

Rebuilding Main Street After COVID-19

Recommendations for and reflections from
small and mid-sized American cities

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Contents

Introduction	01
Methods	02
Recommendations	04
City Profiles	08
Small Business Survey Results	14
Interview Themes	21
Conclusion	26
Bibliography	27
Appendix	28



Barriers decorated with flowers block traffic on Exchange Street in downtown Portland, ME. The street was closed to traffic in early June 2020. Photo credit: Brianna Soukup.

Introduction

During the 2010's, the downtowns of small and mid-sized American cities were seeing a relatively good period. Americans had rediscovered the attraction of walking down a main street with attractive architecture and independent businesses. New business models, such as tasting rooms and maker spaces, had added to the variety. Living downtown had also caught on, with upper story spaces being converted into lofts. At the same time, businesses seeking to attract and retain good workers were locating their offices downtown, where workers wanted to work.

The arrival and persistence of COVID-19 pandemic has created one of the largest shocks to the ecosystem of America's downtowns since the Great Depression. While earlier recessions, even the "Great Recession" of 2008, resulted in significant downturns in business, those impacts were more gradual and primarily economic. The pandemic has both resulted in a sudden need for most businesses to close, and reductions in disposable income that affected stores once they reopened. Add the public health precautions that need to be taken, and the uncertainty of when things can return to "normal," and it becomes clear that we are in uncharted waters.

There has been a fair amount of research on what can help downtowns weather this pandemic in the short term. Financial assistance and thoughtful balancing of public health and commerce are seen as leading ways to help in the short term. However, there hasn't been much work done on what happens next. This project is designed to answer that question.

We do not know how long it will take for the pandemic to recede, and what permanent changes there may be to American lifestyles. We do expect that, at some point, COVID-19 will be managed to a point where much of our commerce can resume. Our goal in this project is to try to answer the following questions:

1. What changes can we expect in American lifestyles as related to downtown commerce?
2. What long-term changes will be needed to ensure that downtown businesses can thrive in a post-COVID-19 environment?
3. What role will public policy and planning play in helping with those changes?

In order to narrow the questions, we decided to focus on small and mid-sized cities in New England and the Upper Midwest. The characteristics of these downtowns are generally similar, and cities this size have the capacity to implement policies to help local businesses. We chose cities with a variety of demographics in order to not limit our research to the well-off communities, nor to those with limited resources.

Methods

City Selection: In selecting the case studies for this project, we targeted small and mid-sized cities with populations between 50,000 and 150,000. We chose cities that are not suburbs and are not directly adjacent to larger cities. We sought diversity in location, size, median household income, and racial demographics. This process led to a shortlist of 14 cities. In each of these cities, we identified organizations that focus on downtown economic development and small business support including Business Improvement Districts, Buy Local Associations, Chambers of Commerce, and municipal economic development agencies. We then identified contacts within these organizations and reached out over email describing the study and inviting them to participate. Of the 14 individuals we reached out to, six responded. The table on the next page provides summary information for each city.

Interviews: We conducted one-hour interviews with eleven individuals over Zoom in July 2020. Each interviewee is a leader in economic development planning, programming, and/or policy within their community. Exhibit A provides the interviewees' names, titles, and organizations. Following a 13-question rubric, we discussed the cities' small business relief efforts, long-term COVID planning, and foreseeable changes in downtown employment and housing.

Survey: We developed a seven-question survey designed for downtown small business owners and asked our contacts to distribute it to their respective list serves. We received a total of 131 unique responses from small business owners. The survey asked small business owners about their most urgent needs, anticipated long-term challenges, and policy changes that would be most helpful.



A couple enjoys a meal outside at Krueger Flatbread in downtown Haverhill, MA. 2020.
Photo credit: Tim Jean.

Case Study Cities

City	State	Population ^[1]	Median Household Income ^[2]	Percent Non-White ^[3]
Flint	Michigan	95,538	\$27,717	63%
Haverhill	Massachusetts	64,014	\$67,579	27%
Lansing	Michigan	118,210	\$40,325	45%
Nashua	New Hampshire	89,355	\$73,022	27%
Portland	Maine	66,215	\$56,977	18%
Youngstown	Ohio	65,469	\$26,951	58%



1 U.S. Census Bureau 2019 Population Estimates.
 2 Ibid. National Median Household Income = \$63,179.
 3 Ibid. National Average Percent Non-White = 37%.

Recommendations

Downtown landscapes have changed drastically since COVID-19 arrived in the United States in March 2020. At the time of the writing of this report, significant numbers of workers have not returned to downtown offices, large gatherings and events are not allowed in most cities, and in-person shopping has decreased substantially. Seven months into the pandemic, the end to these conditions in American cities is not near. Based on the interviews with eleven stakeholders and responses from 131 small business owners, we identified the following five recommendations for supporting small businesses and reimagining downtowns in the wake of COVID-19. These recommendations are intended for city governments and economic development groups including but not limited to Business Improvement Districts, Buy Local Groups, Small Business Associations, and Chambers of Commerce.



Alley with string lights in Flint, MI. 2020. Photo credit: Kady Yellow.

1. Reimagine downtown uses

With many downtown office dwellers continuing to work from home, events and festivals cancelled, and indoor uses limited, cities and economic development agencies must get creative with how downtowns can look, feel, and function in the time of COVID-19. Some creative ideas that surfaced in the survey responses and interviews included:

“We need to realize that in-store shopping has been in crisis for some time. This may not be the time to make major investments in propping up the old forms, but time to reimagine how we shop and convey goods.”

– Retail business in
Portland, ME

- Investing in permanent, covered spaces for outdoor eating and events
- Allowing fitness organizations to use parks for outdoor classes and activities
- Repurposing alleyways for outdoor dining and other activities
- Creating new art or mural exhibits that can be viewed from cars
- Using a space for drive-in movie nights
- Converting unused office space to residential uses

In terms of downtown retail uses, small businesses should consider shifting their hours to cater towards patrons who live in and near the downtown and those who are able to visit in the evening. Small businesses that provide essential goods such as grocery stores, convenience stores, and pharmacies may see the most stability, as opposed to retailers that cater more to daytime patrons or tourists.



An alley in downtown Lansing, MI that Downtown Lansing Inc. proposed as a location for a “social district”. July 2020. Photo credit: Craig Lyons.

2. Invest in housing downtown

This public health crisis affirms the role of housing in a healthy, vibrant, and sustainable downtown. Downtown residents provide a permanent consumer base that small businesses can rely on. Cities should evaluate the housing development opportunities downtown, including newly vacant office and retail space. For example, building code requirements should be examined to determine if there are ways to safely permit adaptive reuse of existing upper story space for housing. Cities should revisit downtown zoning and land use code with this new priority in mind. This priority is top of mind for four of six of the cities we spoke with.

“If companies have a lot of office space, they may not need it. They could save money on rent, utilities, and insurance. I hope that means additional space for residential. We will be doing more work to advocate for that—there is a housing crisis here.”

