big impacts, small towns

By Lindsey Wallace

As a practice and philosophy, placemaking prioritizes community engagement, unique attributes, and comprehensive planning. In simplest terms, placemaking refers to a collaborative, community-led, comprehensive approach to the planning, design, and management of places, e.g. public spaces, commercial districts, streets, etc.

In rural places, especially those that have lost their primary employers, these priorities become crucial to the economic transformation of distressed downtowns and commercial districts. That’s why, as an organization committed to revitalizing commercial districts and supporting strong local economies, Main Street America (MSA) [www.mainstreet.org], a program of the National Main Street Center (NMSC), promotes placemaking practice as a strategy to bolster traditional economic development methods.

THE MAIN STREET APPROACH™ TO COMMUNITY REVITALIZATION

A subsidiary of the National Trust for Historic Preservation, MSA has been helping revitalize older and historic commercial districts for 40 years. Today, it is a network of more than 1,600 neighborhoods and communities, rural and urban, that share both a commitment to place and to building stronger communities through preservation-based economic development.

The Main Street Approach™ [www.mainstreet.org/mainstreetamerica/theapproach] is centered around Transformation Strategies, which articulate focused, deliberate paths to strengthening downtowns or commercial districts’ economies. Transformation Strategies are implemented through comprehensive work in four broad areas, known as the Four Points:

- **Economic Vitality** focuses on capital, incentives, and other economic and financial tools to assist new and existing businesses, catalyze property development, and create a supportive environment for entrepreneurs and innovators that drive local economies.

- **Design** supports a community’s transformation by enhancing the physical and visual assets that set the commercial district apart.

- **Promotion** positions the downtown or commercial district as the center of the community and hub of economic activity, while creating a positive image that showcases a community’s unique characteristics.

- **Organization** involves creating a strong foundation for a sustainable revitalization effort, including cultivating partnerships, community involvement, and resources for the district.

RURAL PLACEMAKING

As the traditional economic drivers change, leave, or dissolve, rural communities across the country are increasingly focusing on place-based assets and placemaking practice to stimulate and sustain economic development in their commercial districts and downtowns. As an organization focused on commercial district revitalization, the National Main Street Center incorporates placemaking practice into its tried-and-true approach, while seeking and demonstrating methods to measure the impact of place-based strategies incorporated into local economic development.

Lindsey Wallace is the Director of Strategic Projects and Design Services at the National Main Street Center, a Chicago-based 501c(3) organization that has been helping revitalize older and historic commercial districts for more than 35 years. (lwallace@savingplaces.org)
Used in over 2,000 communities nationwide since 1980, our approach focuses on a community’s unique market position to maximize economic impact and strives for tangible, quantifiable outcomes. Since our inception, we have collected data on our collective impact [www.mainstreet.org/mainstreetamerica/mainstreet-impact] across the country, finding that communities using the Main Street Approach™ have seen:

- Nearly $80 billion reinvested back into their communities
- Over 280,000 older and historic buildings rehabilitated for continued use
- Over 640,000 net gain in jobs
- Over 140,000 net gain in businesses in the commercial district

**MAIN STREET APPROACH™ + PLACEMAKING PROCESS**

By the comprehensive nature of their work, Main Street district leaders are already practicing placemaking – they just might not call it that. Like placemaking, the Main Street Approach™ centers place factors as the primary drivers of economic success. Place-based strategies focus on a community’s unique human, built, and natural resources and geographic proximity to metro markets that give it competitive advantages within the marketplace.

Taken as a whole, a community’s unique attributes – everything from market position to architecture and transportation systems to community history and culture to public infrastructure to housing market to entrepreneur and small business resources to its members – play key roles in developing strategies toward a sustainable local economy.

And, like placemaking, the Main Street Approach™ prioritizes community engagement, unique attributes, and comprehensive planning. Both processes:

1. Start with assessing the communities’ needs and attributes, before assuming the solutions.
2. Emphasize community engagement and stakeholder collaboration.
3. Develop strategies specific to the unique traits, assets, and needs of the specific places.
4. Value learning from incremental implementation.
5. Aim to be transformative.

