and subsequent sale to a local scrap dealer.

Labor is necessary to operate the machinery and dismantle the mattress, moves the mattresses and materials, and prepares the separated components for shipment. The workforce must be proportionate to the volume of products to be processed and need not be highly skilled. For example, the draft business plan developed by the Mattress Recycling Program in Eugene, Oregon projects that each trained staff member at its mattress dismantling facility can process 35 pieces daily.

The recovered materials must then be sorted into their steel, foam, wood and fabric components. Sorting can either be manual, automated or a combination of the two based on equipment on hand at the time of start-up. Manual sorting has most frequently been

used by past and current mattress recycling operations to remove the innerspring unit from the mattress. The majority of the materials could be taken in the initial stage of filleting the mattress to remove the innerspring unit and large pieces of foam. Additional costs may be incurred to transport the separated components to their next destination, the scrap recycler (landfill and/or burning plant for discarded remnants).

Considerable savings in this area can be realized when finding a location for the mattress recycling facility. The facility should be placed as close as practical to buyers of scrap steel, foam, etc., and the landfill to deposit waste, however, RI geography complements this point. Separated components will be easier to ship than whole mattresses, allowing for more efficient use of the space within a suitable shipping container.

Likewise, the efficient sale of recovered scrap depends on scrap being generated in consistent volumes worthwhile to dealers. Developing collection plans that minimize the handling and transport of the product, and allow for consistent product flow is key. Otherwise, labor and transportation will not be used efficiently, bottlenecks may occur in the dismantling process and selling the recovered materials may prove to be more difficult.

Supplemental Income Sources

The recycling project should not, initially, expect to support its operations based on scrap revenue alone; it must seek to augment operational costs with fees potentially paid by a third party in addition to start-up revenue sources. Potential candidates for such fees include the consumer, waste haulers, RIRRC, retailers, manufacturers and/or a pragmatic combination of these.

As discussed above, the recycling project working group must also consider developing a rationale for convincing the landfill operators and waste haulers that they incur an opportunity cost when they landfill mattresses. As a result, landfills have a financial incentive to reject mattresses or to charge higher tipping fees for mattresses in order to conserve their landfill “inventory” for more profitable refuse.

Similarly, persuading large volume consumers by means of a city “Code of Conduct” or future legislative activities might also create incentives for those entities to potentially fund recycling operations. In order to make the fee arrangement more attractive, it is also possible that the recycling operation could share the benefits of temporarily high scrap values with certain fee payers by offering a fee rebate if scrap values exceed certain set levels, as one example.

Applying a Shared Responsibility Model

Collaboration with partners and stakeholders in the proposed mattress recycling working group can help create a joint plan for convenient collection and disposal points in the state for used mattresses. This plan actively engages producers, retailers, consumers, residents and city government agencies that can be a very effective towards financing and operating a long-term recycling model in the city of Providence. It has the potential to

decrease the financial burden on the city of Providence for the collection of mattresses and also reduces present and potential costs across the working group.

Recycling must be the way ahead and the preferred disposal method. The mattress working group could propose an establishment of a “recycling fee” to help finance the mattress recycling program. Retailers could then add the fee to the price of a new mattress at the point of sale where those fees could be consolidated to finance a recycling system (that could yield impressive results for a social enterprise). Partnering with business is seen as critical to overall collaborative success and in the end-of-life management of their products. It would be possible for retailers, producers, and or producer-funded third parties to play a more direct role in mattress recycling in Rhode Island, without significantly altering existing operational platforms.

By providing businesses with a financial stake in the recycling costs associated with their products and services, this model also has the potential to encourage designs that are more resource-efficient and act as alternatives to the existing state of affairs.

References

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- www.recycletogetherri.org
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 - www.providenceri.com/ons
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