

walplay

# GROUND FLOOR POP-UP TOOLKIT

A resource for  
landlords & storefront  
activators to create  
win-win dynamics on  
the path to recovery  
from COVID-19.

Written by  
walplay

Commissioned & Co-Developed by

SIDE WALK LABS

# why this toolkit?

Among its many victims, the COVID-19 pandemic has threatened the livelihoods of thousands of store owners in cities across the country. And, just as the pandemic has shone a light on health inequities across our country, businesses run by people of colour and other equity-seeking groups have been [disproportionately affected](#).

What's more, the pandemic has only underscored the deep, preexisting vulnerabilities of ground-floor retail (retail shops, restaurants, bars, entertainment venues, cultural spaces, etc.).

The incentive structures of retail have traditionally encouraged landlords to seek out long-term leases with stable, monthly rents—leaving storefronts vacant as landlords wait for “credit-worthy” tenants and making brick-and-mortar less accessible to smaller businesses, community groups, first-time retailers and other groups that lack upfront capital. Over the last decade, however, much of how a retailer earns revenue and spends money has changed, while the fundamental economics of real estate have not.

**As cities begin to allow ground-floor stores to reopen in a safe way, retail need not return to the status quo.**

Both Wallplay and Sidewalk Labs envision a future in which landlords and tenants are better incentivized to create thriving and heterogeneous ground-floor spaces that reflect the culture and character of their neighborhoods. One way we can move toward this future is by facilitating mutually beneficial pop-up agreements.

## WALLPLAY HAS LEARNED THE POTENTIAL IMPACT OF POP-UPS FIRST HAND.

Founded in New York City in 2013, Wallplay repurposes vacant space for public good. Wallplay is a hyper-local platform that programs and operates vacant storefronts with commercial pop-up tenants, artists, creatives and community groups—or as we call them, **storefront activators**—until landlords can secure permanent tenants. Before COVID-19 hit, Wallplay transformed spaces into community hubs and helped locals apply to program the spaces that inhabit their neighborhood.



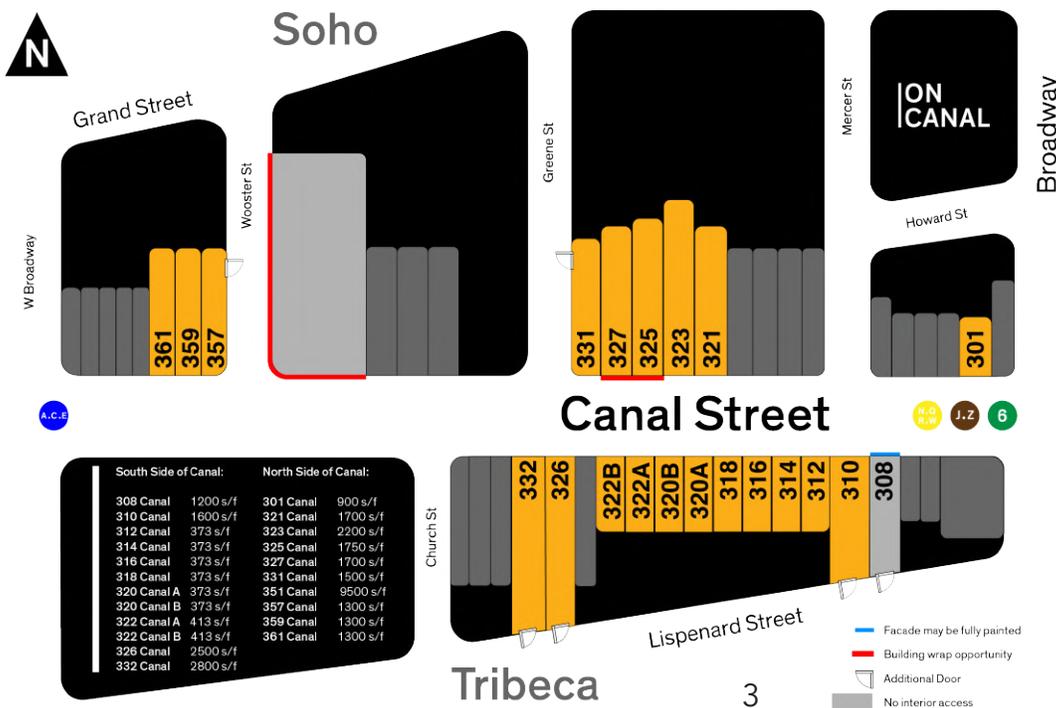
*Before Wallplay ON CANAL*

Pop-ups enable both small and large establishments to experiment in brick and mortar without the burden of a long-term lease. These pop-ups—running anywhere from a day to year—get storefront activators in the door without the traditional, limiting barriers of good credit, years of operating history, or ample capital for rent. As a result, pop-ups not only support big brands who do have good credit, lengthy operating history and capital, but also provide real estate for traditionally disadvantaged tenants—first-time entrepreneurs, community groups, creatives and in particular, minority- and women-owned businesses.



