

Evaluating the Effectiveness of the
Tennessee Downtowns Program:
Downtown Revitalization Driven by Community Volunteers



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Tennessee Certified Economic Developer Capstone Project

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A. Overview of Downtown Revitalization Programs in Tennessee

Introduction

In 2010, the Tennessee Department of Economic and Community Development launched the Tennessee Downtowns program to encourage rural communities to work on their historic downtown commercial districts. It was based on the National Main Street program and it empowered volunteer downtown steering committees from the communities with training by national experts and demonstration grant programs. Since that time, 46 communities have been through the Tennessee Downtowns program and \$690,000 has been invested from state funds in their grant projects, plus the additional investment of staff time, services contracted through the National Main Street Center, and federal funds allocated to the Commercial Façade Improvement Grants offered to these communities. This paper evaluates the effectiveness of the Tennessee Downtowns program through summaries of what the communities have accomplished and survey results of past participants of the program.

1. History of the Main Street Program

In 1977, the National Trust for Historic Preservation launched a pilot program for downtown revitalization in three communities: Madison, Indiana; Galesburg, Illinois and Hot Springs, South Dakota.ⁱ These communities were selected in a competitive process and embarked on a three-year study to determine causes of the decline of downtowns, their remaining assets and markets, and specific measures needed to add economic vitality back to the historic commercial core. Much of what was learned during the pilot projects, which spread to six states by 1980, formed the basis of the Main Street Four Point Approach™ that continues to guide the nation's largest downtown revitalization network today. In Tennessee, several communities were early and enthusiastic adopters of the Main Street program, including Greeneville, Gallatin, Franklin, Columbia, Murfreesboro, Union City and Collierville. In the early years, Tennessee Main Street was housed in the Tennessee Department of Environment and Conservation but in the 1990s moved to the Department of Economic and Community Development. It was not a continuously funded or operating program of TN ECD, but approximately 12 of the early Main Street communities continued to run active programs. TN ECD reinstated the program in 2003 and began adding communities. The current Tennessee Main Street Program has 34 accredited communities.

The Main Street Four-Point Approach™

Historic downtown commercial districts that were thriving up until the mid-20th Century did not fall into decline suddenly or because of one single cause. The study and pilot programs launched by the National Trust for Historic Preservation found several contributing factors and also found that there would be no single solution to bringing the downtowns back. Through the early programs, and consistently throughout the 35-year history of the program, the National Main Street Center was able to identify four key areas of work that would help make the downtowns thrive again.

Economic Restructuring (now called Economic Vitality)

Downtown commercial districts were once one-stop destinations for the community's needs. They served as centers of government, services and all types of retail. Over the decades, changes in our

transportation system, especially the opening of interstate highways in the 1960s, and the development of the suburbs changed the way downtowns function. Many downtown districts struggle with high vacancy rates, but many also have collections of iconic, sturdy historic buildings that can be repurposed. Economic Vitality is an asset-based approach to finding new markets and new uses for an old, but still viable, downtown. In the Tennessee Certified Economic Developer curriculum, the courses that correlate with this point include “Entrepreneurship and Small Business,” “Basic Finance,” “Business Retention and Expansion” and “Strategic Planning for Economic Development.” In 2015, the National Main Street Center renamed this approach Economic Vitality, and this point of Main Street includes the following activities:

- Market Analysis
- Incentives
- Financing
- Business Inventory
- Small Business Assistance
- Retention
- Recruitment
- Expansion
- New Markets
- Incubators
- Downtown housingⁱⁱ

Design

Main Street requires, as a starting point, an historic commercial core of buildings. They do not have to be listed on the National Register of Historic Places, and the community does not have to enforce an historic district zone on the properties, but the community needs at least a few blocks of commercial buildings that are at least 50 years old. These are typically places that once served as the core of everything that happened in that community, and the buildings probably started out as points of pride in the town for their quality and beauty, but they might also have endured decades of neglect. In addition to the collection of buildings, the streets, sidewalks and fixtures tell a story of the town’s past. All of these elements are addressed in the Design point of Main Street. The Tennessee Historic Commission is a valuable resource for communities that want to improve their design standards, and the Tennessee Department of Transportation has been the major funding source for many downtown streetscape improvements. Design activities include:

- Appearance/Maintenance of buildings
- Design standards
- Storefronts
- Window Displays
- Signage
- Landscaping
- Way-finding
- Cleanliness
- Building Inventory
- Parking Management

- Historic Districtsⁱⁱⁱ

In many cases, the Design function of Main Street makes the plans for improvements to streetscapes and public spaces, and the Organization function finds funding for the improvements.