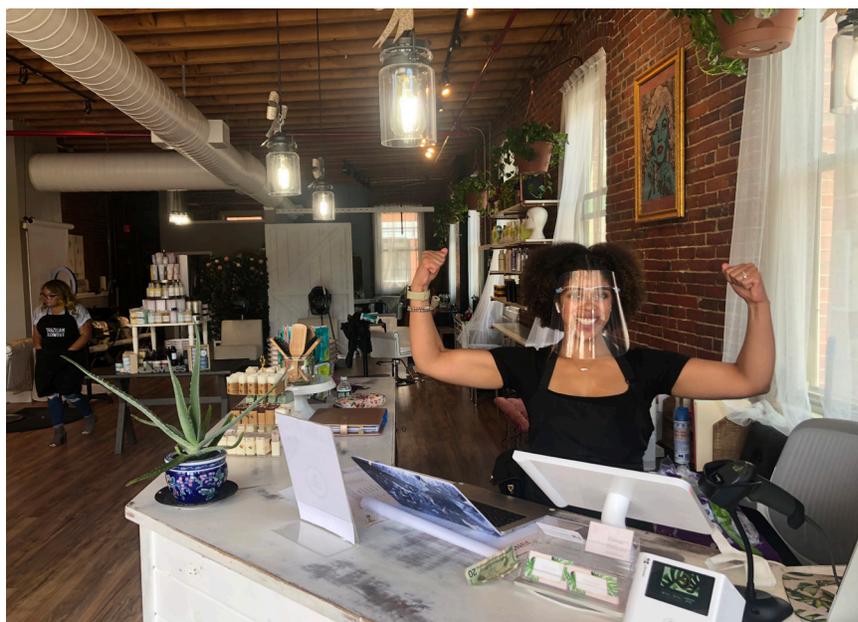
– Cary Tyson, Executive Director, Portland Downtown

3. Prioritize grant programs over technical assistance for small businesses

“We and many small businesses need grants/funding or we will be forced to closed. There’s no other way around it. Even help paying basic utilities. Revenue is drastically down as well as number of customers.”

– Arts/culture/entertainment business in Portland, ME

Small business owners indicated clearly that they are most in need of grants and rent/mortgage relief in order to survive in the long term. The need for traditional technical assistance such as support with online marketing and merchandising is not a priority. In response to what changes would be most helpful in the long run, the resounding response was the desire for financial incentives such as funding to make physical changes to their space. As cities and economic development groups allocate resources for small business relief, the focus should be on grants over technical assistance or other types of support.



Business owner with face shield in downtown Haverhill, MA. 2020.
Photo credit: Dougan Sherwood.

4. Evaluate the need for commercial rent relief and/or stabilization

A paramount long-term concern for small businesses is keeping up with rental payments. Over half of the survey respondents listed rent/mortgage relief as a top challenge (see page 18). In response to the “What do you most need?” survey question, one food business owner stated, **“Rent reductions as we will never be able to be at the capacity we were at pre-COVID.”** Another owner stated **“[We] need help renegotiating rent for this new market.”** Cities and economic development groups should facilitate communication between property owners and small business owners to understand needs and priorities. To prevent mass vacancies, cities could consider enacting commercial rent stabilization and/or eviction control. Additionally, cities should partner with mission-driven property owners such as community development corporations to expand affordable commercial rent opportunities.

5. Determine a long-term plan for repurposed parking and access downtown

In the first months of the pandemic, cities across the country worked quickly to repurpose parking space for outdoor dining. This creative change in downtown use was met with both enthusiasm and concern. For example, in Flint, MI restaurant owners reported that the outdoor seating has been critical to their stability because people aren’t comfortable eating indoors. However, repurposed parking and street closures are not unanimously popular. Some business owners are concerned that eliminating parking spots prevents people from accessing their storefront and drives down business. In particular, street closures cause access concerns. While cities cannot please everyone when it comes to parking policy, creating a long-term plan for parking and access can remove the frustration of uncertainty for small business owners.

“Parking is important but we need to rethink it. Do we need this many parking spaces downtown?”

**– Cathleen Edgerly,
Executive Director,
Downtown Lansing Inc.**



Nashua Public Works employees begin the installation of concrete jersey barriers along Main Street to enable outdoor dining and curbside pickup space for downtown restaurants.

Photo credit: Nashua Public Works.

City Profiles

Flint, Michigan

Racial demographics

- White: 37% Black: 54%
- Latina/o: 4% Other: 5%

Household median income

- \$27,717

LOCATED 65 MILES NORTHWEST OF DETROIT, Flint is a city home to just under 100,000 people. Nicknamed the “Vehicle City”, Flint was a leading automobile manufacturing center through the mid-twentieth century. As General Motors and other manufacturers downsized their operations starting in the 1960s, people fled the city by the tens of thousands. Today, Flint’s population is about half the size of its peak population in 1950. The drastic decrease in jobs and population continues to impact Flint’s economy and downtown today. In addition to the city’s ongoing economic and financial challenges, Flint is known globally for their mismanaged water supply which remains an ongoing public health crisis. That said, the spirit of Flint is one of resiliency, determination, and unity as it works to reinvest in downtown development, amenities, and art.

Organizations working to strengthen the economy of Flint’s downtown include the Flint & Genesee Chamber of Commerce, the City of Flint’s Downtown Development Authority, and the Downtown Small Business Association, an initiative of the Greater Flint Arts Council. For this report, we interviewed Tyler Rossmassler, Director of Economic Development at the Flint & Genesee Chamber of Commerce and Kady Yellow, Director of Placemaking at the City of Flint’s Downtown Development Authority. We received survey responses from a total of **16 small businesses** in Flint.

“Flint has been in crisis management mode for 20 years or longer. We rest on the laurels of being resilient.”

– Tyler Rossmassler,
Director of Economic
Development at the Flint
& Genesee Chamber of
Commerce



Downtown Flint and the C.S. Mott Building, where the Flint and Genesee Chamber of Commerce is located. 2019. Photo Credit: Jacob Hamilton.

Haverhill, Massachusetts

Racial demographics

- White: 73% Black: 3%
- Latina/o: 20% Other: 4%

Household median income

- \$67,579

“There is strong local leadership on diversity and inclusion because it leads to a stronger workforce, better education, and better healthcare. We need to continue to embrace and welcome Latino community.”

– Dougan Sherwood,
President & CEO, Greater
Haverhill Chamber of
Commerce

HAVERHILL IS A CITY THAT IS HOME TO 64,000 PEOPLE located 35 miles north of Boston on the border of Massachusetts and New Hampshire. One of the state’s oldest historic communities, Haverhill has seen several industries come and go from lumber mills and flour mills in the seventeenth century to shoe manufacturing in the nineteenth century. By the mid-twentieth century, the shoe industry had declined and the city embraced urban renewal, demolishing swaths of historic buildings downtown. In recent decades, the city has invested in major downtown revitalization including the Haverhill Riverfront Boardwalk and the conversion of abandoned factories into loft apartments and condominiums.

Organizations working to strengthen the economy of Haverhill’s downtown include the Greater Haverhill Chamber of Commerce, Merrimack Valley Planning Commission, and the City of Haverhill Office of Economic Development and Planning. For this report, we interviewed Dougan Sherwood, President and CEO of the Haverhill Chamber of Commerce. We received survey responses from a total of **22 small businesses** in Haverhill.



Washington Street in downtown
Haverhill, MA. 2017.
Photo credit: Jim Davis.

