



Leadership Through Partnerships:

*The National Trust's Main Street
Program as a Community Economic
Development Tool*

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LEADERSHIP THROUGH PARTNERSHIPS: THE NATIONAL TRUST'S MAIN STREET PROGRAM AS A COMMUNITY ECONOMIC DEVELOPMENT TOOL

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ABSTRACT

The Main Street Program of the National Trust for Historic Preservation takes an innovative "grassroots and bootstraps" approach to community economic development. The program has been working in 600+ communities in 31 states over the past decade, combining historic preservation with economic development, based on community leadership, to revive historic commercial districts.

Main Street has met both success and failure in the Great Plains region, with success dependent on broad-based community support, good timing, continuity, adaptation to politics, and a balanced approach.

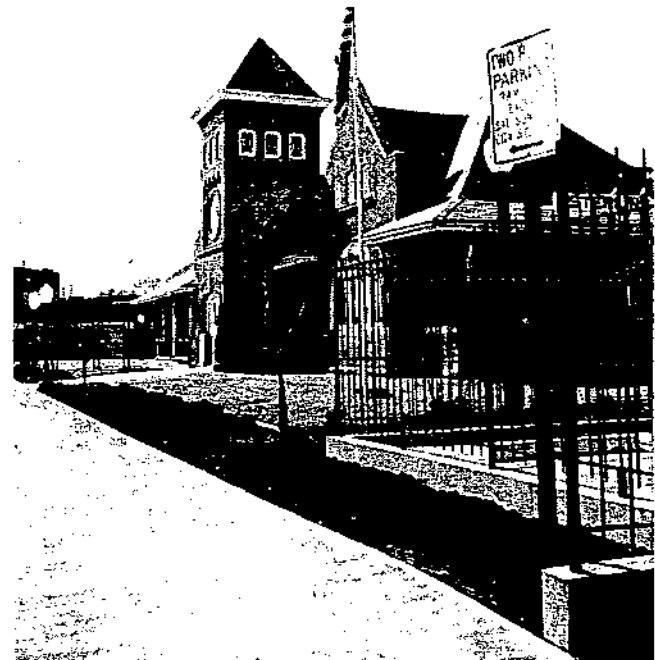
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In 1983 Union Pacific Railroad officials told citizens of Sterling, Colorado, a community of 11,000 on the high plains 120 miles northeast of Denver, that their historic train station stood in the way of progress. It would have to come down.

Sterling's 16-block downtown, pocked with empty storefronts, was already hurting. Wards, J.C. Penney, and others had left for strip malls closer to Interstate 76. But the prospect of losing their generations-old red brick station galvanized the people of Sterling into action. Local citizens raised over \$300,000, purchased the station and moved it two blocks up the tracks.

Over the next six years they restored the building to its original 1902 condition. It now houses the local chamber of commerce and United Way. A "Main Street" program helped make all this possible.



Union Pacific Railroad Station, Sterling, Colorado. Center for the New West (Photo by John C. Shepard)



Union Pacific Railroad Station, Sterling, Colorado. Center for the New West (Photo by John C. Shepard)

Across the Great Plains people facing hard times downtown are turning away from "bulldozer" solutions to economic renewal. One increasingly popular alternative is the Main Street Program of the National Trust for Historic Preservation. Main Street is an innovative example of a "grassroots and bootstraps" approach to community development (Swager 1991) and civic partnerships growing out of community leadership. In more than 600 towns in 31 states, Main Street has been combining historic preservation, economic development, and community leadership to revive historic downtowns. David Heenan, author of *The New Corporate Frontier*, accounts that as part of a national "neotraditional" movement Main Street communities of "5,000-50,000 have spiffed up historic buildings, rekindled economic vitality, and invigorated their downtowns with a sense of vibrancy and fun. [These towns] have begun to entice business back to their Main Streets" (1991, 54).

