



## **MAIN STREET COMMUNITY RECOVERY AND REVITALIZATION:** *Help Main Streets and Vulnerable Small Businesses Survive COVID-19*

**Main Street America is urging Congress to provide additional funding for the Economic Development Administration to support the critical work of Main Street organizations that provide on-the-ground economic assistance to our nation's downtowns. Main Street America recommends including a \$100 million competitive grant into the next economic next stimulus package** to support the vital work of Main Street coordinating programs, local Main Street programs, and small businesses in commercial districts. Specific funding for Main Street commercial revitalization entities and targeted grants to assist small businesses adapt to pandemic-related operational safeguards will help sustain struggling businesses and keep the economic recovery of our nation's urban neighborhoods and rural downtowns on track.

**Main Street America is a national network of community revitalization organizations with a proven track record for generating strong economic returns.** In 2019, local Main Street programs leveraged an average of \$30 in public and private investment for every dollar spent on the program<sup>1</sup>. With over 2000 local community participants and 44 state-, county-, and city-wide coordinating programs, the Main Street network is an efficient, highly-localized, delivery system for recovery funding. Because the Main Street program's approach to revitalization is a longstanding and highly adaptable model for community growth and prosperity, there are also nascent efforts in the other 11 states, tribal nations and territories where accredited Main Street programs not do not formally exist.

**Congress has taken extraordinary steps to facilitate our nation's economic recovery, but data shows our Main Street communities are being left behind. The COVID-19 pandemic has had an outsized and profound impact on smaller, locally-owned businesses that form the backbone of our nation's communities.** In a recent Main Street America survey of over 5,800 small businesses, 57 percent reported a decline in revenues of more than 75 percent since the onset of the crisis<sup>2</sup>. Additionally, a majority of the small businesses surveyed said they are not financially prepared to survive prolonged public safety measures with 63 percent reporting no form of online sales. Of respondents, 93 percent reported having 20 or fewer employees.

**COVID-relief funding administered through the national Main Street network is an immediately implementable solution to deliver crucial technical assistance to small businesses.** Main Street coordinating programs are integrally connected to the local business community and well positioned to link financial and technical resources to small business partners. Local Main Street programs work directly with small business communities, offering on-the-ground technical assistance to businesses, including essential support in accessing funding and shifting operations. Seventy-five (75%) percent of the proposed funding will sustain and expand these essential support networks.

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<sup>1</sup> Data compiled from annual community reporting by the National Main Street Center, 2019.

<sup>2</sup> "The Impact of Covid-19 on Small Businesses: Findings from Main Street America's Small Business Survey". National Main Street Center, 2020.



**Main Street businesses need support adjusting their operational models to remain economically viable during a prolonged public safety response to the pandemic.** Whether developing an online presence or creating socially-distanced outdoor seating, businesses in Main Street districts facing unplanned expenditures, such as e-commerce platforms and plexiglass dividers, to adhere to regulations. Twenty-five percent (25%) of the funding requested from EDA will provide direct financial support for these business as they attempt to safely reopen and operate with reduced sales for the foreseeable future.

**Main Street technical assistance buttresses other relief programs to help small business navigate funding and resources.** Since the onset of the pandemic, Main Street programs have played an active role in assisting small businesses with finding and accessing relief funds, whether through federal programs such as PPP or local grants and loans. Direct support for technical assistance provided by Main Street programs helps to ensure that funding available to small businesses is utilized to the fullest extent and reaches the business that need it most.

**Current federal funding is not reaching Main Street programs and many small businesses.** A variety of federal funding channels have been established to help communities and small businesses, but in many parts of the country, there is an unfortunate lag in distribution and too often funding is failing to reach local organizations and businesses. The Main Street Community Recovery and Revitalization funding proposal would ensure direct support to Main Street programs throughout the country and specific funding to small businesses to adapt to public safety requirements associated with the pandemic.

#### **FOR MORE INFORMATION**

Please visit [mainstreet.org](https://mainstreet.org) to learn more about Main Street America. For more information or details about this proposal, contact Kelly Humrichouser at [khumrichouser@savingplaces.org](mailto:khumrichouser@savingplaces.org) or call 312-610-5619.