

§ III. ORGANIZATION

Organization refers both to the formal organization and the grassroots organizing that takes place within a Main Street program. Organizational responsibilities are either internal or external in nature. Internally, the organization must manage the Main Street office and staff members, prepare and approve annual budgets, keep accounting and financial records, oversee personnel evaluation, develop organizational policies and procedures, facilitate the annual action plan, and maintain the Board and committee structures.

External organizational responsibilities include involving the community in visioning and long-range planning; building broad-based community support through a strong mission, consistent communication of the organization's plans and accomplishments, and a public relations strategy; planning and conducting fund-raising and membership development activities; increasing the volunteer base, developing leadership, and seeking public/private partnerships. These activities can be summarized into five broad categories:

- Program Operations (financial management, policies and procedures, Board and committee structure)
- Outreach Activities (Fundraising Volunteer Development, and Public Relations,)
- Oversight of Office and Staff Management
- Coalitions and Partnerships, and
- Community Involvement in Visioning and Long-range Planning.

Promoting the organization is different from promoting the commercial district. It is critical for people to realize that a commercial revitalization organization is hard at work. This awareness facilitates member recruitment and fundraising—both of which are essential to the success of the revitalization effort.

Volunteer recruitment for projects and committees becomes easier as more people learn about the program. To ensure maximum participation, ask people to serve in roles they enjoy. Your leaders are responsible for educating new volunteers about the program's mission and explaining how their work contributes to fulfilling that mission. Those are the hallmarks of good volunteer development.

Promoting the organization's program of work and fundraising go hand-in-hand. The more people know about your organization, the more likely they are to respond to fundraising appeals. Conversely, if the public does not know about your program's successes and accomplishments, they probably will not want to contribute. A year-round program of public outreach will make the annual fund-raising campaign easier. Obtaining financial contributions from stakeholders throughout the community is important not only to your budget, but to getting everyone "invested" in the effort.

As the program's leaders and policymakers, Board members are the logical fundraisers. Potential contributors will want to discuss their donations with the leaders of the program, not with someone hired to raise money or just the Main Street manager. Staff members, however, can

take a strong role in planning fundraising campaigns and may accompany Board members on visits to contributors.

Because a Main Street program must tackle so many organizational issues, the Board of directors, the Organization Committee and the program's director usually share the workload.

Program Operations (financial management, policies and procedures, Board and committee structure)

Observations

- **The Downtown Clawson/DDA Board of Directors is both a working and governing Board.** Board members are fiduciaries, responsible for overseeing the use of money and properties that people have entrusted to them, in a way that advances the mission of the organization. The Downtown Clawson Board is also a working Board. Individual Board members take an active role in assisting the staff and volunteers to implement projects. The Main Street Approach dictates that Downtown Clawson Board members are expected to serve on one committee and participate in events. We learned that some, but not all, Board members are actively involved in the organization. There is no requirement that Board members contribute to the organization financially.
- **The Downtown Clawson Board members, like all the DDA's in Michigan, are appointed by the Mayor and approved (or not) by City Council.** Some Board members complained that several Mayoral appointments do not participate as fully as required. In the past year, one Board member was asked to leave because of his spotty attendance and non-participation as outlined in the current bylaws, however, City Council blocked his ultimate removal and this person remains on the Board. The DDA has encouraged several active Main Street volunteers to submit paperwork to become Board members, but these applications have languished for months or have never been approved.
- **Board members said that most, but not all, Board members are working hard on committee projects and support the work of the DDA.** We learned that the majority of members attend and support most DDA events, DDA business events and third-party events in the downtown.
- **Board meetings are well run.** The Board meeting we attended during the resource team was well organized; the committee reports did not drag on, and the meeting concluded in less than 25 minutes. Two committee chairs were not in attendance, and Main Street staff made these reports. We understand that sometimes Board meetings do not have a quorum.
- **There is appropriate oversight of program finances and policies and procedures.** Downtown Clawson is a DDA and as such, oversight of financial matters is highly regulated through municipal ordinance. Adequate policies and procedures are in place.