A pilot program in 1977 to test the Main Street model (see Skelcher 1990) led the National Trust to

create the National Main Street Center (NMSC) to conduct a national demonstration project in six states, including Colorado and Texas. In 1984, the program began expanding to other states. NMSC provides training and limited technical assistance on contract to participating states, and also runs a national network of current and former program members. State Main Street programs select communities for the program in annual competitions. Communities in turn must fund a full-time local Main Street manager — a "shopping mall manager" for the entire downtown.¹

Once underway, Main Street programs operate on the NMSC four-point approach to revitalization:

- **Design:** Enhance the appearance of downtown through public and private rehabilitation, sensitive construction, and coordination of signs, lighting, parking, etc. This can be funded by a variety of tools. For example, in Minnesota, Barnesville's program has established a low-interest revolving loan fund with a local bank.
- **Organization:** Bring development and preservation groups together, such as Sterling's Merchant's Organization, Urban Renewal Authority, and Downtown Improvement Corporation.
- **Promotion:** Market historic downtowns. For example, Main Street Roswell, in New Mexico, sponsors a Mexican-style rodeo and annual Christmas parade.
- **Economic Restructuring:** Strengthen and adapt the economic base. The Peabody, Kansas, program sponsored a comprehensive market analysis for downtown businesses.

Over the past few years Main Street has embraced innovation in adapting the program to urban neighborhoods in cities with more than 50,000 and smaller towns with less than 5,000. Small town programs have been developed at the state level and differ by location, but usually offer increased state technical assistance and only require a part-time manager.

Essentially, the program is a local-state-federal partnership based on community leadership to start, fund, and continue an ongoing process of development. Each level is vital to the success of the program, and programs vary state by state and community by community to better address local wants and needs.

As part of the Center for the New West's Great Plains Project, the author has researched Main Street program activities in and adjacent to the Great Plains region.² In the Center's Great Plains study area, states which have at one time or another sponsored a Main Street program are: Colorado, Iowa, Kansas, Minnesota, New Mexico, Oklahoma, South Dakota, Texas, and Wyoming. Sioux City, Iowa, Lincoln, Nebraska, and Cheyenne, Wyoming, have relationships with NMSC independent of their states, although a state program is being considered in Nebraska. (See Figures 1 and 2.)

SUCCESSFUL PROGRAMS

Where Main Street has taken hold, the program is reviving moribund downtowns, helping to save important historic resources, and prompting an average 17:1 leverage of private reinvestment. Private investment in Main Street districts nationwide has been growing exponentially and stands at more than \$2 billion over the life of the program. In the Great Plains region, Texas has one of the largest programs in the country (Reed 1988). Oklahoma and Kansas also have very successful programs. The *Sunday Oklahoman* actually credited Main Street as the key to survival for some towns during the recent oil bust (Nelson 1990), and the Kansas Center for Rural Initiatives has profiled economic turnaround credited to that state's experimental Small Towns program (Eberhard 1991). The Minnesota program, which died away in the mid-80s, was revived in 1990 with hopes "to make downtown a fun place to be" (Dalman) and boost the health of communities.

Iowa is another example of a successful Main Street program. In Iowa, both communities and the state government have been active in building on the Main Street approach. "Main Street Iowa" has been partially funded by the state lottery since

its inception in 1986. The program is based in the state Department of Economic Development and has served 29 towns in the past five years. Those towns have seen 531 new businesses, 1,726 new jobs, and over \$34 million in private reinvestment in their Main Street districts (*Main Street Messenger* 1991). Currently 26 are active, of which seven are in the Center Great Plains study area.

In addition to the regular Main Street program, Iowa offers a Self-Initiated program, an Urban Program, and a Rural Main Street program. The Self-Initiated program is offered to communities which elect to follow the regular Main Street regimen but the manager need be only part time. Self-Initiated cities are not selected in the competitive process, and MainStreet Iowa provides only limited training and assistance on an availability basis.

In 1990, Iowa joined Kansas and Minnesota³ in a new Rural Main Street program for towns with fewer than 5,000 residents. Both regular MainStreet Iowa and contracted NMSC staff devote additional time to each community to "fine-tune" the program to local wants and needs, which also builds trust between the partners. The project culminated in a comprehensive review by MainStreet Iowa and the NMSC at the end of the first year (Hussman 1991). That review's results offer useful insights on both the positives and negatives of a small towns program:

- The Rural Main Street program puts additional emphasis on leadership and entrepreneurial development by conducting educational seminars, working with Small Business Administration programs, and setting up business incubators in historic buildings.
- Smaller communities may not have the ability to support both the chamber of commerce and other groups such as Main Street.
- A small towns program tends to cover the entire community, instead of only downtown. This requires a wider range of participants and community support.
- Rural managers effectively work full time but are paid part-time.

