



Policy Agenda 2025-26

MARCH
2025



Government leaders at every level can take action to support thriving commercial corridors. Main Street America's Policy Agenda outlines issues and recommendations for impact.

For inquiries, contact the Government Relations Department at advocacy@mainstreet.org

Table of Contents

Executive Summary	3
About the Main Street America Network	6
Purpose, Process, and Use of this Policy Agenda	9
History of Main Street and Federal Partners	11
Why Main Street?	13
1. Main Street Programs are Public-Private Partners	14
Recommendation 1.1: Develop the capacity of local Main Street organizations and Main Street Coordinating Programs.....	16
Recommendation 1.2: Partner with Main Street programs to create district solutions for community-wide impact.	18
2. Main Streets are Key to Sustainable Community Growth	19
Recommendation 2.1: Adopt Planning and Zoning Policies that Support the Reuse of Existing Assets and Reduce Sprawl.....	20
3. Main Streets are Mixed-use Spaces Ripe for Preservation, Rehabilitation, and Reuse	22
Recommendation 3.1: Support Housing Development in Main Street Districts	23
Recommendation 3.2: Reduce Vacancy and Enhance Local Ownership of Main Street Spaces	24
Recommendation 3.3: Rehab and retrofit Main Street buildings for long-term sustainability	25
4. Main Streets Are the Backbone of the Small Business Economy	27
Recommendation 4.1: Foster place-based entrepreneurial ecosystems	28
Recommendation 4.2: Drive capital to entrepreneurs and Main Street small businesses	30
5. Main Streets are People-Centered Gathering Spaces and Thoroughfares	31
Recommendation 5.1: Create vibrant, safe main streets for pedestrians, cyclists, drivers, and transit users ..	32
Recommendation 5.2: Build physical civic infrastructure and green space.....	34
6. Main Streets are Communities of the Future	36
Recommendation 6.1: Reduce disaster risks through disaster resilience planning	37
Recommendation 6.2: Promote civic dialogue and trust through socially-connected spaces	38

Executive Summary

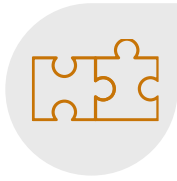
Main Street districts are hubs of commerce and activity across the United States, and Main Street programs play a crucial role in revitalizing downtowns and commercial corridors. They address challenges such as public space activation, building preservation, and small business support, helping communities overcome resource and capacity limitations. Through their efforts, Main Street programs bolster local economies, enhance pride of place, and promote sustainable community growth. With a supportive policy environment, Main Streets can continue to welcome businesses, residents, and visitors.

This Policy Agenda offers a roadmap of how government leaders can ensure Main Streets meet the needs of 21st century America.

This document outlines key policy issues relevant to Main Street programs and districts, with actionable recommendations to address the issues across local, state, and federal levels of government. It is a practical guide for policy leaders, providing solutions to challenges faced by downtowns and commercial districts. It is based on input from stakeholders in the Main Street America network, internal data collected by Main Street America, and external policy research and recommendations.

Since 1980, Main Street America has worked with a national network of communities to support redevelopment through the Main Street Approach. The thousands of communities participating in this movement have reported extensive local economic gains. Despite this success, Main Street districts face myriad challenges related to economic growth, infrastructure, and changing community needs. To help Main Streets thrive for the future, government leaders can ensure that policies and programs are scaled to fit Main Street needs.





1. Main Street Programs are Public-Private Partners

Establishing the knowledge, skills, relationships, and dedicated staffing to pursue Main Street revitalization is critical. Main Street programs provide this needed capacity, both at the local level and through intermediaries called Coordinating Programs. These programs are key partners to the public sector in implementing strategies for district redevelopment. Government leaders can:

- 1.1: Develop the capacity of local Main Street organizations and Main Street Coordinating Programs.**
- 1.2: Partner with Main Street programs to create district solutions for community-wide impact.**



2. Main Streets are Key to Sustainable Community Growth

Main Street districts are inherently places of sustainable development, both fiscally and environmentally. Investment in the existing infrastructure of the Main Street district reduces sprawl and the need for new infrastructure, reduces reliance on personal transportation, and preserves both the built environment and natural resources. Government leaders can:

- 2.1: Adopt planning and zoning policies that support the reuse of existing assets and reduce sprawl**



3. Main Streets are Mixed-use Spaces Ripe for Preservation, Rehabilitation, and Reuse

Main Street districts experience both the persistence of vacant buildings and development pressures that lead to small business displacement. With policy tools, the physical fabric of a Main Street can be transformed to support housing, create resilient infrastructure, and build wealth.

- 3.1: Support housing development in Main Street Districts**
- 3.2: Reduce vacancy and enhance local ownership of Main Street spaces**
- 3.3: Rehab and retrofit Main Street buildings for long-term sustainability**



4. Main Streets Are the Backbone of the Small Business Economy

Main Street small businesses provide an economic foundation for communities. These businesses are often under-resourced, with economic development policies favoring incentives to larger entities. By investing locally and expanding support to small businesses, local economies can thrive.

4.1: Foster place-based entrepreneurial ecosystems

4.2: Drive capital to entrepreneurs and Main Street small businesses



5. Main Streets are People-Centered Gathering Spaces and Thoroughfares

Successful Main Street districts are walkable places with a connected system of civic infrastructure assets. Yet, for many districts, auto-oriented policy creates safety issues, and lack of investment in public space leaves communities missing out on opportunities for social and economic health.

5.1: Create vibrant, safe main streets for pedestrians, cyclists, drivers, and transit users.

5.2: Build physical civic infrastructure and green space.



6. Main Streets are Communities of the Future

Natural disasters, economic shifts, and declining civic participation threaten the health of the whole community. As places of social connection, Main Streets districts and programs play a key role in bringing the community together to be resilient and future-focused, through planning and participation.

6.1 Reduce disaster risks through disaster resilience planning.

6.2 Promote civic dialogue and trust through socially connected spaces.

Main Street programs serve are essential to community revitalization, addressing economic, social, and environmental challenges through collaborative governance and innovative strategies. By expanding support for these programs and related policy needs at local, state, and federal levels, communities can achieve long-term growth, resilience, and prosperity. All leaders can play a role in this effort.

About the Main Street America Network

The primary purpose of Main Street America’s Policy Agenda is to advance the work of Main Street programs. For 45 years, Main Street programs have supported the redevelopment of downtowns and neighborhoods, but the structure, terminology, and operations of these programs vary across the country. Main Street programs are unique, as are their specific policy concerns.

Main Street America (MSA) is a national nonprofit organization, founded as a program of the National Trust for Historic Preservation in 1980. An independent non-profit since 2013, MSA leads an inclusive, impact-driven movement dedicated to reenergizing and strengthening Main Streets in small towns, big cities, and everywhere in between. We work in collaboration with thousands of local partners and grassroots leaders across the nation who share our commitment to advancing shared prosperity, creating resilient economies, and improving quality of life.

The term “Main Street” has numerous meanings and conjures different associations and images for different people. For the MSA network, Main Street is both a place and a program. For the purposes of this document, we use the following terminology:

A **Main Street district** is a geographic area characterized by dense development, a collection of mixed-use buildings and small businesses. The districts are typically the center of community and economic activity, constituting the commercial corridors in larger cities or rural downtown areas. Many MSA districts have served as their communities’ civic and economic center throughout their history, but more recently, many communities are seeking to create spaces outside the traditional core area that possess the qualities of a Main Street district. Geographic, demographic, social, and economic differences mean that no two Main Street communities are alike, but we can say that the average Main Street district has:

137

**Average
Number of
Businesses**

2,090

**Average Number of
Jobs, nearly 30% of
which are public sector**

285 BUILDINGS

**with an average of 4
government-owned
buildings per district**

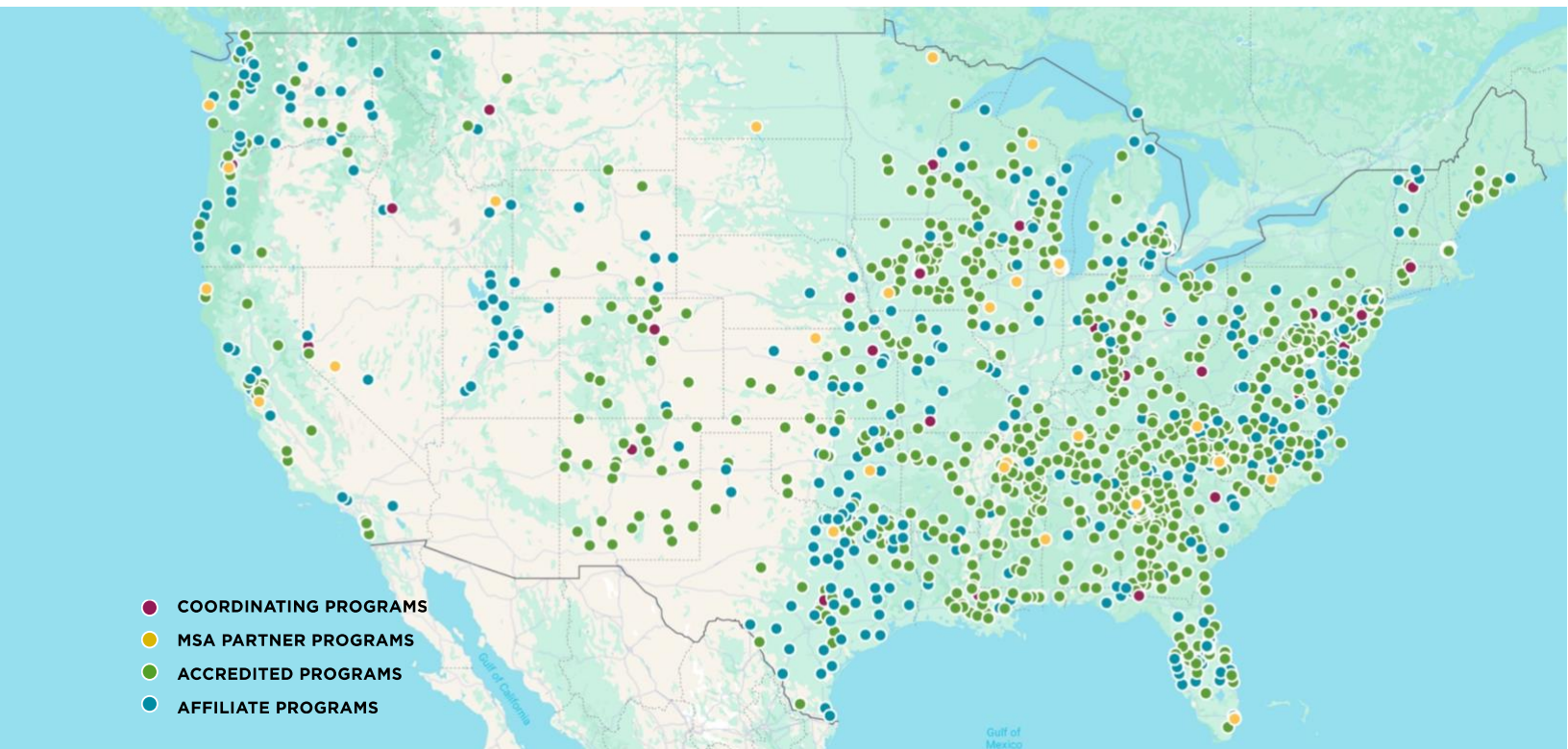
A **Main Street program** is a public-private organization dedicated to the preservation and redevelopment of downtowns and commercial corridors. The MSA network comprises two primary types of programs: local Main Street programs and Main Street Coordinating Programs, operating in a network structure in partnership with Main Street America.