Recommendations

- **Increase the current DDA Director's salary.** One of the Board's primary purposes is to retain a high quality Executive Director. We learned that Joan Horton's salary, which is set by the Board, was only \$20,000. She is expected to work full time. Joan seems to work more than 40 hours and sometimes 60 hours a week. Her salary is the lowest in all of Oakland County Main Street managers, and this is grossly unfair. Comparable Main Street Oakland County organizations with full time Executive Directors pay between \$40,000 and \$50,000. We recommend that the Board make a commitment to raise the salary incrementally to the \$50,000 range over the next three years in \$10,000 increments. In the next budget year, the Board should increase the salary to \$30,000. The additional funds could come from \$5,000 reallocated from the façade improvement program and another \$5,000 of new money to be raised by the Board or committees. See below for advice about starting fundraising or annual gifts campaigns. Both are excellent sources of general operating support to pay for staff salaries. The Board must address the salary issue this year. Should Joan leave, the Board will not be able to find an Executive Director who has nearly the same level of high quality skills, dedication and experience as the incumbent for the small salary offered.
- **Continue to conduct evaluations and support the Executive Director.** The Board is so fortunate to have Joan Horton as their Executive Director. The Board and volunteers we met during our visit regard her highly and she is well respected by property owners, merchants and city staff. She works long hours, is very creative and organized and is an effective spokesperson for the organization. Downtown Clawson is poised for great things because Joan, the Board and volunteers have laid the foundations for success. Please make sure you show your appreciation for Joan's work now, and throughout the year.
- **The Board should commit to diversifying and expanding revenue sources.** The current 2012-2013 Downtown Clawson DDA budget is \$201,800, a reduction from its high of \$273,819 in 2010-2011. While we heard that the long recession seems to have finally ended, and that tax receipts in Clawson are finally beginning to rise this year, the Board should add at least one new revenue source in the coming budget year. We believe the most fruitful revenue sources for Clawson are Board giving, residential annual gifts campaign, sponsorship and fundraising events. We discuss each of these revenue sources in more detail below.
- **The Board should consider instituting a Board-giving requirement.** As a 501(c)3 charity, Downtown Clawson should be seeking additional support from the Board itself and the public through donations, sponsorships, vendor fees, fundraising events and profits from special events in the coming year. The Board should show its support for the organization by instituting a Board-giving requirement for all new Board members as they are recruited to the Board. All Board members should be expected make a gift they feel is generous to the organization to fulfill of this requirement. Thus, the amount each Board member gives may vary widely, but each Board member should be expected to give a cash gift so that the Board can represent that it has 100% Board participation. The

Board president should ask each Board member for his or her gift each year and follow up until everyone has made his or her tax-deductible donation. These gifts should be identified in the budget as a line item called Board gifts. Current Board members should be asked to make a gift, but since this is a new expectation, any gift should be considered optional until their board term expires and if they are reappointed. Then the new gift requirement can be instituted.

- **The Board should review and adopt complete committee work plans soon.** During our visit, we saw that each committee has draft work plans that are in various stages of completion. The Board should set a deadline; say two months, for submission for Board review. All component parts should be finished before submission, and we recommend that Joan Horton's name only appear sparingly on any work plan. The Board should carefully review the revenue sources to determine if projects break even, and to mitigate any competition between committees for the same sponsorships, grants or other specific revenue sources. The Board should not be afraid to ask for revisions to committee work plans if the Board believes they are overambitious. The Board should adopt the work plans once they are satisfied that they represent quality projects for the year.
- **The Board should insist that all committee projects break even or make money.** As the completed work plans are reviewed by the Board for adoption, the Board should insist that each committee project not lose money, and preferably make a profit for the organization as a matter of policy. The Board should press committees to review each component of their work plans to determine if even a modest sum can be raised for each activity.
- **Advocate for the program at City Council on a regular basis.** We recommend that you create a schedule for Board members to attend City Council meetings on a regular basis to make brief reports on the progress of the DDA. These could be more formal quarterly presentations on past successes. If more you wish to make very brief monthly reports that highlight upcoming events, recent event successes, and the reinvestment statistics for the month we suspect these would be welcome as well. It would be ideal if Board members instead of staff could make these brief presentations (under five minutes for monthly meetings), since the Mayor/Council appoints DDA Board members.

