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# COMMERCIAL REVITALIZATION STRATEGY OVERVIEW

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# Important Questions

## What is the Commercial Revitalization Strategy?

The Commercial Revitalization Strategy is a series of nine (9) programs or strategies that attempt spur commercial redevelopment / development and retail entrepreneurship within the City of Tulsa.

## How is the Commercial Revitalization Strategy Funded?

A majority of the programs encompassed within the Commercial Revitalization Strategy are funded through the voter approved Vision Tulsa Sales Tax Package in 2016. The City of Tulsa currently has \$3.45 million dollars dedicated to Commercial Revitalization, which it intends to use over the next five years. A handful of the Programs in the Commercial Revitalization Strategy are either funded through another source, Strategy 2, or do not require funding to implement.

## What is the Retail Market Study?

In early 2019, the Retail Market Study was presented to the Economic Development Commission (EDC) and the Tulsa City Council. A portion of the voter approved \$3.6 million Vision Funds were utilized to hire an external consultant to assess Tulsa's retail market. The Study examined thirteen (13) commercial areas within the City of Tulsa, which were intended to represent the myriad of retail conditions within Tulsa. The Retail Market Study served two purposes; first, to analyze the strengths and weaknesses of Tulsa's retail market. A number of these were used to inform the Commercial Revitalization Strategy. Second, the Retail Market Study provides a baseline or benchmarking document the City of Tulsa can use to assess the success of the Commercial Revitalization Strategy in the future.

## How did the City decide what the Commercial Revitalization Strategy would include?

The Mayor's Office for Economic Development spent the majority of 2019 researching and developing the Programs for the Commercial Revitalization Strategy, in coordination with the Tulsa City Council and Community Partners. The City of Tulsa utilized the following resources when drafting the Commercial Revitalization Strategy:

- Research on best practices from peer cities
- Insights from the Retail Market Study
- Input and direction from the Tulsa City Council
- Input from community partners that contribute to the retail or entrepreneurship ecosystem
- Insights gleaned from a listening tour with the commercial brokerage community

In addition, the City of Tulsa designed the Commercial Revitalization Strategy to address the universe of challenges that retail businesses and entrepreneurs face when opening, expanding, or maintaining their retail business. Therefore, no matter if you are an aspiring retail entrepreneur looking for guidance and resources, a small business owner looking to expand to a new location within Tulsa, or a big box retailer looking to expand into the Tulsa area, at least one program within the Commercial Revitalization Strategy will help you on your journey.

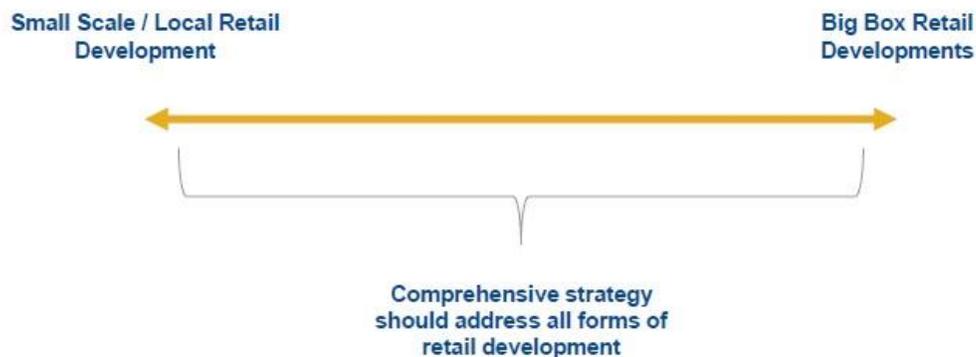
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## What are the foundations of the Commercial Revitalization Strategy?

The Programs contained within the Commercial Revitalization Strategy reflect four foundational principles that the City of Tulsa and Mayor's Office of Economic Development determined to be important based on recommendations from the Retail Market Study and best practices research. The foundational principles of the Strategy are:

1. A successful Commercial Revitalization Strategy should focus on the redevelopment of existing assets, and the development of new assets where appropriate.
2. A successful Commercial Revitalization Strategy should encourage the development of Transit Oriented Development (TOD).
3. A successful Commercial Revitalization Strategy should benefit retailers of all sizes, including big box retailers and local entrepreneurs.
4. A successful Commercial Revitalization Strategy should encourage the proliferation of local entrepreneurship and small businesses.

