

# Downtown Kyle Assessment Report



*Prepared by the Texas Downtown Association for the City of Kyle  
October 2019*

The Texas Downtown Association (TDA) was invited to complete a downtown assessment on Friday, August 23, 2019.

TDA was founded in 1985 to connect and serve communities dedicated to downtown development and revitalization. Today the organization serves over 300 members representing cities and towns of all sizes, economic development corporations, chambers of commerce, nonprofit organizations including downtown merchant groups, small businesses, and individuals from across the state. We believe that downtown is a mirror of your community. A vibrant downtown is likely to reflect a vibrant community that attracts residents, primary job creators, visitors, small businesses, and investors.

Prior to the assessment, TDA staff visited with Mayor Pro Tem Dex Ellison and City Manager Scott Sellers to discuss current downtown challenges and opportunities. An online survey was shared with downtown business owners to get their feedback on a variety of issues, and City representatives completed a questionnaire about available resources, community partners, and current programming. All of this information was shared with assessment team members.

Team members were selected based on their skills, experience, and contributions to downtown and commercial district development.

Team members included:

Eric Davis, Cobalt Real Estate Development

Kyle Kramm, City of Seguin

Sheila Scarborough, Tourism Currents

Faith Schexnayder, Flatfork Studios

Catherine Sak, Texas Downtown Association

The visit began with a meeting of over 40 stakeholders in the Council Chambers at Kyle City Hall. Attendees included residents, business owners, real estate professionals, nonprofits, City Council members, Chamber staff and members, and representatives from community partners and organizations. The group discussed downtown issues, what makes Downtown Kyle unique, and the current status of downtown.

After the morning stakeholder meeting wrapped up, the team took a self-guided walking tour through downtown, took notes, and visited with business owners. In the afternoon, the team reconvened at Kyle City Hall to meet with stakeholders and share initial observations and recommendations.