**PLACEMAKING PROGRAMS**

**Training**

Since early 2015, MSA has partnered with Project for Public Spaces (PPS), an NYC-based nonprofit organization and international placemaking leader, to help revitalize towns and communities through the combination of Lighter, Quicker, Cheaper (LQC) placemaking [https://www.pps.org/article/lighter-quicker-cheaper] and long-term, place-based economic development strategies. Programmatic highlights from the MSA/PPS partnership include: the 2016 White House Convening on Rural Placemaking, the 2017 Convergence of Health, Place, and Economy convening, and the Cultivating Place in Main Street Communities training program.

Cultivating Place in Main Street Communities was a series of two-day intensive training workshops that began in five pilot states in 2016 – Alabama, Connecticut, Missouri, Montana, and Oregon – and continued with a second round with six more states in 2017: Delaware, Louisiana, Michigan, Oklahoma, Pennsylvania, and Wyoming. At each workshop, 35-70 leaders and resource providers from communities throughout each state came together to learn placemaking strategies and to share resources and best practices with each other.

Generously supported by the Anne T. and Robert M. Bass Foundation, these workshops not only instructed Main Street communities how to integrate placemaking principles into their Main Street work, but also drew for them a path to implementation. As a result of these ten workshops and the incredible work from the state and local Main Street programs:

- More than 650 community activists and civic leaders learned placemaking skills,
- More than $14 million in 100 projects has been generated for placemaking projects overall, and
- In the year following their workshops, three states created placemaking grant programs or used existing grant funds for placemaking projects.

**Crowdfunding**

In an effort to help support Main Street leaders implement LQC placemaking projects, MSA then partnered with the national, nonprofit crowdfunding platform ioby, which stands for in our back yards, [ioby.org] on three rounds of crowdfunding campaigns. Drawing small donations for a cause or project from a wide variety of do-
nors, crowdfunding seemed to fit well with the community-driven work exemplified by Main Street leaders. As an organization with extensive experience with community development projects and local fundraising, ioby’s platform allowed project leaders to raise funds, cultivate a local donor base, find volunteers, and build visibility for their projects, all with one-on-one support and training from ioby staff.

In 2017, MSA launched two rounds of Cultivating Place on Main Street: Crowdfunding Challenge [https://www.ioby.org/campaign/cultivating-place-challenge], a crowdfunding campaign, again supported by the Anne T. and Robert M. Bass Foundation. In these crowdfunding campaigns, 21 selected projects received matching funds of $1,500 each and could keep any amount they raised, even if it far exceeded the required match. These two rounds were available specifically to Main Street communities in states that participated in the Cultivating Place in Main Street Communities training program: Alabama, Connecticut, Missouri, Montana, and Oregon (Round 1); Delaware, Louisiana, Michigan, Oklahoma, Pennsylvania, and Wyoming (Round 2).

Thanks to the generous support of Edward Jones, MSA provided match funds to support placemaking projects in Main Streets nationwide through the Edward Jones Placemaking on Main Crowdfunding Challenge [https://ioby.org/campaign/edward-jones-placemaking-main-street-challenge]. In this crowdfunding challenge, ten selected Main Street programs each received $2,500 in match funds and worked with ioby to raise funds for LQC placemaking projects while also building local fundraising capacity.

As a result of the crowdfunding challenges:

- Thirty-one communities in 18 states received placemaking microgrants and crowdfunding dollars.
- A total of $178,000 was raised toward placemaking projects.
- Communities raised $109,797 from within their communities, with an average donation of $259.

Examples of Crowdfunding Projects:
- Artsy Alleys in Wilson, NC, population: 49,000. Historic Downtown Wilson, Inc. (HDW) led the creation of murals in four underused alleys connecting to their downtown commercial district to activate the dead space and attract more people downtown. Each featured their own distinct theme, and HDW engaged community members to help with their design and creation. With a $2,500 matching microgrant, HDW raised an additional $5,675 in local donations, far exceeding their match goal.
- Tulotoma Snail Trail in Wetumpka, AL, population: 8,200. In honor of the indigenous Tulotoma river snail, Main Street Wetumpka built an art and history trail through their downtown, creating a series of art installations and historical signage to commemorate their unique history – and to increase foot traffic downtown. Main Street Wetumpka raised $9,500 in local match, exceeding their initial match goal by $8,000.

