North Carolina Main Street Program at 15 Years: Giving Communities Hope for Their Downtowns

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In Main Street: Open For Business, the 1984 report on the initial three-year demonstration effort of the National Main Street Center, North Carolina Governor James B. Hunt, Jr., was quoted as saying “The North Carolina Main Street Program has been an unqualified success. The activities of the first five Main Street communities have clearly shown that no city or town needs to give up on its downtown business district” (Glisson 1984). In October of 1995, as he announced yet another round of new Main Street communities, Governor Hunt once again said, “the North Carolina Main Street Program is truly one of this state’s greatest success stories. Communities are rallying around their downtown areas, creating jobs and preserving their community’s heritage through this effort” (Press Release 1995). In an era when government-run programs are frequently under fire or in question, the Main Street program is one effort that continues to enjoy positive results and support and to give communities hope for their downtowns.

The Early Program

The Main Street Program was created by the National Trust for Historic Preservation (NTHP) in 1977 through a three-year demonstration effort in three mid-western towns. Based on the lessons learned and the overwhelming interest generated by the pilot program, the Trust decided to create the National Main Street Center® (NMSC) to expand their work to communities nationwide. From 38 applicants, six states (Colorado, Georgia, Massachusetts, North Carolina, Pennsylvania and Texas) were chosen to participate in yet another three-year demonstration. Each state selected five communities to be the first national Main Street cities. From the enthusiasm and success of these first towns the number of Main Street programs nationally has grown to over 1100 communities in 39 states. While each program may vary in some aspect of funding, organization, or focus, they all share the Main Street philosophy and its unique Four Point Approach™.

The Main Street Approach

While many other downtown revitalization efforts have failed, Main Street has distinguished itself with its thorough and comprehensive approach to the process of revitalization. At its simplest, Main Street is about understanding and managing change, but in reality the program goes much deeper. The Main Street approach features four points:

1. Organization—Building partnerships to create a consistent revitalization program and develop effective management and leadership downtown. Diverse groups—merchants, bankers, public officials, chambers of commerce and civic groups—must work together to improve downtown. Inherent within this point is the necessity for professional downtown management.

2. Promotion—Reestablishing downtown as a compelling place for shoppers, investors, and visitors. This means not only improving sales but also rekindling community excitement and involvement. Promotion ranges from street festi-
vals to retail merchandising, from community education to aggressive public relations.

3. **Design**—Enhancing the visual quality of the downtown. Attention must be given to all elements of the downtown environment, not just buildings and storefronts but also public improvements, rear entries, signs, landscaping, window displays, and graphic materials.

4. **Economic Restructuring**—Strengthening the existing economic assets of the business district while diversifying its economic base. Activities include recruiting new stores to provide a balanced retail mix; converting unused space into housing, entertainment, or cultural facilities; and sharpening the competitiveness of Main Street’s traditional merchants.

Practically any downtown issue can fit under this four point umbrella, and blending these elements assures that no one issue dominates. Downtown decline rarely can be traced to one event or deficiency. Therefore, revitalization requires a comprehensive review of all of the issues affecting the downtown without undue emphasis on any one area. Comprehensiveness is but one of the elements of the Main Street philosophy.

**The Main Street Philosophy**

Communities are most successful when they combine the four point approach with Main Street’s eight key principles. It is this combination of philosophy and strategy that has proven to be most valuable. The principles are:

1. **Comprehensiveness**—A single project cannot revitalize a downtown or commercial district. An ongoing series of initiatives is vital to build community support and create lasting progress.

2. **Incrementalism**—Small projects make a big difference. They demonstrate that “things are happening” on Main Street and hone the skills and confidence the program will need to tackle more complex problems.

3. **Self-help**—While the National Main Street Center and other state programs, such as our North Carolina Main Street program, can provide valuable direction and hands-on technical assistance, only local leadership can breed long-term success by fostering and demonstrating community involvement and commitment to the revitalization effort.

4. **Public-private partnership**—Every local Main Street program needs the support and expertise of both the public and private sectors and increasingly, the non-profit sector as well. For an effective partnership, each must recognize the strengths and weaknesses of the other.

5. **Identifying and capitalizing on existing assets**—One of the key goals is to help communities recognize and make the best use of their unique offerings. Local assets provide the solid foundation for a successful Main Street initiative.

6. **Quality**—From storefront design to promotional campaigns and special events, quality must be the main goal.

7. **Change**—Changing community attitudes and habits is essential to bring about a commercial district renaissance. A carefully planned Main Street program will help shift public perceptions and practices to support and sustain the revitalization process.

8. **Action-oriented**—Frequent, visible changes in the look and activities of the commercial district will reinforce the perception of positive change. Small but dramatic improvements early in the process will remind the community that the revitalization effort is under way.

**Early Revitalization Efforts**

Downtown revitalization is not a recent phenomenon. People have been talking about and attempting downtown revitalization since the first by-pass was built and the first store moved out to the strip. Previous revitalization programs came in many forms and from many sources, both public—federal, state and local—and private. The federal government, for example, gave us urban renewal, a program embraced by cities who hoped that by tearing down large blocks of buildings, land could be assembled to entice developers to create malls or similar new developments. Rarely did this happen. More often, the land remained vacant, only contributing to the image that downtown was dying. While it is true that some of this land has
since been used for public purposes, more often than not the land remains unused or underutilized, a sad reminder of lost architecture and misdirected strategy.