## Initial Observations – Downtown Kyle

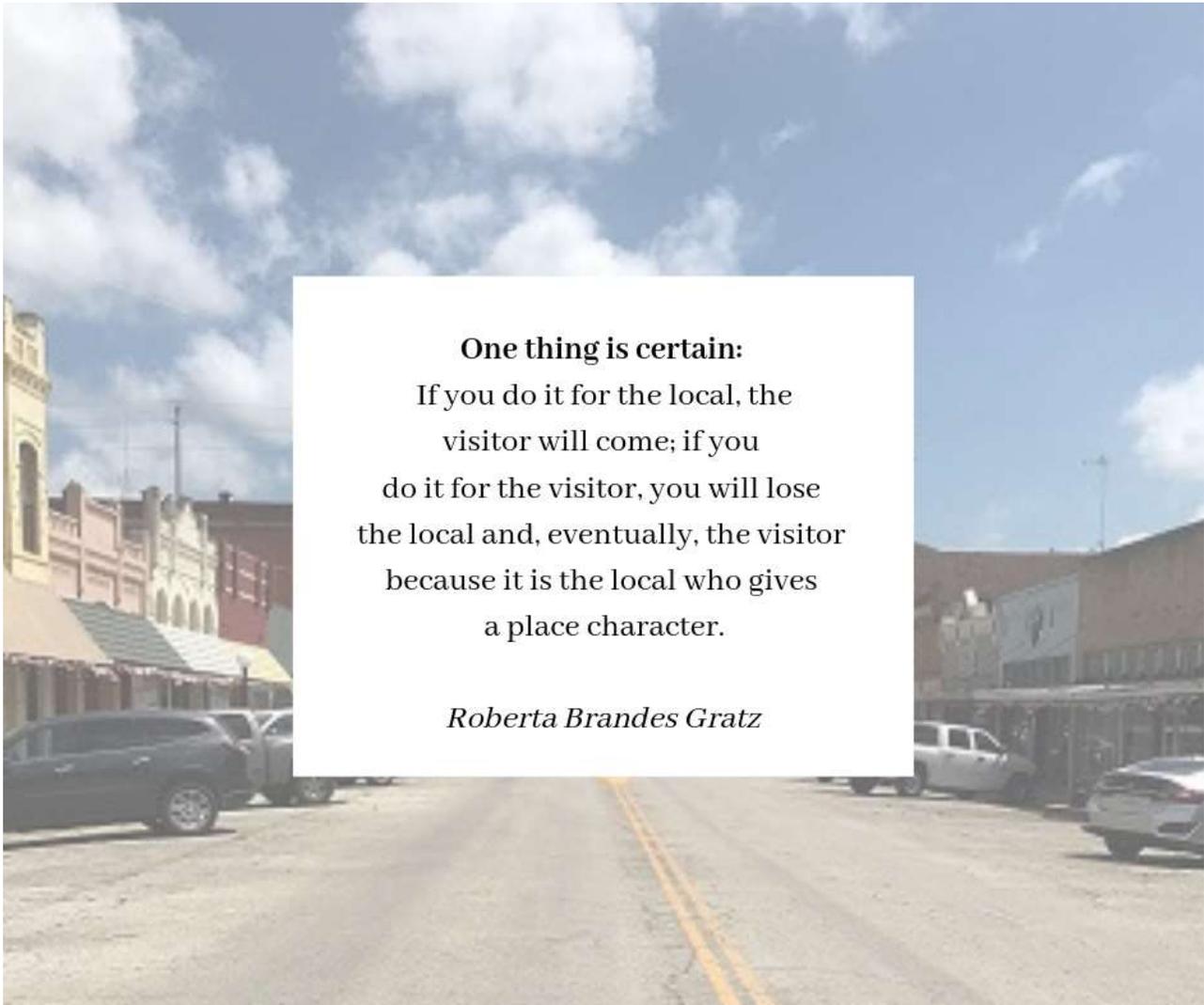
- No clear vision for downtown.
- Kyle has seen explosive growth over the last twenty years but downtown has not been a priority.
- The district's proximity to Interstate 35 is a curse and a blessing. The district is easy to access but is also a major thoroughfare for truck and pedestrian vehicle traffic.
- Similarly, the train crossing backs traffic up into downtown but this gives time for people to check out their surroundings and time to notice new businesses or events.
- There is only one light-protected crosswalk in the core of downtown. Would it be possible to add traffic calming measures or otherwise improve pedestrian safety?
- Since downtown has limited retail, the City will need to be creative in attracting locals and visitors.
- The Krug Activity Center/Old City Hall is primarily used for activities for local senior citizens.
- Wayfinding signage is needed so that people know where they are and how to navigate through the City. Current signage is limited and much of it directs drivers to various home builders and/or subdivisions.
- Lack of connected sidewalks around downtown has a negative impact on walkability.
- Time to go all in on Pie Capital of Texas brand.
- Focus on the core of downtown to maximize impact and leverage limited resources.
- While other downtowns in Texas are trying to attract residential development, Downtown Kyle is easily accessible to residents in adjacent neighborhoods.

## Short Term Recommendations

### Downtown Vision

There doesn't seem to be a clear vision of what downtown is today, or what it should be in the future. We encourage the City to engage downtown business owners, property owners, and residents from adjacent neighborhoods in thoughtful discussion.

A clear vision for downtown would be helpful to current downtown property owners, potential investors, and help the City, downtown businesses, and community partners promote Downtown Kyle to a wider audience. First and foremost, however, downtown should be a place for locals.



**One thing is certain:**  
If you do it for the local, the  
visitor will come; if you  
do it for the visitor, you will lose  
the local and, eventually, the visitor  
because it is the local who gives  
a place character.

*Roberta Brandes Gratz*

Survey residents about what they want to see downtown with regard to businesses, art, and events. Start with residents in neighborhoods adjacent to downtown and expand to residents of newer subdivisions. Survey templates from Corsicana and Seguin are included as attachments to this report.

Survey businesses about their needs and preferred methods of communication. Offer both print and online versions and have staff walk the blocks to distribute to owners.

### **Downtown Overlay**

Currently there is not a defined downtown district in Kyle and no guidelines for design or development. It's imperative that the City have this in place to guide development and revitalization efforts.

Ideally, the overlay will help protect what historic fabric remains in downtown and encourage appropriate redevelopment.