**Pop-ups create a positive flywheel for the whole ground-floor real estate ecosystem by providing short-term space for storefront activators to launch their ideas, immediate revenue for landlords through short-term rent as well as foot traffic that energizes the block.**

As the operators of [ON CANAL](#), launched in 2018, Wallplay took the concept of a standalone pop-up in one single space and multiplied it across 22 spaces in a three-block corridor on Canal Street in New York City. The result was not only individually transformed spaces, but a de facto district for retail innovation as well as public, cultural and community programming. Rather than a few discrete addresses claiming the benefits of rotational programming, an entire section of Canal Street, comprising roughly six city blocks, became a destination.



## ON CANAL Case Studies That Enlivened The Neighborhood



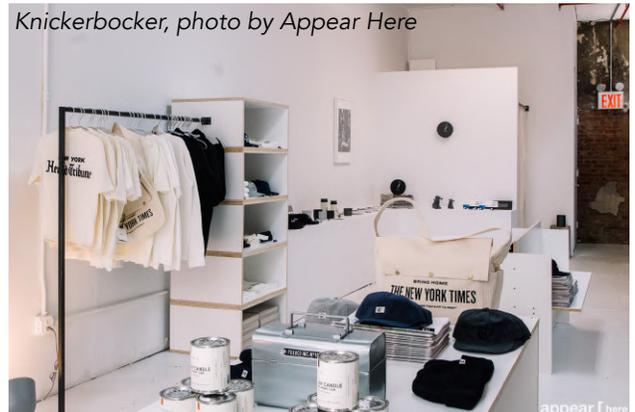
### EMERGING SMALL BUSINESS

[MOTIVNY](#) wanted to prove the viability of having a brick and mortar physical therapy studio. A multi-month pop-up at 357 Canal Street demonstrated that a long-term lease was a fail-safe next step. The company now has a 10-year lease in SoHo.

### POP-TO-PERM

Successful pop-ups can result in conversion to long-term leases. Landlords are able to take a more active role in placemaking and build relationships with potential tenants.

*Knickerbocker, photo by Appear Here*



### A HUB FOR ART AND INNOVATION

The ON CANAL project hosted over 100 art exhibitions, many of which showcased artists working with new media and innovative technology. One of the most socially shared examples was [Hovver's Liminal Scope](#). Hovver's performative, immersive installation amazed visitors as light appeared miraculously tangible alongside a hypnotic soundscape.

### DEMOCRATIZING ACCESS

[Christopher John Rogers'](#) New York Fashion Week Runway show was held at 323 Canal Street. After the main event, the fashion brand hosted an all-access multi-day showroom, breaking from the usual "by appointment only" tradition.



*Christopher John Rogers, photo by Courtney Yates*

## ENABLING EXPERIMENTATION

Sandy Liang, an up-and-coming fashion designer [noted the benefit](#) of pop-ups for entrepreneurs: “I think it’s a great concept for smaller brands who can’t afford a full time lease... you can experiment in completely different ways.”



Sandy Liang: NYFW 2019

## FOSTERING COMMUNITY

[Osmunda](#) ran their headquarters out of 332 Canal Street from 2018 to Winter 2019. The collective hosted art exhibitions alongside free-to-the-public workshops on topics like vertical, hydroponic gardening and recycling. They partnered with groups like [Root Farm](#), [AgTech X](#), and even the City for a special plastic-free initiative. Over 1,000 stainless steel water bottles were given away and thousands more visitors entered the space and attended events during Osmunda’s tenure.



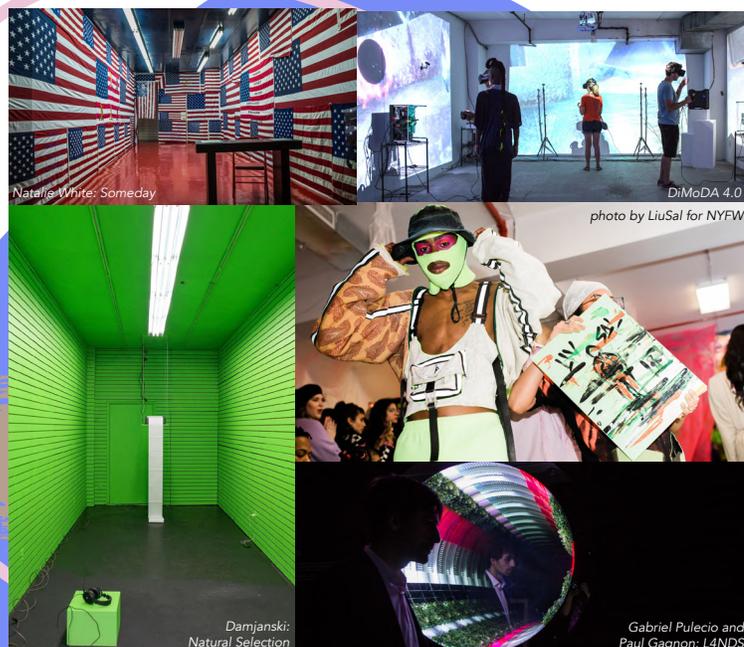
Osmunda: ourWaters

## BUILDING NEW AUDIENCES

[The Digital Museum of Digital Art \(DiMoDA\)](#) ran a free 3-month pop at 325 Canal Street that gave walk-ins the ability to access VR. With an average of 100 visitors each day, many participants were able to experience virtual reality for the first time in their lives.