Lansing, Michigan

Racial demographics

- White: 55% Black: 23%
- Latina/o: 12% Other: 10%

Household median income

- \$40,325

LANSING IS THE CAPITAL CITY OF MICHIGAN and home to about 118,000 residents. In 1847, after the city moved its capital from Detroit to Lansing, a more central and protected location, the city quickly expanded. Several colleges were established that would ultimately combine to form Michigan State University, a public research university with over 50,000 students in neighboring East Lansing. In 1897, Olds Motor Vehicle Company was founded in Lansing and the city became an industrial center for automobile manufacturing. Today, manufacturing continues to be a top employing sector in addition to government service, healthcare, education, and insurance.

Organizations working to strengthen the economy of Lansing's downtown include Downtown Lansing Inc, Lansing Economic Development Corporation, Lansing Economic Area Partnership, and the Lansing Regional Chamber. For this report, we interviewed Cathleen Ederly, Executive Director of Downtown Lansing Inc. We received survey responses from a total of **five small businesses** in Lansing.

"We no longer can continue to accept 'what was' or 'what is' but really dig deep and shape a plan for what we want downtown to look and feel like in the future."

– Cathleen Ederly,
Executive Director,
Downtown Lansing Inc.



Demonstrators rally near the Michigan State Capitol in downtown Lansing, against Michigan Governor Gretchen Whitmer's stay-at-home order on April 15, 2020.

Photo credit: Matthew Dae.

Nashua, New Hampshire

Racial demographics

- White: 74% Black: 4%
- Latina/o: 13% Other: 9%

Household median income

- \$73,022

“To my surprise, this community pulled together much better than I would have anticipated. It has been empowering and wonderful to watch as a community organizer.”

– Tim Cummings,
Economic Development
Director, City of Nashua

NEW HAMPSHIRE'S SECOND LARGEST CITY, Nashua is home to nearly 90,000 residents and is located on the state's southern border with Massachusetts. The city was built around the cotton textile manufacturing industry that ultimately collapsed in the mid-twentieth century. Unlike many other “legacy cities” in New England and the Midwest, Nashua pivoted to attract new companies and industries including Nashua Plastics, Sprague Electric, Edgcomb Steel, and Sanders, Inc. Old textile manufacturing facilities have been revitalized and adapted for new uses. Today, modern manufacturing, technology, and healthcare dominate the local economy. Located 40 miles north of Boston, Nashua benefits from the continued expansion of Boston's regional economy.

Organizations working to strengthen the economy of Nashua's downtown include Great American Downtown, the City of Nashua's Economic Development office, the Greater Nashua Chamber of Commerce, and the NH Small Business Development Center. For this report, we interviewed Tim Cummings, Economic Development Director at the City of Nashua. We received survey responses from a total of **19 small businesses** in Nashua.



Downtown Nashua, NH.
Photo credit: City of Nashua.

Portland, Maine

Racial demographics

- White: 82% Black: 8%
- Latina/o: 4% Other: 6%

Household median income

- \$56,977

MAINE'S LARGEST CITY, Portland is home to about 66,000 residents. With its downtown located on a peninsula, the city's economy was founded on fishing, shipping, and manufacturing. Naval shipbuilding became a major industry in response to the demand from World Wars I and II. Today, the marine industries and manufacturing still play an important role in the city's economy in addition to healthcare, education, and government services. The city is also known for its restaurant scene, nightlife, music events, and relies on tourism especially in the summer months. In recent years, the city has attracted several new technology companies including Tilson, Idexx, and PTC—an industrial automation company.

Organizations working to strengthen the economy of Portland's downtown include Portland Buy Local, Portland Regional Chamber of Commerce, the city's Economic Development Department, and Portland Downtown. For this report, we interviewed Cary Tyson, Executive Director and Amy Geren, Program Director at Portland Downtown, the downtown's business improvement district (BID). We received survey responses from a total of **60 small businesses** in Portland.

"The City has been working quickly to repurpose outdoor space for retail, restaurants, and group fitness classes. The outdoor dining was unattractive at the beginning—just barricades. We advocated on behalf of the business community to change the look, and the City responded by adding signage and planters which look so much better."

– Amy Geren, Program Director, Portland Downtown



Exchange Street, downtown Portland, ME.
Photo credit: Portland Downtown.

Racial demographics

- White: 42% Black: 42%
- Latina/o 12% Other: 4%

Household median income

- \$26,951

Youngstown, Ohio

“COVID hasn’t changed the conversation, it has focused it. COVID has put everyone online and allowed us to have conversations much more broadly. What used to be a long flight or drive, is now a leveling of the playing field—we are all a thumbnail.”

– Hunter Morrison,
Planning Consultant, City
of Youngstown

HOME TO 65,000 PEOPLE, Youngstown is located in Northeastern Ohio, equidistant from Cleveland to the northwest and Pittsburgh to the southeast. Often described as “the poster child for deindustrialization”, Youngstown’s once thriving steel industry declined over the mid-twentieth century and then came to grinding to when Youngstown Sheet and Tube closed its doors in 1977. Still referred to as “Black Monday”, the closure of the company resulted in the loss of 50,000 jobs and left a gaping hole in the city’s economy. Similar to the conditions in Flint, Youngstown has lost 60 percent of its population since the 1970s. Today, the city is focused on leveraging its assets including Mahoning riverfront, the local university and hospitals, several industrial employers, and local entrepreneurs.

Organizations working to strengthen the economy of Youngstown’s downtown include Youngstown Warren Regional Chamber, Youngstown SCORE, Youngstown Business Incubator, and the city’s Economic Development Department. For this report, we interviewed Jamael Tito Brown, Mayor, Sharon Woodberry, Director of Community Planning and Economic Development, Nikki Posterli, Mayor’s Chief of Staff, and Hunter Morrison, Planning Consultant. We received survey responses from a total of **nine small businesses** in Youngstown.



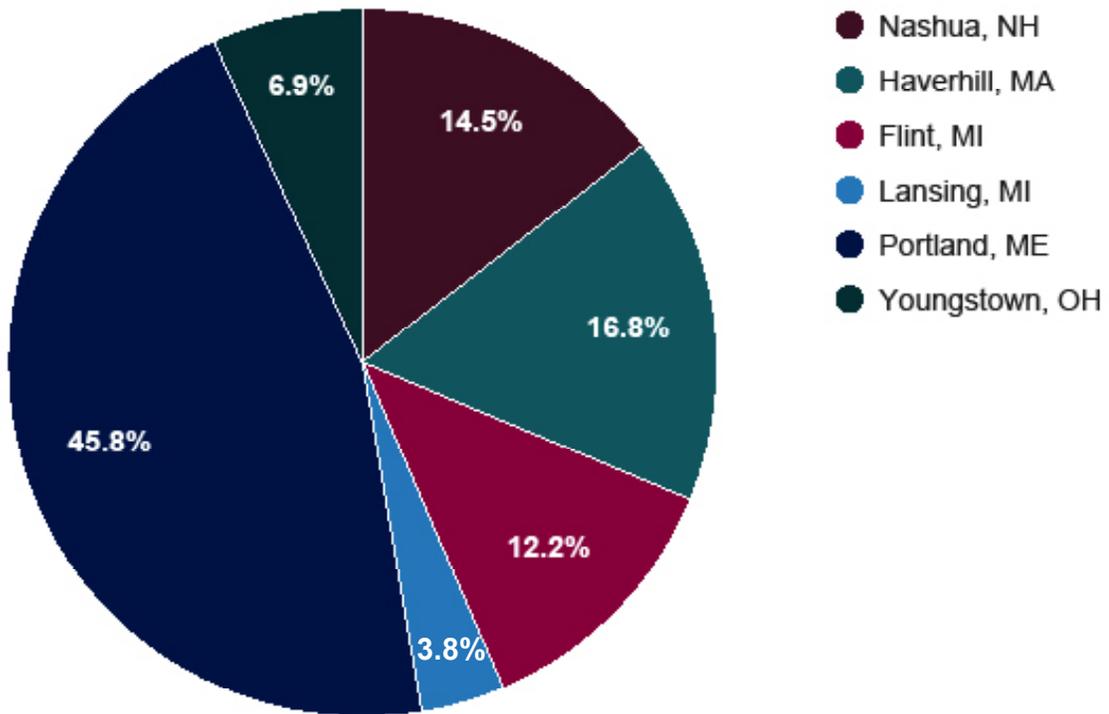
Downtown Youngstown, OH.
Photo credit: Economic Action
Group.