Downtown zoning districts should also be reviewed and updated at this time. The two zoning designations for downtown are CBD-1 and CBD-2 with CBD-2 as the primary designation for the downtown core. City staff should review the list of permitted uses for both categories, but especially CBD-2, and make adjustments. Research what uses are permitted in successful downtowns and adopt into City code.

Promote the overlay and its benefits to the community as well as potential downtown stakeholders

### **Pedestrian Safety**

The main downtown thoroughfare is Center Street/State Highway 150 which has an annual average daily traffic (AADT) count of approximately 13,000, according to 2018 statistics from TXDOT. The volume of traffic can be discouraging to downtown pedestrians and visitors but traffic calming measures would help.

The City of Brenham recently installed the signs shown below in their downtown on US Highway 290-Business/S. Market Street with the approval of TXDOT. This highway has an AADT closer to 8,000 which is less than Kyle's but still significant.



*Photo credits: Seneca McAdams*

Work with TXDOT to develop solutions. A speed reader or sign notifying drivers that they're entering a pedestrian area could be helpful.

Finally, the City must prioritize sidewalk construction in the downtown core to encourage pedestrian activity. Incomplete sidewalks - or lack of sidewalks - altogether is challenging for pedestrians and forces them into oncoming traffic or ditches.

### **Downtown Staff**

The City should dedicate staff to downtown. As of right now there is no one person who can focus on small business recruitment and retention, partnership development, planning, events, and resource development. Instead these activities are divided up among Parks and Recreation and Economic Development.

### **Downtown Field Trips**

Downtown Kyle representatives should plan field trips to other downtowns. Schedule visits with city staff, elected officials, economic development staff, chamber of commerce representatives, and small business owners.

Field trips are an excellent way to learn from other communities and learn about successes and failures. There are a number of diverse downtowns in Central Texas which would not require significant travel or expenses. TDA is happy to provide contact information so these visits can be planned.

### **Downtown Businesses**

#### Downtown Organization

We strongly encourage downtown business owners and attractions to start a downtown organization. This type of organization would allow downtown stakeholders to come together under one umbrella and advocate for downtown, coordinate events, and cross promote. We're happy to share contact information with other downtown groups in other parts of Texas and sample bylaws.

The City can attract residents and visitors to downtown but they can't force anyone to be a customer. It is up to business owners to market themselves and to build their customer bases.

Start with a closed Facebook group that will allow downtown business stakeholders to learn about each other, share news and ideas, and provide support. Facebook groups like this have proven popular in other downtowns and helped to create a sense of community that didn't previously exist.

#### Downtown Business Marketing

We recommend two specific actions to improve online presence and make it easier for potential customers to find downtown businesses:

1. Each business should claim their listing on Google My Business. Complete the profile and be sure that name, address, phone number, and hours are correct. Indicate in the description that the location is Downtown Kyle. Post a few photos of the interior and exterior. Make sure to respond to

reviews – both good and bad – and always be gracious. Businesses can post news, updates, and info about sales on their profile.

2. Have an active presence on at least one social network. For most businesses that means having an active Facebook page. Post a mix of text updates, links, photos, and video, at a minimum of 3-5 times per week. Use posts to highlight and cross promote another downtown business attraction or upcoming downtown event. Businesses should promote social media channels on email marketing. Be prepared to maintain a small budget to fund ads on social media channels, which are very affordable and allow businesses to reach more potential customers.

### **City Branding and Marketing**



The City has declared itself The Pie Capital of Texas, and it's time to go all in on this brand. Decide on a hashtag, use it consistently, and encourage downtown businesses and attractions to use it as well. The CertiPIEd program has attracted some business partners, but at least one is no longer open and should be removed from the listing on the City's website.

Consider adding pie themed events throughout the year and locate them downtown. There are a number of national pie holidays (National Pie Day, January 23; National Pi Day, March 14, also multiple holidays for different flavored pies) that could be celebrated and of course, you can always make up your own.

An expanded marketing effort might help sway some of the naysayers who don't understand the City's decision to focus on this brand.