Promotion

If there is a down side to the Main Street approach, it might be that the Promotion point has been too much of the focus. Main Street programs run the risk of being perceived as the town's party planners. Main Streets provide many festivals and events, but there is another important role of the Promotions point. It is to promote the downtown areas as a hub of economic activity, but also to develop an image of quality and uniqueness for the downtown. Activities of the Promotion point include:

- Image/Branding
- Marketing
- Special Events
- Retail Promotions
- Publications
- Media Relations
- Awards
- Ribbon-cuttings
- Website/Mobile Apps
- An Emphasis on Quality^{iv}

Organization

Main Street programs are not intended to be merchants associations or to function like a chamber. The Organization Point is a structure to create a public-private partnership that brings various types of people from the community together to focus on all aspects of the downtown. Plus, there are the usual governance, budgeting and oversight needs that any association has. Courses in the Tennessee Certified Economic Developer program that relate to this point include "Managing Economic Development Organizations" and "Strategic Planning for Economic Development". Activities under the Organization point include the following:

- Hiring and managing staff
- Development of Work Plans (typically a one-year plan)
- Strategic Planning (three to five year plan)
- Monitoring/Statistics (reinvestment statistics must be reported annually)
- Volunteers (In Tennessee Main Streets, more than 100,000 volunteer hours are logged each year. The value of a volunteer hour is \$22).
- Partnerships
- Memberships
- Funding
- Grant writing and management
- Training^v

One of the primary differences between Tennessee Main Streets and Tennessee Downtowns is the requirement to have at least part-time, paid professional staff for a Main Street program. Main Street programs are required by national standards to produce an annual report and reinvestment statistics to the state coordinating program, which in Tennessee is TN ECD, and the National Main Street Center. This would be a daunting task for all-volunteer committees that administer Tennessee Downtowns. Tennessee Main Streets have reported the following reinvestment statistics for the past three years:

Tennessee Main Street Reinvestment Statistics	2014	2015	2016
Net New Jobs	1565.5	737	1019
Net New Businesses	171	254	231
Rehabilitation Projects Completed	298	290	332
Public Improvement Projects Completed	248	189	99
New Construction Projects Completed	39	60	64
Total Private Investment	\$57,253,174	\$51,643,924	\$58,874,275
Total Public Investment	\$38,146,238	\$19,861,488	\$95,389,432
Average Organization Budget	\$158,516	\$137,417	\$116,393
Volunteer Hours Contributed	114,807	94,837	100,588
Number of Designated Programs	28	30	34
Number of Programs Included in these Statistics	28	26	29

Additionally, they report an impressive 1.31 million people attended their events and festivals in 2016.

2. Tennessee Downtowns

The Tennessee Downtowns program was implemented by TN ECD in 2010 as a way to let communities try the Main Street Four-Point Approach™ driven by community volunteers without the commitment of hiring staff. This 24-month program coaches selected downtowns and their steering committees through the steps of launching a successful and sustainable downtown revitalization effort. The goal is to have this effort take root and grow in a way that truly impacts a community's planning and economic development efforts. Tennessee Downtowns can be a path to becoming a designated Tennessee Main Street community, but it is not required after completing the program and participating does not automatically earn Tennessee Main Street designation. Following are the criteria for participation in the Tennessee Downtowns program:

- Be a city located in a county that is an active participant in the ThreeStar program.
- Designate a program area (revitalization district) focused on a traditional commercial district. The district should feature a pedestrian scale and orientation that is compact in size and has a regular pattern of sidewalks that can be comfortably walked. It should also have a critical mass of buildings, at least two-thirds of which are commercial in nature, and businesses which form the foundation for revitalization efforts.
- Establish a dedicated five-member volunteer “Downtown Revitalization Steering Committee” of community leaders who will participate for the length of the program.
- Have a designated non-profit or local government organization that will house the steering committee and serve as a conduit for the associated grant.
- Illustrate interest and support from local government, chambers of commerce, merchant organizations, business and property owners within the district, and others who recognize the importance of downtown to their community.
- Adopt a resolution by the city government to participate in the program.
- Clearly demonstrate community need for downtown revitalization assistance.

The first 12 months of the Tennessee Downtowns program focuses on education, building resources, and organization. The second 12 months focus on a community project or projects funded by a \$15,000 grant. They receive the following services:

- Getting Started Site Visit - Each community receives an on-site half-day visit by National Main Street Center and Tennessee Main Street staff. They meet with the steering committee and tour the downtown. The steering committee receives a written Preliminary Assessment following the visit.
- Four-Point Workshop - All new Tennessee Downtowns Steering Committees assemble for a full-day workshop presented by National Main Street Center staff. This approach focuses on four key aspects of successful revitalization programs: Design, Economic Vitality, Organization, and Promotion.
- Webinars- Four webinars are provided during the first 12 months. These webinars are specific to Tennessee, conducted by national Main Street experts, and last about one hour. They provide a deep dive into each of the four points.