At the national level, Main Street America provides communication, research, advocacy, education, funding opportunities and technical assistance to both Coordinating Programs and Local Programs. Through governance structures, Communities of Practice, and convenings, Main Street America utilizes feedback from across the network to inform practice.

Main Street Coordinating Programs (Coordinating Programs) operate at the city-wide, county-wide, or state-wide level in 42 states to provide technical assistance, training, and resources to local Main Street programs. Coordinating Programs may be housed in departments of small business development, economic development, community affairs, or historic preservation at the city or state level. Some are structured as independent non-profit organizations, allowing diverse funding streams. Coordinating Programs are essential partners to both Local Main Street programs and Main Street America in facilitating the national network of Main Street programs.

1200+ Local Main Street Programs (Local Programs) operate within the geographic area of a Main Street district, whether a neighborhood commercial corridor or a rural downtown. These organizations typically follow the Main Street Approach, a methodology for downtown and commercial corridor improvement. These organizations may be private nonprofits (typically as 501c3 corporations) or as part of local government, or somewhere on the public-private spectrum. The primary funding source for a local Main Street program is typically the local government.



The recommendations in this document apply to both those that use the term Main Street as a participant in the Main Street America network, and to communities that have a Main Street district with no formal affiliation or organization.

A **Main Street community** refers to the full collection of business owners, property owners, employees, residents, local leaders, and community members that patronize and support their Main Street districts. While Main Street programs typically focus their efforts on the Main Street district, the entire community benefits from their work. Main Street communities can range from rural towns of a few hundred residents to large cities, such as Boston, Massachusetts, and Washington, D.C.

A **Main Street small business** refers to those small businesses operating in and around a Main Street district. Those businesses are typically:



The term “Main Street” can be used in a variety of other ways. For the purposes of this Policy Agenda, we do not intend to speak for every possible use of the term Main Street, particularly in the metaphorical phrase “Main Street vs. Wall Street” used in many political discussions. Small business issues are critical to the success of Main Street districts, but the use of the term “Main Street” as a binary to big business misconstrues broader community economic development concerns and inaccurately portrays the distinct needs of Main Streets as a whole.

Purpose, Process, and Use of this Policy Agenda

Main Street America (MSA) has a strategic vision to be a leading voice and advocate for place-based economic development and community preservation. This Policy Agenda aims to support that vision.

To develop an agenda that reflects the needs and priorities of Main Street, MSA Government Relations (GR) staff conducted a broad engagement process throughout 2024. At both regularly scheduled trainings and workshops and special convenings, GR staff asked network leaders open-ended questions about challenges, opportunities, and the role of government to support their work. Staff used a standardized set of open-ended questions, and recorded input from all stakeholders engaged.

Following initial engagements, MSA's GR staff collated all inputs, identified key themes, and synthesized themes into issue statements to create an initial outline. Staff continued soliciting feedback on identified themes, issues, and recommendations. Throughout, staff referred to MSA's Core Values to determine alignment between stakeholder inputs and policy content outputs.

This document outlines key policy issue areas relevant to the work of Main Street programs and districts. Policy leaders interested in supporting Main Streets can utilize this document to approach solutions to problems plaguing the health of our commercial districts and communities.

At every level of government, specific actions can be taken to support our nation's downtowns and neighborhood commercial districts. Main Street programs seek to be collaborators and stewards of these changes.

This document offers policy recommendations that are framed as "local, county, regional," "state," or "federal." Sometimes, these distinctions are necessary, particularly with specific federal policy recommendations. In many instances, though, best practice examples do not fit entirely within one level of government and the local context may dictate which government entity is best positioned to support Main Street goals. For example, in some areas, rural Main Streets are organized through regional programs to maximize capacity resources. In others, the local government convenes multiple neighborhood groups. The best policy outcomes for Main Streets will occur where government leaders at multiple levels collaborate to solve district problems.

ENGAGED GROUPS INCLUDE:

- **Main Street America staff**
- **Main Street America board**
- **Main Street America Leadership Council**
- **Main Street Coordinators**
- **Participants in trainings in Indiana, Kansas, and Oklahoma**
- **Local Main Street leaders representing big cities, including representatives from Atlanta, Chicago, San Antonio, Miami, Washington D.C., Charlotte, and Detroit**
- **Local Main Street leaders from Texas, Illinois, Mississippi, North Carolina, Pennsylvania, Alabama, and Georgia**
- **Main Street Advocacy Community of Practice participants**

Local, county, and regional leaders can deploy the recommendations in this document to shape policy in collaboration with Main Street programs. This agenda can serve as the framing for local leaders to produce the best economic, civic, and health outcomes through commercial district improvement. Local Main Street Programs may be embedded in local government or positioned as public-private partners, acting as intermediaries to the property owners, business owners, and residents in commercial districts. One of the primary concerns of Local Main Street Programs is maintaining productive relationships and good governance in partnership with local elected officials. This agenda can serve as the grounding document to root that partnership.

State governments can create supportive environments for Main Street communities to thrive. The policy concepts and sample programs included here may help legislators and leaders shaping programs to focus resources that promote downtown development. From tax incentives to technical assistance, local Main Street success depends on the policy levers available at the state. Most importantly, Main Street Coordinating Programs at the statewide level need appropriate levels of funding to support local programs.

Federal agencies and legislators will find in this document direct recommendations about federal policies and programs. Main Street America's Government Relations staff works to build support for these policy recommendations. As a federal representative, if your office is interested in learning more or hearing directly from local Main Street programs about these recommendations, the GR staff welcome the opportunity to open new lines of dialogue and collaboration at the federal level.

We also encourage Main Street programs – both **local Main Street programs and Main Street Coordinating Programs** – to utilize this policy agenda to support their work, shape their own policy agenda, and advance the work of the network.

Local Main Street Programs must work with their boards and leadership to determine when and how to advocate for program needs. A local program can reference this document for guidance when faced with public policies or problems specific to their jurisdiction. This document may also act as inspiration for new areas to strengthen and grow resources and support and create governance structure that best enable Main Street growth.

Main Street Coordinating Programs often need to communicate with government leaders about the value of Main Street. When Coordinating Programs are faced with state-specific policies or problems, they can consult this document as a guide to determine where they might stand on an issue. Examples of successful programs impacting Main Street are offered throughout the document to help spur conversation between Coordinating Programs and their government partners. These examples are not exhaustive; they are meant to provide best practices and inspiration.

For Main Street America, this document is intended to guide government relations work and to create internal and external alignment with existing research, stories, and with partners. This document also reflects MSA's voice and values. It specifically applies MSA's values to the government and policymaking process. This document will serve to streamline MSA's positions on policy issues and support staff and board members in advocating on behalf of Main Street. Main Street America aims to partner extensively with like-minded organizations, including national coalitions. For those groups interested in engaging with MSA on policy issues, this document will be a first point of reference for alignment, helping Main Street America understand what policy areas it might be a lead advocate on versus a partner or monitor.

History of Main Street and Federal Partners

The Main Street movement was started as a pilot project in 1977 and grew into a program of the National Trust for Historic Preservation in 1980. Federal policy played an immediate and key role in the growth of the Main Street movement into its current form. The history of Main Street's relationship with federal partners is an example of collaboration and network growth that helps ground our approach in advocacy today.

MSA is indebted to Mary Means, the founder of the Main Street movement, and Kennedy Smith, former Director of the Main Street program, for their leadership and oral histories on the program's early development.

In 1977, a group of historic preservationists held a vision for the redevelopment of rural downtowns in response to the rapid economic decline of Main Street districts due to highway development, shopping malls, and the destructive impact of urban renewal. The group initiated a pilot project in three communities – Galesburg, Illinois; Madison, Indiana; and Hot Springs, South Dakota – which included building grassroots community support around four areas of focus: economic vitality, design, promotion, and organization. The success of the early effort and the “Four Points” indicated the potential for expansion to other communities across the country.

Federal policy and support played a key role in developing the Main Street America network. The first federal support for the Main Street project came through the National Endowment for the Arts (NEA). A small grant from NEA's design program helped spur initial work in a self-help model for small communities, beginning with five initial grants for Main Street pilot programs. Soon after, the Economic Development Administration (EDA) became an early champion, helping spur relationships with other agencies, including Housing and Urban Development (HUD).

In 1979-80, the Main Street movement made its first significant step to garner federal support. Mary Means met with the White House's Domestic Policy Council (DPC) in the Carter Administration. In a conversation regarding potential funding for scaling the Main Street project, Mary was encouraged to double her funding request. Support from the DPC was funneled through HUD, sparking the growth of the Main Street movement from the three initial pilot communities to 30 communities across six states, initiating the first statewide Main Street Coordinating Programs. A corresponding Memorandum of Understanding (MOU), signed by the DPC and nine federal agencies, created a commitment from the federal government to support Main Street revitalization activities. While the MOU lasted only until the end of the Carter Administration, the funding was a substantial first step in the development of a nationwide Main Street network.

The Reagan Administration marked the first national convening of Main Streets. Using Department of Agriculture (USDA) funding, the Main Street project partnered with federal agencies to host the first National Town Hall, a virtual conference with participation from federal officials, over Labor Day in 1984. The event was broadcast live

(with satellites delivered to small communities to participate over cable television) around the country at over 400 locations, drawing over 30,000 attendees, and spurring over 2,500 phone calls to Main Street staff for support in the following days. Expanding the message of Main Street spurred increased interest and laid the foundation for grassroots expansion.

Concurrently, with initial federal funding ending, Main Street project staff began advocating to state governments to expand and sustain Main Street programs at the state level. The fledgling National Main Street Center earned revenue through contracts with local governments and continued federal relationships to fund training and technical assistance materials. As statewide programs continued to grow, Main Street explored and established programs in larger cities. For example, in Boston, Mayor Thomas Menino championed the development of the Main Street program utilizing a combination of city funds and HUD Community Development Block Grant (CDBG) resources.

From the 1990s to today, Main Street has participated in a variety of partnerships with federal agencies, from policies considering the adaptive reuse of downtown US Post Office buildings and anti-sprawl advocacy to Congress' Small Business committees to the development of Smart Growth programming at the Environmental Protection Agency (EPA). A continual focus in partnership with the National Trust for Historic Preservation has been the use of Historic Tax Credits for redevelopment of downtown buildings. Looking to the future, Main Street America positions itself at the forefront of innovative policies that enable downtown and neighborhood commercial corridor revitalization in a changing world and environment.