The Downtown Clawson DDA Board should continue to recommend quality candidates for nomination to the DDA Board. Despite the fact that the Mayor appoints members of the Board and City Council approves (or not), Downtown Clawson should continue to encourage quality applicants to apply to serve on the DDA Board. We understand that the DDA Board has recommended several candidates, but the Mayor has not always appointed these candidates in the past. This has been disappointing, however, the DDA Board should continue to encourage high-quality committee and event volunteers to submit paperwork to be nominated to the DDA Board when vacancies occur. The DDA Board should make potential candidates aware that their applications may not be successful because of the political nature of appointments, but continue none the less to encourage high quality volunteers to step forward.

Outreach Activities (Fundraising, Volunteer Development and Public Relations)

Fundraising

Observations

- **Organization Committee has not yet begun any fundraising efforts.** The Board has not yet charged the Organization Committee with specific fundraising goals. This committee has made good progress in the other areas including volunteer recruitment and communications/public relations

Recommendations

- **The Board should delegate specific but achievable fundraising goals to the Organization Committee.** Main Street Boards often charge the Organization Committee with specific fundraising efforts including developing a membership or annual gifts program and fundraising events. We believe a realistic goal would be \$5,000 or more in net profit for the first year for fundraising events (one larger one, or several smaller ones) and about \$12,000 net profit for a very well executed first year annual gifts campaign. The Board remains responsible for ensuring that the organization has an adequate operating budget, and these key fundraising efforts require good Board oversight.
- **The Organization Committee should plan one or more fundraising events this year.** Fundraising events are designed solely to raise money. These events do not have to be in downtown (but great if so), and they should not be weather dependent. If the event is held outdoors, it must be held under a tent so that it can go on despite bad weather. Identify a volunteer to plan and implement at least one FUN fundraising event this year. These events can be simple or highly creative based on the skills of the volunteers involved. Identify a volunteer leader or co-chairs for each fundraising event and create a complete work plan, including a realistic fundraising goal for each event. We suggest shooting for a net profit of \$5,000 for the first year for one event or several smaller fundraising events. Give the fundraising event sub-committee enough time—say four to six months--to plan a quality event that is not weather dependent. Plan and execute well, and include a post mortem meeting to discuss the event, so that committee members can identify how to improve it for next year, write these notes up, and attach them to the work plan for the co-chairs next year to use. . *See the attached PowerPoint identifying more than 120 different downtown fundraising events along with component part to maximize profits.*
- **The Organization Committee should start a residential annual gifts program.** Community residents are the primary beneficiary of a revitalized downtown and residents need to be invited to support the organization that is making positive change to downtown. Often called “membership programs,” the IRS often reminds us that they view so called “membership programs” as programs that limit benefits to those who pay the fee. This is not the case for Main Street Programs with 501 (c)3 tax-exempt status. A better name for this public fundraising effort would be annual gifts, partners, investors or

another name that does not connote limiting benefits to those who pay. We use the term annual gifts here for simplicity throughout this document. Identify a volunteer leader or co-chairs for this activity, and create a complete work plan. Create a realistic goal. We suggest a net profit of \$12,000 for a first year goal. Plan a quality campaign; see how to do this in the sidebar in the Main Street Now article attached. Plan a campaign that can be done in two or three weeks and marshal all the volunteers you need to execute. *We attach a sample ideal membership brochure as a sample, and see another Main Street Now article about an especially well executed residential campaign.*

- **Consider instituting a yearlong sponsorship calendar.** A yearlong sponsorship calendar helps potential sponsors spread out their advertising dollars throughout the year in a predictable fashion. The Board should release the calendar once a year, in April after tax season, or in early October, when likely sponsors are making their budgets for the coming year. The calendar shows all the downtown events planned for the year, the target audience, number of attendees and the sponsor benefits for each event. *We attach three good examples of yearlong sponsorship programs from Boonton NJ, Libertyville IL and Woodbury NJ.*

Outreach Activities (Fundraising, Volunteer Development and Public Relations)