The four foundational principles of the Commercial Revitalization Strategy were intended to guide the development of the Programs within the Strategy to ensure the Strategy is comprehensive in nature, but the individual Programs are targeted and tailored towards specific goals.



## When will the Commercial Revitalization Strategy be live?

Portions of the Commercial Revitalization Strategy will go live on January 1, 2019. However, a number of the programs are still in the planning stages. Therefore, some of the programs will be implemented/available to the public throughout 2020. The anticipated implementation dates of each of the programs is detailed below, but interested parties are encouraged to visit the City of Tulsa's website or watch our social media feeds for live updates on implementation dates!

## What are the Programs in the Commercial Revitalization Strategy?

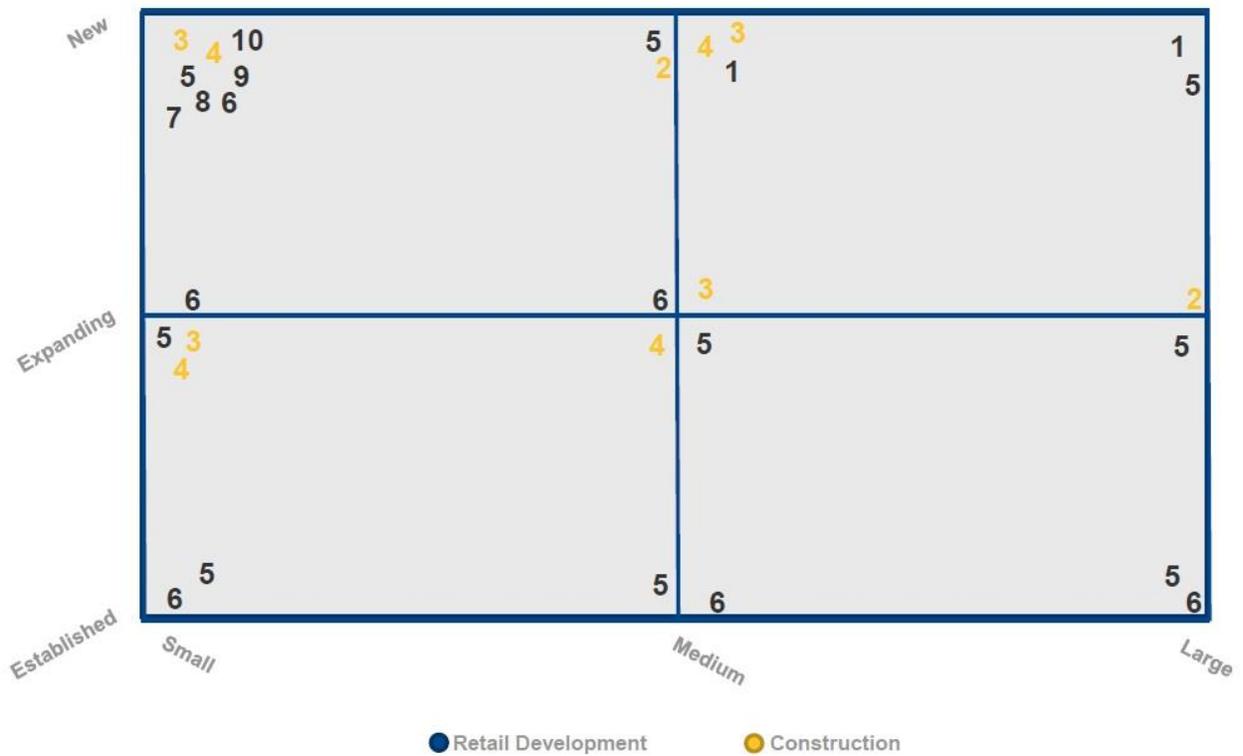
The individual Programs contained within the Commercial Revitalization are illustrated in detail in the following section of this document. The individual Programs are:

1. Expand the City of Tulsa's Retail Recruitment and Support Efforts
2. Align Retail Incentive Policy with Commercial Revitalization Goals
3. Retail Redevelopment and Development Fund
4. Development Fee Reimbursement Program
5. Work with INCOG to Analyze Zoning Patterns in Commercial Areas