There remains a deeply embedded relationship between the success of local Main Street revitalization and policy levers at all levels. Small changes in programs and policy can make a big impact on the economic viability and quality of life in communities across the country. Despite the long relationship of the Main Street movement with federal partners, this is the first policy agenda Main Street America has developed cultivating various strands of policy issues that impact downtown and neighborhood development.



WHY MAIN STREET?

Since 1980, Main Street America has been strengthening downtown and neighborhood commercial corridors. Focusing attention and resources on Main Street redevelopment leverages community assets while providing a sustainable financial base, impacting the overall health of the community.

WHY SHOULD GOVERNMENT LEADERS SUPPORT MAIN STREET DISTRICTS?

Smart Land Use

Investment in existing development is both fiscally and environmentally responsible.¹

Economic Impact

Each district may contain hundreds of small businesses, with thousands of local employees.²

Sustainable Tax Base

Fully utilized downtown spaces generate increased returns to the city, especially retail businesses.³

Activated Assets

Adaptive reuse of downtown buildings can meet urgent needs, such as housing.⁴

Place Attachment

As centers of history and culture, Main Streets can create a sense of belonging and connection for the community.⁵

Civic Infrastructure

Community gathering spaces reduce loneliness, promote dialogue, and foster connection.⁶

Keep in mind: No list of researched rationale can compare to the passion and pride that an individual feels about their community. Main Street America encourages all government leaders to visit with Main Street stakeholders to ask: **“Why is this Main Street important to you?”**

1 The American Planning Association’s Policy Guide on Smart Growth reaffirms these points: APA Policy Guide on Smart Growth

2 Research indicates that microbusinesses contribute \$5T in economic impact per year. See “Bigger Than You Think: The Economic Impact of Microbusinesses in

the United States,” Association for Enterprise Opportunity, 2019. 3 Scruggs, Gregory, “The Unmalling of America.” Land Lines Magazine. Lincoln

Institute of Land Policy, 2020. 4 See Environmental Protection Agency, “How Small Towns and Cities Can Use Local Assets to Rebuild Their

Economies: Lessons From Successful Places,” 2015. 5 National Trust (UK), “Why places matter to people,” 2018. 6 Greenspan, Elizabeth and

Randall Mason, “Civic Infrastructure: A Model for Civic Asset Reinvestment.” PennPraxis, 2017.



1.0 Main Street Programs are Public-Private Partners

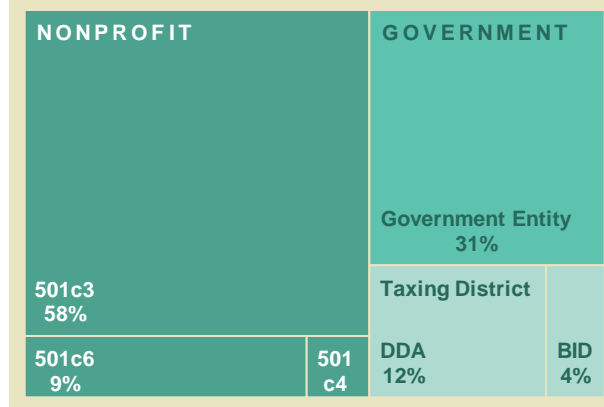
The downtown or commercial district of a community plays a key role in developing the community’s economic success, bolstering pride of place and helping the whole community thrive. But downtown redevelopment efforts—preservation of buildings, activation of public spaces, district promotions, and support for small businesses—require a focused effort with organizational leadership. Main Street programs play a crucial role as public-private partners in the governance and management of Main Street districts.

Efforts to revive and sustain investment in Main Street districts can be stymied due to a lack of resources, expertise, and engagement with the community. In many cities, particularly rural areas, a lack of human capacity to engage in economic development processes limits the potential for redevelopment.⁷ Competing with larger communities with more resources, particularly for private investment or government grants, can leave capacity-constrained communities in a continual losing cycle.⁸ Additionally, for Main Street redevelopment efforts to be successful, the community needs the capacity to develop buy-in and relationships with business owners, property owners, public officials, and other community stakeholders. An ongoing lack of capacity for downtown development leaves opportunities on the table.

Collaborative governance with public-private organizations can help local governments overcome capacity constraints. Building capacity at the local level can take many forms; particularly for place-based neighborhood development initiatives, it often involves leveraging private investment and citizen participation. Forming private entities enables shared decision-making and accountability, diverse funding, and increased trust within the community by engaging residents in governance of their local assets.

By implementing the Main Street Approach,⁹ Main Street programs provide the needed capacity for commercial district revitalization in partnership with local governments. Main Street programs support community-driven work, leveraging the unique strengths and addressing the specific needs of each community. These programs are often established to work together with taxing districts or other special development areas. Main Street programs play several roles coordinating efforts for the revitalization of commercial districts. These organizations act as a conduit to the business community to deploy resources, work with property owners to navigate building projects, support municipal infrastructure projects, and build connection with members of the community through events and volunteerism.

FIG 1.1: LOCAL MAIN STREET PROGRAM STRUCTURES



⁷ Brookings, Creating a Shared Vision of Rural Resilience Through Community-Led Civic Structures

⁸ The Daily Yonder, Commentary: To Seize 'Unique Moment,' Rural Areas Need Help Building Capacity

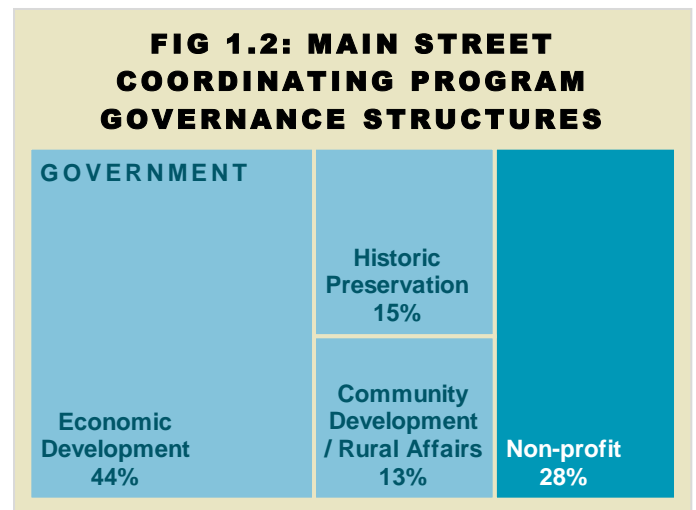
⁹ Learn more about the Main Street Approach, Main Street America’s methodology for commercial district revitalization, here at mainstreet.org/about/how-we-work/the-main-street-approach

Main Street Coordinating Programs, entities at the state, county, or city-wide level within the Main Street America network, are key implementation partners in revitalization. Each Main Street Coordinating Program supports multiple local Main Street programs within its jurisdiction. The majority of Main Street Coordinating Programs are housed in state, county, or city government, with funding primarily through general funds of the state government appropriated on an annual basis. A smaller portion are non-profit organizations, partially funded by a government partner. Similar to local Main Street programs, Main Street Coordinating Programs exist on a continuum of public to private, leveraging partnerships and collaboration to enhance outcomes.

Coordinating Programs provide essential technical assistance to Local Main Street Programs, particularly in the start-up phase. Planning and implementing local economic development initiatives often require specialized knowledge and skills. Without access to technical assistance, local Main Street programs or communities interested in pursuing Main Street redevelopment may struggle to develop and execute effective strategies. Coordinating Programs also provide ongoing education and training for Local Main Street Programs, establish a network of communities and professionals in the field, funnel grant opportunities and financial resources, and promote success.

Through these activities, Coordinating Programs support local Main Street programs in creating a positive cycle of investment in downtowns and commercial corridors, with the goal to increase quality of life for district residents and visitors and create communities that attract workforce and sustain a local tax base. The return on investment is significant: Main Street programs are proven to create jobs,¹⁰ increase real estate values,¹¹ and help communities recover from economic shocks.¹²

For over 45 years, Main Street America’s network of Local and Coordinating Programs has supported revitalization efforts throughout the country, yet these programs often operate with minimal public funding and limited staffing. While these programs are intentionally organized by grassroots involvement, increased recognition of their valuable role as public-private partners is needed to spur and sustain the redevelopment of America’s Main Streets.



10 Van Leuven, A. J. (2022). The Impact of Main Street Revitalization on the Economic Vitality of Small-Town Business Districts. *Economic Development Quarterly*, 36(3), 193-207.

11 Van Leuven, A. J. (2024). Leveraging Main Street as a Real Estate Amenity: Downtown Revitalization and Residential Property Values. *Journal of Planning Education and Research*, 44(3), 1488-1502.

12 Jon Stover and Associates, *The Economic Resiliency of Washington’s Main Streets*

RECOMMENDATION 1.1

DEVELOP THE CAPACITY OF LOCAL MAIN STREET ORGANIZATIONS AND MAIN STREET COORDINATING PROGRAMS

Local Main Street Programs' highest need from local governments is increased funding and staff capacity to carry out a variety of operations and services to support development in the commercial corridor and across the community. While all programs maintain a volunteer board of directors, professional staffing is an essential element of deploying the Main Street Approach. To be considered an Accredited program within the Main Street America network, at least one full-time staff member is required.¹³ Across the MSA network, Local Main Street Programs report that low pay, a lack of benefits, and long hours result in high rates of staff turnover.¹⁴

Developing capacity for Main Street organizations is a strategic step for local governments to move the needle forward on downtown and neighborhood economic development. As shown in Figure 1.1 above, the majority of Local Main Street Programs are non-profit entities, funded through a combination of public and private funding. In national surveys of existing Main Street programs, 90% of Main Street programs receive 20% of their funding from local government.¹⁵ These funds are leveraged through additional funding from private funders, the business community, and sponsorships. A smaller portion of Main Street programs exist as departments of city government.

Similarly, Main Street Coordinating Programs have varied funding structures based on their position within government or as a nonprofit entity. Coordinating Programs operate on minimal budgets in comparison to their impact. While the efficient operations and strong return on investment of the Main Street program has been a hallmark, Coordinating Program budgets now pale in comparison to larger economic development and community development programs. The average Coordinating Program has a budget of less than \$750,000 and only 3.3 full-time equivalent staff. With the majority of Main Street Coordinating Programs housed in state, county, or city government, a primary source of funding is general funds of the government appropriated on an annual basis. Coordinating Programs that operate as non-profit organizations also rely on state budget operating funds; on average, a non-profit Coordinating Program receives 34% of its funding from state sources.

To create thriving Main Street districts, funding for staff capacity of Main Street programs and enhanced collaboration with government leaders is essential.

¹³ Main Street America Accredited programs have a proven track record of planning, implementing, and measuring results that align with the Main Street Approach. Accredited programs must meet the set of [baseline requirements](#) and demonstrate success in each of the six Accreditation Standards.