DiMoDA 4.0



Natalie White: Someday

DiMoDA 4.0

photo by LiuSal for NYFW

Damjanski: Natural Selection

Gabriel Pulecio and Paul Gagnon: L4NDS

These are just a few examples of how Wallplay’s model created a positive flywheel on Canal Street. Stepping back, in the midst of rapid increases in vacancy due to COVID-19 and uncertainty for the future of ground-floor businesses, both Wallplay and Sidewalk Labs felt it was important to share *how* this model works so that it can be referenced and **adopted as an immediate solution.**

**We hope this toolkit can help storefront activators, landlords and future tenants navigate the evolving landscape of ground-floor leasing and take action toward post-COVID-19 recovery.**

## PUBLIC HEALTH NOTICE

- This toolkit is intended to be used *only when your jurisdiction is ready to safely open for business.*
- Refer to the [FDA best practices guide](#) for retail food stores as a resource on guidelines.

## Inclusion, and Diversity Considerations

Our nation's urban businesses have been deeply impacted by COVID-19 and the sustained impact of systemic racism and inequity. We can all be part of the solution by being aware of how our decisions, both big and small, can either help or continue to cause harm. We can be aware of both unconscious and conscious biases and make an effort to be open and inclusive, supporting diversity through our decisions at every level. These considerations apply to landlords *and* storefront activators.

- Each neighborhood is characterized by its unique history and cultural viewpoints. Be conscientious, educate yourself, proactively get to know local organizations and leaders, and hire locally. Your job is to create an authentic relationship with the community.
- Draft signage and press releases in more than one language if you are in a neighborhood that has a population that primarily speaks another language.
- Go outside of your immediate network to utilize space as a platform, amplifying diverse voices. As a landlord, this means hosting culturally diverse pop-ups. For storefront activators, this means designing for inclusivity and supporting Black, Asian, Latinx, LGBTQ and women-owned businesses/organizations, to name just a few. For example, pop-ups can offer sub-programming (e.g., panel discussions, live performances, mixer events) to engage with a wider community.
- Be conscientious and aware of whitewashing and white saviorism. Whitewashing in this context could include tokenization without a commitment to truly being inclusive through action and outcomes. This could include promoting events that champion diversity without incorporating a minority perspective or without hiring individuals of color. Avoid white saviorism, where white individuals put themselves in a position of authority in helping minorities primarily for their own gain and without minority voices included in the decision-making process or sharing in the creation of wealth.
- Make a conscious effort to be inclusive on every level and take the time to educate yourself. Recommended resources are: [How To Be Anti-Racist](#), [Me And White Supremacy](#), [White Fragility: Why It's So Hard for White People to Talk About Racism](#) and [The Color of Law](#), which explains how redlining and segregation affected the development of neighborhoods.



# A Toolkit For Storefront Activators

# this toolkit will help you to:

## BUILD COMMUNITY IN-PERSON

This tool-kit is for organizations, brands, artists, institutions, collectives, non-profits, startups, companies and individuals who are interested in producing pop-ups in physical spaces.



Gashi x Tidal



## TRY BRICK & MORTAR

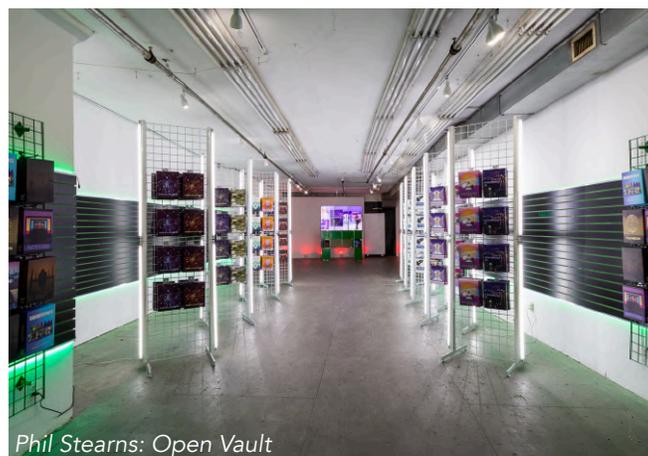
Pop-ups are a great way to enter brick and mortar without the traditional barriers of good credit, years of operating history or ample capital for rent.

## TEST & LEARN

Be prepared to learn a lot from the experience of producing and executing a pop-up. Design the experience where you can collect data points and learn from those who enter your pop-up in a meaningful way.



For Your Guest Bathroom



Phil Stearns: Open Vault

## UNDERSTAND YOUR RETURN ON INVESTMENT (ROI)

Get clear on what ROI means to you and establish what success looks like before you open your pop-up. Know what you would like to achieve. That could be creating a space to learn more about a brand new concept you are developing, simply seeing if brick and mortar is for you, or engaging with new signups or donors. Set clear goals, measure, iterate and learn.

## Benefits of Pop-Ups for Storefront Activators

**Physical spaces present an opportunity to engage with the community in a direct and tangible way.**

- Establish meaningful and durable connections with your audience in person.
- Increase awareness, brand loyalty, and initiate direct community interaction both through the pop-up and through hiring, where relevant.
- Grow audience expansion with a community that has not yet been reached digitally.
- Drive product awareness, community education and brand affinity.
- Create stickier brand impressions in local markets.