Made on Main Street

Taking placemaking grants one step further, MSA and One Main Financial [https://www.onemainfinancial.com/] launched Made on Main Street, a grant program that provided seven $25,000 Community Action Grants for innovative, community impact projects led by inspirational local leaders. In 2018, Made on Main Street focused on Main Street member communities in seven states: Arizona, Georgia, Michigan, North Carolina, Ohio, Oregon, and Washington.

Selected Made on Main Street projects represent a variety of creative and practical community transformation approaches from a variety of different communities. These projects are currently being implemented, with the final project scheduled to be completed by spring 2020.

Examples of Made on Main Street Projects:
- Public Art in Goldsboro, NC, Population: 36,000. Goldsboro, NC, is well-known for three things: its U.S. Air Force Base, its strong connection to the arts, and its African-American music heritage. To celebrate all three and to showcase its recent inclusion in an African-American Music Trail of North Carolina, Downtown Goldsboro Development Corporation (DGDC) and the Arts Council of Wayne County have spearheaded a multi-pronged community
impact project, which includes six semi-permanent crosswalk murals and two permanent wall murals in downtown Goldsboro.

In the RFP and mural creation processes, DGDC prioritized the hiring of regional artists and sought input from city officials and the public in the selection of the mural designs. In addition, DGDC has committed to continuing community connection through the use of an interactive musical instrument installation, and the city of Goldsboro plans on supporting further downtown crosswalk murals sometime in the near future.

As part of this project, interested downtown property owners will apply to place one of the six restored neon signs on their buildings. To generate continued community interest and attract visitors, The Dalles Main Street and the National Neon Museum also plan to create a walking tour app focused on the history of the signs and of the downtown district.

**PLACE FACTORS AND ENTREPRENEURSHIP**

Beyond lighter, quicker, cheaper placemaking projects, Main Street leaders also use comprehensive, long-term placemaking strategies in economic strategy development. In *Placemaking as an Economic Development Tool*, Michigan State University’s Land Policy Institute and the MIplaceTM Partnership Initiative [https://www.canr.msu.edu/resources/pmedtguidebook] break standard (comprehensive) placemaking practice into three specialized types:

- Tactical – focused on lighter, quicker, cheaper projects and physical infrastructure
- Creative – focused on activation through art and design
- Strategic – focused on supporting workforce and entrepreneurship

While Main Street leaders practice comprehensive placemaking through their wide-ranging, multi-stakeholder work, much of MSUs recent work focuses on what MSU calls “strategic” placemaking – making great places that support local entrepreneurship as key to sustainable, impactful economic development strategy.

In rural places, focusing on place in the development of robust local economies can be especially transformative. Small communities throughout the U.S. are encountering significant economic challenges as large employers that used to drive local economies go out of business, change location, or remain in the community but downsize. Places hardest hit – like small Appalachian communities affected by the loss of extractive economies – have to look inward in order to survive, which is why innovative, place-based strategies focused on local entrepreneurship become crucial to long-term economic success.
In recent years, entrepreneurs and employers alike are more often prioritizing place in their decisions on where to locate. By also prioritizing place in entrepreneurship attraction strategies, employers and community leaders recognize that historic and older business districts – like many rural downtowns – have the character, building stock, and walkable human scale that attract new business owners and celebrate a shared sense of ownership among existing local entrepreneurs.

These recent reports from leaders in the fields of planning, placemaking, and economic development demonstrate the increasing importance of place factors in guiding employers and prospective employees’ decisions to locate.

In Core Values: Why American Companies Are Moving Downtown [https://smartgrowthamerica.org/resources/core-values-why-american-companies-are-moving-downtown/], Smart Growth America and Cushman & Wakefield surveyed 500 companies that made moves into walkable downtowns and commercial districts. They found:

- Talent attraction and retention is the most common reason why businesses ultimately made the decision to move to a downtown.
- Architecture, especially converted warehouses and lofts, impress potential workers and allow employers to put a surplus of underutilized buildings back into use.
- Entrepreneurs wanted to be in “live/work/play” neighborhoods, located near bars, restaurants, and cafes.