Figure 1

National Trust Main Street Programs In Great Plains States

STATE	YEAR BEGUN	TOWNS CURRENTLY ACTIVE	TOTAL TOWNS SERVED	TOWNS IN SMALL TOWN PROGRAM	ACTIVE TOWNS IN GPP AREA	STATE OFFICE
Colorado	1983	Discontinued	5	n/a	n/a	Local Affairs
Iowa	1988	26	29	9	7	Economic Development
Kansas	1985	18	20	3	15	Commerce, Community Development
Minnesota	1984	5	14	5	3	Trade & Economic Dev
Lincoln, NE	1984	Independent	1	n/a	1†	Haymarket Square
New Mexico	1985	7*	15	n/a	2	Economic Development
Oklahoma	1986	14	17	0#	5	Commerce
South Dakota	1988	8	11	n/a	8	Economic Development, Rural Cmty Dev.
Texas	1981	41	67	n/a	13	Historical Commission
Wyoming	1985	Discontinued	8	n/a	1†	Economic & Community Development

* New Mexico no longer contracts with NMSC

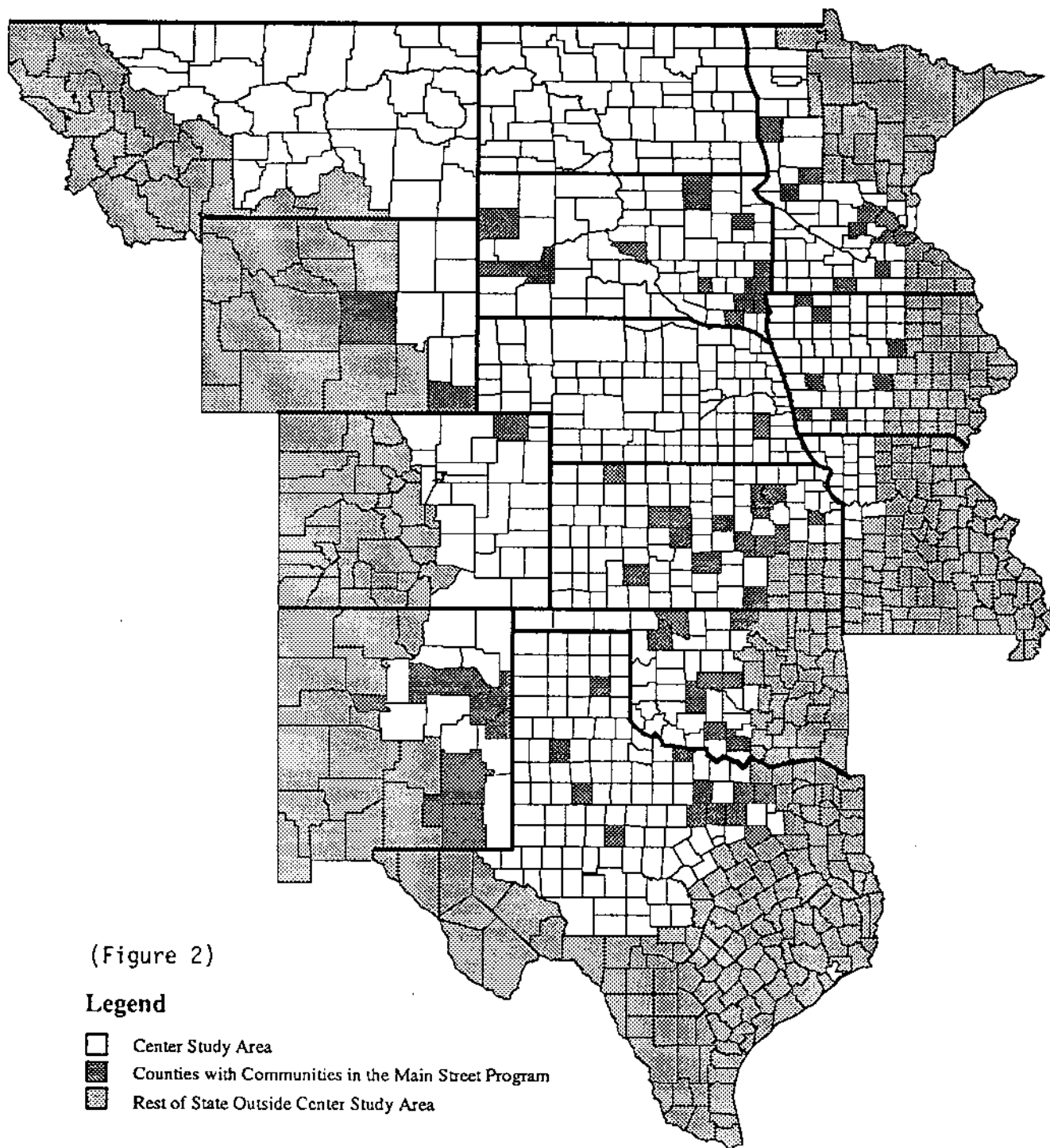
Oklahoma will pick 4 small towns for a new program in 1992, as well as 1 city for a new urban program.