Small Business Survey Results

A total of 131 unique small businesses responded to the survey. Our contacts distributed the survey via email on our behalf. The survey response rate was approximately five percent. We incentivized business owners to take the survey by raffling off two \$50 Visa e-Gift Cards.

Respondents by City

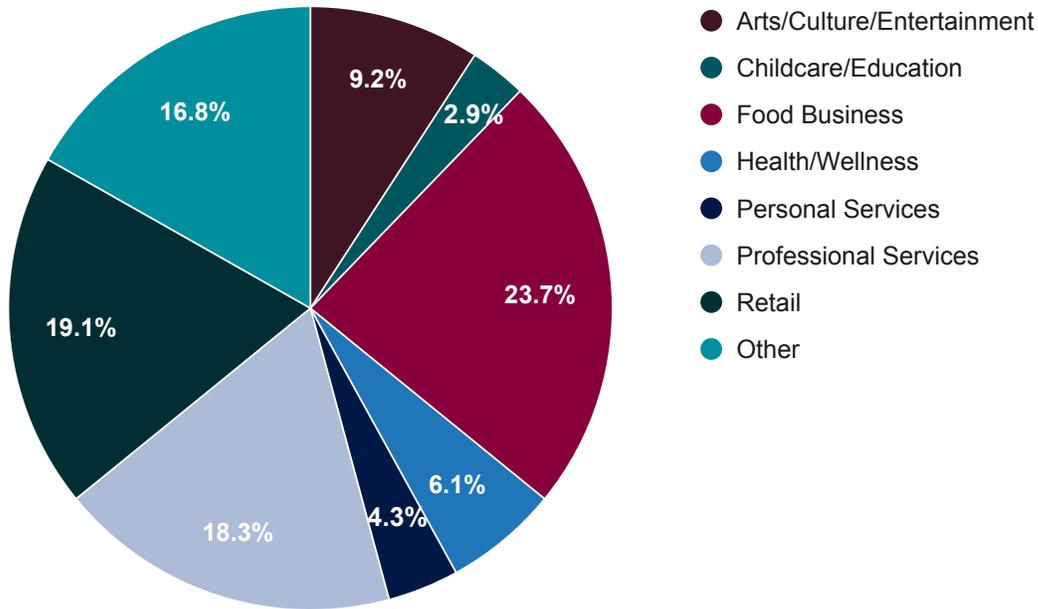
Nearly half of the respondents were small business owners based in Portland. We received a similar number of responses from businesses in Nashua, Haverhill, and Flint and nine and five responses from small business owners in Youngstown and Lansing, respectively. Several factors contributed to this asymmetry. First, the number of individuals our partner organizations sent the survey link to varied. For example, Portland Downtown sent the survey link in a newsletter that went out to 1,500 individuals while Downtown Lansing Inc. sent the survey to 195 individuals. Second, the type of relationship that each organization has with business owners varies. For example, some organizations had been providing grants and technical assistance directly to small business owners, while others had not. Lastly, survey fatigue may be an issue. Several of the organizations had already conducted surveys gathering information from small businesses throughout the early months of COVID-19.



Respondents by City

Respondents by Business Type

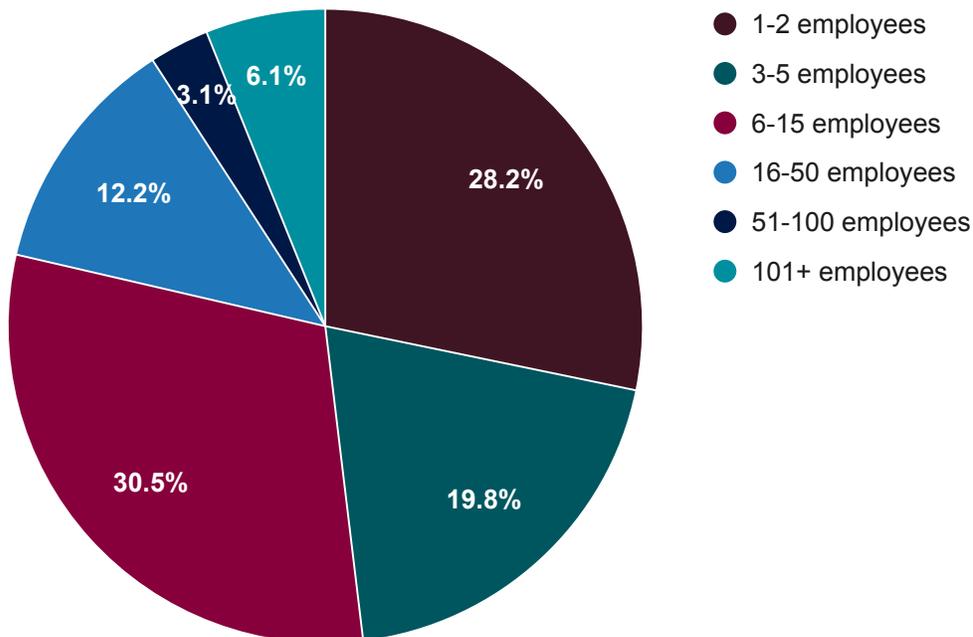
The three most prevalent business types were Food Business, Retail, and Professional Services. 16.8 percent of respondents indicated “Other” and listed business types including manufacturing, construction, and hospitality.



Respondents by Business Type

Respondents by Business Size (pre COVID-19)