Community Builders’ Place Value Report [https://communitybuilders.org/uploads/Reports/PlaceValue_11lowsesa.pdf] related a similar emphasis on place in creating economically sustainable communities. They surveyed nearly 1000 business owners and community members in the Intermountain West, and found:

- When choosing a place to live or start a business, business owners and community members prioritize community quality above and beyond other relevant factors, like employment opportunities, salary or business climate.

Shifts in consumer choices and the rise of locally focused economies are driving the increase in small-scale manufacturing. Community residents and commercial district visitors are more frequently voicing their preference for locally made products that appeal to their individualism. From microbrewers to apparel producers to bike manufacturers, entrepreneurs are more often blending retail, manufacturing, and wholesaling opportunities at smaller scales, leading to growing tourism, diversified employment, and well-paid job opportunities for local residents.

- Seventy percent of business owners surveyed established their residence in a community first, and then decided to start a business later.
- In the Rocky Mountain region, people are willing to accept a lower salary in order to live in a community that offers these qualities.

Growth in one specific industry – small-scale manufacturing – demonstrates the significance of place factors in selecting locations for entrepreneurial enterprises. Matthew Wagner, Ph.D., MSAs Vice President of Revitalization Programs and lead on entrepreneurship initiatives, sees the rise of small-scale manufacturing as the breaking down of traditional barriers, such as start-up capital and access to global markets, and recent shifts in logistics, equipment costs and scale, and technology that has equalized the playing field with regard to market access. Examples of common small-scale production include makers and crafters, jewelers, and carpenters; food and drink producers like brewers, distillers, and bakers; and personal goods makers like soap-makers and home-good fabricators.

Shifts in consumer choices and the rise of locally focused economies are driving the increase in small-scale manufacturing. Community residents and commercial district visitors are more frequently voicing their preference for locally made products that appeal to their individualism. From microbrewers to apparel producers to bike manufacturers, entrepreneurs are more often blending retail, manufacturing, and wholesaling opportunities at smaller scales, leading to growing tourism, diversified employment, and well-paid job opportunities for local residents.

Depending on what they produce, small-scale manufacturers may need different types of physical spaces to be successful. For instance, makers, artisans, and crafters tend to be 1-5 employee pipeline businesses that produce their wares in their houses, whose growth needs are micro, showcase spaces either in their own storefronts or in a co-located space. On the other hand, traditional small-scale producers may need larger storefront retail spaces to attract foot traffic and produce and distribute locally or regionally.

In recent years, entrepreneurs and employers alike are more often prioritizing place in their decisions on where to locate. By also prioritizing place in entrepreneurship attraction strategies, employers and community leaders recognize that historic and older business districts – like many rural downtowns – have the character, building stock, and walkable human scale that attract new business owners and celebrate a shared sense of ownership among existing local entrepreneurs.
Few places can meet these physical space and individualistic consumer needs like Main Street commercial districts. MSA and Jon Stover and Associates in Washington, D.C., studied small-scale manufacturing in 900 Main Street districts (70 percent of them rural) in comparison to their city-wide data. They found that Main Streets experienced:

- 5.1 percent higher growth rate in manufacturing
- 4 percent greater manufacturing sales growth rate
- 7 percent higher growth rate in manufacturing jobs
- Greater manufacturing growth within district boundaries than other locations within cities

**The Role of Place in Entrepreneurial Ecosystems**

In rural communities especially, small businesses and entrepreneurship have long played a critical role in the life and livelihood of downtowns and commercial districts, helping to fuel local economies, delivering goods and services, and providing unique experiences for consumers. Given the significance of small businesses to rural economies and the demonstrated importance of place factors, leaders in rural communities can create sustainable economic impact by supporting and attracting entrepreneurs through the creation of place-focused entrepreneurial ecosystems.

The term “entrepreneurial ecosystem” refers to the strategic alignment of a variety of public and private efforts – including government policies, funding and finance, human capital, and regulatory frameworks – to provide necessary financial, social, and human capital to foster entrepreneurship in innovative and creative ways.