¹⁴ Main Street America, Reflecting on Equity for Women's History Month

¹⁵ Main Street America, Insights from the 2024 Trends Survey

Local leaders can:

- **Review existing agreements for services with Main Street programs to ensure effective local governance relationships.** Local governments should consider how to effectively structure contracts or Memoranda of Understanding with Main Street programs to ensure that services and outcomes are mutually agreed upon and structured to produce a strong return on investment.
- **Provide increased funding for Main Street capacity and staffing.** Ensure that Main Street staff leaders are adequately compensated and consider increased contributions from the city to accommodate appropriate salaries and benefits for staff.

State, County, and Regional leaders can:

- **Fund Main Street Coordinating Programs to provide capacity and technical support to Local Main Street Programs.** For example, the State of Virginia Department of Housing and Community Development (DCHD) operates the Virginia Main Street Program, providing technical assistance and resources to almost 100 communities across the state.¹⁶
- **Create pathways for local businesses to invest in their Local Main Street Programs.** In Washington state, the Main Street Tax Credit Incentive Program enables small business owners to receive a 75% tax credit on a donation to their local Main Street program, thereby strengthening the local program's capacity to support all small businesses in the commercial district.¹⁷

Federal leaders can:

- **Open capacity building opportunities through the Economic Development Administration (EDA).** Enacting the Capacity Building for Business Districts Pilot Program (H.R. 10361, 118th Congress) can provide direct support to existing national networks of business district organizations.
- **Authorize and expand the Rural Community Development Initiative (RCDI).** Administered by U.S. Department of Agriculture Rural Development (USDA-RD), the RCDI program has provided valuable capacity building funding to Main Street Coordinating Programs to expand services in rural areas.¹⁸
- **Increase appropriations for the Community Development Block Grant (CDBG).** Main Street programs can benefit from technical assistance and programmatic funding through CDBG, administered by the U.S. Department of Housing and Urban Development (HUD). The city of Boston utilizes CDBG dollars to provide capacity support to 16 of its 20 neighborhood-based Main Street programs.¹⁹

¹⁶ Brookings, State Resilience and Recovery

¹⁷ Washington Trust for Historic Preservation, Main Street Tax Credit Incentive Program

¹⁸ U.S. Department of Agriculture, Rural Community Development Initiative

¹⁹ Main Street America, Community Development Block Grant Case Studies

RECOMMENDATION 1.2

PARTNER WITH MAIN STREET PROGRAMS TO CREATE DISTRICT SOLUTIONS FOR COMMUNITY-WIDE IMPACT.

Collaborating with Main Street organizations at the local, regional, and state level can support a mutually beneficial governance relationship. Establishing capacity for commercial district redevelopment through the Main Street program provides a basis from which to expand programmatic efforts and incentives directed to the district's stakeholders and physical environments. A well-established Main Street program acts as a convener, facilitator, and supporter of the district. Partnership with governments on the implementation of programs acknowledges the grassroots efforts made by the community and encourages continued pursuit of district economic development goals.

Local leaders can:

- **Design downtown incentives in partnership with Main Street programs.** Main Street programs often administer local government programs and initiatives targeting commercial district businesses and property owners. Involving Main Street programs in the design process for these incentives produces better outcomes.
- **Deploy Main Street programs as partners for downtown improvement projects and as conduits to the community.** When local governments implement infrastructure or construction projects impacting the commercial district, Main Street programs can play a vital role to maintain communication with impacted stakeholders.

State, County, and Regional leaders can:

- **Collaborate with Main Street Coordinating Programs to incentivize local revitalization efforts.** In Mississippi, the statewide non-profit Coordinating Program, Mississippi Main Street Association, works collaboratively with the Mississippi Development Authority, the statewide economic development agency, to disburse annually appropriated grant funds to local Main Street communities for downtown improvement projects.²⁰

Federal leaders can:

- **Include incentives in program design to ensure that communities develop local capacity and inclusive engagement.** For example, HUD's Hope VI Main Street grant program design acknowledges that communities with an existing downtown revitalization effort are more prepared to take federal projects focused in the downtown area.²¹

²⁰ Mississippi Main Street Association, About Us

²¹ U.S. Department of Housing and Urban Development, Hope VI Main Street Program



2.0 Main Streets are Key to Sustainable Community Growth

Land use decisions directly impact the success of local economies and communities. Over the last century land use in the United States has changed dramatically, as development patterns and policy shifted from Main Streets surrounded by undeveloped and agricultural land to auto-dominated urban sprawl.²² These land use changes have occurred in Main Street communities across the country—from small, rural towns to large, urban cities. Effective community development demands a focus on how land use, transportation, housing, jobs, and public services intersect in ways that make communities more livable.

Main Streets can play a pivotal role in sustainable community growth by strengthening people-centered spaces, fostering local economies, enhancing social connectivity, and promoting environmentally responsible practices. By prioritizing walkability, mixed-use development, and the integration of green spaces, Main Street communities can reduce reliance on automobiles and encourage more sustainable transportation options like biking and public transit. Dense development in turn allows for the protection of agricultural land and natural resources, lowering the costs of suburban infrastructure development and allowing for outdoor recreation.²³ However, zoning reform requires forward thinking, a keen understanding of the planning process, and the ability to stay engaged over a long period of time to propose land use changes and carry them forward through the planning process. It is paramount that Main Street organizations and communities have the local governance structures in place to address land use issues that underly place management.

Investments in downtowns and commercial corridors are both fiscally and environmentally responsible because they maximize the use of existing infrastructure, reducing the need for costly new development and sprawl.²⁴ Downtowns and commercial corridors already have key infrastructure in place—such as roads, utilities, public transportation networks, and essential services—which means that new investments can leverage these resources without the need for expensive and resource-draining new infrastructure projects and its long-term maintenance.

As communities evolve, the built environment will inevitably undergo change. This process of change presents both challenges and opportunities, particularly in how we utilize and repurpose existing spaces. Redevelopment of dense, mixed-use spaces has tangible benefits for communities. Compact land-use is both fiscally and environmentally responsible, using taxpayer dollars to lower future costs. This approach conserves resources, protects regional beauty and farmland, reduces waste, and preserves the historical and cultural fabric of neighborhoods, allowing communities to honor their past while building for the future.

²² Proceedings of the National Academy of Sciences, A Century of Sprawl in the U.S.

Urban sprawl is characterized by low densities, spatially segregated land uses, and a street network with low connectivity.

²³ American Farmland Trust, Farms Under Threat 2040: Choosing an Abundant Future

²⁴ Using smart growth to make fiscally healthy places - Smart Growth America

RECOMMENDATION 2.1

ADOPT PLANNING AND ZONING POLICIES THAT SUPPORT THE REUSE OF EXISTING ASSETS AND REDUCE SPRAWL

Land use is inherently a local issue. It directly impacts the day-to-day lives of residents within a specific community. Local governments are typically responsible for zoning laws, land development, housing policies, and infrastructure planning, which means decisions about land use are often made based on the unique needs, values, and circumstances of a given area. Historically, localities have adopted Euclidian zoning codes with strict separation of uses—such as residential, commercial, and industrial—leading to sprawling low-density residential space.²⁵ This form of development manifests in disperse car-dependent development.²⁶

The broader implications of land use regulation—such as environmental sustainability, housing affordability, and economic development—often require coordination across sectors and some larger jurisdictions. Recognizing this, some states and the federal government have taken action to support better land use planning and decision-making. For instance, many states have passed laws that encourage smart growth strategies,²⁷ transit-oriented development,²⁸ sustainable urban design,²⁹ and other strategies that reduce sprawl.

At the federal level, agencies like the Environmental Protection Agency (EPA) provide guidelines and funding to help communities adopt smart growth principles that focus on more sustainable, walkable, and equitable urban development.³⁰ Programs like the U.S. Department of Housing and Urban Development's (HUD) Pathways to Removing Obstacles to Housing (PRO Housing) program incentivizes local and state governments to improve code and zoning, among other issues, that prevent the development of housing.³¹ These state and federal initiatives help local communities make more informed and sustainable decisions that balance growth with long-term environmental and social goals.

At all jurisdictional levels, government leaders can take action to promote fiscally and environmentally sustainable development patterns that enhance Main Streets.

Local leaders can:

- **Prioritize existing community infrastructure:** Prioritize the reuse of existing assets, including buildings and city infrastructure, in planning and development processes. Retain civic assets—such as libraries, city halls, and courthouses—in densely developed areas.
- **Maintain existing street grid:** Ensure that the downtown street grids remain compact with short blocks, promoting walkability and minimizing property abandonment.
- **Adopt smart growth policies:** Implement local zoning and planning policies that prioritize infill development and the reuse of existing buildings to reduce urban sprawl.

²⁵ Planetizen, What is Euclidean Zoning?

²⁶ U.S. Department of Transportation, Climate Change Playbook, Zoning Reforms

²⁷ Smart Growth America, What is Smart Growth?

²⁸ Institute for Transportation and Development Policy, What is TOD?

²⁹ Urban Land Institute, EcoDistricts

³⁰ U.S. Environmental Protection Agency, Smart Growth

³¹ U.S. Department of Housing and Urban Development, PRO Housing

- **Reform zoning:** Make changes that allow for mixed-use development and form-based land use, integrating residential, commercial, and recreational spaces to create more livable communities. Reform or eliminate parking minimum requirements.
- **Ensure planning and zoning commissions are active:** Set standards for local/regional planning and zoning commissions, including meeting frequency and decision-making criteria.

State leaders can:

- **Promote regional planning:** Foster collaboration between municipalities and regional planning organizations – like metropolitan planning organizations³² – to ensure that land use decisions align with broader environmental, transportation, housing, and economic goals.
- **Provide technical assistance to local governments:** Offer guidance and resources to help local governments adopt sustainable zoning and land-use policies that balance growth with long-term environmental goals.
- **Provide funding and guidance for rural transportation systems and/or transit-oriented development:** Allocate state funds to support the development of affordable housing and infrastructure around existing public transit corridors. In rural areas without transit, develop transit opportunities to connect Main Streets and promote sustainable urban growth.

Federal leaders can:

- **Pass the Yes In My Backyard Act (H.R.3507 / S.1688, 118th Congress):** Adopt federal legislation that requires or incentivizes local governments to report on sustainable land-use policies.
- **Pass the Reducing Regulatory Barriers to Housing Act (H.R.8604 / S.4460, 118th Congress) :** Support legislation that increases housing supply and affordability by streamlining zoning laws, easing land-use restrictions, and reducing bureaucratic hurdles for new housing development.
- **Increase federal funding for smart growth initiatives:** Expand funding through programs like the PRO Housing Program to support local and state efforts in reducing sprawl and promoting sustainable urban development.³³
- **Provide technical assistance to local governments:** Offer guidance and resources to help local governments adopt sustainable zoning and land-use policies that balance growth with long-term environmental goals.