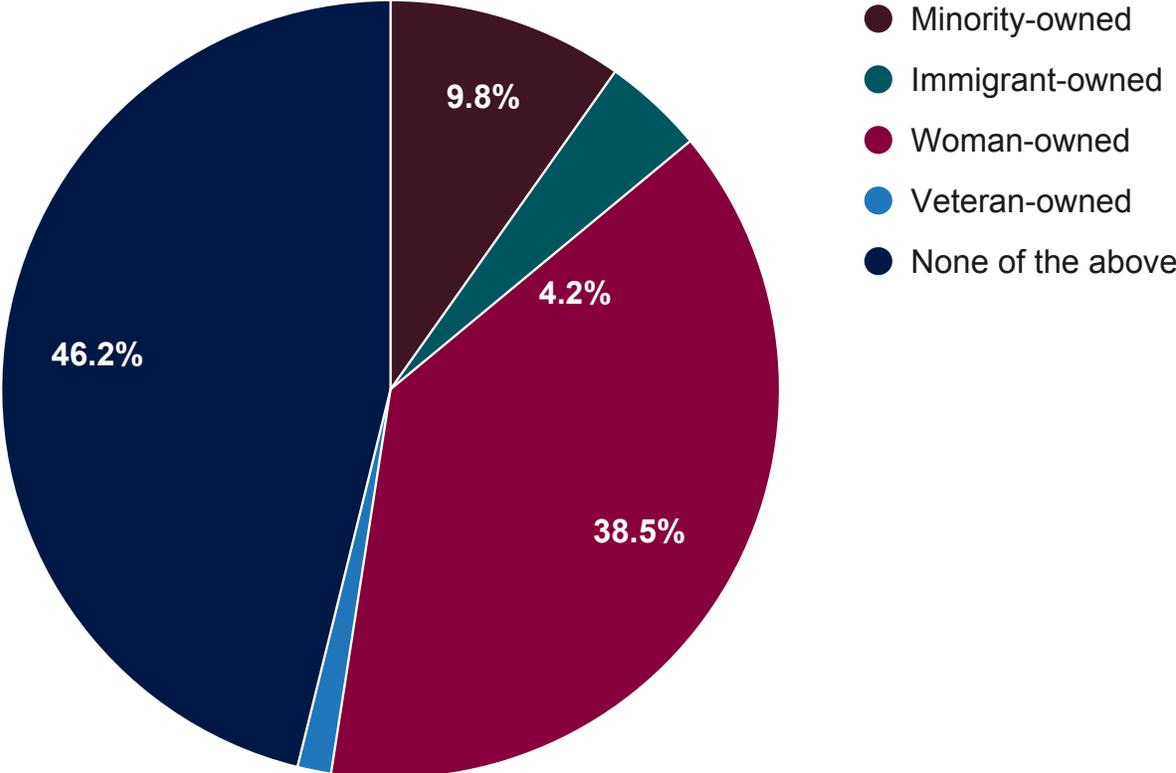
We asked respondents to select the number of employees, including the proprietor, their small business had before COVID-19 hit their community. Nearly half—48.1 percent—of the small businesses surveyed reported having five or fewer employees. 30.5 percent had between 6 and 15 employees and the remaining 21.4 percent had 16 or more.



Respondents by Business Size

Respondents by Ownership

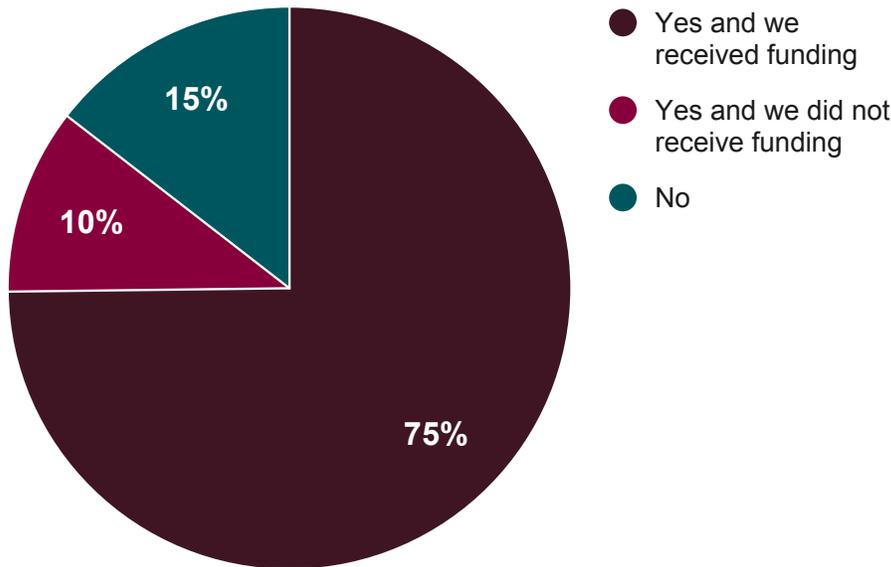
Of the 131 respondents, 38.5 percent were women-owned, 9.8 percent were minority-owned, 4.2 percent were immigrant-owned, and 1.4 percent were veteran-owned. Respondents were allowed to select more than one ownership type. 46.2 percent of respondents selected none of the above ownership types.



Respondents by Ownership

Federal COVID-19 Relief

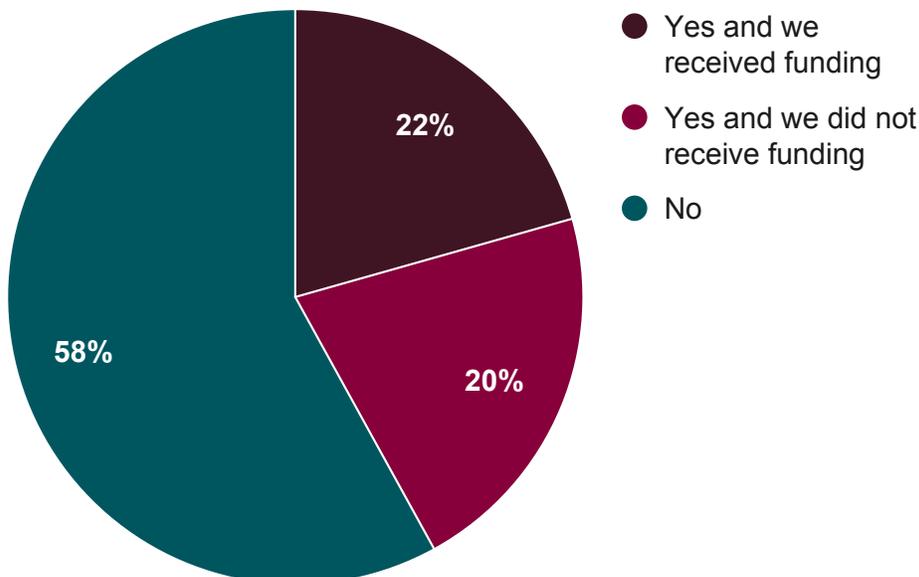
75 percent of respondents applied for and received federal funding through Paycheck Protection Program (PPP), Economic Injury Disaster Loans (EIDL), or Small Business Administration (SBA) loans. The 14 businesses that applied and did not receive funding were diverse in location, business type, size, and ownership status. Of the 14 minority-owned respondents, 12 applied for and received federal funding for a success rate of 86 percent—higher than the complete sample’s 75 percent success rate.



Federal Funding Received

State and Local COVID-19 Relief

56 percent of respondents did not apply for state or local funding. This group was diverse in location, business type, size, and ownership status. The 15 minority-owned respondents experienced a lower success rate than the full sample—47 percent did not apply, 47 percent applied and did not receive funding, and only one minority-owned business (seven percent) applied and received local funding.



Local Funding Received

Respondent Needs, Challenges, and Changes

The following three questions are the most critical to the survey. They provide insight into what small businesses need, what challenges are most pressing, and what policy changes would be most helpful for them. We randomized the answer options for each question in order to prevent primacy and recency biases. While we asked respondents to “please select the three that are most urgent or important for your business”, some respondents selected one or two options. Each question included an “Other” option with an accompanying open text field.

“[We need] help with payroll, rent, utilities, and miscellaneous expenses [such as] copier machines.”