- SWOT Analysis - Each community receives an on-site half-day visit by National Main Street Center staff to conduct a SWOT Analysis (Strengths, Weaknesses, Opportunities, Threats). The “Top Five” priorities for downtown will be determined. A written SWOT Analysis Report is provided.
- Work Plan Development – Assistance is provided in the development of work plans which are based on the Four Points. This process generates objectives and activities the community will begin implementing during the program. It will also assist with grant planning.
- TMS Mentors - Each community is provided a Tennessee Main Street Mentor to help them through the training and grant process. The mentors are experienced executive directors who make three visits with the steering committee to offer advice and guidance.
- Innovation Grant - Each Tennessee Downtowns community receives a \$15,000 reimbursable grant to use for a project that incorporates the Four Point Approach™.
- Materials & Signage - Steering committees receive digital copies of Main Street Board Handbooks and Committee Handbooks, PowerPoint summaries from sessions and webinars, and a Tennessee Downtowns metal community sign.
- Innovation Grant - Each Tennessee Downtowns community receives a \$15,000 reimbursable grant to use for a project that incorporates the Four Point Approach.

3. Financial Incentives and Grant Summaries

Of the 46 communities that have been through the Tennessee Downtowns program, 34 have completed grant projects. Another 12 communities are currently in the fifth round of the program and their grant projects are on-going. These are Ashland City, Crossville, Dickson, Gainesboro, Hohenwald, Humboldt, Lenoir City, Livingston, Lynchburg, Manchester, Wartburg and Woodbury. The number of accepted communities in each round has depended on demand and available funding, and has ranged from six to 12. The current round, which is Round 5, will have projects completed in 2018. Following are brief summaries of the projects completed by communities in the first four rounds:

Round 1 (2010-11)

Celina applied \$12,000 of the \$15,000 grant to a mini-grant program encouraging downtown businesses to invest in exterior improvements of their buildings. Businesses were required to submit an application to the steering committee which included a detailed plan of improvement. If the application was approved, the property owner could then be reimbursed up to 50% of the material costs incurred during the project in amounts ranging from \$200 to \$1,000. In order to ensure continued investment in Celina’s downtown, the program was repurposed into a competitive award program where each year a

business(es) is recognized for its commitment to the revitalization of downtown Celina. The remaining grant funds were budgeted to training for the steering committee as well as the development and purchase of promotional materials for the community.

Erwin implemented the Signage Grant Program which allowed companies to apply for funds to improve and install signage in the community's downtown area. The overall objective was to improve the downtown aesthetics, but also to encourage businesses to invest in the appearance of their buildings. Erwin had funds to accept 20 companies into the program; however, 27 businesses submitted an application. In response to the high demand, the company supplying the signs donated the additional 7 to Erwin so no applicant was denied entrance to the program.

Jefferson City used the \$15,000 grant to develop a master plan for the historic district. The processes included: a design committee meeting, dialogues with stakeholders, compilation of maps and pertinent demographic data, development of a preliminary master plan, outline of the subsequent steps to be taken, public meetings to discuss the preliminary site plan, and preparation of preliminary master site plan and report regarding the thoughts addressed at the public meetings. The master plan assisted the community in understanding the downtown's assets and liabilities and gave them a roadmap for the future.

[We need] on-going training. Most of the original committee is no longer in town. We are actively working, but we have so many new faces who have not had the TN Downtowns training and they don't understand the basic principles of the organization

Martin focused efforts on brand development for the downtown region. Funds were divided evenly between (1) streetscapes, (2) marketing and promotion, and (3) entranceways and maintenance. The community developed a logo to use in promotional materials, purchased banners to display on light posts throughout their historic district, and improved landscaping. Martin also marketed its new brand by hosting Tennessee Downtown events sponsored by the Martin Historic

Business District.

Milan focused on education and safety in the downtown district. They produced a "History of Milan" video to educate the younger generation on Milan's rich and vibrant past as well as foster a sense of community. The steering committee also created brochures to promote businesses located in the historic district. Way-finding signage was installed to designate the Main Street District. Milan also generated a public safety documentary which highlighted the city's "Cops on Bikes" program to address safety concerns.