6. Provide Funding to Destination Districts
7. Develop Start – Up Guides
8. Support Retail Business Development Programs at Tulsa Economic Development Corporation (TEDC)
9. Encourage the Use of Pop – Up Shops in Vacant Commercial Buildings
10. Partner with KIVA to help fund Micro Loans Crowdfunded Through the Platform

### What programs can I or my business benefit from?

The City of Tulsa was intention when designing the program to ensure that a number of strategies would be available to you, despite the stage or size of the business. Although exceptions may be made on an individual basis, the following chart indicates what programs you may be able to utilize:



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# Program Overview

## P1: Expand the City of Tulsa's Retail Recruitment and Support Efforts

The City of Tulsa recognizes that it has an important role in the recruitment and site selection process. Therefore, the City of Tulsa and Mayor's Office for Economic Development intends to use a portion of the Commercial Revitalization Funds to assist in the recruitment of retailers to our City.

### P1: Does this Program utilize the Vision Funds?

Yes, this Program will utilize a portion of the Vision Funds. The City of Tulsa currently plans to use \$225,000 over the course of five years.

### P1: What specifically will the Vision Funds be used for?

Retail recruitment is a complicated business that has many moving parts, but the anticipated uses of the funds include, but are not limited to:

- The procurement of software and data services to assist the Mayor's Office of Economic Development in retail recruitment and site selection for potential retailers.
- Travel to regional and national retail conferences to establish relationships with retailers and encourage their expansion in the Tulsa metro.
- The creation and manufacturing of marketing materials.
- The creation and maintenance of a microsite, powered by the company LocalIntel, that can be used as a resource for entrepreneurs in the business planning process.

### P1: When is the implementation date?

Portions of this Program are currently being implemented. The City of Tulsa will start retail recruitment efforts in the first quarter of 2020.

## P2: Align Retail Incentive Policy with Commercial Revitalization Goals

The City of Tulsa has utilized the Retail Incentive Policy since 2013 to recruit retailers to the Tulsa Metro. This Program recommends a revision to the Policy that will allow the City of Tulsa to better leverage this tool for redevelopment purposes, specifically the redevelopment of vacant big box stores within the Tulsa Metro.

### P2: What to the Policy are recommended?

The Retail Incentive Policy allows the City of Tulsa to assist in the development of commercial centers and retail businesses through returning a portion of the City Sales Tax they generate to the retailer or developer. However, the previous Policy required the developer to construct public improvements and infrastructure to qualify for the Incentive. Although this provision of the previous Policy is well intentioned, it encourages new construction in areas where public infrastructure is needed, while largely eliminating the possibility of redevelopment and rehabilitation of commercial centers, like 71<sup>st</sup> and Memorial or 21<sup>st</sup> and Sheridan.

Therefore, this Program of the Commercial Revitalization Strategy recommends revising the Retail Incentive Policy to remove the public infrastructure requirement and encourage the redevelopment of vacant commercial buildings and the revitalization commercial districts throughout the City.

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To read more about the Retail Incentive Policy and the proposed changes, please refer to the City of Tulsa's [website](#), or contact us [here](#).

**P2: Does this Program utilize the Vision Funds?**

No, this Program does not utilize any of the Vision Funds. This Program pulls from the City of Tulsa's General Fund (GF).

**P2: When is the implementation date?**

City Council is expected to consider the revised Retail Incentive Policy by the end of 2019. If approved, the Mayor's Office for Economic Development will actively start marketing the tool.

**P3: Retail Redevelopment and Development Fund**

The Retail Redevelopment and Development Fund is a Revolving Loan Fund (RLF) intended to provide low cost capital to retail entrepreneurs *and* developers. For retail entrepreneurs, the loans can be used to fund tenant improvements, purchase equipment, etc. For developers, the loans are intended to encourage the redevelopment and development of commercial properties and incentivize the proliferation of Transit Oriented Development (TOD).

**P3: Who can use this program?**

Individuals or businesses that utilize the funds must open a business or redevelop/develop property along the Bus Rapid Transit (BRT) lines. For a current map of Tulsa's BRT network, please refer to this [link](#). If you are unsure about your project's eligibility, [contact us](#).

**P3: Who will administer the Loan?**

The City of Tulsa intends to partner with the Tulsa Economic Development Corporation (TEDC) to administer the loans.

