

End Of The Main Street As We Know It

The Commonwealth funded Main Street program is about to come to an end. Say goodbye to the Main Street program and say hello to Keystone Communities. The proposed new program will offer fewer dollars for downtown revitalization as the Department of Economic and Community Development (DCED) budget contracts. The proposed new program is a one-year program that is designed to get people started in downtown development.

The Commonwealth has been extremely generous to the Main Street program in the past. They have provided a multi-year grant from the early 80's until today. They have funded so many towns that they were going back and funding them again. Towns are getting two bites at the apple, especially if they were one of the 3 year funded communities which received funding in the early stages of the program's implementation.

In a way, I can see why it would be a target for cuts. Although there are plenty of successes in downtown development, there are five times as many failures. Sometimes community groups value the wrong things in choosing a downtown manager. Many of the downtown managers I have seen over the years have no real business being in the field. While attending conference or a meeting of downtown managers, you can see the vast disparity in knowledge and ability. Economic Development is not an easy thing to do for a living.

Managers who came from communities the second time through were as clueless as if they started yesterday. That tells me that the second time communities did not continue the effort from the first time and were getting a second chance as Commonwealth tried to be equitable. There should be some level of community financial support to keep the program going in the community. DCED preaches sustainability and now towns will have to truly become sustainable in their approach.

No one will lose any support that has already been committed but there will no longer be multiyear programmatic grants. None of the other states are as generous as the Commonwealth of Pennsylvania when it comes to funding downtown revitalization. The National Trust Main Street Program has shown results and has been the basis of the Commonwealth financing effort. Most other states encourage business improvement districts or business district authorities. It will be interesting to see how things develop for new programs.

The current thinking is that there will be a Keystone Communities Grant, which would be a one-year grant of up to fifty thousand dollars. If I were still a manager I would become a keystone community and get that fifty thousand in admin money, so I would be able to survive another year.

It is not clear what else has changed but here are a few highlights. The proposed plan has Housing and Redevelopment Assistance program being eliminated; the Commonwealth Financing Agency blending with some other funds into the Liberty Loan Program. For those of you old enough to remember, Liberty Loans were popular in World War One.

There is also a proposal to eliminate the Community Revitalization Program dollars that are controlled by your legislator. All the folks in the community may not be able to go to your legislator for discretionary dollars if this program is eliminated.

There will be deep cuts in some of the state agencies like the Pennsylvania Downtown Center, Pennsylvania Environmental Council and a myriad of other quasi government agencies will have to compete to get the contracts. The days of sacrosanct status for some agencies has ended.

Life will be changing for economic development professionals as everything has now been shaken up like the letters in a boggle game. Those letters are making new words and acronyms that soon economic development professionals will all learn to know and love. They will just to have less to love.

The competition for the dollars will be keen. Communities who are already doing with less may have to sharpen their skills in order to compete for programmatic dollars. Towns will need someone who understands the grants and how to write them in a manner in which they are deemed competitive. It will be a little more difficult.

Where there is change, there will be winners and losers. Rarely does change play out to a zero sum. The advent of winners and losers brings the opportunity to do things organizations may not have been able to do. It will be essential to make sure the application is based upon competitive leveraging and rely on a good plan. To some extent I think that a shakeup was necessary, because of the hierarchy of programs that existed may have had their self-interest served sometimes at the expense of the good project.

So, we return to the wild, wild west as administrations change and there again is a different way of dealing with issues. It will take time to get used to what the current reality is and how to master it. Those with good ideas and great projects should now step forward with your comprehensive proposal in order to get your funding solidified. The pallet is clean and the opportunity is being provided.