**Relative to traditional leases, pop-ups reduce the risks of launching and operating a concept in brick and mortar and are an easier and more cost-effective approach to activating a physical space.**

- For small businesses, pop-ups are a great way to enter brick and mortar without the traditional barriers of good credit, years of operating history or ample capital for rent.
- Deepen existing community relationships by providing an in-person experience to complement digital marketing.
- Try-before-you-buy opportunities for the community to learn, test and provide feedback for your brand/products/services in person.

**Pop-to-permanent: Short-term takeovers can inform long-term retail strategies and business expansion for the brand/retailer, potentially leading to permanent brick-and-mortar space either at that site or elsewhere.**

**In this COVID-19 landscape, with a safely run pop-up you can communicate that your brand is still active, resilient, and serving its customers.**

- Refer to the guidelines in your specific jurisdiction

# Considerations When Executing Your Pop-Up

## Where do I start: is a pop-up right for my business?

- If part of your business or organization's mission is to sell goods or services or engage with the general public, then activating physical space is valuable for sales, marketing and/or achieving your organization's objectives.
- If you have a team of people who are interested in collaborating to produce a pop-up, it can be a great community-building exercise.

## Do I have to actually sell anything in the pop-up?

- No! Some of the most effective experiences are those which do not present a purchase opportunity for the audience.
- Of course, if you have immediate sales objectives and products to sell, you should create a way to transact with the community. Of note, we recommend "traction-less" retail experiences where the community can purchase products using QR codes. You can make them easily and for free, [here](#).

## How do I prove that it's worth the financial expense to host a physical activation?

- When evaluating the return on investment (ROI) of a pop-up, businesses/organizations should look holistically at overall objectives (e.g., marketing, sales, community outreach metrics) and set out clear key performance indicators (KPIs) for their exercise.
- Setting predetermined goals and adequately resourcing how data will be captured/measured once live will make it easier to judge the success of a pop-up after execution.

## How do pop-ups convert to sales/revenue?

- Increased brand awareness and in-person interactions are directly responsible for purchase intent and/or engagement from new community-members and increased loyalty from existing ones.
- Whoever is present in the space speaking to the public needs to be educated on your business/organization to help convert interest into action.
- The visual design of space with clear call to actions can make a large difference in converting interest into sales/engagement.

## Can I do this on my own?

- Yes, and it's okay if this is your first time activating a space, but, you will need to enlist experienced production support to ensure the quality is high because the design of the space will affect impact.
- Even the largest consumer brands engage outside services of specialist production and marketing vendors to ensure success from their short-term activations.
- Refer [Storefront](#) and [AppearHere's](#) first-time pop-up guides for more insight.

## How do I engage effectively but safely given COVID-19?

- Consider personalized experiences and programs that don't necessarily require event-size crowds.
- Always review your local government guidelines and pay close attention to how other retail stores are operating in the area.

# Operational Considerations When Executing Your Pop-Up

## How do I start the venue search without a broker?

- There is a field of experts that specialize in temporary space activations, including [Storefront](#), [AppearHere](#), and [Wallplay](#). You can search availability online and/or work directly with their teams to narrow down space and lease/license options.

## How do I know what landlords are open to pop-ups?

- Agencies and brokerages with established landlord relationships — and who have previously secured short-term deals — usually are the best resource for understanding local space inventory and for negotiating favorable terms.

## Are there cost considerations beyond rent and a security deposit?

- Be prepared to provide a certificate of insurance conforming to individual landlord coverage requirements; costs here may vary significantly.
- Do research on whether your activation requires special permits or not—these may create additional expenditures.
- Be prepared to hire operational staff to open/close the pop-up and be there to engage with the community.

## How do I vet the physical space before signing an agreement?

- Different spaces require varying amounts of work. Do multiple site visits; ask as many questions as possible. Inquire about past short-term tenants, ask for photos of recent activations.

## What if the space isn't perfect?

- Venue sourcing should be a process of choosing the best among available options more than a hunt for the perfect fit. If the location, size, and pricing are right then a space should be considered a viable activation site.

## Should I consider pop-to-permanent options?

- A retail environment with more vacancies (and less demand, simultaneously) will lead to downward pressure on long-term rents. In a post-COVID-19 world, expect favorable conditions for existing short-term tenants to discuss affordable longer-term options with their landlord.

## What kind of vendors/partners can help me?

- From venue sourcing to strategy, creative direction/design to technical production, public relations to staffing, marketing agencies can provide valuable direction and expertise to all elements of the pop-up.
- Look within your own network and assess who might want to collaborate with you.
- Engage with nearby organizations to see if there are good opportunities to work with local vendors/partners.