Want to learn more? Check out these additional resources:

The Center for Zoning Solutions—*Smart Growth America*

Zoning matters in rural areas, too: Why rural communities must consider zoning reform—*Smart Growth America*

Enabling Better Places: Users' Guide to Zoning Reform—*Congress for the New Urbanism*

Decoding Downtown: Finding Balance Between Regulation and Revitalization—*Main Street Alabama*

2024: The Year in Zoning—*Planetize*

³² U.S. Federal Transit Administration, Metropolitan Planning Organization (MPO)

³³ U.S. Department of Housing and Urban Development, PRO Housing



3.0 Main Streets are Mixed-use Spaces Ripe for Preservation, Rehabilitation, and Reuse

The National Trust for Historic Preservation initiated the Main Street movement to promote economic development through the auspices of historic preservation. While the movement has grown to incorporate a broader set of goals through the Main Street Approach, the reuse of the built environment remains an essential goal for reenergizing commercial districts.

A typical Main Street district may have dozens to hundreds of buildings. Typically, these are older and historic structures with first floor storefronts and upper floor spaces, many of which are underutilized. Over 330,000 properties have been rehabilitated in Main Street districts³⁴, yet current surveys of network leaders underscore a need for additional support to reuse and rehabilitate these spaces:

93% of Main Street leaders report buildings with vacant upper floors.

75% of Main Street managers indicated that there isn't enough housing to accommodate those who want to live in their district.

70% of Main Street America local leaders reported that the lack of built-out space holds back economic development in their downtowns or district.³⁵

Redevelopment of vacant spaces in Main Street districts is financially challenging.³⁶ Projects to develop these spaces into businesses, offices, community spaces, and housing do not “pencil out” in traditional ways, and the cost of improvements may be more than the value of the property. For example, in some places, the cost to purchase a downtown building is less than the cost to comply with code such as installing sprinkler systems. Historic preservation regulations offer needed guidance to preserve the historic integrity and aesthetics of a building, but small-scale developers face numerous challenges in financing Main Street building projects.

While some Main Street districts report many vacant spaces, other districts face real estate market pressures. In some instances, as areas see more market demand or increase in property value, property owners increase rents for small businesses. The increased rent prices are often financially prohibitive for small businesses and leave them with no ability to renew a lease. With the spaces vacant, property owners may demolish existing properties in the promise of higher rents or hold vacant properties until signs that the real estate market in the area is picking up. For example, in Miami's Allapattah district, rents have risen by \$600 on average over five years, leaving small

³⁴ Main Street America Reinvestment Statistics

³⁵ Main Street America internal research

³⁶ Patrice Frey, Local Government Leadership for Economic Mobility & Opportunity Supplement

businesses vulnerable to displacement.³⁷ This trend is not confined to large cities. Rural communities, such as Skowhegan, Maine, also report rising commercial and residential rents.³⁸

A thriving Main Street district is one that adapts existing spaces to meet current needs and prioritizes the needs of the local users of the space. The tension between basic redevelopment needs of existing properties and market forces causing displacement requires policy on both ends of the issue to ensure stable development of Main Street physical spaces. These opportunities are aligned with two urgent issues facing the country: the housing crisis and the need to decarbonize the built environment to meet climate goals.

RECOMMENDATION 3.1

SUPPORT HOUSING DEVELOPMENT IN MAIN STREET DISTRICTS

Our nation is experiencing an affordable housing crisis, with over 30% of Americans considered cost burdened by housing in 2023.³⁹ To address this crisis, experts estimate a need for two to six million new housing units.⁴⁰ Construction of new housing is necessary; that said, a substantial number of housing units can be created in existing buildings in Main Street districts. Estimates from Main Street America's Building Opportunity on Main Street (BOOMS) tracker, a tool that helps Main Street programs inventory property in their districts, indicate that the average Main Street district could accommodate 100 to 200 additional housing units in currently vacant buildings, upper floors, and idle lots—potential to effectively double the current housing stock present in the hearts of many communities.⁴¹ A typical Main Street building is ideally suited for housing conversion and often cheaper than new construction.⁴² In addition to alleviating local housing demands, housing in Main Street districts provides increased accessibility to daily needs for residents and an economic boost to businesses.⁴³

Local, County, and Regional leaders can:

- **Inventory downtown buildings and assess opportunities in partnership with Main Street organizations.** MSA's At Home on Main Street resources provide numerous ways to organize locally to develop downtown housing.⁴⁴
- **Review zoning and code to ensure alignment with adaptive reuse goals.** See section 2.1 of this document for further information.
- **Utilizing existing CDBG allocations to support upper floor conversion.** As emphasized by the Department of Housing and Urban Development (HUD) advisory,⁴⁵ conversion of existing buildings for housing is an appropriate use of Community Development Block Grant (CDBG) dollars.

37 National Association for Latino Community Asset Builders, Working Class Residents of Allapattah Preserve One of Miami's Oldest Communities

38 Skowhegan Main Street, Skowhegan Housing Needs and Assessment Strategy

39 Pew Research Center, The State of Affordable Housing in the US

40 Brookings, Where Do the Estimates of a "Housing Shortage" Come From?

41 Main Street America, Building Opportunities on Main Street (BOOMS) Tracker

42 Bipartisan Policy Center, Converting Vacant Offices to Housing: Challenges and Opportunities

43 Rosen Consulting Group, LLC, Housing is Critical Infrastructure: Social and Economic Benefits of Building More Housing

44 Main Street America, At Home on Main Street

45 In addition to alleviating local housing demands, housing in Main Street districts provides increased accessibility to daily needs for residents and an economic boost to businesses.

State leaders can:

- **Create grants for upper floor housing conversions.** For example, Kansas' Residential Opportunities on Main Street (ROOMS) grant program supports the conversion of existing downtown buildings to residential units with \$50,000 grants to catalyze the project.⁴⁶
- **Adopt or improve state historic tax credits** to make them more effective and easier to use for small projects. As of 2023, 39 states offer a tax credit to rehabilitate historic buildings. The most effective of these credits have predictable availability and are transferable to entities with tax liability.⁴⁷

Federal leaders can:

- **Improve the Historic Tax Credit** through provisions of Historic Tax Credit Growth and Opportunity Act (S. 639 / H.R. 1785, 118th Congress) and the Rural Historic Tax Credit Improvement Act (S. 5607, 118th Congress), including making the HTC transferrable for projects under \$5M in qualified rehabilitation expenses.
- **Fund HUD's Hope VI Main Street Grant Program** to support rural communities with housing development.⁴⁸
- **Reauthorize the Community Development Block Grant** program with increased appropriation and use of Community Development Block Grant (CDBG) funding for new construction.
- **Support the Revitalizing Downtowns and Main Streets Act** (S. 4693 / H.R. 9002, 118th Congress) to convert existing buildings to housing while keeping mixed-uses.

RECOMMENDATION 3.2

REDUCE VACANCY AND ENHANCE LOCAL OWNERSHIP OF MAIN STREET SPACES

Development tensions in Main Street districts can both incentivize vacancy and speed the displacement of residents and business owners. Local Main Street leaders report a substantial challenge with absentee or otherwise negligent owners of commercial district spaces. In a 2022 survey, 72% of Main Street leaders identified uncooperative building owners as a top obstacle for development.⁴⁹

Owners may maintain vacant property with limited interest in investment, perverse incentives to maintain vacancy, or the goal to hold the property until a neighborhood experiences rising real estate values to lease or sell for a higher margin.⁵⁰ While vacancy is a broad concern, issues of gentrification and displacement are more prevalent in historically disinvested commercial corridors of large cities. The best way to prevent displacement, create pride of ownership, and build local wealth is to enhance the ownership and governance of local Main Street spaces by members of the community.

⁴⁶ Kansas Department of Commerce, Residential Opportunities on Main Street (ROOMS)

⁴⁷ National Trust for Historic Preservation, HTC 2023 Guide

⁴⁸ U.S. Department of Housing and Urban Development (HUD), Hope VI Main Street Program

⁴⁹ Main Street America, 2022 Small Deal Survey

⁵⁰ Harvard University Joint Center for Housing Studies, Why Do Urban Storefronts Stay Empty for so Long?

Local, County, and Regional leaders can:

- **Institute vacant property ordinances** and guidance to support better management of underutilized properties. New Mexico MainStreet’s white paper can help with development of these ordinances.⁵¹
- **Encourage the development of Commercial Land Trusts and Commercial Property Acquisition Funds.** The Small Business Anti-Displacement Network offers a toolkit with valuable information on these and other community ownership strategies.⁵²
- **Adopt transferable development rights** that allow property owners to sell development rights of their land in areas targeted for conservation to another property owner to increase density in another location.⁵³

State leaders can:

- **Enable landbanks statewide** to encourage the reuse of vacant property. As of 2024, 18 states have enabling legislation supporting landbanks.⁵⁴
- **Offer protections to commercial tenants** on par with residential tenant protections. California’s transformative SB 1103 offers protections to small businesses, restaurants, and nonprofits preventing unfair leases, exorbitant fees, and displacement through quickly increased rents.⁵⁵

Federal leaders can:

- **Revise current programs to allow for mixed-use spaces.** For example, the Small Business Administration 7(a) Loan Program could be revised to explicitly guarantee loans to lenders to provide financial help for small businesses in converting spaces to mixed-use commercial and residential.⁵⁶
- **Grant express allowance for funding for property acquisition** through federal programs such as the Community Development Block Grant (CDBG) programs.
- **Pass legislation to support the development of landbanks** to encourage the reuse of vacant property. The Neighborhood Revitalization and Land Banking Act (S. 4146, 118th Congress) would offer technical assistance, grant funding, and capacity to landbanks to support the reuse of vacant properties.

RECOMMENDATION 3.3

REHAB AND RETROFIT MAIN STREET BUILDINGS FOR LONG-TERM SUSTAINABILITY

Main Street America’s origins in the historic preservation movement mean that a core element of our work is retaining the existing buildings, infrastructure, and other historic markers of our communities, both to remember the past and to spur new uses and activities for the future. The preservation of existing buildings is inherently environmentally friendly, and the design of Main Street buildings is naturally energy efficient.⁵⁷ The construction

51 New Mexico Main Street, Vacant Building Ordinance White Paper

52 Small Business Anti-Displacement Network, SBAN Toolkit

53 Smart Growth America, Transfer of Development Rights (TDR)

54 Center for Community Investment, Land Banks

55 Bill Text: CA SB1103 | 2023-2024 | Regular Session | Amended | LegiScan

56 Small Business Administration, 7(a) Loan Program

57 Architect’s Journal, The Greenest Building is the One that Already Exists

and operation of buildings represent nearly 40% of all emissions.⁵⁸ Retrofitting existing Main Street buildings with energy efficiency upgrades is a key solution to make communities more sustainable.