Volunteer Development

Observations

- **Organization Committee work plans is not complete.** The work plans we saw had many appropriate activities, but they lacked budgets, responsible parties, timelines/deadlines and measures of success. Work plans need to be complete before submission to the Board for approval.
- **There are quality volunteers on the Organization Committee.** Volunteers on the Organization Committee have a variety of skills. Some volunteers are task oriented, others are big picture thinkers. Some volunteers like to plan, others prefer hot deadlines. Each volunteer has high-quality skills to be tapped to implement great projects. Continue to meet regularly and communicate between meetings to assure that all project tasks are completed on time and on budget.
- **Several key Organization Committee members are excellent fundraisers.** This committee is blessed with several people who have superb fundraising skills. These people enjoy asking others for money or sponsorships and will be helpful as the committee begins to take on more fundraising tasks.
- **The current volunteer data base is a card file.** Joan maintains this database but it is not available to all committees. There is a volunteer application form. It is unclear who “matches” a volunteer with a particular task or activity but we suspect it is Joan.

Recommendations

- **There are not enough volunteers on the Organization Committee.** While the current membership of the committee is all excellent volunteers, more people are needed to help. This committee needs to be strengthened with new volunteers who have the skills to implement committee projects, especially around new fundraising events.
- **The current number of volunteers involved in the organization, as a whole needs to grow.** We learned that there are about 40 volunteers; all actively participate in the organization now. This is a fine number of volunteers for a startup operation, but the volunteer pool must grow—quickly. Each committee and the Board should recruit volunteers, but the Organization Committee should make sure the volunteer application and database are up-to-date and complete. This committee should also recruit volunteers for the organization as a whole.
- **Recruit more residents as volunteers in general.** Many of the committee members we spoke with during the Resource Team were merchants. This is excellent, but merchants should not be expected to shoulder the entire burden of committee membership recruitment. We recommend that the Organization Committee especially, begin to recruit community residents to be on this committee to spread out the work.
- **Think both wholesale and retail for volunteer recruitment.** Recruit both individuals (retail) and groups (wholesale) as volunteers for projects downtown. You will need both types of volunteers to staff and implement downtown projects.
- **Develop short volunteer job descriptions to help recruit volunteers.** This committee should take the lead in creating short paragraph-long job descriptions for its projects and actively recruit people to fill those jobs. Post these jobs on Facebook and in the e-newsletter and put any person who responds to work right away. Develop these volunteer job descriptions for individuals as well as group projects for partner organizations. *See the attached information on volunteer job descriptions.*
- **Put the database of volunteers on a shared drive.** Create a very simple database of all volunteers on an Excel database so that everyone can access this list. Locate this database on Google Docs, a shared drive, Drop Box, a “Cloud based” source, or password protected section of your web site. Every committee needs access to the complete list of volunteers. Encourage all committees to add to this database.
- **Have a table at every event devoted to volunteer recruitment.** Have a volunteer staff this table, and provide the most current volunteer job descriptions to review. Also, provide general informational literature and volunteer application forms. Follow up within a few days with anyone who offers to volunteer and “match” them with an appropriate activity or committee leader.
- **Continue to send key volunteers to training events, locally and nationally.** The 2014 National Main Street Conference will be held in Detroit. Make free registration available

or encourage volunteers to volunteer at the event for free admission. Encourage volunteers to share their experience and most interesting information learned during the start of any committee or board meeting. Collect sample brochures, documents, work plans from other organizations across the country and place these on Google Docs or other Cloud based location for all to access.

- **Continue the volunteer appreciation event.** Supporters will always appreciate the high quality event held at Leon and Lulu for the many volunteers who labor for the downtown organization. Hosting an annual appreciation event is important even if not every volunteer attends.

Outreach Activities (Fundraising, Volunteer Development, and Public Relations)

Public Relations

Observations

- **The organization has a good balance of traditional and new media PR activities.** The committee has created a speaker bureau, e-newsletter, Facebook page, press releases, media list, and established good relationships with reporters in both online and traditional newspapers. There is only one local print newspaper.
- **The Downtown Clawson Facebook page has more than 1400 fans.** Facebook seems to be an excellent means to communicate about the organization and events in Clawson.
- **The organization is creating a social media policy.** This is a good idea. Post this policy to your web site, and circulate to all committees.

