Tools For Planning, Development, and Management

PRESENTED BY

MIM EVANS AND NORMAN WALZER
CENTER FOR GOVERNMENTAL STUDIES
NORTHERN ILLINOIS UNIVERSITY
Presentation Overview

• The IMS web page - A resource source developed by IMS and CGS for downtown revitalization and nonprofits
  o Small cities and the back to the city movement
• The toolbox
  o New ideas
  o Organization management
  o Business resources
  o Market studies
• Demographic trends
• What’s next?
The Urban Lifestyle Appeals to both Older and Younger Adults
Arts Clusters

Smaller downtowns often have many desirable amenities, but on a smaller scale.
Housing Options for Families

Couples may leave big city downtowns once they have children and need more space. Smaller cities often have single family homes near downtown.
Zoning as a Downtown Growth Tool
Local Main Street organizations carry out a wide range of programs and projects requiring specialized knowledge and resources. This toolbox contains tools that Main Street executive directors and volunteers can use to assist downtown businesses, carry out downtown improvement projects, provide information for residents and visitors and run their own organizations effectively. Some of the tools can be downloaded and posted on local websites. Others can be linked to local websites. New tools will be added over time.
New Ideas


These articles provide practical information on starting a business:

- *Can a church coffee shop be a nonprofit? CNN Money*
- *How to Start a Nonprofit Thrift Store, .ORG*
- *Taking Care of Business: Use of a For-Profit Subsidiary by a Nonprofit Organization, American Bar Association*
- *Community Supported Businesses, Illinois Institute for Rural Affairs Rural Research Report*

**NEW!** Ideas for Rural Communities
*Vibrant Rural Communities Case Studies Series*

**NEW!** Entrepreneurship
*Business Starts in the Midwest: potential entrepreneurial groups*
# How Nonprofit is your Nonprofit?

## The Social Enterprise Spectrum

<table>
<thead>
<tr>
<th>Purely Philanthropic</th>
<th>Mixed motives</th>
<th>Purely Commercial</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Motives, Methods, and Goals</strong></td>
<td>Appeal to goodwill</td>
<td>Mission and market driven</td>
</tr>
<tr>
<td></td>
<td>Mission driven</td>
<td>Social and economic value</td>
</tr>
<tr>
<td></td>
<td>Social value</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Key Stakeholders</strong></th>
<th><strong>Purely Philanthropic</strong></th>
<th><strong>Mixed motives</strong></th>
<th><strong>Purely Commercial</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beneficiaries</strong></td>
<td>Pay nothing</td>
<td>Subsidized rates, or mix of full payers and those who pay nothing</td>
<td>Market-rate prices</td>
</tr>
<tr>
<td><strong>Capital</strong></td>
<td>Donations and grants</td>
<td>Below-market capital, or mix of donations and market-rate capital</td>
<td>Market-rate capital</td>
</tr>
<tr>
<td><strong>Workforces</strong></td>
<td>Volunteers</td>
<td>Below-market wages, or mix of volunteers and fully paid staff</td>
<td>Market-rate compensation</td>
</tr>
<tr>
<td><strong>Suppliers</strong></td>
<td>Make in-kind donations</td>
<td>Special discounts, or mix of in-kind and full-price donations</td>
<td>Market-rate prices</td>
</tr>
</tbody>
</table>

Enterprising Nonprofits by J. Gregory Dees, Harvard Business Review
How to Start a Nonprofit Thrift Store

Establishing a nonprofit thrift store is similar to starting a for-profit retail business. Starting a nonprofit thrift store is a multifaceted task, with legal requirements beyond those associated with starting a typical for-profit retail outlet. The establishment of a nonprofit thrift store necessitates compliance with federal and state laws as well as local ordinances. The process requires the same type of planning required of a for-profit enterprise. The mere fact that a thrift store is not designed to generate profits does not mean that the organizational process focuses on legal compliance and an appropriate revenue stream to ensure the successful operation of the enterprise in the short and long term.

Org.emon.com
Managing a local Main Street organization requires skills in many areas including fund raising, budgeting, staffing and volunteers, communications and more. This section of the toolbox includes resources useful in the day to day management of the organization and in planning for the future.