Local leaders can:

- **Establish Certified Local Governments** through the National Park Service to support preservation and access additional funding and incentives. Through the Certified Local Government program, municipalities can gain technical assistance and funding while making a commitment to preserve history via the built environment.⁵⁹
- **Incorporate energy efficient design principles in local Historic Preservation Review Board.** For example, proposed legislation in Washington, D.C., would require that the Historic Preservation Review Board consider proposed alterations to buildings and structures in a historic district that promote energy and water efficiency.⁶⁰

County, Regional, and State leaders can:

- **Forge partnerships to ensure that existing energy efficiency and preservation programs work in tandem** to support Main Street sustainability. For example, Colorado's Heritage Energy Program provides state-level collaboration to improve the environmental sustainability of state-funded historic preservation projects.⁶¹
- **Adopt and implement the International Existing Building Code** to ensure that reuse and rehabilitation of historic and non-historic buildings comply with accepted standards. Currently, 45 states have adopted the IEBC.⁶²

Federal leaders can:

- **Reauthorize and fund the Historic Preservation Fund (HPF).** The Historic Preservation Fund provides needed annual funding for state and local preservation efforts, including grants supporting redevelopment of historic properties in Main Street communities.
- **Deploy existing Greenhouse Gas Reduction Fund** dollars to the adaptive reuse of Main Street buildings, including the use of renewable energy technologies.⁶³
- **Expand programs such as EPA's Community Change Grant** to support the adaptive reuse of existing Main Street buildings and the capacity of local leaders.⁶⁴
- **Ensure that existing programs can be deployed in mixed-use Main Street buildings.** For example, USDA's Rural Energy for America Program has provided substantial grants to create renewable energy in rural areas but cannot be used on residential properties, prohibiting use in buildings with mixed uses.⁶⁵ Small tweaks to ensure programs provide support for buildings with both residential and commercial uses can support sustainable Main Streets.

58 World Green Building Council, Bringing Embodied Carbon Upfront

59 Certified Local Government Program - Historic Preservation Fund (U.S. National Park Service)

60 Holland and Knight, D.C. Council to Consider Changes to Historic Preservation Law

61 Colorado Department of Local Affairs, Heritage Energy Program

62 International Code Council, Reviving History: Transforming Buildings with the International Existing Building Code

63 Patrice Frey, Main Street America, A Match Made on Main Street: Channeling Greenhouse Gas Reduction Fund Dollars to Small-Scale Deals

64 U.S. Environmental Protection Agency, Overview of Community Change Grant Program

65 U.S. Department of Agriculture, REAP Grants



4.0 Main Streets Are the Backbone of the Small Business Economy

The economic output of small businesses in and around Main Street districts is tremendous, with each Main Street district concentrating a collection of small businesses across a variety of industries. The power of small businesses is well known: the Small Business Administration's Office of Advocacy indicates that small businesses account for 43.5% of the nation's gross domestic product and represent 99.9% of all businesses.⁶⁶ But those small businesses located in Main Street districts have specific impact and specific needs to support their growth and contribution to the economic landscape.

Supporting entrepreneurs and Main Street small businesses is vital to the growth of the local economy. As discussed in the Introduction, most Main Street Small businesses have less than 20 employees. In MSA's footprint of 1200+ designated Main Street districts, there are 2.67 million jobs (an average of over 2,000 jobs per Main Street district). In policy, definitions of small business vary. Main Street small businesses may be referred to as "microbusinesses" or "very small businesses," depending on the program or agency defining the business categories. Main Street America research indicates that 74% of Main Street small businesses are started by a member of the community and 80% of small business owners live in the community where their business is located, indicating that local ownership is a key component of a typical Main Street small business.⁶⁷ Research into businesses with 10 or fewer employees finds that every additional microbusiness entrepreneur creates seven jobs.⁶⁸ Research also shows that a small amount of growth in these businesses could eliminate unemployment.⁶⁹

Creating policies to support these entities requires an approach that goes beyond the size of gross receipts or number of employees to see the characteristics that make them particularly impactful to the community. Main Street small businesses create a strong impact through their contributions to their community. By focusing economic development indicators solely on job creation, policymakers may miss the positive externalities of Main Street small business growth. Main Street small businesses:

- Create positive economic outcomes for communities. For example, the presence of a local hardware store can have a larger effect on reducing poverty and creating jobs than a tax incentive to a large business.⁷⁰
- Stimulate a multiplier effect by recirculating profits within the community. Several studies indicate that a locally owned business recirculates three times more of its profits within the community in comparison to a retail chain.⁷¹

⁶⁶ U.S. Small Business Administration, Frequently Asked Questions about Small Businesses, 2024

⁶⁷ Main Street America, Main Street Businesses Show Deep Local Roots and Continued Confidence in the Fall 2023 Small Business Survey

⁶⁸ GoDaddy Venture Forward, New Results: Microbusinesses Drive Job Creation, Reduce Unemployment

⁶⁹ Association for Enterprise Opportunity, Bigger than You Think

⁷⁰ Ohio River Valley Institute, An Aggregate Approach to Estimating Quality of Life in Micropolitan Areas

⁷¹ American Independent Business Alliance, The Local Multiplier Effect: How Independent Locally Owned Businesses Help Your Community Thrive

- Provide economic resiliency by diversifying the business mix, supporting the local economy during times of economic disruption⁷² and contribute to the civic fabric of communities as welcoming “third-places” where community members can gather, which has social and economic benefits.⁷³
- Open opportunities for wealth building for underrepresented groups.⁷⁴

The impact of Main Street small businesses is undeniable, but the challenges faced by small business owners are numerous. While entrepreneurship rates rose to new heights during COVID-19 pandemic recovery, particularly for minority business owners,⁷⁵ challenges for initiating new businesses and scaling those businesses are long-term and continuing needs. Since 2020, Main Street America has conducted biannual surveys of Main Street small businesses to measure their confidence and understand key issues facing this network. With over 15,000 completed surveys from small businesses since 2020, our research finds that:

- Small businesses located within a Main Street district are more confident in their business success and more optimistic about their revenue growth than those businesses not located in a Main Street district.⁷⁶
- Businesses are seeking increased capital access to increase their inventory, equipment, and machinery and to create physical improvements to their spaces with 59% of business reporting their capital needs at under \$25,000.⁷⁷
- As of fall 2024, the biggest challenges faced by Main Street small businesses include increasing costs associated with inflation, labor shortages, and technology upgrades (57%), generating profit and attracting or retaining customers (33%), and the high cost of renting or maintaining their business location (26%).⁷⁸

Main Street America’s work supporting entrepreneurship growth in partnership with communities across the country, our small business surveys, and our deep listening with Main Street leaders guide our policy recommendations below.

RECOMMENDATION 4.1

FOSTER PLACE-BASED ENTREPRENEURIAL ECOSYSTEMS

Small businesses are the key to local economic development, but economic development policies may not always recognize this core strength. Often, local and state economic development policy has focused primarily on incentives to larger businesses, with an estimated \$30 billion or more spent by state and local governments on these incentives annually.⁷⁹ Recent research has shown that these incentives only have a minor influence on business location decisions, and that tailored support for small businesses is a more effective strategy for economic development.⁸⁰

72 Smart Growth America, The Power of Economic Diversification in Our Communities

73 “Third Places” Boost Local Economic Activity | NBER

74 Asset Funders Network, The Racial Wealth Gap

75 National Bureau of Economic Research, How is COVID Changing the Geography of Entrepreneurship? Evidence from the Startup Cartography Project

76 Main Street America, Findings from Our Spring 2023 Small Business Survey

77 Main Street America, Exploring the Spring 2024 Small Business Survey Results

78 Main Street America, Survey Insights on What’s Worrying Main Street Entrepreneurs and How You Can Help

79 Princeton University Department of Economics, Evaluating State and Local Business Tax Incentives

80 Upjohn Institute, State Governments Can Do More to Help Their Distressed Places

Place-based, tailored small business support takes the form of an entrepreneurial ecosystem in Main Street districts. Entrepreneurial ecosystem refers to “its people and the culture of trust and collaboration that allows them to interact successfully.”⁸¹ For place-based organizations, this means enabling an environment that encourages entrepreneurship through financial, social, and human capital, as well as culture, education and training, and regulations.⁸² Main Street America has taken a leading role in the development of place-based entrepreneurial ecosystems with private funders, resulting in key learnings from the field that form the basis of these recommendations.



Local, County, and Regional leaders can:

- **Prioritize development and growth of Main Street small businesses alongside other economic development initiatives.** Dedicated resources and support to the small business community balanced with traditional economic development approaches can enhance growth and retention of existing small businesses.
- **Utilize Main Street programs as connective tissue of the local entrepreneurial ecosystem.** Local Main Street Programs can provide a key role as a facilitator of ecosystem, bringing together financial opportunities, education, networking, and relationships. Take advantage of a Main Street program’s role in the middle as a connector for all elements of the ecosystem.
- **Identify barriers preventing entrepreneurs from starting or growing local businesses and develop action items to address them.** Reducing hurdles—such as code and zoning reform (see Issue 2)—can pave the way for entrepreneurs to grow business in your community.

State leaders can:

- **Provide technical assistance services to communities to support the development of ecosystems.** In Maine, the Maine Development Foundation launched a statewide entrepreneurial ecosystem building initiative in ten communities, connecting entrepreneurs to state, regional, and local resources.⁸³
- **Reform economic development incentives offered for job creation.** Numerous studies highlight the lack of efficacy of cash incentives to large firms for purposes of attraction and the promise of job creation.⁸⁴ Focus instead on programs to provide small business support services.

Federal leaders can:

- **Provide sustained funding for existing programs, such as USDA’s Rural Business Development Grant,** and drive those dollars towards technical assistance for ecosystem services and technology advancement.
- **Through reauthorization of the Small Business Administration, expand technical assistance offerings to include community-wide services to enable entrepreneurial ecosystem development.** Main Street programs work in partnership with Small Business Development Centers (SBDCs) and other small businesses resource providers, but additional assistance is needed for community-wide efforts to enable entrepreneurship.

⁸¹ Ewing Marion Kauffman Foundation, Entrepreneurial Ecosystem Building Playbook 3.0 - What are Entrepreneurial Ecosystems?

⁸² Main Street America, Worksheet on Community Entrepreneurial Ecosystems

⁸³ Maine Development Foundation, 2022-23 Entrepreneur Ecosystem Project

⁸⁴ National Bureau of Economic Research, Local Business Tax Incentives; Upjohn Institute, Benefits and Costs of an Incentive Project or Program for State Reside

RECOMMENDATION 4.2

DRIVE CAPITAL TO ENTREPRENEURS AND MAIN STREET SMALL BUSINESSES

Main Street leaders report that increased capital is a primary need for scaling and growing small Main Street businesses. As noted above, Main Street small businesses report that only a minor increase in capital (between \$10,000 and \$25,000) would help them expand their businesses, with the primary uses focused on improving the physical environment of their business and expanding their assets such as inventory and equipment. Despite the potential impact of small business growth, only 17% of new businesses access capital from banks. Instead, two-thirds rely on family or personal savings to fund their businesses' growth.⁸⁵ Typical capital sources are scarce, particularly in low-income or historically underinvested communities. Directing capital to businesses in these communities can come in the form of grants or loans, but also through tax policy that prioritizes the growth of the smallest of businesses.