**P3: What are the terms of the loans?**

The terms of the loans will be recommended to the City of Tulsa by the Tulsa Economic Development Corporation (TEDC), who will administer the program. Because the RLF can be utilized by developers and entrepreneurs, there are no set limitations on the loan amounts or terms and will be determined on an individual basis. However, the terms of the loan will reflect the City's intention to provide low cost capital to individuals that contribute to Commercial Revitalization and Transit Oriented Development. The proposed partnership between the City of Tulsa and TEDC will allow the City of Tulsa to leverage TEDC's commercial lending expertise to evaluate applications, determine the optimal terms of the loan, and monitor the borrower's compliance with the terms.

**P3: Does this Program utilize the Vision Funds?**

Yes, the Retail Redevelopment and Development Revolving Loan Fund will utilize \$1.5 million of the Commercial Revitalization Funds. The \$1.5 million will be allocated over the course of three years in increments of \$500,000.

**P4: Development Fee Reimbursement Program**

The Development Fee Reimbursement Program is intended to offset the costs of opening a brick and mortar businesses along the City of Tulsa's Bus Rapid Transit (BRT) system. The fees associated with opening a business are frequently overlooked when opening a business and can prove determinative of a business' success.

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#### **P4: Who can use this program?**

Individuals or businesses who have opened a business along the Tulsa's Bus Rapid Transit system after January 1, 2019 and have paid the any fees levied by the City of Tulsa in full. For a current map of Tulsa's BRT network, please refer to this [link](#). If you are unsure about your project's eligibility, [contact us](#).

#### **What fees are eligible for reimbursement?**

Eligible fees for reimbursement can be found in TITLE 49 of the City of Tulsa Municipal Code, which can be directly accessed [here](#). *In order to ensure widespread utilization of the Program, individual requests for reimbursement are limited to a maximum of \$2,500.*

#### **P4: Does this Program utilize the Vision Funds?**

Yes, this Program is currently anticipated to utilize \$100,000 of the Vision Funds, over the course of five years.

#### **P4: When is the implementation date?**

The City of Tulsa will start taking applications for the Program in the first quarter of 2020. Individuals interested in the program should [contact](#) the Mayor's Office for Economic Development for more information and watch for more updates on the City of Tulsa's website and social media pages.

### **P5: Work with INCOG to Analyze Zoning Patters in Commercial Areas**

The Retail Market Study identified a number of areas in the Tulsa Metro, where commercial development and growth may be limited by the Zoning Code. Therefore, the City of Tulsa and the Tulsa Planning Office (TPO) at the Indian Nation Council of Governments (INCOG) are working to examine the identified areas and determine an appropriate course of action.

#### **What is the output of this Program?**

This Program may result in proactive rezoning in the identified areas to encourage commercial development, future updates to the Tulsa Zoning Code, or other planning efforts to better address the specific needs of the areas through regulation and zoning.

#### **P5: What areas were identified in the Retail Market Study?**

The 51<sup>st</sup> and Memorial and 71<sup>st</sup> and Memorial corridors were identified in the Retail Market Study as having unproductive zoning patterns for commercial redevelopment and development. You can read about these areas in the Retail Market Study, which can be accessed [here](#).

#### **P5: Does this Program utilize the Vision Funds?**

No, this program does not utilize any of the Vision Funds.

### **P6: Provide Funding to Destination Districts**

This Program was designed with the understanding that some of Tulsa's most unique retail assets exist within neighborhood commercial districts, that promote walkability, local entrepreneurship, community engagement, and neighborhood revitalization. Frequently, the success of these neighborhood centers is dependent upon district management organizations that secure community buy in, synthesize a unified community vision for the district, and help implement that vision through programs and events within the neighborhood. The success of this approach is illustrated in Kendall Whittier Mainstreet's success within their neighborhood.

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### **P6: How does this Program contribute to Commercial Revitalization?**

While this Program will not directly benefit retail entrepreneurs and businesses, it will indirectly benefit them by ensuring that vibrant, walkable, and successful neighborhoods exists for their businesses to thrive in.

### **P6: Does this Program utilize the Vision Funds?**

Yes, this Program will provide two start up grants, each totaling \$25,000, to district management organizations that go through the Destination Districts program at the Tulsa Planning Office (TPO). The Program is contemplated to last a total of five years, resulting in \$250,000 of loans.

### **P6: When is the implementation date?**

Funds are anticipated to be distributed once the first two districts, Greenwood and the International District, successfully complete the Destination Districts program. This should occur in the first or second quarter of 2020.