– Retail business in Flint, MI

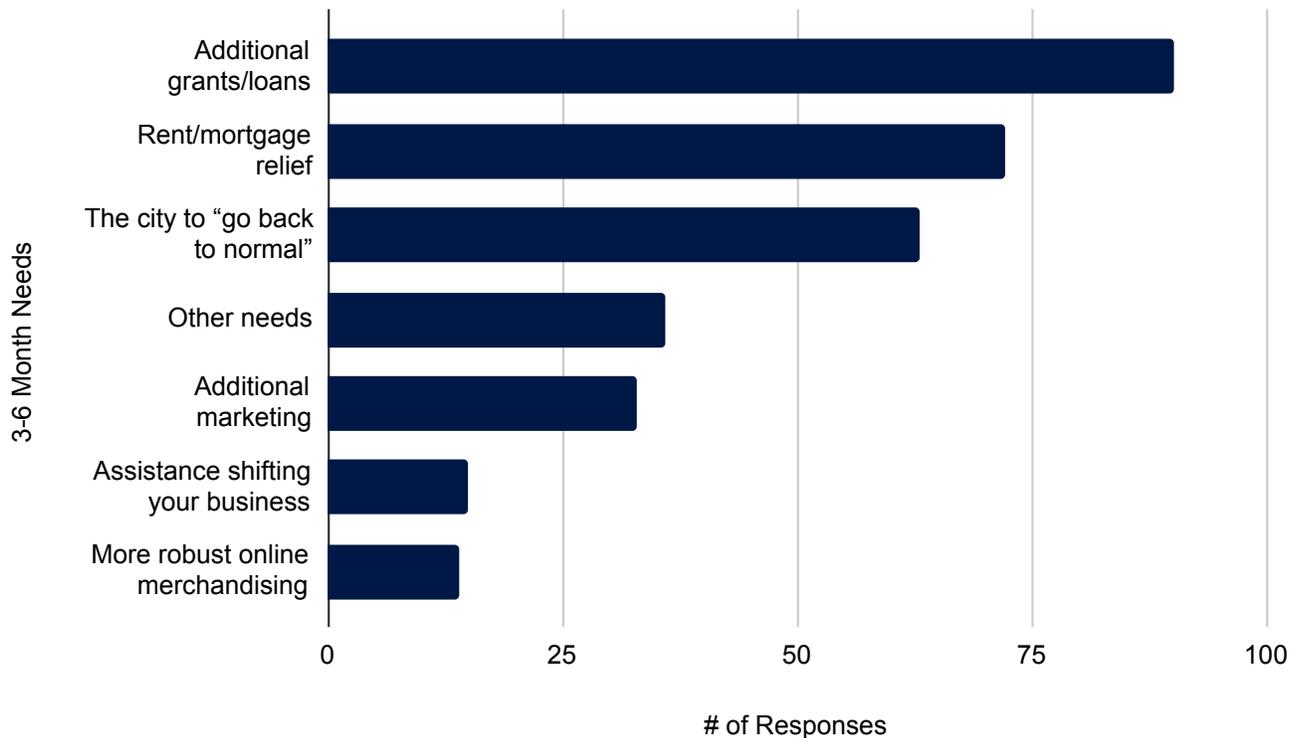
1. What do you need in the next three to six months to stay in business?

The top three responses to this question were “Additional grants/loans”, “Rent/mortgage relief”, and “The city to fully reopen and go back to normal.” Respondents ranked marketing, shifting business model, and online merchandising last. Interestingly, these are services and support that cities often provide in the form of technical assistance. These results indicate that small businesses are in need of financial support and a focus on public health and safety over technical assistance during this time.

“[We need] people who are not afraid of the future and feel they can spend money. Marketing is worthless if people are worried about their future.”

– Retail business in Portland, ME

Short Term Small Business Needs



2. What challenges do you expect you will continue to face beyond six months?

The top three responses to this question were “Ongoing health and safety challenges”, “Continued loss in revenue”, and “Continued decreased customer basis.” As one respondent highlighted in their comment, many of the answer choices are inextricably linked.

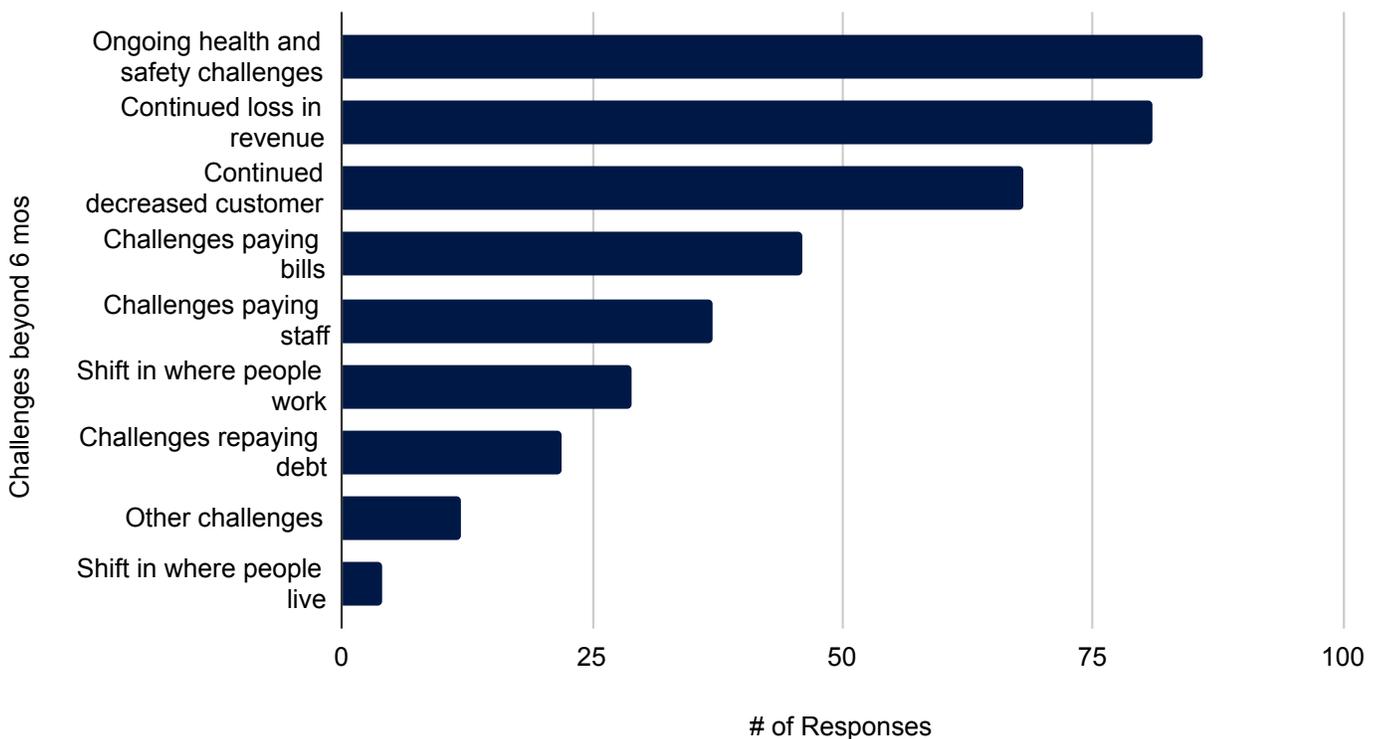
There were a small number of responses to the open-ended “Other challenges” question but they included “finding good help” from a professional services business in Youngstown, OH and the “general shift away from brick and mortar shopping” from a retail business in Portland, ME.