### **Events**

The City's Parks and Recreation department hosts a number of events on the Square including Second Saturday Market Days (April-September), Movie on the Square (May-August), Trick or Treat on Center Street, and Christmas activities.

Refreshing Market Days could increase attendance and attract new vendors. A number of communities in Central Texas host market days and farmer's markets on Saturday morning but this is when many families are committed to sports or other events.

Sulphur Springs was in a similar situation to Kyle and decided to make some changes. They maintained a small Saturday morning market featuring local produce only, and introduced a new Saturday evening event to attract residents and visitors from the Metroplex. City staff recruited farmers, cottage and prepared food vendors, local arts and crafts businesses, and added live music and activities for kids. Their attendance increased dramatically and they were able to attract vendors from Dallas and beyond.



*Photo credit: City of Sulphur Springs*

Curate vendors who will compliment downtown offerings and offer unique products and services. Most event attendees are not looking to discover mortgage providers, replacement window providers, or insurance agents. Visit events in other communities to connect with new vendors and share information about opportunities to participate in Kyle events.

Keep in mind that different types of events serve different purposes. While many communities host quality of life events such as fall festivals, Christmas parades, and fireworks on Independence Day, these are community spirit events and contribute to residents' quality of life. Events can be used to fundraise for downtown projects and programs, or to directly support small businesses by attracting foot traffic or exposing event goers to what downtown has to offer.

Hosting a variety of events will contribute greatly to downtown. One important reminder is that event production takes time and resources, and City staff can't be saddled with running endless events. If the goal is to increase number of downtown events, the City can invite other community partners to host their events on the square when appropriate, and downtown businesses may organize events and activities as well.

## **Engage Youth**

Kyle is home to a number of families with kids of all ages. Downtowns that include a variety of business types and events are more likely to attract families, many of whom would like to stay in Kyle rather than travel to other communities to shop and play.

### Brenham

The City of Brenham started hosting a Local History Day in 2013. The City partnered with local historic organizations to promote downtown and Brenham's rich history during National Preservation Month. School children attend the event with teachers and parents and visit with costumed actors who share stories of Brenham's past.



*Photo credits: City of Brenham*

### Waxahachie

One of the most popular events in Downtown Waxahachie is Farm to Table on the Square, which features a multi-course meal utilizing locally produced ingredients. The meals are prepared and served by Waxahachie High School Culinary Arts students with assistance from students in the Arts and Agriculture programs. All profits from the event are reinvested in the programs.

Other communities have similar events that use local restaurants and caterers to produce the meal. Mount Vernon's Harvest on Main raised over \$13,000 for downtown projects and programs in its second year, with the support of sponsors.



*Photo credit: City of Waxahachie*

Create an ad hoc committee of local high school students who can provide input and ideas for downtown. Partner with Hays CISD to identify potential volunteers and have the group meet monthly over three to six months to discuss ideas from other communities and get feedback. Talk to district leaders about hosting a pep rally for the local high school teams or for school performances at any grade level in downtown. If the City can get the kids downtown, then parents and family members are sure to follow.

### **Arts and Culture**

The arts contribute billions to the national economy on an annual basis. Downtown Kyle needs public art not only to add color to the district, but also to attract visitors, many of whom are looking for the perfect place for a selfie or group photo.

### **Paris**

The City of Paris has a selfie spot in a vacant lot that's used for their annual pumpkin patch each fall, which attracts thousands to downtown. The letters were made by the City's Public Works department and allow visitors to become part of the art. They had been installed in another vacant lot a few years ago, and when the property was redeveloped it was easy to reinstall the letters in a new location.



*Photo credit: Texas Downtown Association*

### Garland

Organize community art projects so everyone can get involved. Downtown Garland hosted two events this year designed to engage residents of all ages – a paint by number mural and a community sculpture project that repurposed plastic water bottles. Both of these projects attracted and engaged people of all ages - many of whom were not regular visitors to the district.



*Photo credits: Robert A. Smith, Downtown Garland*

### **Shop Local**

There is not currently an active shop local program in place in Kyle. While there are a lot of retail choices in Kyle, including many big box stores and national chains, less than 14 percent of each purchase at these businesses is recirculated locally. Comparatively, 48 percent of each purchase at an independent small business is recirculated through the community.