Local, County, and Regional leaders can:

- **Establish revolving loan funds to support entrepreneurs in startup and growth.** Extend support to non-traditional, home-based, cottage industries that grow to become Main Street businesses.
- **Ease capital needs by making the physical environment entrepreneur-ready,** such as building out white boxed retail spaces, supporting broadband or fiber programs, and ensuring basic infrastructure can support growing businesses.

State leaders can:

- **Offer statewide grant or pitch competitions** to encourage growth of Main Street businesses through competitive business expansion grants. In Iowa, the Open 4 Business program offers grants of \$5,000 to \$20,000 for proposals from businesses located in Main Street communities, thereby enhancing both the business and the local revitalization effort.⁸⁶

Federal leaders can:

- **Reform the 199A small business pass-through deduction to ensure that the smallest businesses benefit.** Tax reform provides a valuable opportunity to ensure that the smallest businesses benefit from policies that are intended to level the playing field.
- **Increase investment in Community Development Financial Institutions (CDFIs), particularly in persistent poverty areas.** Community Development Financial Institutions are an important partner for capital to reach Main Street entrepreneurs, yet access to these institutions can be difficult, particularly in rural areas. Increased operating capacity in areas of persistent poverty can support expanded capital access for entrepreneurs.
- **Reform SBA loan programs to ensure viability for business owners who may also wish to create housing.** Main Street small business owners looking to improve their physical locations—while creating additional income from upper floor housing—have limited options where programs restrict uses to either “commercial” or “residential.”

⁸⁵ Ewing Marion Kauffman Foundation, Access to Capital for Entrepreneurs: Removing Barriers (2023)

⁸⁶ Iowa Economic Development Authority, Main Street Iowa Open 4 Business Grants



5.0 Main Streets are People-Centered Gathering Spaces and Thoroughfares

Main Streets have historically served as the heart of many communities, acting as hubs for commerce, culture, and social interaction. The physical environment outside buildings, including streets and public spaces, is essential to a community's identity and can be designed to promote district goals like safety, inclusivity, and economic vitality. Facilitating the safe movement of people—whether driving, walking, cycling, or using public transit—is crucial for supporting commerce and fostering social connections. When Main Streets are designed with people in mind, public spaces enhance quality of life, encourage social interaction, and restore their role as thriving community centers.

However, the rise of the Federal Highway System, auto-centric transportation planning, and Euclidean zoning led to the disinvestment of downtown areas and the spread of car-dominated urban sprawl.⁸⁷ This shift disproportionately harmed historically marginalized communities, where the prioritization of cars over people continued to limit access and opportunities.

Today, Main Street districts face significant challenges in adapting to modern needs while maintaining their historic and functional value. Safe streets are essential to ensuring that Main Streets are welcoming places to live, work, do business, and recreate. In 2022, the number of people who were struck and killed while walking grew to 7,522, marking a 40-year high.⁸⁸ This highlights a critical tension between Main Streets' role as local, pedestrian-friendly spaces and their designation in many cases as state-controlled highways designed primarily for vehicular traffic.⁸⁹ Nearly 75% of Main Street districts in the U.S. contain a portion of a state highway, under the control of the state's department of transportation.⁹⁰ This dual purpose leaves Main Streets caught between competing priorities, limiting their potential to evolve into vibrant, accessible public spaces that enhance quality of life for residents and visitors. Addressing these challenges requires overcoming bureaucratic hurdles, rethinking transportation and infrastructure priorities, and investing in green and civic spaces that foster connection and economic vitality. Enhancing these spaces through better infrastructure and streetscape improvements can amplify their role as vital community centers, ensuring they continue to meet the needs of residents while fostering economic and social vibrancy.

Working with governmental partners, particularly state Departments of Transportation (DOTs), to implement streetscape reconfigurations and improvements is often a challenging and bureaucratic process. The long-term focus of transportation planning has been on facilitating the movement of automobiles, making it difficult to prioritize pedestrian-friendly, multimodal, or aesthetic enhancements to state-controlled roadways. This creates a barrier for communities seeking to improve their streetscapes to promote safety, accessibility, and economic vitality. The

⁸⁷ Plantizen, What is Euclidean Zoning?

⁸⁸ Smart Growth America, Dangerous by Design 2024

⁸⁹ Main Street America, Insights from the 2024 Trends Survey

⁹⁰ The Neighborhood Revitalization and Land Banking Act (S. 4146, 118th Congress)

complexity of navigating regulations and funding requirements frequently hampers progress on local projects, leaving community-driven initiatives stalled or diluted.

Despite the impact of transportation infrastructure on Main Streets, many state DOTs make decisions about funding and projects with limited input or collaboration from local partners, like Main Street organizations. That said, encouraging programs such as Colorado Department of Transportation’s Revitalizing Main Streets program enhance transportation safety while promoting economic opportunity.⁹¹ Research from the Brookings Institution indicates that states often fail to connect their project selections to long-term goals, or to clear, publicly available criteria. Additionally, there is little transparency about how public feedback, like comments or statewide meetings, influences project choices. Only two states actively use local planning organizations’ projects to shape their broader long-term plans. Furthermore, states on average allocate less than 15% of total funding to localities and regions, despite local streets being responsible for a much larger share of vehicle miles traveled.⁹²

In addition to transportation infrastructure, many communities across the country lack access to green spaces and other forms of civic infrastructure, which encompass the public spaces where communities come together: parks, trails, main streets, plazas, play spaces, libraries, and other similar spaces.⁹³ These spaces are essential to fostering social connections, enhancing mental and physical health, and improving overall quality of life.⁹⁴ Without these amenities, residents face diminished opportunities for recreation, connection, and community engagement. Research underscores the importance of integrating green and public spaces into urban planning to create vibrant, connected, and resilient communities.⁹⁵

RECOMMENDATION 5.1

CREATE VIBRANT, SAFE MAIN STREETS FOR PEDESTRIANS, CYCLISTS, DRIVERS, AND TRANSIT USERS

Creating vibrant and safe Main Streets that accommodate pedestrians, cyclists, drivers, and transit users is critical to fostering dynamic and resilient communities. Streets designed with multimodal users in mind contribute to economic development, environmental sustainability, and public safety. Data from the National Complete Streets Coalition reveals that streets incorporating pedestrian and cycling infrastructure can reduce traffic accidents by 28%.⁹⁶ Inclusive designs increase foot traffic, which directly benefits local businesses; studies from London show that people walking or biking spend up to 40% more at local shops compared to those arriving by car.⁹⁷ Despite these benefits, many Main Streets remain car-dominated, with inadequate sidewalks, crosswalks, bike lanes, or bus stops, making them less accessible and appealing to non-drivers. For transit users, the lack of safe, well-lit bus stops and connected bike and pedestrian pathways limits mobility and discourages the use of sustainable transportation options. Addressing these gaps by integrating robust multimodal designs can transform Main Streets into inclusive, vibrant public spaces that meet the diverse needs of modern communities.

91 Colorado Department of Transportation, Revitalizing Main Streets

92 Brookings Institution, Connecting the DOTs: A Survey of State Transportation Planning, Investment, and Accountability Practices

93 Percent for Place, The Case for Civic Infrastructure

94 Percent for Place, To Rebuild America, Invest in Great Places

95 Connective Tissue: The Framework

96 National Complete Streets Coalition, Complete Streets Improve Safety

97 Transport for London, Getting More People Walking and Cycling Could Help Save our High Streets

Local leaders can:

- **Prioritize multimodal design:** Implement policies that ensure Main Streets are designed to safely accommodate pedestrians, cyclists, drivers, and transit users. For example, relatively inexpensive asphalt art can slow traffic and improve street safety.⁹⁸
- **Adopt Complete Streets policies:** Pass Complete Streets legislation to integrate safe transportation options for all users into every road design project.⁹⁹
- **Promote transit access:** Ensure that Main Streets have well-connected and convenient public transit options, including easy access to bus stops and bike-sharing stations. For example, in Pennsylvania, neighboring jurisdictions worked together to improve road safety and accessibility through a regional transit plan.¹⁰⁰
- **Measure and report outcomes:** Implement data-driven approaches to track the impact of multimodal policies on safety, mobility, and economic vitality.

State leaders can:

- **Enhance relationships between state Departments of Transportation (DOTs) and Main Street organizations:** Incorporate Main Street development into state transportation planning and develop partnerships between state DOTs and Main Street Coordinating Programs.
- **Create state-level Complete Streets policies:** Enact statewide policies that require new and renovated transportation projects to accommodate pedestrians, cyclists, drivers, and transit users.
- **Encourage regional collaboration:** Facilitate collaboration between state agencies and local stakeholders to align state, regional, and local transportation plans with multimodal priorities.
- **Improve transparency in state DOT planning and policymaking:** Increase communication to the public about state DOT decision-making priorities and processes.
- **Implement data-driven decision-making:** Use state-level data to monitor the effectiveness of multimodal transportation policies and prioritize funding for high-impact projects.
- **Allocate more funding to local projects.** On average, state DOTs allocate only around 15% of funding to local projects. Increased funding for local priorities would enhance outcomes for Main Street districts.¹⁰¹

Federal leaders can:

- **Support accessible and just transportation investment:** Ensure federal transportation funds are allocated to projects that improve safety for all communities. For example, the Reconnecting Communities Pilot Grant Program (RCP) has improved connectivity in Main Street districts by eliminating barriers like highways that obstructed communities.

98 Bloomberg Philanthropies, New Study Shows Streets Are Safer with Asphalt Art

99 Smart Growth America, Complete Streets Policies

100 Main Street America, CDCG Case Studies

101 Brookings Institution, Connecting the DOTs: A Survey of State Transportation Planning, Investment, and Accountability Practices

- **Promote safe and sustainable transportation policies:** Pass the Building Safer Streets Act (H.R. 10433 / S. 3246, 118th Congress) to support infrastructure upgrades, enhance pedestrian and cyclist protections, and promote traffic calming measures.
- **Facilitate cross-jurisdictional collaboration:** Promote coordination between federal, state, and local governments to ensure cohesive multimodal planning and project implementation.
- **Prioritize sustainable transportation in Surface Transportation Reauthorization:** Enable federal programs that promote sustainable transportation and address poor infrastructure policy, such as the Safe Streets and Roads for All (SS4A) grant program.¹⁰²

RECOMMENDATION 5.2

BUILD PHYSICAL CIVIC INFRASTRUCTURE AND GREEN SPACE

Building physical civic infrastructure and green spaces is essential for fostering community engagement, improving public health, and enhancing the quality of life in towns and cities. Research has shown that access to green spaces like parks and plazas is associated with a 15% reduction in stress levels and a 50% increase in physical activity, according to the Centers for Disease Control and Prevention (CDC).¹⁰³

However, a 2023 report from the Trust for Public Land revealed that one in three Americans lacks access to a park or green space within a 10-minute walk, highlighting the widespread need for improved public amenities.¹⁰⁴ Civic infrastructure, such as community centers, pedestrian plazas, and accessible public spaces, also plays a critical role in creating opportunities for social interaction and civic engagement. Studies show that neighborhoods with high-quality civic infrastructure can reduce social isolation by up to 20%, as residents are more likely to participate in community events and form social connections. Moreover, green spaces contribute to environmental sustainability by improving air quality, reducing urban heat island effects, and managing stormwater runoff. Prioritizing investments in green and civic infrastructure not only addresses disparities in access but also strengthens the social and environmental resilience of communities. Civic infrastructure investments also enhance economic mobility by improving access to jobs and education while fostering economic growth.