**NEW! Illinois Main Street Local Program Self-Assessment Tool**

**Operating Reserves: What are they? Do we need them? How do we get them?**

**Annual Budgeting Checklist**

**Budgeting: A guide for small nonprofits**

**501c3 v 501c6**
Main Street Innovations Project

- Executive Director Recruitment
- Executive Director Retention
- Volunteer Recruitment and Retention
- Sustainable Funding
- Committee Structure
Volunteers

• Only do projects with interested volunteers
• Jobs fit volunteers rather than looking for volunteers to fit jobs
• Ask benefitting businesses to commit employees as volunteers
• Recruit volunteers at parties
• Lottery tickets as rewards to retain volunteers
• National Guard as source
Funding

• Walking tours
• Product sales
• Leasing out buildings
• Contract for services
• Foundations
• State tax credits
• Founding partners commit to annual contribution (50%)
Committee Structure

- No committees
- Committees jointly with city
- Rightsizing for committees
- Merged committees
Services to Businesses

Local Main Street organizations provide assistance to existing downtown businesses, businesses thinking of opening a downtown location and entrepreneurs considering starting a new business. Here you will find tools useful to businesses in all stages of operation.

What to Consider Before Starting a Business

Business Plan Template

Monthly Cash Flow Estimator

Self Employment Payroll Tax Estimator (2013)

Payroll Tax Estimator
Market Studies

A market study provides valuable information on downtown’s potential and guidance in developing a plan for downtown growth. The following websites provide guides to understanding the market study process and help in preparing your own market study.

Downtown and Business District Market Analysis provided by University of Wisconsin Extension

Market Analysis for Main Street Provided by Ulster County, New York Planning Department
Total Population (Thousands)

Projected Population For Illinois By Age, 2015-2025

<table>
<thead>
<tr>
<th>Source of Sales</th>
<th>25-34</th>
<th>35-44</th>
<th>45-54</th>
<th>55-64</th>
<th>65 &amp; Over</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shelter (e.g. mortgages, rent, property tax, repairs)</td>
<td>$8,969</td>
<td>$10,750</td>
<td>$10,089</td>
<td>$9,403</td>
<td>$6,823</td>
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<tr>
<td>Food at home</td>
<td>3,912</td>
<td>4,822</td>
<td>4,855</td>
<td>4,107</td>
<td>3,119</td>
</tr>
<tr>
<td>Vehicle purchases (net outlay)</td>
<td>3,904</td>
<td>3,951</td>
<td>3,869</td>
<td>3,391</td>
<td>2,609</td>
</tr>
<tr>
<td>Entertainment (events, hobbies, audio &amp; visual)</td>
<td>2,502</td>
<td>3,321</td>
<td>3,242</td>
<td>2,580</td>
<td>1,724</td>
</tr>
<tr>
<td>Health care (insurance, services, medication, supplies)</td>
<td>2,290</td>
<td>3,753</td>
<td>4,147</td>
<td>4,841</td>
<td>5,709</td>
</tr>
<tr>
<td>Food away from home</td>
<td>2,486</td>
<td>2,913</td>
<td>3,307</td>
<td>2,445</td>
<td>1,632</td>
</tr>
<tr>
<td>Apparel and services</td>
<td>1,826</td>
<td>2,068</td>
<td>1,733</td>
<td>1,443</td>
<td>830</td>
</tr>
<tr>
<td>Household operations (e.g. personal services)</td>
<td>1,367</td>
<td>1,522</td>
<td>955</td>
<td>907</td>
<td>827</td>
</tr>
<tr>
<td>Personal care products and services</td>
<td>520</td>
<td>621</td>
<td>673</td>
<td>673</td>
<td>524</td>
</tr>
</tbody>
</table>

Age of U.S. Business Owners, 2007-2012

Who are the entrepreneurs?*

- Early retirees (55-64 years)
- Women age 25-34
- Immigrants
- Unemployed
- Farmers with small acreages
- Males in late 40s

Likely Future

- Customers age 25-39 who spend more on experiences and on-line
- Older customers spend less and on fewer things
- Fewer business owners operating from storefronts
- Part-time owners and selling more on-line
- Immigrants growing in importance as older traditional store owners age and retire
What’s Next?

• Tools?
• Training?
• Tactics?
For More Information

Norman Walzer
Senior Research Scholar
815-753-0933
nwalzer@niu.edu

Mim Evans
Research Associate
815 753-3499
mevans@niu.edu

Center for Governmental Studies
Northern Illinois University
148 North Third Street
DeKalb, IL 60115
niu.cgs.edu

Illinoismainstreet.niu.edu