Often minimized or overlooked in the most common definitions, place and the physical environment are critical factors in developing and growing economic impact. By creating and supporting great places and spaces for people to live and work, commercial district leaders can attract new businesses and new ideas, thus contributing directly to the development of the local entrepreneurial ecosystem.

**CASE STUDY: WYOMING**

In spring 2019, Shopko announced the liquidation of its Hometown stores across Wyoming. In many of these rural communities, Shopko was often the only pharmacy in town and one of the only stores where residents could purchase school supplies, household goods, and small appliances. While some communities have alternative sources for these essentials, closures in smaller and more rural communities mean that shoppers will have to drive an hour or more to find them. In addition, the loss of these stores leads to significant job loss, as well as the loss of dollars coming into the community from sales taxes and utility payments. [http://www.wyomingbusiness.org/news/when-retail-giants-failsense-of-/11417]

In an effort to help mitigate some of these potential losses, economic development leaders in Wyoming decided to focus on growing local economies from within – rather than looking for the next big retailer and employer to come to town. The Wyoming Business Council, the Wyoming Small Business Development Center, and economic development leaders from several Wyoming communities worked with MSA first to identify immediate gaps, needs, and resources, then to build place-based, market-driven entrepreneurial ecosystems in support of local, sustainable small business development.

In addition to this Shopko work, and building on its existing suite of resources supporting commercial districts, Wyoming Main Street also partnered with MSA to create and launch a pilot program in two Wyoming Main Street communities, Laramie and Rock Springs. The program will place small-scale manufacturers in vacant, downtown commercial spaces to grow entrepreneurship and expand business diversity in downtowns and commercial districts. After six to 12 months of process and program development in Laramie and Rock Springs, the Wyoming Business Council intends to expand the program into other Wyoming communities [http://www.wyomingbusiness.org/news/wyoming-main-street-launches-made-on-/11517].
Creating Great Places for Entrepreneurs

In 2017, MSA developed *Entrepreneurial Ecosystems and the Role of Commercial Districts*. This resource guide focused on helping commercial district managers better understand the multi-faceted factors involved in an entrepreneurial economy, demonstrate the role revitalization leaders have in helping entrepreneurs thrive, and position quality places as a primary consideration in achieving success.

In this guide, district leaders are guided through strategies to begin creating great places that support entrepreneurs, i.e., placemaking. As with any placemaking work, placemaking for entrepreneurial ecosystems prioritizes:

- **Assessment**: Understanding unique entrepreneurial assets and prioritizing initial projects
- **Convening**: Engage the community, identify stakeholders, and build connections between entrepreneurs and those who can provide resources
- **Implementation**: Create targeted activities based on filling the gaps and leveraging unique market opportunities within your district

As a first step, community leaders are encouraged to review place-based factors that they might need to support entrepreneurship:

- Physical Entrepreneurship Support Factors
  - Maker spaces
  - Food and mobile truck spaces
  - Farmers’ market venues
  - Drop-in/coworking spaces
  - Pop-up venues
  - Incubators or accelerators
  - Diversity of housing
  - Public art
  - Historic buildings
  - Co-located spaces (e.g., a bike shop with a coffee bar)
  - Industry-specific spaces
- Quality Infrastructure
  - Fiber
  - Cell
  - Wireless
- Rightsized streets
- Public parking
- Non-physical place-based factors
  - Financial incentives such as rental subsidies for small business, low interest loans for new entrepreneurs
  - Programming, such as “Shark Tank” idea contests
  - Local policies, like guidelines for new development, flexible zoning, easy-to-understand permit processing
  - A complementary existing business mix
  - Presence of an anchor institution, such as a library, university or hospital

Following the assessment, district leaders convene the public to identify needs and stakeholders to identify resources. Then, they can offer direct support or facilitate connections with specialist resource providers according to the following entrepreneurs’ needs:

**Basic Support**
- Connection to basic business services: legal, marketing, production, financial, accounting
- Raising awareness of the role of entrepreneurs in the community
- Facilitating networking opportunities and connections to mentors