Local leaders can:

- **Invest in local green spaces:** Prioritize funding for the creation and maintenance of parks, community gardens, and green plazas, particularly in the development of new housing or commercial spaces
- **Integrate green space with urban development:** Incorporate green spaces into new development projects, particularly housing development, to ensure that every neighborhood has access to sustainable, environmentally friendly public areas.
- **Adopt policies for safe and inviting public spaces:** Enforce safety standards and design principles that make green spaces and civic areas welcoming and usable for all residents, regardless of age or ability.

¹⁰² U.S. Department of Transportation, Safe Streets and Roads for All Grant Program

¹⁰³ Centers for Disease Control and Prevention, Parks, Recreation, and Green Spaces

¹⁰⁴ Trust for Public Land, 2023 ParksScore

- **Leverage public-private partnerships:** Collaborate with local businesses, nonprofits, and developers to fund and develop new civic spaces and parks that serve the broader community.

State leaders can:

- **Increase state funding for green and civic infrastructure:** Allocate state funds to support the development and maintenance of parks, community centers, and green spaces in both urban and rural areas. For example, through initiatives like Proposition 68, the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018, the state provides billions of dollars to enhance local and regional parks, create new green spaces, and fund community centers in underserved areas.¹⁰⁵
- **Develop state-level planning guidelines:** Establish state policies that encourage the integration of green spaces and civic infrastructure into development and transportation projects.
- **Promote information sharing:** Encourage state DOTs to share their processes for budgeting, planning and implementing projects.

Federal leaders can:

- **Increase federal funding for parks and civic infrastructure:** Boost federal funding for the development and improvement of parks, green spaces, and community centers in underserved areas, such as annual appropriations for the Community Development Block Grant.
- **Consider “civic infrastructure” an essential Community Facility.** Direct federal resources to programs for communities that lack green space and civic infrastructure, addressing disparities and improving health outcomes across the country.

Main Street America works with a coalition of organizations through the Percent for Place coalition to advocate for civic infrastructure investments at the federal level.

¹⁰⁵ California Department of Fish and Wildlife, Proposition 68 Restoration Grant Programs



6.0 Main Streets are Communities of the Future

Downtown and commercial districts are both the historic settings of daily social and economic life and the physical environments that will support community life in responding to emerging challenges. Shifts in economic, environmental, and social conditions can negatively impact communities, but Main Street programs bring people together in times of crisis and respond to impacts.

Communities across the country are facing a series of emerging challenges that necessitate forward-thinking to prepare for disruptive impacts. Economic shifts, like those associated with the COVID-19 pandemic, challenge local governments and Main Street programs to be nimble and offer creative resources for small businesses.¹⁰⁶ Natural disasters are increasing in frequency and severity and changing in their geographic footprint.¹⁰⁷ And declining civic participation makes community members less connected and engaged.¹⁰⁸

As trusted public-private partners, Main Street organizations provide leadership for community initiatives so that when a shock—whether from natural disaster, economic shift, or social turmoil—threatens to rupture the fabric of a community, Main Street programs step up to provide resources and guidance. In fact, studies in Washington¹⁰⁹ and Pennsylvania¹¹⁰ show that during the pandemic, communities with an existing Main Street program were quicker to rebound economically than other similar communities. Main Street programs are built to weather the storm, whether real or metaphorical.

The increasing threat of natural disasters poses an immediate risk, while the ongoing decline in civic life means neighbors are less connected with each other. These two issues are innately tied. In the face of disaster, a community has many immediate needs, but to recover, they also need social and civic connection. As natural disasters are poised to increase migration,¹¹¹ communities must be prepared to welcome new residents. Main Streets provide an environment in which communities can come together for collective response to tragedy, rebuild their pride of place, and open doors to new residents.

106 From Innovation by Crisis to Innovation by Culture

107 FINAL-SoS-Fact-Sheet-How-Changing-Climate-Affects-Extreme-Events-04.14.2021-1.pdf

108 Civic Participation Is the Defining Challenge of Our Time | TIME

109 Washington Trust for Historic Preservation — The Resiliency of Main Street Businesses

110 PowerPoint Presentation

111 The impact of hurricanes and floods on domestic migration - ScienceDirect

RECOMMENDATION 6.1

REDUCE DISASTER RISKS THROUGH DISASTER RESILIENCE PLANNING

Most Main Street programs are facing, have faced, or will face the impacts of a natural disaster within their communities. 25% of Main Street programs located in disaster prone areas,¹¹² and 7% are in very high risk areas. Combined with the increasing risks of disasters nationwide, the need to plan, prepare for, and reduce risks for disaster is urgent.

When a natural disaster hits, the most immediate concerns are human life, housing, and access to essential resources. Main Streets may see physical impacts to properties in the district including historic buildings and institutions. For Main Street small businesses, an initial shock of physical damage and temporary closure may turn into prolonged economic suffering as disruptions to infrastructure, supply chains, and tourism impact the bottom line. This can greatly jeopardize a small business's ability to remain operating, leading to layoffs and potential shutdown.

Disaster recovery resources are important to supporting communities for immediate response and long-term recovery. At the federal level, Main Street programs and small businesses benefit from immediate response assistance from Federal Emergency Management Agency (FEMA), Small Business Administration (SBA) loans, and recovery programs through various agencies such as Community Development Block Grant Disaster Recovery (CDBG-DR) funds. These programs are essential, but increased frequency of disasters creates successive and continuing need for funding these programs.

Main Street communities need support to reduce their risk of disasters and be prepared with a plan in the likely event that they are impacted. Disaster risk reduction via the Sendai Framework is a globally accepted framework for reducing negative impacts of disasters on the social, cultural, and environmental assets of people, businesses, and communities.¹¹³ The framework prioritizes understanding risks, strengthening governance, investing in risk reduction for resilience, and enhancing preparedness for better response. Main Street programs can apply this framework to their own approach to plan, prepare for, respond, and recover from disasters.

In 2024, Main Street America introduced the Main Street Disaster and Resilience Toolkit to guide local Main Street programs in this work.¹¹⁴ Leaders across government can aid Main Street communities in resilience through planning and by creating programs that recognize the ever-present threat of disaster.

¹¹² Main Street America internal research using FEMA risk data.

¹¹³ Sendai Framework at a glance

¹¹⁴ Main Street America, Main Street Disaster and Resilience Toolkit

Local leaders can:

- **Adopt local resiliency plans** before disaster strikes to help prepare the community for potential threats and take action to minimize impacts.
- **Inventory and prepare Main Street small businesses for the impact of disasters.** Through the experience of Main Street communities that have faced disasters, inventories of properties and small businesses are a key tool for connecting members of the community with recovery resources.
- **Build the local infrastructure needed to effectively respond to disaster** including a crisis communications protocol, volunteer management system, small business resource hub.

State, Regional, and County leaders can:

- **Use existing disaster funding such as Community Development Block Grant Disaster Recovery (CDBG-DR)** to provide impacted communities with resilient infrastructure. In the wake of Hurricane Irene in 2011, the Vermont Department of Housing and Community Development used CDBG-DR funds to assemble the interdisciplinary Vermont Downtown Action Team (V-DAT) to develop recovery plans for hardest-hit communities and provide implementation funds.¹¹⁵

Federal leaders can:

- **Support disaster risk reduction planning processes through existing programs.** While funding and support for post-disaster recovery are essential, reducing the exposure of communities to the impacts of disaster will minimize risks.
- **Streamline disaster recovery funding and implementation.** The bipartisan Reforming Disaster Recovery Act (S. 1686 / H.R. 5940, 118th Congress) would support increased collaboration and reduce hurdles for CDBG-DR grantees.

RECOMMENDATION 6.2

PROMOTE CIVIC DIALOGUE AND TRUST THROUGH SOCIALLY-CONNECTED SPACES

Human connection is essential to create resilience in the face of a quickly changing natural, social, and political environment. Social cohesion and civic participation are tied to a community's ability to be resilient to and recover from a natural disaster.¹¹⁶ Community-based organizations, such as local Main Street programs, are an integral part of climate resilience.¹¹⁷

In 2023, the Office of the Surgeon General released a report, "Our Epidemic of Loneliness and Isolation," pointing to the severe health risks of social isolation and the impacts to our communities, including declining participation in civic activities.¹¹⁸ These impacts extend from the local to our national political context, with civic participation and

¹¹⁵ Vermont's Downtowns Build Back Stronger after Floods

¹¹⁶ Does social cohesion accelerate the recovery rate in communities impacted by environmental disasters in Puerto Rico? An analysis of a community survey - ScienceDirect

¹¹⁷ A Connected Community Approach: Citizens and Formal Institutions Working Together to Build Community-Centred Resilience - PMC

¹¹⁸ Our Epidemic of Loneliness and Isolation

connection impacting our democratic norms.¹¹⁹ Numerous other studies address these issues, emphasizing the role of civic spaces and civic institutions in addressing the need for social cohesion, including activating public spaces.¹²⁰

As individuals impacted by natural disasters seek new places to call home, these climate migrants will seek community. Main Street districts are ideally positioned to embrace new community members and adapt to today's 21st century landscape.

Local, County, and Regional leaders can:

- **Create welcoming initiatives in partnership with Main Street programs.**
- **Build participatory local processes to engage residents in community decision-making.**
- **Use Main Street events to increase participation and welcoming.** Inclusive design practices can turn regularly scheduled events into places for connection.

State, Regional, and County leaders can:

- **Develop programs to increase social connectivity, especially in rural and disconnected areas.** Indiana's Building Socially Connected Communities Program funds small-scale projects aimed at reducing social isolation to increase health community-wide.¹²¹

Federal leaders can:

- **Support legislation aimed at enhancing civic participation.** Both the Building Civic Bridges Act (H.R. 7698 / S. 4196, 118th Congress) and the National Strategy for Social Connection Act (H.R. 8490 / S. 2350, 118th Congress) create programs to build connection and minimize social isolation.

119 AAAS report

120 Pressler Connective Tissue

121 OCRA: Building Socially Connected Communities Program



MAIN STREETS ARE FOR EVERYONE.

Learn more at mainstreet.org

Main Street America is a subsidiary of the National Trust for Historic Preservation.

All Rights Reserved, ©2025