## Pop-Up Checklist

- ❑ **Create a budget, a proposal (necessary if requesting subsidized space), and understand the production costs associated with executing your pop-up**
  - ❑ Create a budget and compare quotes from vendors and sourcing options.
  - ❑ Plan your design for how you want the space to look and feel.
  - ❑ Include staffing and list out all the costs involved.
  - ❑ Include a contingency in your budget for it to cost at least 30% more than you anticipate—last-minute costs can add up.
  - ❑ Include the cost of marketing materials for physical signage (e.g., vinyl, graphics, etc.).
- ❑ **Project Management Software, stay organized from the beginning.**
  - ❑ We recommend platforms like [Monday](#), [Trello](#), and [Asana](#) to manage production timelines and delegation to your team members.
  - ❑ For moodboarding your pop-up, we suggest [Miro](#) or [Pinterest](#)
  - ❑ Manage your shop staff schedules with a program like [When I Work](#)
- ❑ **Identify space options**
  - ❑ Engage an online marketplace or placemaker to identify vacant spaces available for short-term leasing/licensing.
  - ❑ Visit prospective locations in person at different times of day before deciding on a space.
  - ❑ Choose a location within the total project budget, including rent and utilities.
- ❑ **Understand insurance and permitting requirements**
  - ❑ Liability Insurance Considerations:
    - ➔ General Aggregate: Be prepared for the landlord to ask for between one and three million dollars in coverage depending on space; [The Event Helper](#) is a great option for short-term insurance
    - ➔ Products/Comp Aggregate: Be prepared for the landlord to ask for between one and three million dollars in coverage, depending on the space
    - ➔ Personal and Advertising Injury: Be prepared for the landlord to ask for at least one million dollars in coverage on average
  - ❑ Auto Insurance Considerations: Be prepared to provide proof of auto coverage, even for a UHaul
  - ❑ Workers Compensation: All individuals working physically on your production in the space must be covered by workers compensation; [Coverwallet](#) is a great option for workers compensation and more complicated insurance needs
  - ❑ Decide if you want art and equipment insurance; these are recommended but will not be required by the landlord
- ❑ **Permitting**
  - ❑ Temporary Place of Assembly (TPA)
    - ➔ Your State or city may require a permit for event occupancy. For example, in New York, indoor events that have an occupancy of more than 74 individuals require a temporary place of assembly permit.
  - ❑ Consult with an Expediter
    - ➔ An expeditor can assess and advise on permitting needs for an event based on the location.
  - ❑ Get city approval, if needed

- ➔ City approval may be needed for installations that exceed zoning rules for a location, such as for installations that are taller than ten feet, special considerations, or obstruction of property
- ❑ **Event-Specific Permitting**
  - ❑ SLA Permit
    - ➔ To serve beer, wine, or cider on site in a location without a liquor license, a temporary permit is needed in most states. These permits are generally only good for a one-day event.
  - ❑ Caterer with Liquor License
    - ➔ If any alcohol is served beyond beer, wine, and cider in a location without a liquor license, a caterer with a liquor license can be hired per event.
- ❑ **Consider consulting vendors and production partners to aid in production**
  - ❑ Assess staffing needs and create a schedule. Look to local organizations, non-profits, schools and the like for potential staff pipeline.
  - ❑ Hire a producer if needed.
  - ❑ Security for events that serve alcohol.
- ❑ **Develop and implement a community engagement campaign and/or comprehensive marketing plan specific to activation.**
  - ❑ Consider working with local community organizations to get the word out.
  - ❑ Consider hiring a publicist or PR agency.
  - ❑ Consider hiring a marketing or social media agency.
- ❑ **Implement a mobile POS if transacting in-store & collect data**
  - ❑ Set up Square, PayPal, or a similar mobile transaction system
  - ❑ Implement QR Codes that can link back to mobile purchases (see [flowcode](#) to make your own)
- ❑ **Understand daily visits by time of day and track conversion metrics to assess performance against any metrics you might have**
  - ❑ Consider a foot traffic sensor. We recommend [Dor](#) or [Density](#).
  - ❑ Use QR codes to track mobile purchases to assess conversion rates of those visitors
- ❑ **Capture as much content as possible and make sure your social media handle is visible inside of your space to ensure online engagement**
  - ❑ Repost visitors content
  - ❑ Share content regularly via social media platforms to drive traffic and engagement from your pop-up
- ❑ **Evaluate if there is long-term ambition to secure a physical space based on customer demand. If so, organize your pop-up with those goals in mind.**
  - ❑ Communicate with your landlord when you are structuring your deal
  - ❑ Create a clear path towards achieving your goal
  - ❑ Establish internal milestones that would trigger the ability to get a longer term space if that is part of your plan

## PRO TIPS

- Don't skip when it comes to on-site branding. Make sure your vinyls look sharp, that the window is lit properly and that there is a statement in the front to draw people in from the street. Think about what the space will look like at night when people walk by.
- Always leave a contingency in your budget. Your pop-up will likely cost at least 20% more than you anticipate.
- Look to and engage with local community organizations for hiring.
- Make an educational packet for your staff so they can memorize what is needed to lead conversations with the public. Make sure they are prepared, ask them questions and coach them. This makes a world of a difference in ensuring conversion.
- Always make sure there is a clear call to action and think through the audience experience physically in the space. Make sure the space is kept immaculate. An unkept space is a turnoff, not only to the public, but to your landlord.
- If this is your first pop-up and you are throwing events in the space, go for quality over quantity of the events you host. Try to ensure you have enough support staff so that you don't burn yourself out.



# Landlord Pop-Up Toolkit

# this toolkit will help you to:

## INVEST IN BUILDING COMMUNITY

Vacancy hurts all stakeholders, those in ownership and those who live in, work in and operate businesses in the neighborhood. By being willing to utilize your vacant space for pop-ups, you open up a new world of possibilities and can provide a valuable service to the community where you own property.