† Lincoln and Cheyenne are independent members of the Main Street Network

Source: National Main Street Center, Individual state Main Street programs.

THE GREAT PLAINS

Center for the New West Study Area - Main Street Counties



(Figure 2)

Legend

- ☐ Center Study Area
- ☒ Counties with Communities in the Main Street Program
- ☐ Rest of State Outside Center Study Area

Iowa is entering uncharted waters again this year with an initiative to fund a *circuit-riding* Main Street manager for eight small towns in Hamilton County. Webster City, the county seat, already participates in the program. With the help of the State's Rural Enterprise Fund, Main Street will reach out in a community cluster pattern⁴ familiar in Iowa, Saskatchewan, and Alberta.

Urban programs, by contrast, apply Main Street to urban neighborhood centers of cities larger than 50,000. In Lincoln, Nebraska, the **Historic Haymarket District** is an enormously successful, evolving loft/warehouse area. After initial efforts at redevelopment by private interests, preservationists and developers joined with the city and NMSC for an urban demonstration project in 1984. Although only a networking Main Street member, having dropped out of full membership in 1986 due to staff turnover,⁵ over 65 percent of the district has been renovated and a Business Improvement District established. The ten square block area now supports a full time manager and includes four antique stores, four art galleries, three bookstores, six restaurants, specialty shops, and co-op and private apartments.

MAIN STREET GROWING PAINS

In any new program, there are bound to be problems — growing pains. Colorado's experience seems typical of problems that all states have faced. Colorado's Main Street program began in 1983 as part of the national demonstration project. It was based in the state Office of Rural Development and included the towns of Delta, Durango, Grand Junction, Manitou Springs, and Sterling. After the third year of the demonstration, Colorado's state-level Main Street program was allowed to quietly die, though the NMSC network still runs informally through the state Department of Local Affairs and individual towns continued with some efforts.

The biggest problem in Colorado was that people generally misunderstood the mission of the program: preservationists thought it did too much *development* and economic developers thought it did too much *design*. Local Main Street participants thought it was underfunded by the State, and state officials thought the program was

too expensive. Some believed that the program mismarketed downtown — concentrating on specialty, niche shopping at the expense of main street mainstays — and was not suited to smaller towns. Overall, local people never trusted the Main Street "outsiders," whether they were from Washington or Denver.

The experience of one town in the Kansas program also illustrates some of the pitfalls Main Street, especially in rural areas, can face. The town's program was formed by four businessmen and has continued to be run solely by a small number of people from the retail sector. Although housed in and partially funded by the chamber of commerce, there has been conflict between the two groups over who does what and who sponsors which event. In the first three years, they have completed one facade drawing and no rehabilitations. Main Street has been sold to this town as an economic development program, without the design and preservation roles.

When Main Street is not presented as both preservation and development, public misconceptions lead to public disappointment and disillusionment. Although studies have shown that "historic preservation and renovation projects generated the least jobs per amount invested [and] those jobs tended to be lower paying,"⁶ Main Street projects are designed for more than jobs. They are intended to preserve and enhance the heritage of communities. They can not compete if judged on jobs or reinvestment alone.

CONCLUSIONS: A Viable Model for Local Leadership

The same general problems — misunderstanding of the program's mission, inconsistent funding, organizational conflict — have been cited in each state, yet these problems have not destroyed the program in most states. Even when state programs withered, many of their towns did well. Why did states like Colorado and Wyoming declare Main Street a dead end, while programs in Iowa and Texas became national models? The answer seems to be community support, timing, continuity, adapting to politics, and adherence to the four point approach.

Broad-based community support is vital to success. Main Street is a comprehensive program and needs a base of civic leaders behind it. Because of its ambitious nature Main Street requires time and resources from many different people and established organizations. Where broad support has been lacking, the program has not fulfilled its potential. Where communities have pulled together and cooperated — whether in a village of 1,400 like Peabody, Kansas, or a city of 180,000 like Lincoln, Nebraska — the program can bring life back to town.