## **P7: Develop Startup Guides**

As mentioned earlier, the Commercial Revitalization Strategy is intended to be holistic and comprehensive in nature, addressing big box retail, commercial corridor development, and local entrepreneurship. This Program is an attempt to address an information gap that exists between established businesses and entrepreneurs, and those who are in the beginning stages of their entrepreneurship journey. Therefore, the startup guides will be tailored to specific industries and serve as a comprehensive guide to the steps and processes one must navigate to successfully and legally operate a business within the Tulsa metro.

### **P7: What sectors will be covered by the Start Up Guides?**

The initial round of Start Up Guides will focus on the three following sectors:

- General Retail Business
- General Restaurant Business
- Food Truck

As the Commercial Revitalization Strategy matures and the success of the guides is determined, the City of Tulsa plans on creating additional guides that include retail and non-retail businesses. These may include, but are not limited to:

- Catering
- Small Contractor
- Brewery
- CPG (packaged food product)
- Entertainment
- B2b
- Non-profit

### **P7: Does this Program utilize the Vision Funds?**

Yes, currently we are anticipating \$10,000 of the Vision Funds will be used to create the Start Up Guides. The money allocated to creating the startup guides will be used to translate the guides into multiple languages.

### **P7: When is the implementation date?**

You can expect to find the startup guides on the City's website by January 1, 2019.

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## **P8: Support Retail Business Development Programs at Tulsa Economic Development Corporation (TEDC)**

This Program is intended to build the capacity of individual Tulsans interested in opening a retail business. TEDC offers a number of programs that are tailored to the individual needs of Tulsans interested in entrepreneurship. By building capacity among Tulsans, we can encourage local entrepreneurship, which will ultimately contribute to vibrant and diversified commercial corridors within the Tulsa metro.

### **P8: Does this Program utilize the Vision Funds?**

Yes, this Program utilizes a total of \$150,000 in Vision Funds over the course of three years. \$50,000 of the Vision Funds will be allocated to TEDC on an annual basis. In addition, TEDC will match the \$50,000 contribution with their own funds. In total, this Program will directly and indirectly increase TEDC's business development budget by \$300,000.

### **P8: When is the implementation date?**

Support for TEDC's business development programming will likely start in early 2020. However, TEDC offers business development programs throughout the year, and individuals interested in participating in a program should refer to TEDC's [website](#) for more information about upcoming programs.

## **P9: Encourage the Use of Pop-Up Shops in Vacant Commercial Buildings**

Many local retail entrepreneurship endeavors fail to make the transition from ideation to brick and mortar store fronts. While there are multitude of reasons a business will fail at this point in the business cycle, a major reason is the inability to secure funding from financial institutions because of uncertainty. Utilizing a pop-up shop model, businesses can prove the viability of their business and prove the market need for their product while operating in a short-term lease.

### **P9: Does this Program utilize the Vision Funds?**

No, this program is not anticipated to utilize any Vision Funds. Instead, the Program will seek to leverage established relationships with property owners in both established and upcoming commercial corridors. Ultimately, the pop-up shop model is intended to benefit the business owner and the property owners.

### **P9: When is the implementation date?**

The City of Tulsa, in partnership with the Tulsa Economic Development Corporation (TEDC) is currently evaluating commercial corridors and buildings that lend themselves to the pop-up model. We currently anticipate the implantation of the of Program to be the second quarter of 2020. If you are a property owner interested in the pop-up model and would like additional information, please contact the Mayor's Office of Economic Development [here](#).

## **P10: Identify Opportunities to Leverage Microloans to Support Retail Entrepreneurship**

This Program is intended to decrease the barriers many potential entrepreneurs face when accessing capital to implement their business plan. By increasing access to capital, the City hopes to encourage and foster an environment of entrepreneurship and innovation, specifically in the retail sector.

### **P10: How will the City support retail entrepreneurship through micro loans?**

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The City of Tulsa hopes to identify organizations and partnerships to help leverage microloans to support retail entrepreneurs in their initial stage of business development.

**P10: When is the implementation date?**

The implementation date of this Program is still unknown, because partnerships are still being identified by the City of Tulsa. However, the Program is expected to go live no later than the fourth quarter of 2020. Individuals interested in microloans should monitor the City of Tulsa's website for updates.