



Think Small: Supporting Businesses in Your Community

By PA Downtown Center Staff

A report published in April by Main Street America noted that nearly 7.5 million small businesses nationwide were in danger of going out of business in the five months after closure orders as a result of the coronavirus (COVID-19) crisis. Of the 603 PA small businesses surveyed, 63 percent said this would be their fate. Nearly 80 percent of the state's respondents had seen revenue decrease by more than 50 percent.

"We remain deeply concerned that many of our nation's smallest businesses are the most vulnerable to revenue disruption caused by the pandemic, and these businesses are the least able to obtain funds," said Patrice Frey, president and CEO of Main Street America, in a press release.

In the report, *The Impact of COVID-19 on Small Businesses: Findings from Main Street America's Small Business Survey*, a majority of small businesses said they also needed information on financial assistance as well as penalty-free extensions on

expenses (rent, utilities, supplies, inventory).

During these uncertain times, The Pennsylvania Downtown Center has been working closely with Main Street and Elm Street communities to develop best practices to assist small businesses' survival.

The following are steps and actions that a borough management and/or its revitalization partner(s) can undertake or support.

Become a local COVID-19 expert. Provide consistent updates and reminders. Make sure media outlets, like websites and social media, are up-to-date and engaging. Use these platforms to provide links to funding opportunities and more.

However, the *Impact of COVID-19* report found that nearly 60 percent of respondents from PA did not have an active online sales component for their business. The report suggested web development and e-commerce training for small businesses might be an area of crucial investment

as additional cash infusions are evaluated.

Create or support a revolving loan fund. A local revolving loan fund (RLF) is a tool that allows a lending entity to direct funds to targeted areas or businesses. An RLF is typically used as a gap financing measure with the intent of making loans and then utilizing the interest and principal payments on those loans to replenish the pool of money, allowing for additional loans to be made. Lending entities could potentially be a borough, Main Street organization, or county planning department. With a well-developed plan, an RLF is a great way to bring some much-needed assistance to businesses in the community.

The report also suggested that while it is natural for state, county, and local governments to pullback from funding non-mandated programs, this is the wrong strategy. Programs, like Main Street, serve as critical connectors and supporters of small businesses, and the 40-year history



and expertise of these programs can be essential for a community managing through the crisis and recovery.

Collaborate to develop a curbside pickup parking program.

Restaurants and businesses have been relying on curbside pickup. Local officials can be leaders in supporting businesses' access to customer parking as close to restaurant doors as possible, for example. Another idea: Coordinate with partners to purchase yard signs to indicate that specific parking spaces are for curbside pickup only.

Organize gift card programs. A downtown gift-card program is one way to put cash into merchants' pockets. A revitalization group or others could provide incentives such as an extra \$25 gift card for every \$100 someone spends for a gift card(s) from a small business.

Explore virtual events. As social-distancing efforts may continue or return, people will be at home and plugged in to


social media and online platforms. Virtual First Fridays and other online events can increase visibility for small businesses and increase online orders and curbside pickup. Schedule time for local musicians or host a tour of a local art gallery for viewers to enjoy while they eat takeout from their favorite downtown restaurant.

"Now, more than ever the roles our local Main Street and Elm Street programs play in our communities are being recognized. They are being seen as the convener and coordinator that unite the private, public, and non-profit sectors in our communities. Many of these programs are acting with ingenuity and resourcefulness – of innovative partnerships and creative solutions," said Julie Fitzpatrick, executive director of the PA Downtown Center. "This is our time to reinvent what the future holds in our communities, and our Main Street and Elm Street programs are leading the effort."

These are just a few ideas of what municipalities, agencies, and organizations can do to help small businesses maintain operation in some capacity during COVID-19. When in doubt, officials and leaders should reach out directly to neighborhood and business partners to see what kind of assistance they need.

In the weeks and months to come, it will take everyone's continued support to make sure that small businesses can succeed.

For more on the survey and Main Street America, visit www.mainstreet.org/blogs/national-main-street-center/2020/04/09/new-report-the-impact-of-covid-19-on-small-business.

***About the authors:** Collaboratively written by Maria Wherley, network relations & conference coordinator; Mary Tate, field services coordinator; and Kyle Bailey, field services specialist at the Pennsylvania Downtown Center (PDC). PDC is the only statewide non-profit dedicated solely to the revitalization of the commonwealth's core communities. Primarily through utilization of the Main Street Approach™, and in partnership with Main Street America and the PA Department of Community and Economic Development's Keystone Communities Main Street and Elm Street programs, PDC provides outreach, technical assistance, and educational services in order to assist communities in revitalizing their Main Street/central business districts and surrounding Elm Street/residential neighborhoods. Visit www.padowntown.org. *