**Advanced Support**
- Entrepreneurship classes for adults
- Financial access beyond self-financing
- Promoting the community and its entrepreneurial ecosystem as a great place to start a small business

**High Performance Support**
- Comprehensive services offering 1:1 support for entrepreneurs
- Equity capital resources
- Entrepreneurship support organization

As an expansion of our entrepreneurial ecosystem work, MSA is also piloting an Entrepreneurship Ecosystem Audit tool that helps community leaders determine where they fall on a spectrum of support for local entrepreneurs and more importantly, where efforts can be made to strengthen that support.
tors, government policy and regulations, financial capital, social capital, education and training, culture, and human capital/workforce. Unlike other tools in this growing ecosystem field, MSA’s audit tool centers the importance of place-based factors, with 16 specific indicators to rate, including: existence of incubator or accelerator spaces, local digital infrastructure, diversity of housing, transportation options, easy permitting processes, etc.

After rating each indicator within the seven factors, scores place community district leaders in four distinct stages, with the goal of progression through the stages in subsequent audits:

- **Dormant Stage.** A community in this range is not well organized to support local entrepreneurs and new business startups.
- **Emerging Stage.** A community in this range has begun to accumulate the needed assets to create an Entrepreneurial Ecosystem.
- **Thriving Stage.** A community in this range has a strong Entrepreneurial Ecosystem underway.
- **Sustainable Stage.** A community in this range has a well established Entrepreneurial Ecosystem that has the strength to maintain a vibrant program over time.

As of September 2019, MSA has begun testing the Entrepreneurship Ecosystem Audit tool in Chicago and throughout communities in Michigan and Wyoming.

Community leaders interested in learning more about this tool can reach out to our technical services team by contacting mainstreet@savingplaces.org.

**LESSONS LEARNED**

MSA’s decades of economic development work and more recent focus on entrepreneurship have shown that place factors are critical considerations for rural community leaders working to revitalize and sustain local economies. In rural places where large industries and employers leave, facing inward is usually the most viable path toward economic growth and stability. Whether through lighter, quicker, cheaper strategies or through “tactical” placemaking, Main Street district leaders who incorporate placemaking practice into their comprehensive economic development plans will more readily engage their community and leverage their unique attributes to create those great places that attract and support local entrepreneurs and sustainable local economies.

MSA’s past, current, and ongoing placemaking work has demonstrated several key lessons learned:

- Main Street leaders are already practicing placemaking, but they may not realize it.
- Economic development strategy that considers place factors IS placemaking.
- Microgrants can make a big impact, especially when combined with crowdfunding and local investment.
- By necessity, many rural communities are facing inward in the advancement of new economic development strategies.
- Entrepreneurial ecosystems in rural communities must center place factors in order to best support entrepreneurs.

---

**UPCOMING IEDC EVENTS**

**Training Courses and Workshops**

- **Workforce Development Strategies**
  January 8, 15, 22 and 29, 2020 | Online
- **Economic Development Ethics Workshop**
  February 9, 2020 | Tampa, FL
- **Real Estate Development and Reuse**
  February 25-26, 2020 | Baltimore, MD
- **Economic Development Marketing and Attraction**
  February 27-28, 2020 | Baltimore, MD
- **Foreign Direct Investment and Exporting**
  March 10, 17, 24 and 31, 2020 | Online
- **Business Retention and Expansion**
  March 26-27, 2020 | Buffalo, NY

**CEcD Exams**

- **Certified Economic Developer (CEcD) Exam**
  February 8-9, 2020 | Tampa, FL
- **Primer to the CEcD Exam Process: What You Need to Know**
  February 13, 2020 | Online

**Conferences**

- **2020 IEDC Leadership Summit**
  February 9-11, 2020 | Tampa, FL
- **2020 IEDC Fed Forum**
  April 26-28, 2020 | Washington, DC
- **2020 IEDC Economic Future Forum**
  June 21-23, 2020 | Calgary, AB
- **2020 IEDC Annual Conference**
  October 11-14, 2020 | Dallas, TX

See all of IEDC’s upcoming events at iedconline.org/upcomingevents