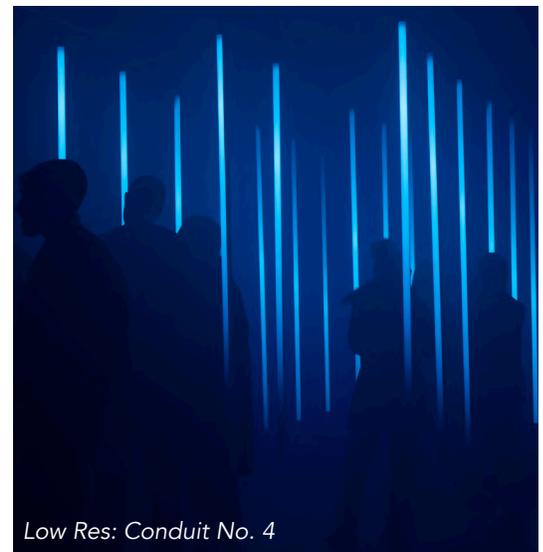


## PRACTICE INCLUSIVITY

Adopting a pop-up model is a great way to support inclusivity and diversity by allowing storefront activators to enter brick and mortar without the traditional barriers that come with signing a long-term lease.

## THINK OUTSIDE THE BOX

Hosting pop-ups is a great way to see what works in your space and what does not. Successful pop-up tenants often make great long-term tenants, too. Modern consumers increasingly prefer to shop experiences alongside goods and services. Successful and savvy retail operators follow their community or place themselves strategically where they believe their community can be found. In fact, spaces that have a recent track record of successful, short-term, experience-driven pop-ups often have a premium on their long-term asking rents—just as spaces with a recent and prolonged history of vacancy are susceptible to implied discounts.



## TAKE RISKS TO INCREASE PROPERTY VALUE

Not all pop-ups have to be high grossing rentals to provide a tangible value. In fact, investing in ground-floor activity helps attract and retain tenants above ground. This is because physical brick and mortar stores with active programming can create what is called a “halo effect,” defined as the value created by being in the same proximity (e.g., above, next door or the same block) as the pop-up. This halo effect can contribute to a larger lease/sales pipeline, faster leasing/sales velocity and potentially higher asking rents/prices for your commercial or residential properties nearby.

## Benefits of Pop Ups

### **Immediately activate the block and serve the community**

- Seek out and empower a diverse group of businesses, non-profits, start-ups, artists and curators to create an inclusive cultural program that enlivens the neighborhood and builds community.
- Stimulate community improvement by turning a vacant space into an active storefront for local (and destination) engagement

### **Increase property value by utilizing your vacant space for short-term use**

- Create a distinct, marketable space identity which can be capitalized upon by listing brokers
- Bring vibrancy and life to otherwise vacant space, which in turn adds value to the neighborhood and, if relevant, adjacent office and residential units

### **Help incubate new concepts, from retail to food to events, and test new leasing strategies with lower risk/commitment**

- Pop-to-permanent: chance of converting a short-term activation into a long-term lease, often avoiding broker-led fees
- Replication: if successful in pilot properties, strategy can be applied to other vacancies in landlord portfolio

### **Increase marketing value by raising property profile**

- Pop-ups can generate significant press and foot traffic to the storefront/block
- Increased exposure correlates to increased lease inquiries and can also differentiate your site from others

### **Incentivizes storefront activators to make space improvements**

- Often, storefront activators will self-fund space improvements in exchange for subsidized space
- These potential space improvements save the landlord future renovation costs and result in a more desirable space for both future storefront activators and long-term tenants

## Landlord Considerations for Hosting Pop-Ups

**What measures do your tenants need to take to preserve health and sanitary standards in a post-COVID environment?**

- Always follow the rules and regulations of your jurisdiction
- Standards can also be dictated by the landlord as a contractual obligation (although they should be informed by all prevailing local rules and regulations, as noted above).

**Quality Control: If I want to pursue a pop-up, how do I trust that the quality will be high?**

- Production support is key to a well-produced pop-up. Confirm which vendor partners are engaged with prospective storefront activators on their project.
- First-time operators *can be* highly successful and savvy, but often need experienced production support and/or have a background in production (this could include set-design, art direction, spatial design...etc.)
- Ensure there is a point-of-contact on your team who is responsible for the pop-up's execution
- Refer your prospective storefront activators to [Storefront](#) and [AppearHere's](#) first-time pop-up guides for more insight.

**With no representing broker or intermediary, how do I understand more about the people/team involved with the pop-up, their financial viability, and whether their vision fits with my long-term vision for the space?**

- Digitally native businesses without physical stores regularly work with placemakers and freelancers to execute pop-up marketing and sales exercises that you can evaluate.
- Small businesses with limited track record and a small digital footprint can be assessed by asking the traditional questions a broker would: Ask for financials/business plans and do basic research on the product/service (e.g., if the pop-up sells a food product, try it!).
- Creatives and artists eager for a space in which to surface developed concepts should be able to present detailed exhibition proposals.
- Companies like [Wallplay](#) and [Storefront](#) have created vetting criteria that landlords can use to mitigate unknowns. Example criteria can include business plans, project/concept decks, pop-up budget, quantity and quality of production partners and marketing reach.