Timing of the program is a definitive factor. Colorado's status as a demonstration project, a testing ground, in part accounts for its problems. Other states, however, have overcome similar problems. Colorado and Wyoming also took part in the program during their boom years when historic resources or community development were not valued as highly as they may be today.

Now that Main Street has become a fixture in many of America's downtowns, the program seems to be undergoing somewhat of a crisis of continuity in some states. The question seems to be, "Now what?" The initial gung-ho communities are into or beyond the program, and the remaining towns are either not as eager, educated, or well suited to Main Street's methods. As well, towns that see it as an easy two- or three-year fix are invariably disappointed.⁷ Former NMSC director Lance Parrish acknowledged the challenge in a recent article, outlining Center plans for increased research and funding (Keister 1990). New urban and small town programs, such as Oklahoma's, are also encouraging signs that Main Street can grow, mature, and adapt to future needs and opportunities.⁸

Politics and political flux enter into any public policy question. Many see Main Street as competing with, instead of complementing, other community economic development programs. Changes in government administrations can greatly affect the funding and structure of the program. Minnesota, New Mexico, and South Dakota are reevaluating Main Street due in part to a turnover in state government. These programs face either elimination or a major restructuring as a result. Main Street is, however, a unique model

for government's changing role, from that of a resource "provider" to a resource "broker," partnered with "grassroots" civic leaders from the private sector.

The most important factor in the success of a local Main Street program is adherence to the four point approach: Design, Organization, Promotion, and Economic Restructuring. This is not to say that it is a cookbook solution; rather, it is a flexible set of guidelines that must be adapted to local strengths and weaknesses. If one is made more important, or if one is neglected, the program is crippled. Without design, Main Street is just another economic development program. Without promotion or restructuring, Main Street is just another stodgy museum project. The magic is in the mix — and in community leadership that understands this.

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nonprofit Denver-based research and communications organization, with partial funding from the Aspen Institute/Ford Foundation and USDOC/EDA Denver Regional Office. The study area stretches from I-25 to I-35, including parts of Colorado, Iowa, Kansas, Minnesota, Montana, Nebraska, New Mexico, North and South Dakota, Oklahoma, Texas, and Wyoming.³ Oklahoma is establishing a program aimed at small towns in 1992.

⁴ For more information on clustering, see the proceedings of the North Central Regional Center for Rural Development (NCRCD) conference on "Multicommunity Collaboration: An Evolving Rural Revitalization Strategy" held in Chicago, November 4-6, 1991.

⁵ A "Networking" affiliation with the National Main Street Center is similar to "Self-initiated" status. Networking members may have been, at one time, full members of Main Street but left for one reason or another, usually because of funding or staff difficulties. Some "networking" members do not have state-level programs available. These towns remain connected with the NMSC network, but do not receive staff assistance.

⁶ Gary P. Green, *et al.* "Local Self-Development Strategies: National Survey Results," *Journal of the Community Development Society*. Volume 21, Number 2, 1990. Quoted in Flora and Flora 1991.

⁷ This has been recognized as a problem since the original pilot programs. Skelcher 1990.

⁸ Constance Beaumont discusses trends for the 90s in historic preservation, including Main Street, in "What's New in Preservation," *Planning* magazine, October 1991.

NOTES

¹Two good general references on the efforts to establish Main Street are Kim Keister, "Main Street Makes Good," in *Historic Preservation*, Sept/Oct 1990; and William J. Murtagh, *Keeping Time: The History and Theory of Preservation in America*, published by Main Street Press in 1988.

²The Great Plains Project — *A New Vision of the Heartland: The Great Plains in Transition* — is a multiyear look at contemporary assessments of the future of the Great Plains region. The project is being conducted by the Center for the New West, a private



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Great Plains Special Studies and Papers

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- | # | Title or Topic |
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| 91-702 | Quantic, Cathy. <i>The Great Plains, Canada and Mexico: Policy Issues in Rural Development and the Free Trade Agreement</i> . Denver: Center for the New West. August 1991. |
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| 91-704 | Heartland Center for Leadership Development. <i>A Case Study of Superior, Nebraska</i> . Denver: Center for the New West. November 1991. |
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| 92-709 | Drabenstott, Mark and Tim R. Smith. <i>The Changing Great Plains Economy: New Directions for Economic Policy</i> . Federal Reserve Bank of Kansas City. March 20, 1992. |
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