But the federal government was not alone in seeking solutions. Closer to home, merchants, property owners, and local officials—often encouraged by planners—were trying all manner of strategies including modernization, parking development, pedestrian malls, and streetscape improvements, among others. Under the banner of modernization, property owners were encouraged to cover their "old-fashioned" buildings with aluminum and other metals. This would add an updated look and signal customers that downtown was "just like the new mall." In another application of lessons from the mall, merchants became obsessed with the need for more parking, even if it meant tearing down whole blocks of buildings. Many believed that the real message had to do with appearance and comfort and that if downtowns were pedestrian-friendly, all would be well. Hence the rise of pedestrian malls across the country. In communities lacking sufficient resources or courage to undertake wholesale street closing for pedestrian mall development, there was still the chance to do streetscape improvements. New lights, a few trees, benches, and coordinated trash receptacles would surely make a difference, or so many thought.

All of these efforts were well-intended and at the time of their application, the best approaches available. What history has shown though is that successful revitalization depends on more than a single-issue strategy. Downtowns cannot address just parking, design, or business development. Successful revitalization requires the blending of strategies in a comprehensive manner, weaving many elements together to create a strong, revitalized fabric. It all begins with understanding the forces of change that have lead to downtown’s decline, and then learning how to apply those forces to generate positive results.

Downtown decline cannot be traced to a single cause, except in the rare case
of the company town that loses its main employer. More often, downtown decline is the result of numerous smaller (and sometimes larger) decisions made over time, rarely with the intent to harm downtown or its businesses. For example, when federal government officials decided to create the Eisenhower Interstate Highway System, they did so with national defense in mind. It was not their intent, at least initially, to open up the largely undeveloped countryside to development. Likewise, home mortgage subsidies were designed to encourage and facilitate home ownership. No one considered the possibility that the combination of newly accessible land and subsidized home development would change not only how people lived but also how they would work and shop. In hindsight it seems obvious that if people relocate, the stores will follow. And that is just what happened, in increasing numbers, from the late 1950s on. But again, downtown decline cannot be blamed on or traced solely to a few external policy decisions.

Locally, governments made decisions that contributed to the very decline they seek to avoid. Supporting road extensions, expanding water and sewer into previously unserved areas, rezoning rural land for commercial use, or failing to zone all actions, however well-intended, that contribute to downtown decline. It must be again stated that few if any of these decisions were made with a conscious intent to harm downtown. But the results are undeniable.

Private individuals are not without blame. While business and property owners will understandably direct their investments according to market changes, the first few to leave downtown erode the confidence of those who remain, lessening the likelihood of their reinvesting in their current property. Each business closing further dampens the investment climate. Property owners are less likely to repair and maintain their buildings if they believe that the market is leaving and such expenditures will not be recouped. This reinforces the spiral of disinvestment and decline. If the local government does not enforce minimum maintenance or building code standards, buildings and the tax base will continue to decay.

The forces of change are many; numerous individuals and groups have had a hand in contributing to the decline of our downtowns. No one alone can be singled out for blame. It will therefore take the collective impact of numerous new decisions to reinvigorate our city centers, from all of the players mentioned, and others as well. Understanding these many forces of change, we must now learn how to apply these forces to create a better end. This multi-issue philosophy is the reason for Main Street’s success over single-issue approaches.

The Main Street Program in North Carolina

As previously mentioned, North Carolina was one of the original states to participate in Main Street. Being in on the ground floor as the program was still taking shape allowed the earliest participants—the communities, their managers, and boards—to test the theories and polish the strategies. Without the hard work, imagination, dedication, and enthusiasm of these first participants, there might not be a Main Street program today. Even though people had been trying to address downtown decline for years, the lack of successes had lead to a certain skepticism about the potential of any program.

Nevertheless, when the National Trust for Historic Preservation invited states to apply for participation, North Carolina was ready. With support from the Division of Archives and History, the Division of Community Assistance submitted an application. The cities proposed for the program were New Bern, Salisbury, Shelby, Tarboro, and Washington. With their strong preservation interests and community, and the support of local planning staffs, the first public-private partnerships were enacted. Although the sailing was not always smooth, the lessons learned from those tentative relationships became the program’s foundation.