Recommendations

- **Continue your YouTube Channel.** Video is a powerful tool to communicate the successes of Downtown Clawson. Your web site uses a handsome content management system so that it can be updated at will. The blog feature is especially useful to keep your fans up to date.
- **Grow your Facebook fan base.** 1400 fans are excellent for any local Main Street organization, but you can grow this fan base. Direct a committee member to invite the local clubs and organizations to join. Post information about your Facebook page on other related Facebook pages, and encourage their membership to join. Set a realistic goal for growth in the coming year.
- **Grow your email mailing list and send your e-newsletter more often.** Collect more emails for the e-newsletter. We understand you currently have about 200 names. Push to get at least 1000 names and then continue to grow the email list. We understand the e-newsletter goes out monthly. The e-newsletter can be a very potent information source about events, and to promote merchant specials and discounts. Consider charging a small

fee for nonmembers/sponsors to advertise in the e-newsletter, and permit paying members a certain number of advertising opportunities throughout the year. We recommend no more than two or three per year.

- **Post the YouTube videos to all the other media you use.** Post any video to Facebook, on your web site, and in the e-newsletter as videos are uploaded to your YouTube channel.
- **Make your web site into an archive about the program.** Post your work plans, IRS 990 tax return, Bylaws, committee lists, budget, minutes, any press releases, any featured stories in the local press, reinvestment statistics and other facts about the program. Posting all your news and organizational documents promotes transparency, inclusiveness and invites people to participate. This kind of transparency is especially helpful for DDAs, which rely on public funds for the bulk of their operating costs.
- **Continue the range of traditional and new media PR activities, and consider adding more over the next year.** Relationships with local reporters can be strengthened. Begin to identify stories that might be appropriate to pitch regional media including the *Detroit Free Press*, *Crain's Detroit* and the regional reporters for *The New York Times* and *The Wall Street Journal*.
- **Consider identifying Op-Ed topics where you can give a unique Clawson spin to current news.** Target the above-mentioned regional and national publications for these short but profoundly influential articles. Pre-write the substance of the article and wait for the appropriate news cycle to add your spin. Recruit a volunteer to help write the articles so you are ready to edit and send when breaking news occurs. Learn how to pitch and write a good op-ed piece from http://www.theopedproject.org/index.php?option=com_content&view=article&id=70&Itemid=82

Coalitions and Partnerships

Observations

- **Downtown Clawson has already formed some good partnerships.** Continue to work with the local chamber, Optimists, Lions, Schools, Library and other partners. All of the nonprofit organizations we spoke with during the Resource Team visit had high praise for the downtown and work of the staff, Board and volunteers.

Recommendations

- **Organization Committee should develop a list of all the potential partners downtown for collaboration purposes.** This list should expand on current partners, and include every local or regional service club, local and county government entity/department, nonprofit organizations, school clubs or groups, and area

churches/synagogues/mosques that might be a possible help for the downtown organization and committees. In gathering this list, the Organization Committee should think expansively, after reviewing all the approved work plans for the year. Post the lists to a shared drive, Google Docs or other Cloud based location and encourage other committees to add to this list. Each committee should be free to use this list to help them identify likely partners for their activities.

- **Offer an appropriate *quid pro quo* when working with partner organizations.** To be an effective partner, Downtown Clawson should offer appropriate opportunities for the partner organization to receive something of value in return for their work downtown. This might be as simple and no cost such as offering community service hours to students or good publicity for a community service organization. Other partners may need opportunities to fundraise for their own cause/downtown, or a percentage of the profits of an event if they are providing a substantial part of the man/woman power to implement the event. Be generous with your partners and they will be more likely to help you again in a mutually beneficial relationship.

Community Involvement in Visioning and Long-Range Planning.

Observations

- **The organization does not have a long range or strategic plan.** This is not uncommon for new Main Street organizations.

Recommendations

- **The Board needs a strategic plan to guide the organization's growth.** We recommend that the Board undergo a five-year strategic planning exercise next year, once the organization has completed a one-year work plan cycle. Strategic Plans have four components:
 1. Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis/meeting
 2. Survey of consumer and stakeholders about their view of downtown
 3. Visioning and Goal Setting meeting and
 4. Review the draft Strategic Plan and vote on its adoption.

This process takes between four and six months and will provide the organization with a handful of strategies as well as action steps to follow to achieve its vision of downtown five years in the future. *We attach a recently completed Strategic Plan for Vineland NJ as a sample.*