(<https://www.amiba.net/resources/multiplier-effect/>).

Start by actively participating in Shop Small Saturday scheduled annually for the Saturday after Thanksgiving even though Chamber and City representatives mentioned that businesses didn't participate in previous years. Sign up as a Neighborhood Champion and once the swag arrives deliver it to local businesses.

The 3/50 Project is another resource worth exploring. The Project was the precursor to Shop Small Saturday and encourages people to choose three local businesses to support and commit to spending \$50.00 monthly with them.

### **Downtown Funding & Incentives**

#### Funding for Downtown Development & Revitalization

Currently there is not dedicated funding for downtown. The City collects approximately \$250,000 in Hotel Occupancy Taxes (HOT) annually but it is committed to events outside of downtown and could be used in the future for development of the Uptown district.

HOT funds could be used to fund staff, public art, and preservation projects. A Tax Increment Reinvestment Zone (TIRZ) dedicated to downtown could also help fund downtown projects.

A number of TDA members including Denton, Georgetown, McKinney, and Sulphur Springs have developed TIRZ to support downtown revitalization and have had positive results. We're happy to provide contact information for those communities and others who can provide firsthand experience.

#### Incentives

Research downtown and small business incentives offered by Central Texas communities as well as similarly sized communities in other parts of the state.

The Buda EDC offers a small business permitting incentive to assist small businesses that aren't eligible for larger incentives or grants. The City of Taylor sponsors a rental reimbursement program for specific business types that locate downtown. Link to these programs are included in the Resources section.

Façade and signage grants have been successful in other communities. Kyle representatives mentioned that no one had taken advantage of similar programs in the past but they may be worth exploring once again.

Even a small paint grant program could go a long way to improving downtown's appearance.

## Mid-Range Recommendations

### Entrepreneurship

Attracting entrepreneurs was mentioned often during the assessment visit but there aren't any resources for local entrepreneurs in Kyle at this time.

### Denton

Coworking spaces are an excellent way to provide places for entrepreneurs to get their businesses off the ground and network with like-minded people. Downtown Denton's Stoke Coworking was started with support from the City and offers memberships at a variety of levels.

### Mesquite

Mesquite recently kicked off a series of workshops – "Entrepreneurship to the Fourth Power" – to assist budding entrepreneurs. The series began in June with a session on business planning and also offered sessions on funding, marketing, and budgeting and financials. The workshops are offered by the Mesquite Business Retention and Expansion partnership (BRE) in conjunction with the Small Business Administration (SBA) and the Dallas Metropolitan Small Business Development Center (SBDC).



### Tyler

Downtown Tyler is home to Innovation Pipeline, which serves multiple purposes including makerspace (with 3D printer and other equipment), business development workshops, recording studio, and sound lab. The project has its roots in the City of Tyler Master Plan adopted back in 2007, which called for investment in downtown arts and innovation. The IP is located in a city-owned building that had been vacant for years.



*Photo credits: City of Tyler*

### **Retail Recruitment and Retention**

Kyle Economic Development staff mentioned that a new position could be created for retail recruitment and retention. This staff person will be a huge asset to the community and to economic development efforts.

The City's 2017 retail gap analysis report shows a number of opportunities for small business development and these uses are perfect for downtown. The City should use the report in recruitment efforts so potential business owners are aware of the market.

Make it easy for potential business owners to access information about permitting, business resources, and incentives. The City of Sulphur Springs website offers detailed information and links that are easy to find. See the link in the Resources section.

### **Partnerships**

Strong partnerships are vital for strong downtowns. Developing meaningful relationships with community organizations will help expand volunteer capacity, develop downtown ambassadors, and potentially expand opportunities.

Dispatch downtown leaders to share information about downtown plans and efforts with potential partners and present updates at their gatherings/meetings/services.

Partners to cultivate: Hays CISD; downtown churches; community service organizations.

## Signage

Currently there is no wayfinding signage in place that directs people downtown or to attractions. The only signage in place directs people to homebuilders or subdivisions.