**If there is a track record of previous brick and mortar projects for this brand/retailer, what should I be looking for in those past pop-ups?**

- Ask for recaps/reports and content of past exercises to assess look and feel, popularity, sales figures and overall success.

## Operational Considerations for Landlords Hosting Pop-Ups

### Could a short-term activation with contractually agreed upon dates keep me from signing a prospective long-term tenant?

- Landlords can still preserve flexibility by offering a buyout for an early termination in the event of long-term deals. Alternatively, the landlord can maintain a tight lead time on short-term bookings. For example:
  - Contract A: Signed in December, a six-month pop-up takes possession of space Jan-Jun. Contract B: Signed in Feb., a long-term lease is signed but requires turnover of space in April. A clause in Contract A should allow Landlord to “buy out” the remainder of the pop-up term with x days notice to vacate so the long-term lease can start.

### How secure is a simple license vs. a proper lease; what are general attorney objections/resistance?

- For landlords, licenses are significantly *more* secure than leases as they do not turn over legal possession of their property—they merely license its use. This means that if a great, prospective long-term tenant comes along and wants to lease the space for several years, the landlord can take advantage of that opportunity once the short-term pop-up concludes. In other words, licenses allow for flexibility and optionality for the landlord.
- Conveniently, prospective short-term storefront activators often prefer the simplicity of a license as they are not burdened with a long-term lease and can experiment with a new concept, geography or try out brick and mortar for the first time.

### Can I collect a sufficient security deposit from a small, independent operator?

- Storefront activators prioritize cost-effective means to take over a space. Landlords should aim to protect their space while enabling storefront activators to license the space without *burdensome* deposits.
- To mitigate risk, landlords should require that storefront activators have adequate insurance coverage with relevant additional insureds to help create less risk in exchange for a discounted security deposit. Strong liability and indemnification language is also encouraged.

### What if I don't have in-house personnel to deal with and manage short-term tenants, increasing the risk of high-maintenance pop-up tenants and low contract values?

- In-house personnel is not always necessary. There are many third-party programming and operating partners who can act as specialist intermediaries and property representatives. (See *Resources section below for suggestions.*)

### What are the costs of finishing/preparing/resetting an empty space—sometimes referred to as “whiteboxing” — without a signed long-term lease?

- The costs should include any work necessary to deliver clean white walls, HVAC, Wi-Fi, electricity, etc.
- Providing the fundamentals for a pop-up will create a turnstile of demand and revenue.
- Incoming storefront activators typically also contribute capital to lasting improvements.

## Landlord Checklist

- Identify eligible vacant spaces for short-term activations
  - Assess how much you are willing to invest into the space
    - ➔ Spaces that are low quality generally attract pop-ups with less capital to give towards rent or community uses for art organizations and small businesses
    - ➔ Marquee market rate pop-ups generally require whiteboxed spaces, unless you offer a large price discount
    - ➔ Consider working with a short-term operating partner to determine the appropriate pricing model for short-term rentals based on quality of space, neighborhood, and foot traffic. They can also potentially run all short-term operations for your available properties.
- Ready property for pop-up tenants
  - Understand what activations can be hosted based on local zoning restrictions
  - Prepare space with:
    - A new coat of paint
    - Working, clean bathroom(s)
    - Working electrical outlets
    - Working HVAC that is maintained
  - Ensure there are no hazards in space.
  - Adhere to necessary Americans with Disabilities Act standards.
  - Obtain a Certificate of Occupancy for the space.
  - Obtain crucial liability insurance requirements on hand for storefront activators.
  - Make sure there are accurate floor plans of the space for storefront activators.
  - Be clear on waste management, storage and delivery requirements and other key building requirements.
  - Establish a preferred vendor list, if you have a preference on security, trash pickup company, etc.
  - With COVID-19, follow local and federal public health guidelines for your location, which could include social distancing, specialized occupancy rules, handling and personal protective equipment.
- Prepare a contract template, [see this example contract template](#) from Storefront, for short-term leases/licenses
- Establish flexible insurance requirements for pop-ups
  - ➔ Get a quote at [The Event Helper](#)
- Determine acceptable short-term security deposits for pop-ups
  - Ask for their production plan and do a risk assessment

- ❑ Train in-house property managers and venue reps to understand short-term tenant needs and value exchange.
- ❑ Define a clear pop-to-permanent pathway for storefront activators to become long-term tenants.
  - ❑ Be transparent about a space's current vacancy and long-term asking rents.
  - ❑ Let storefront activators know that their pop-up is a chance to assess long-term compatibility.
  - ❑ Take interest in the financial success of the pop-up exercise to best determine potential rent thresholds for future arrangements.
- ❑ Formulate a marketing plan in place to capitalize on short-term usage
  - ❑ Make sure your logo is in all promotional materials; if space is being given for free or at a large discount, you should be credited as a sponsor
  - ❑ Establish what you're willing to give in exchange for marketing and press mentions, such as discounted rent for an article in a well-read publication.
- ❑ Understand what permits may be needed for activations that are outside of local zoning restrictions
  - ➔ For example, in New York City, the Landmarks Preservation Commission has many guidelines on signage; while pop-ups generally utilize temporary signage that do not break landmark restrictions, it is still important to check the rules in your jurisdiction.
  - ❑ Speak to an expeditor to further understand these considerations