A relatively small number of respondents selected “shift in where people work (e.g. more work from home)” and “Shift in where people live (e.g. people moving away from city center)” as top concerns.

“[The] loss of customers becomes decreased customer base which becomes loss of revenue which becomes challenges is [sic] paying staff, repaying debt, and paying rent.”

– Retail business in Portland, ME

Long Term Small Business Challenges



3. What changes would be most helpful to you?

“Continued federal financial support allowing me to hire additional employees as I need a gatekeeper to enforce mask wearing & hand sanitizing.”

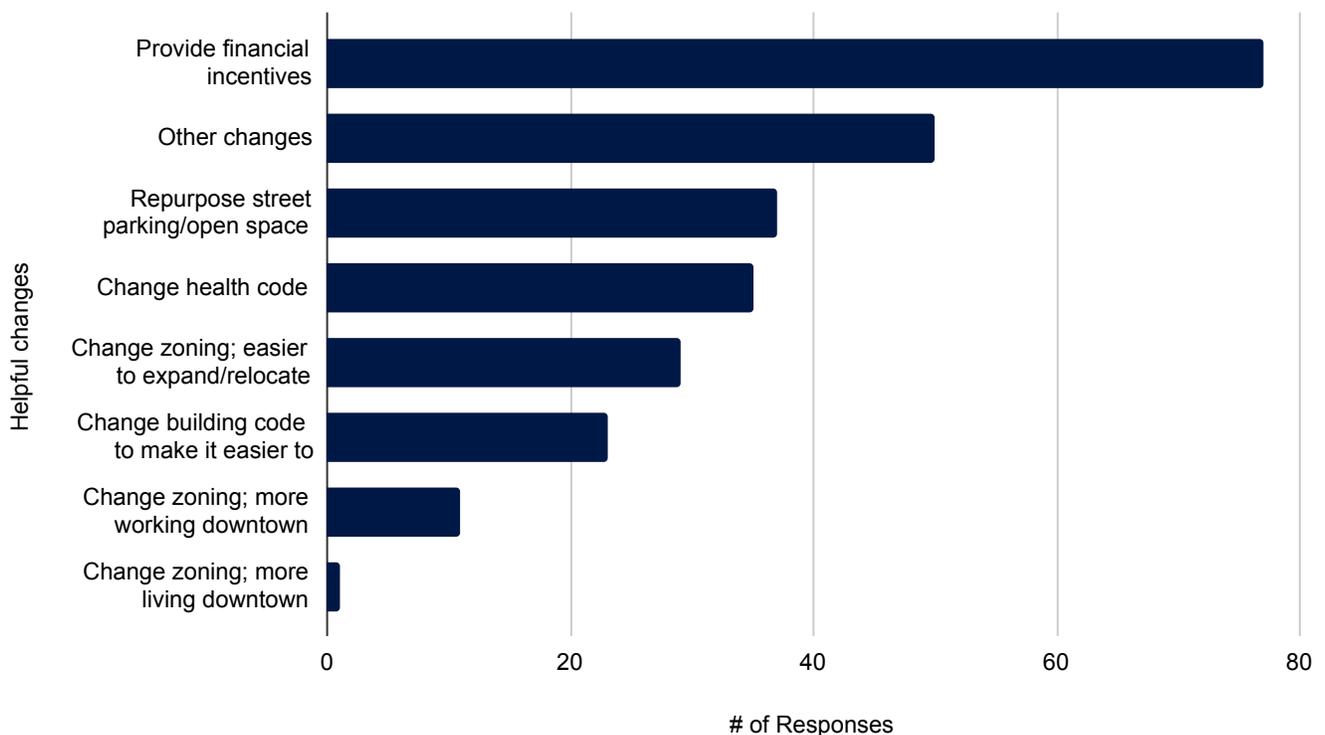
– Retail business in Portland, ME

By far, the top response to this question was “Financial incentives (e.g. additional funding for making physical changes to my space).” This aligns with the respondents’ top need being additional grants and loans. The open-ended “Other changes” option was the second most selected response. There were a broad range of comments regarding what other changes would be most helpful, some of which conflicted with one other. Responses included:

- “A program to help businesses exit from commercial leases and a clearinghouse for liquidating inventory”
- “More PPP funding, rent relief”
- “More grants and loans to build housing”
- “More parking”
- “Mandatory mask usage statewide”
- “Allowing us to open at full capacity”
- “People to realize this isn’t a hoax”
- “Easing the public gathering restrictions when appropriate”
- “Stop the extra \$600 federal unemployment to get people back to work!”

The “Repurpose street parking/open space” and “Change health code to make it easier to operate” were the next most common responses. Several comments included the desire for additional parking and the need for a vaccine. Interestingly, four business wrote a variation of “I do not know” or “none of the above” with one saying, “these changes do not directly affect my business.”

Changes That Would be Helpful To Small Businesses



Interview Themes

Despite the significant demographic differences within the six case study cities, eight clear themes emerged from the interviews with the eleven economic development leaders.

“It was really helpful to stay coordinated. It made it possible to distribute information from the state and from public health folks. Collaborating extended our reach.”

– **Tim Cummings, Economic Development Director, City of Nashua**

1. Coordination between city government and economic development groups is essential for effectively supporting small businesses.

In Flint, the City put together a Blue Ribbon Task Force made up of 45 people from across the city to create a set of recommendations for a safe reopening. The report included recommendations for community centers, places of worship, businesses, and schools.

Downtown Lansing Inc partnered with the Lansing Economic Development Corporation and the City to provide a series of grants to small businesses.

Portland Downtown partnered with Portland Buy Local to offer weekly webinars for small businesses on topics ranging from federal loan information, to getting out of a lease, to ending your business in a thoughtful manner.

In Youngstown, the city formed an economic development task force to work together to provide forgivable loans, provide technical assistance, and raise money.

2. Economic development groups have been supporting virtual events and e-commerce efforts.

The Greater Haverhill Chamber of Commerce orchestrated a gift card matching program—if you bought a gift card at a restaurant, the Chamber matched half of it.

Downtown Lansing Inc. hosted technical assistance webinars, created a digital passport that included deals at local businesses and art galleries, and implemented a virtual scavenger hunt that included rentals for kayaks and bikes on the riverfront.

Portland Downtown is working to support small businesses’ e-commerce by doing a survey of small businesses’ websites.

“We held technical assistance webinars on topics such as e-commerce and how to make live videos.”

– **Cathleen Edgerly, Executive Director, Downtown Lansing Inc.**

3. Repurposing space for socially-distanced events and outdoor dining is critical.

In Haverhill, the Mayor moved quickly to mobilize jersey barriers for outdoor dining, but was not amenable to investing in the beautification of the space.

The City of Nashua narrowed Main Street to accommodate outdoor dining, installing 2,400 linear feet of jersey barriers in parking and travel lanes.

In Portland, the city worked quickly to make it possible for group fitness classes (e.g. yoga and spin) to be held on remote streets, in adjacent parking lots, and in public parks. However, the city faced pushback from some business owners when it came to street closures for outdoor dining.

The City of Youngstown worked quickly to streamline the outdoor dining permit process.

Downtown Lansing Inc. worked with their partners to host a drive-in movie night for the first time.

