

Economic Stabilization, Recovery and Organizational Response: An Action Framework for Colorado Downtowns

DRAFT – April 7, 2020 – Prepared by P.U.M.A. in concert with DOLA/Colorado Main Street

Underlying Assumptions

- a. Three- to six-month period of extreme disruption, 12 to 18 months to resumption of most economic activity. Likely that economy rebounds in stages as health crisis stabilizes, with risk of setbacks.
- b. Background trends in demographics and lifestyles remain positive for long-term, yet pandemic will create permanent shifts in many sectors
- c. Useful framework for navigating the economic turbulence – short-term stabilization (i.e. next six months), recovery (i.e. next 18 months) and new normal (beyond 18 months)
- d. Organizational response – local Main Street/downtown organizations and civic partners will need to pivot resources, skills and approaches through each stage of the framework

I. Stage I: Stabilization – Next Six Months

Main Street managers and programs are the de facto problem-solvers for communities and, in the best of times, are often spread thin in many directions. Effective crisis management requires Main Streets to establish boundaries, focus on priorities, potentially cut or defer some services and place energy in efforts that have the highest probability of success.

- a. Information and support – Trouble-shooting to support small businesses, including property owners. Disseminating information, connection to state and federal emergency resources.
- b. Create/maintain a real-time inventory/map of businesses/tenants – coding to identify tenants most at-risk to stable. Quick survey of businesses to enrich intel, identify priority needs – use personal contact (i.e. phone, one-on-one) to strengthen and build on relationships.
- c. Locally-focused (town, county) promotions – Tap into locally accessible markets to support small businesses, assist local businesses in staying viable (e.g. coordinate unified packaging and marketing for the district -- help businesses create an online presence; promote businesses offering take-out, etc. – make it easy/accessible for local consumer)
- d. Problem-solving – Role for Main Street managers to work with local leaders (town, property owners, influencers) to trouble-shoot vulnerable businesses on a case-by-case basis.
- e. Be at the decision-making table – make sure downtown/Main Street is represented in local recovery task forces
- f. Anticipate permanent closures – work with property owners to animate vacant storefronts
- g. Keep it safe and clean – Take care of the fundamentals, from landscaping and sidewalk sweeping in small towns to safety issues in larger communities
- h. Prepare for phased release and activities – younger residents may be first to re-enter job and consumer markets
- i. Understand market strengths and vulnerabilities – Use recent studies and/or cursory research to develop local market understanding – identify baselines, including local demographics, key businesses and influencers – what can we realistically sustain, what may need to change. Acknowledge dependencies (i.e. destination resort, oil and gas, etc.) and identify potential pathways to diversify local economies including ways to enhance local/regional supply chains.

II. Stage II: Recovery – Next Three to 18 Months

Anticipate and prepare for phased re-opening of businesses and activities. Gradual relaxation of social distancing, age-based restrictions, local and regional markets will be most accessible in early stages of recovery. Time to “retool and refuel” and help businesses and districts re-open safely.

- a. Continuation of information, support, inventory and intervention activities from Stage I
- b. Create/strengthen local volunteer platforms – may be local resident interest in participating in the recovery

- c. Focus marketing and promotional efforts to lure local and regional markets – who can access our offering with a car, not a plane -- explore opportunities to collaborate through Main Street and other regional/statewide organizational networks.
- d. Phase in events that are proportional to confidence in public health – small gatherings in beginning
- e. Forge new alliances with the local “real estate delivery system” that supports small businesses – i.e. property owners, influencers, lenders, other sources of capital – goal is to create a gradual road map to recovery
- f. Test new concepts in vacant storefronts – pop-ups, shared retail concepts, work with property owners
- g. Consider working with local influencers to create a locally funded and directed recovery investment fund for Main Street/downtown
- h. Plan for New Normal – Strategic planning to set a course on how the district will evolve over the next five years, incorporating ideas for diversifying local job bases and permanent adjustments caused by the pandemic – create a road map for economic resiliency and set new goals
- i. Identify local funding options to invest in capital and other improvements to the downtown experience as local tax bases recover – think 2021 and beyond

III. Organizational Response – How local Main Streets and downtown management organizations can adapt to the preceding Stages...

a. Stage 1

- ✓ Like all businesses, try to identify/create a cash reserve – reallocate funds from special events, postpone capital and discretionary/non-essential expenses – aim to create 1) funding for essential operations and 2) cushion for unknown ahead.
- ✓ Federal funds could help downtown organizations and local government partners (i.e. CARES, CARES II, etc.)
- ✓ Solidify partnerships – local government, civic organizations – avoid duplication, leverage community support efforts, unified approach
- ✓ Need to reallocate resources/efforts to economic stabilization – short-term priorities include creating time/energy to 1) maintain one-on-one contact with stakeholders; 2) coordinate with civic partners; 3) anticipate effort for trouble-shooting and interventions to save businesses.
- ✓ DOLA/Main Street, other organizations can tailor programming and training webinars to assist on-the-ground managers with tools and approaches, foster information-sharing
- ✓ Local market promotions and visibility – maintain local exposure through social media, conventional media to 1) showcase what the district has to offer and 2) civic importance of supporting local businesses

b. Stage 2

- ✓ All of the above continue, plus...
- ✓ Develop a stabilization strategy for the organization – identify mid- and long-term funding, including ways to diversify funding and programming
- ✓ Expand local market promotions and visibility to regions, including Front Range
- ✓ Create locally-based special events that instill local pride and ownership in the district – small scale, community-building. Communities will likely be starved for reconnecting once confidence in public health improves.
- ✓ Strategic planning to align the organization with a revised vision and tactical plan for Main Street/downtown – may require new goals, objectives, include sequencing, funding and partnerships