## PRO TIPS

- ➔ Be sure to identify someone from your team who is going to manage the relationship with your pop-up, space marketplace representative and/or operator partner. This person should lead routine check-ins to ensure the agreed upon standards are being upheld.
- ➔ Have an open mind. The most “risky” projects tend to reap the highest rewards in terms of press and exposure. If you want your space to get attention, you need to think outside the box.
- ➔ If you are concerned about the content going in your space, set the vetting requirements upfront in terms of what you will and will not host and make sure this is clearly stated in your license agreement so that you are not censoring people after the fact (e.g., no pornography, religious and/or political content, etc.).
- ➔ Insert your opinion on content if you are worried about how it might look in the window, but in general, let the creatives do their job.
- ➔ Make sure your leasing representatives know about events happening so they can invite potential tenants to come attend the pop-ups and be engaged and entertained. The best way to sell a space is to see it in action.

## RESOURCES

- [Wallplay](#) (placemaker, operator of vacant spaces and hyperlocal platform)
- [Storefront](#) (space marketplace, tech platform)
- [Appear Here](#) (space marketplace, tech platform)
- [Spacer](#) (space marketplace, tech platform)
- [Space Us](#) (placemaker, designers, operator of vacant spaces and tech platform)
- [Chashama](#) (nonprofit that utilizes vacant space for artist exhibitions and studios)
- [No Longer Empty](#) (nonprofit that utilizes vacant space for artist exhibitions)
- [The Vendry](#) (Connects event agencies to vendors and space)
- [Blace](#) (space marketplace, tech platform)
- [Planned](#) (Event planner and space marketplace)

## INSURANCE

- For Pop-Up Insurance: [The Event Helper](#)
- For Workers Compensation and more complex insurance liability: [Coverwallet](#)

## ANTI-RACISM RESOURCES

- [The Color of Law](#)
- [How to Be an Anti-Racist](#)
- [Me and White Supremacy: Combat Racism, Change the World, and Become a Good Ancestor](#)
- [White Fragility: Why It's So Hard for White People to Talk about Racism](#)

## OTHER RESOURCES

- [Short-term License Template](#) (Storefront)
- 3D Barcode Integration: [Flowcode](#)
- Project Management: [Monday](#)
- Staff Scheduling: [When I Work](#)
- Foot Traffic Sensors: [Dor](#) | [Density](#)

# GLOSSARY

## Landlords

Property owners seeking to make use of vacant retail real estate and/or currently leasing/licensing space on a short-term basis.

## Pop-Up

The term “pop-up” refers to the short-term duration retail activation, which “pops up” temporarily. Holiday-themed stores are one of the oldest examples of pop-ups. They have evolved as multi-dimensional experiences that help build community and raise brand awareness.

## Storefront Activators

Companies, brands, agencies, galleries, institutions, artists, and entrepreneurs seeking to activate a physical space on a short-term basis for sales or marketing purposes.

## Placemaking

Per [Project for Public Spaces](#), placemaking is a multi-faceted approach to the planning, design, and management of public space. Placemaking leverages a local community’s assets, inspiration, and potential, with the intention of creating public spaces that promote a neighborhood’s well-being.

## Vacant Space Operator

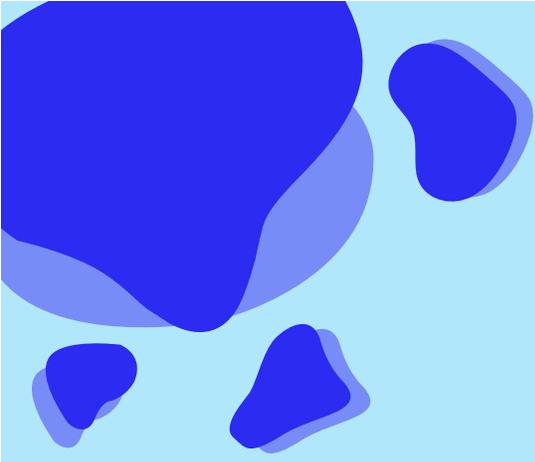
A third party hired by a landlord to help with day-to-day management of properties under short-term sublicense agreements and turnovers, including both client relationship and space maintenance. Some companies will not only operate space but will assist with placemaking.

## Online Marketplace

An online marketplace is an e-commerce site where third-party companies can sell, rent, license, or lease their products or services to consumers. Online marketplaces usually specialize in a particular area, such as short-term real estate.

## Pop-To-Permanent

Sometimes abbreviated as “pop-to-perm,” this term refers to an agreement where a landlord allows a retailer to begin with a short-term license, usually 1-3 months. When there has been a track record of success and interest from the general public in the business, entrepreneurs can move onto a medium-term license, usually 3 months to a year, which can eventually lead to a permanent brick-and-mortar lease agreement.



**This tool kit has come to an end, but we hope your adventure with pop-ups continues.**

**Need help?**

**Contact us: [connect@wallplay.com](mailto:connect@wallplay.com)**

**wallplay**

SIDE	WALK	LABS
------	------	------