“We organized a drive-in movie night this month which was exciting. This had never been done downtown before. We limited capacity to 40 cars to facilitate social distancing.”

– Cathleen Edgerly, Executive Director, Downtown Lansing Inc.



Location of a drive-in movie event hosted by Downtown Lansing Inc. July 2020. Photo credit: WILX News 10.

4. There has been some resistance to ideas and innovation at the City level.

“We put in a city ordinance to close a block of Saginaw Street and Martin Luther King Ave off for events and outdoor dining, but it was knocked down. The ‘Vehicle City’ is very vehicle centric.”

– Kady Yellow, Director of Placemaking at the City of Flint’s Downtown Development Authority

In Flint, a proposal to close down a block for events and placemaking was opposed by the mayor. Mayor Neeley said there is too much of a cultural separation between north and south to put up barriers in between.

In Haverhill, the city has been resistant to investing in new, creative ways to improve outdoor dining aesthetics. When the Chamber asked for financial support to take this on, the City said they were overcommitted and were not able to prioritize it.

In Portland, the lack of public restroom facilities has been a challenge as City Hall, the library, and businesses’ restrooms are closed. Despite ideas and calls to action from community leaders, the city has not prioritized addressing this issue.

5. Long-term strategy is largely focused on repurposing office space and investing in housing.

In Portland, major employers have hinted that remote working is working. If companies have a lot of office space, they may not need it. If space becomes available, Portland Downtown plans to advocate for it to be repurposed as housing.

The City of Youngstown is working with the Lincoln Institute of Land Policy on research and planning housing and commercial development on key corridors.

Downtown Lansing Inc’s long-term strategy includes bringing more residential living to downtown. They have been considering residential possibilities with high-rise buildings, state offices, and parking garages.

“What we really need to do is build more multi-family housing. We want to attract educated people who want to live, work, and play in Nashua.”

– Tim Cummings, Economic Development Director, City of Nashua

6. COVID-19 has exacerbated existing issues including the racial wealth gap, homelessness, and downtown vacancy rates.

COVID-19 has impacted low income and minority communities more severely than high income white communities. The pandemic has brought to the forefront underlying issues in a way that makes them harder to be ignored. The following quotes shed light on this theme.

“There is a disconnect between minority-owned small businesses and resources that was exacerbated by COVID. It became glaring that no one in the regional network had someone on staff who could speak Spanish or another second language.”

– Tim Cummings, Economic Development Director, City of Nashua

“It is a challenge and an opportunity to dig into the transition that the downtown has been going through for decades.”

– Cathleen Edgerly, Executive Director, Downtown Lansing Inc.

“We had a problem with office vacancy before COVID. The volume and density of businesses has decreased over the decades.”

– Hunter Morrison, Planning Consultant, City of Youngstown

“Homelessness and evictions have been exacerbated by COVID.”

– Cary Tyson, Executive Director, Portland Downtown



A group of protestors camped out at Portland City Hall to raise awareness of the homeless problem in the city. Portland, ME. July 28, 2020. Photo credit: Maine Beacon.

7. Despite major demographic differences, cities face similar challenges including limited bandwidth and constrained budgets.

First, stakeholders described not having the organizational bandwidth to focus on long-term planning around COVID-19. For example, Tyler Rossmassler, Director of Economic Development at the Flint Chamber described, *“That conversation [around long-term strategy] isn’t happening right now. Businesses are worried about getting through this summer. They are focused on survival.”* Tim Cummings, Economic Development Director at the City of Nashua stated, *“We didn’t have a playbook, we just had to make decisions.”* In the first few months of the pandemic, cities have been in crisis management mode.

Second, cities face constrained budgets. Sharon Woodberry, Director of Community Planning and Economic Development at the City of Youngstown stated plainly, *“We are struggling right now. Unemployment is running out. We have a \$4 million budget gap.”* In Lansing, Cathleen Edgerly, Executive Director of Downtown Lansing Inc. shared concern for the non-profit’s stability stating, *“We can’t be so reliant on events for fundraising. City and state budgets are going through cuts. How can small non-profits like us survive?”* While some cities’ budgets are more vulnerable than others, all cities face a squeeze as a result of the pandemic.

8. Small and mid-sized cities are resilient and adaptable.

The city leaders we interviewed and small businesses we surveyed have weathered economic downturns, devastating fires, and other unexpected challenges for decades. While downturns are hurting right now, the cities are facing the challenges brought by COVID-19 with tenacity and a resilient spirit.

“Flint has been in crisis management mode for 20 years or longer. We rest on the laurels of being resilient.”

– Tyler Rossmassler, Director of Economic Development, Flint & Genesee Chamber of Commerce

“Cities are looking at Youngstown because we know how to survive. This community has learned how to be resilient. We’re still here.”

– Hunter Morrison, Planning Consultant, City of Youngstown

Conclusion

COVID-19 has transformed American lifestyles and with it our downtowns. Even with widespread vaccination, the long-term impacts of COVID-19 on downtowns will include a decreased daytime population, a recognition for the need for more outdoor space, and small business closures. With work from home becoming a permanent option at companies across the country, fewer people are working in commercial districts during the daytime. This has had a huge impact on small businesses who have traditionally depended on daytime shoppers and diners. COVID-19 has exacerbated existing issues including the racial wealth gap, homelessness, and downtown vacancy rates.

Based on the interviews with eleven stakeholders and responses from 131 small business owners, we identified the following five long-term recommendations for supporting small businesses and downtowns in the wake of COVID-19.

1. Reimagine downtown uses: Repurpose parking, streets, alleys, and green space for outdoor dining, exercise, and socially-distanced activities.

2. Invest in housing downtown: Evaluate opportunities to increase housing downtown in order to increase the size of the daytime population for downtown businesses.

3. Prioritize grant programs over technical assistance for small businesses: When resources are available, provide grants or financial incentives over technical assistance and programming.

4. Evaluate the need for commercial rent relief and/or stabilization: Invest time in understanding rent needs and priorities with commercial tenants and landlords.

5. Determine a long-term plan for repurposed parking and access downtown: In the effort to remove the frustration of uncertainty, commit to a plan for the foreseeable future.

Despite these challenges, small businesses are resilient and adaptable. The global pandemic has shed light on issues that existed long before COVID-19 and provided an opportunity for downtowns to implement innovative ideas and strategies. This report provides a window into the experiences of six small and mid-sized cities in the midst of the global pandemic. We hope the recommendations and ideas for addressing the long-term impacts of COVID-19 support ongoing planning and policy.

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Appendix

Interviewees

City	Organization	Contact Name	Contact Title
Flint, MI	Flint & Genesee Chamber of Commerce	Tyler Rossmassler; Kady Yellow	Director of Economic Development; Director of Placemaking
Haverhill, MA	Greater Haverhill Chamber of Commerce	Dougan Sherwood	President & CEO
Lansing, MI	Downtown Lansing Inc. (Non-Profit)	Cathleen Edgerly	Executive Director
Nashua, NH	City of Nashua	Tim Cummings	Economic Development Director
Portland, ME	Portland Downtown (Business Improvement District)	Cary Tyson; Amy Geren	Executive Director; Program Director
Youngstown, OH	City of Youngstown	Jamael Tito Brown; Sharon Woodberry; Nikki Posterli; Hunter Morrison	Mayor; Director of Community Planning and Economic Development; Mayor’s Chief of Staff; Planning Consultant