The City charges \$100.00 for sandwich board signs on Center Street. We encourage the City to abandon the fee and move to a registration system instead. Another option would be for City owned signage installed at intersections directing downtown visitors to businesses located off Center Street. Similar signage has been installed in both Georgetown and McKinney which is updated regularly as businesses open and close.



*Photo credit: City of McKinney*

## Art

Incorporating art into downtown will take time, and different projects will emerge as downtown development and revitalization efforts mature.

## Amarillo

Center City of Amarillo recently hosted the Hoodoo Mural Festival which features large scale murals installed on downtown buildings that had previously been painted.



*Photo credits: Center City of Amarillo*

### Mansfield

Downtown Mansfield has emerged as an arts destination, thanks in part to local artists and the Mansfield Commission on the Arts. There are murals of all sizes in every corner of downtown. The City purchased the historic theater and has ongoing programming that attracts visitors from near and far. A vacant lot was purchased by a nonprofit group and converted into a family friendly live music and performance venue. These investments in downtown have helped recruit new businesses and development of hike and bike trails that connect downtown with surrounding neighborhoods.

### **Events**

Pop up events would be a great way to try new business concepts and uses downtown. The City of Corsicana hosted a pop up weekend a few years ago that featured not only pop up businesses but also a pop up dog park, a pop up beer garden, a pop up nursery run by local high schoolers, and more. By the time the event was over 11 leases had been signed by new businesses.



*Photo credits: City of Corsicana*

A similar event in Kyle would allow potential downtown business owners to test the market and get feedback from customers.

### **Shop Local**

Shop Local programming should continue to expand as downtown efforts move forward.



Winnsboro Main Street Program launched their Shop Our Town First campaign six years ago to encourage residents to shop local year round. The campaign kicked off with a town hall meeting and featured city representatives and local business owners who shared why shopping local matters. Coupon books, branding, and advertising were all used to build support. Window clings were distributed to all local businesses – not just those downtown - with the program logo, so residents had constant visual reminders.

In one year businesses throughout the City reported higher sales and sales tax collections, allowing the EDC to expand their programs.

### **Funding Sources**

Research potential funding sources to consider for the future.

#### Community Foundations

Community foundations can be a tool to raise funding for downtown projects. Brady created the Heart of Texas Community Foundation (HTCF) a 501 (c)(3) nonprofit to benefit downtown. Their inaugural Farm to Table Dinner held earlier this year was designed to raise funds for HTCF to support future downtown improvements. Eventually the foundation will contribute to community wide projects. Requirements for funding are not as stringent as grants or loans for public funds such as EDC.

Similarly, San Saba's Community Foundation supports their downtown initiative and the annual Catkins Ball is a successful event that consistently raises funds for downtown projects.

### Public Benefit Corporation

Research Public Benefit Corporations (PBCs) as a potential funding source for future projects. PBCs are relatively new to Texas, having been adopted by the Legislature in 2017. A public benefit corporation is a domestic for-profit corporation that is intended to produce a public benefit and to operate in a responsible and sustainable manner. The owners of the Crazy Water Hotel in Mineral Wells recently founded a PBC in order to fund the renovation of the hotel and allow for multiple (local) investors to contribute.

This tool could be used for projects in Downtown Kyle and would allow for local residents and investors to contribute to downtown development and revitalization. Look for additional information in the Resources section of this report.



*Photo credit: Crazy Water Hotel, Texas Historical Commission*

### **Hays County Emergency Services District**

The District owns two key buildings in Downtown Kyle – 108 S. Burleson and 201 S. Burleson. What are the long term plans for these buildings? Both properties are in poor shape and underutilized considering their key location in downtown.

When an assessment team member revisited Downtown Kyle during the most recent Market Days (October 12) there were trailers and cars parked in the front yard of 201 S. Burleson despite plentiful on-street parking. Government entities set the standard for other property owners, and this sends the wrong message.

## **Long Term Recommendations**

### **Downtown Bypass**

Once the Downtown Bypass is constructed, traffic through downtown will decrease which will improve walkability. Ongoing marketing and promotions for downtown will be necessary to attract visitors – both local and out of towners – to the district.

