

EMPOWERING  
*Community Revitalization*

April 28, 2020  
PRESS RELEASE

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**Missouri Main Street Connection Surveys Missouri  
Small Businesses And Plans For Recovery**

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Missouri Main Street Connection (MMS) is a network of over 140 commercial districts comprised of thousands of small businesses. To assess the impact of the COVID-19 pandemic, MMS conducted an online survey for three weeks in April 2020. Over 600 small business owners responded, of which 93% of respondents reported owning businesses with fewer than 20 employees. Findings from this survey highlight the profound impact of the current crisis on the smallest, locally-owned businesses that are the backbone of all Missouri communities.

The MMS survey indicates that Missouri small businesses will be at great risk of closing permanently if the pandemic continues. Results regarding potential permanent closures reflect profound economic distress: 56% of businesses responding to the survey indicated that they would be at risk of closing permanently if business disruption continued at the current rate for up to five months, and 27% percent indicated they would be at risk of closing permanently if business disruption continued at the current rate for up to three months. At this rate, there could potentially be 141,000 small businesses closing permanently in Missouri.

MMS has presented a "Downtown Strong" recovery plan to the Missouri Department of Economic Development. During the recovery period following the pandemic crisis, technical assistance and small business support partners are critical. State Director Gayla Roten noted, "We feel it is OUR mission to provide this recovery plan to our Missouri communities! If we lose downtown, we lose our communities. If we lose our communities, we lose our identity."

"Downtown Strong" consists of two potential new grant programs focused on "Reopen-Recover-Reinvest". "Reopen – Missouri's Downtown Grant" will provide funding for programming through local downtown

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revitalization organizations to reactive their community post COVID-19 and beyond. "Recover – Missouri's Small Business Grant" will provide assistance to businesses for economic development activities through physical revitalization, business development, and job creation.

According to a National Federation of Independent Businesses survey conducted on April 17, 2020, 24% of respondents believe that the recovery period will last two years or more, into 2022 or later. Given the potential for closures and the need to encourage entrepreneurship during the recovery, MMSC is uniquely positioned to help ease the transition as communities reopen and recover from the effects of COVID-19. Main Street and other local downtown revitalization organizations are integral partners in sustaining small businesses throughout the recovery period.

Based on the *Show Us the Impacts* 10 year study by PlaceEconomics, MMSC was a champion for job creation and new business creation during the Great Recession. MMSC and their network were remarkably successful in the effort to not only help create and foster new businesses, but also assisting existing businesses to stay open. During the period of 2006 to 2014, more businesses opened than closed in Main Street communities compared to the state and national average. Additionally, MMSC communities saw more jobs created than lost during this time as well.

State and cities need to invest in small business education and technical support programs rather than pull back spending on these programs. During difficult times of diminished revenues at the state and city level, the natural inclination is to pull back from funding on development programs that are not mandated in some form. This is exactly the wrong time to decrease or cancel support for programs like Main Street that serve as critical connectors and supporters of small businesses. As we look ahead to recovery, this survey data demonstrates that small business and downtown support is needed now more than ever because it creates resilient, sustainable local economies.

With the programming recommended to the Missouri Department of Economic Development and with our City and Main Street partners, Missouri Main Street Connection will help lead this recovery effort.