Among the first critical observations was that “success” would require partnerships. Even in the early 1980s, resources were insufficient for any one group to tackle something as complex as downtown development alone. While it was not unusual to try to get someone else to shoulder the burden, that approach rarely worked. Success came when the public and private sectors learned to share not only resources but also responsibility for outcomes. In Shelby, for instance, the city provided initial funding and management direction. After their Main Street resource team assessment, they began an aggressive effort to pull private dollars and private leaders into their program. This led to the creation of the Uptown Shelby Association, Inc., a public-private vehicle. In New Bern, Swiss Bear, Inc. was similarly created to be the means for public and private cooperation, both financial and political. These groups continue to guide the revitalization efforts in their respective cities by serving as the conduit for ideas and the focal point for development initiatives.
Forming a partnership initially serves as a means to generate financial support, a pooling of dollars. Very quickly, though, it becomes a means for sharing visions of the future downtown. Everyone involved with downtown has a vision of what revitalization might mean. It is essential to gather those ideas and shape them into a shared, collective vision. Otherwise people may find themselves working at cross purposes, in effect canceling out their individual efforts by pursuing different views of the future. Partnership allows and demands shared responsibility, resources, and vision. If any one lesson stands out from 15 years of Main Street assistance, it is the importance of shared vision.

Another early lesson from Main Street involved the merging of economic development and historic preservation philosophies. The economic development aspect gave the program credibility in the eyes of local and state officials. It is distinguished from other economic development efforts by its emphasis on building on local assets, with a primary focus on historic resources. Mary Means (who conceived the Main Street program as director of the National Trust's Midwest Regional Office) noted in her Afterword to the three-year report on Main Street, "When preservation is viewed not as an activity but as an attitude—an outlook toward managing change in our towns and cities—the historic buildings that shape each community's unique character can be seen as assets to a revitalization program."

The belief, borne out by 15 years of program development and success, is that small communities can spur economic development by utilizing existing resources, which in the case of downtown includes architectural and cultural resources. Donovan Rypkema, author of *The Economics of Historic Preservation*, notes that "in economics it is the differentiated product that commands a monetary premium. If in the long run we want to attract capital, to attract investment to our communities, we must differentiate them from anywhere else. It is our built environment in general and our historic buildings in particular that express, perhaps better than anything else, our diversity, our identity, our individuality, our differentiation" (Rypkema, 1994). Communities like Salisbury, Tarboro, and Washington capitalized on their unique architectural and historical heritage to build a renewed economic base in the downtown area by utilizing their existing building stock and marketing their identity.

There are direct economic benefits of historic preservation. The federal tax code provides a 20 percent investment tax credit for the rehabilitation of privately-owned, income-producing historic buildings that are listed in the National Register of Historic Places or that are contributing historic buildings within National Register Historic Districts. There is an additional five percent state investment tax credit in North Carolina for projects certified under the federal program. Such incentives are frequently packaged with others like facade grants and loan pools to create an inviting investment climate downtown.

The results are noteworthy. The National Main Street Center reports that since 1980 downtown investment in the over 1,100 Main Street communities has surpassed $5.02 billion. This reflects 26,734 net new businesses, 101,505 net new jobs, and over 38,000 rehabilitated buildings. The reinvestment ratio, the average number of dollars generated in communities for every dollar used to operate the local program, is $27.88 to $1.00.

North Carolina has contributed its fair share to these statistics. We have seen over $350 million of new investment, 1,663 net new businesses, 6,769 net new jobs and over 1,388 rehabilitated buildings. These numbers reflect the record (as reported) of 36 communities through July 1995. While numbers help to describe the economic impact of Main Street, they only tell part of the story of the program's value. Of equal or greater importance is the change in attitude that accompanies Main Street revitalization. People who have seen previous efforts fail, people who have led earlier efforts, people who, for what ever reason, think that downtown has seen its best days, are among those now becoming the champions of downtown revitalization, and they are doing so because they see results. While the Main Street approach involves planning, it stresses action. Action in the absence of planning is at best inefficient and at worst destructive. But planning without action is often time wasted, and no one is willing to do that today. So the Main Street approach emphasizes the need to plan, but of equal importance, it emphasizes the need to make things happen, build momentum, and show results. As each

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success is celebrated, the doubters become less doubtful and belief in the possibilities grows. Without a change in attitude, nothing positive will occur. But once the attitude shifts, then the real impacts begin. With a change in attitude comes something even more important—a change in action, and that is the true desired result.

While Main Street has experienced significant success, it is still a fragile initiative in many communities. People are impatient with an incremental program and there is often much pressure to produce immediate results. The resources necessary to support such a program are always available but may require a shifting of funds from one area to another, and in a time of limited resources, competition can be fierce. Every downtown organization must be able to demonstrate, justify, and explain its need annually and only those who continue to build shared vision, genuine partnerships, and community support can withstand the tough scrutiny that is typical of today’s political and financial arenas. Not every community selected to Main Street has stayed in the program. Reasons vary but most stem from a change in local priorities. However, some of the communities who dropped the program are now renewing their interest. Ultimately, the North Carolina program emphasizes the self-help nature of Main Street, and when a community accepts its partnership role with the state program, positive results occur.

Summary

The Main Street program has become one of the most successful community-based economic development programs ever. It has proven to be more than a downtown revitalization initiative; it is really a community revitalization initiative. The program has demonstrated the keys to successful community development by bringing people together to focus on their future, share their dreams, visions, and the commitment to and ownership of those results. The job is not finished—it has only begun. But the lessons learned and the continuing growth of the network from which new lessons can be learned gives hope that our downtowns can still be places of commerce, culture, heritage, and in the best sense, places of community spirit.

References


