



Commercial Development Scorecard for Local Business Inclusion

What?

A scorecard or rubric designed to engage commercial developers in creating spaces scaled, priced and marketed for local businesses. This tool evaluates a variety of factors related to affordability, accessibility, sustainability, and community impact.

Why?

The purpose is to guide and motivate developers toward creating inclusive, locally focused developments; to encourage developers to see local businesses not just as tenants but as integral parts of a vibrant, sustainable community that adds long-term value to their projects.

This scorecard would help municipalities assess proposals based on their local business support and create a clear framework for evaluating projects. Developers should receive city or county incentives based on achieving high scores, ensuring that their developments meet community and economic goals.

RUBRIC

1. Affordability of Lease/Rent for Local Businesses (0-15 points)

- 15 points: Lease rates are at or below market rate for similar properties in the area, with discounts or tiered rates available for local businesses.
- 10 points: Lease rates are at market rate with flexible terms (e.g., graduated rents, first six months free, or cap on annual rent increases).
- 5 points: Lease rates are slightly above market, but with flexible lease agreements or subletting options to local tenants.
- 0 points: Lease rates are significantly above market without any support for local businesses.

2. Percentage of Space Dedicated to Local Businesses (0-15 points)

- 15 points: Over 50% of the development's commercial space is designated for local businesses.
- 10 points: Between 30% and 50% of the commercial space is reserved for local tenants.
- 5 points: 15-30% of the space is dedicated to local businesses.
- 0 points: Less than 15% of the commercial space is allocated for local tenants.

3. Flexible Leasing Terms (0-10 points)

- 10 points: Developer offers lease structures that accommodate small or local businesses, including short-term leases, shared spaces, or co-working arrangements. (need to get more specific)
- 5 points: Some flexibility in leasing terms (e.g., reduced deposit or customizable lease periods).
- 0 points: Standard, rigid lease agreements with no flexibility for smaller, local businesses.

4. Space Design Suitability for Local Businesses (0-10 points)

- 10 points: Development includes a variety of small-scale, modular units suitable for local businesses (e.g., pop-up spaces, small retail fronts, shared-use kitchens).
- 5 points: Space design includes medium-sized units suitable for both local businesses and larger tenants but may not cater directly to small-scale local businesses.
- 0 points: Spaces are primarily designed for large, national chains with no modifications for smaller, local tenants.

5. Accessibility and Visibility for Local Businesses (0-10 points)

- 10 points: High-visibility spaces with easy access for pedestrian traffic and public transportation, with signage opportunities for local businesses.
- 5 points: Good visibility, but limited access to public transportation or foot traffic.
- 0 points: Poor visibility or access, with no special efforts to make local businesses more prominent.

6. Integration with the Local Community (0-10 points)

- 10 points: Developer actively engages with community stakeholders, such as business improvement districts, local business associations, or neighborhood groups, in planning.
- 5 points: Some outreach to community groups but limited or no formal collaboration.
- 0 points: No community engagement during the planning or execution phases.

7. Contribution to Local Workforce Development (0-10 points)

- 10 points: Development includes plans to hire locally, offering job training or partnerships with local workforce development programs.
- 5 points: Some commitment to local hiring but no formal partnerships or programs.
- 0 points: No emphasis on hiring from the local workforce.

8. Sustainability and Green Business Practices (0-10 points)

- 10 points: Developer incorporates sustainable building practices and actively promotes green businesses (e.g., energy-efficient systems, zero-waste retail operations, stormwater management).
- 5 points: Some sustainable elements in the development, but no focus on supporting local businesses with green practices.
- 0 points: No emphasis on sustainability or eco-friendly practices.

9. Incentives for Business Development and Growth (0-5 points)

- 5 points: Developer provides direct financial incentives (e.g., grants, funding for storefront improvements) to help local businesses grow within the development.
- 3 points: Developer offers non-financial incentives (e.g., shared marketing, workshops) to support local businesses.
- 0 points: No support or incentives for business growth.

10. Long-Term Commitment to Local Business Tenants (0-5 points)

- 5 points: Developer has a long-term strategy (e.g., fixed rent escalations, multi-year commitment) to retain local businesses.
- 3 points: Medium-term commitment, but not fully supportive of long-term local business stability.

- 0 points: No specific long-term strategy to keep local tenants in place.

Total Possible Points: 100

Scoring Guidelines:

- 90-100 points: **Excellent.** The development significantly prioritizes local businesses, with both affordability and community engagement in mind.
- 70-89 points: **Good.** The development incorporates local businesses, but with some room for improvement in pricing or design flexibility.
- 50-69 points: **Fair.** There is some consideration for local businesses, but the development primarily focuses on larger tenants or lacks meaningful incentives.
- Below 50 points: **Poor.** The development shows little or no effort to support local businesses.

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