### **Krug Activity Center**

The city's commitment to providing space for activities for senior citizen is commendable, but the Activity Center City Hall is the wrong location. It's our understanding that fundraising is underway to build a new senior center in another part of town and we encourage the City's support for this effort.

The Activity Center is the heart of downtown and should be available and utilized for all members of the community. This would be an ideal location for downtown staff, small events, art shows, and more.

### **Connectivity**

The 2016 Kyle Parks and Recreation Master Plan suggested developing a trail system adjacent to the BNSF line that would connect the downtown area with the Blanco River and Five Mile Dam Park. This would be an excellent step to connect downtown with other neighborhoods and encourage alternative transportation.

### **Infrastructure**

Like the rest of the United States, Kyle will need to plan for future infrastructure improvements and maintenance, especially in downtown. The good news is that this infrastructure is already in place.

Construction projects can be expensive and chaotic so it will be necessary to plan ahead to avoid negative impacts. Temporary signage rules, marketing support, and targeted promotions will help. Our favorite example is from Round Rock. During downtown street construction, City of Round Rock staff members were dispatched to the streets to share doughnuts from a well-known local business with drivers stuck in the traffic.

Similarly, changes in technology will also require updates at multiple levels. High speed internet is a must for communities that want to attract tech related businesses and even small businesses that need internet to transact business on a daily basis.

### **Downtown Trends**

Continue to monitor downtown trends. New ideas, concepts, and business ideas emerge every day in downtowns across the country and Kyle shouldn't be left behind.

### **Attracting Visitors**

Today there are limited downtown attractions that entice visitors, but in the future there could be more that will draw visitors from other parts of the state. Kyle will need to commit resources to connecting with those visitors and providing services to them.

## Conclusions

Downtown revitalization and development does not happen overnight. It takes time to build partnerships, develop effective programming, and attract small businesses. Financially, investing in downtown development makes sense. Downtown Kyle is already tied into existing infrastructure and is the historic heart of the community. Investing in downtown can also lead to other economic development opportunities.

Currently the City is focused on development of the Uptown District, which will require the development of infrastructure, recruitment of businesses, and significant resource allocation. We encourage City leaders to commit to Downtown Kyle to prevent the loss and further deterioration of this important area of the community.

Strong partnerships between primary entities must be built and maintained. To keep these connections alive the City should host monthly or quarterly meetings of key partners to share news and updates, trade upcoming event information, and work on collaborative efforts.

TDA is committed to supporting Kyle as the community moves forward with downtown development and revitalization. Please reach out to our organization and members when assistance and advice is needed.

## Resources

### *Anice Read Fund*

TDA's Anice Read Fund was designed to provide gap funding for downtown projects and programs.

<https://www.texasdowntown.org/anice-read-grants.html>

### *3/50 Project*

<http://www.the350project.net/home.html>

### *Buda EDC*

Small business permitting incentive

<https://budaedc.com/incentives>

### *City of Mesquite/Mesquite EDC*

Entrepreneur workshop series

<https://www.cityofmesquite.com/CivicAlerts.aspx?AID=1016>

### *City of Sulphur Springs*

Business information

<http://www.sulphurspringstx.org/employment/permitting.php>

### *City of Taylor*

Rental Assistance Program

<http://www.taylor.tx.gov/DocumentCenter/View/10145/Main-Street---Rental-Assistance-Program-Guidelines-2019>

### *Innovation Pipeline - Tyler*

<https://www.tylerinnovators.com/>

### *National Day Calendar*

Over 1,500 national days, weeks, and months listed here. Search by date or topic. There's a pie holiday almost every month!

<https://nationaldaycalendar.com/>

### *National Holidays List*

Great for marketing and promotions for businesses.

<https://smallbiztrends.com/2017/09/list-of-national-holidays-marketing.html>

### *Public Benefit Corporations*

The Texas Secretary of State website has a FAQ about Public Benefit Corporations that is worth exploring.

<https://www.sos.state.tx.us/corp/formationfaqs.shtml>

### *Shop Small Saturday*

<https://www.americanexpress.com/us/small-business/shop-small/howtoparticipate>