Monterey identified their proximity to I-40 as an opportunity, established a guide sign policy and purchased new way-finding signs. A total of 18 signs were purchased; five of which were welcome signs placed at town entrances while the other 13 were designed to direct travelers to points of interest. The signs indicated the location of local eateries, city hall, historic downtown, the farmer's market and depot, lodging, and the city's Standing Stone Monument. Each way-finding sign was identical in design and featured the town's logo "Where the Hilltops Kiss the Sky." In addition to signage, Monterey also installed new benches and other outdoor amenities.

"We welcome all future involvement. This program was very beneficial for [our town]"

Mount Pleasant addressed exterior renovations and tourism promotion. Funds were divided into \$10,000 to façade projects including awnings, outside lighting, fresh paint and other improvements; \$4,000 was applied toward the procurement of new wayfinding signage to direct visitors to the historic district and included landscaping around the signs; and \$1,000 was directed toward promoting the Scarecrow Festival, a new event in the community.

Paris allocated the \$15,000 to kiosks placed throughout the downtown area. The design allowed them to continue their “Paris” brand by displaying an image of the Eiffel Tower at the top of the kiosk.

“Downtowns can always use more money, but your program helped position us into Main Street which is benefiting us greatly.”

Furthermore, it provided an opportunity to promote community events and businesses in the area. One side of the kiosks feature a community event schedule, the other has a map and businesses directory of the historic district. Paris later transitioned into a Tennessee Main Street program.

Selmer expanded its brand as a town rich in musical history through its annual Rockabilly Festival and musical sculptures displayed in the downtown city park. They incorporated the musical theme into 12 benches purchased with the Tennessee Downtowns grant. Local artisans designed and sculpted musical symbols for each bench. The remaining funds were used to purchase four sets of banners that hang from lampposts in the historic area. The banners can be interchanged to promote downtown as well as events specific to the community.

Sweetwater noted that the design of their historic downtown was a strength, yet there was no promotion of it to residents or visitors. Therefore, Sweetwater designated the grant funds to promoting their downtown as a great place to visit and shop. The community developed a visitors’ guide complete with historic walking tour of downtown that has since been distributed across the state. They also revived a website which allowed them to advertise tourist attractions, festivals and events, shopping, lodging, local restaurants, and the newly established farmers’ market. Physical improvements were made as well in the form of fresh paint on public benches and a new drinking fountain and signage downtown. Following the Tennessee Downtowns program, Sweetwater transitioned into Main Street and received a façade improvement grant for \$25,000 and a Main Street Entrepreneur Grant for \$50,000.

“Continue to have training events that allow more of our people to become educated in the Main Street approach to revitalization.”

Round 2 (2011-2012)

Athens focused funds on the design and promotion points. They used the grant for new downtown banners, planters with seasonal flowers, way-finding signage, and exterior improvements to the Old Cherokee Hardware Building. The steering committee partnered with the city of Athens by providing the funds to paint the exterior of the building while the city funded the addition of murals to the building’s side. The committee also created a downtown brand for Athens by surveying the community to learn current opinions, desired changes, and what image the downtown should take. Using the survey results, the community developed a local brand that was promoted on the website, in printed material, in news outlets, and through a social media campaign. Athens later became a Tennessee Main Street community and received a \$100,000 façade improvement grant.

Brownsville sought professional guidance to create a downtown master plan with their grant. Using an architectural design firm, the steering committee worked with city officials as well as the Brownsville Business Association to determine best uses for vacant lots, façade and appearance standards for downtown businesses, signage schematics, and educational booklets and presentations to help business owners comply with the new downtown standards and plan. Brownsville quickly became a Tennessee Main Street after the conclusion of the Tennessee Downtowns program and they have been awarded façade grants in the amounts of \$25,000 and \$100,000.

Centerville incorporated seven projects in their grant program. Under organization, \$3,000 went toward educational programs including a downtown revitalization resource library for community leaders and business owners, membership to the National Main Street Center, webinars, and an entrepreneurial boot camp. Another \$3,000 was allocated to the design point for improvements to the Courthouse Center. Also under design, \$4,000 was used to purchase benches and tables to place throughout Courthouse Square in an effort to make the square more attractive for daily use by community members. Also, \$1,000 was designated to street signs on the new traffic light posts, and \$3,000 for informational signage. The signs were designed to replicate wrought iron work which was once above the Courthouse entrances and used to promote community events. The community used the remaining \$1,000 to install security cameras with motion sensors around the Courthouse Center. The technology improved the safety of Courthouse Square to make it more inviting as a place for business to thrive.

Henderson transformed a vacant lot into a downtown park that would bring Freed-Hardeman University students and community members together. The park included new benches, picnic tables, trashcans, landscaping, sidewalk, a bike rack, and “Chester County” themed Adirondack chairs created by the Henderson Arts Commission. The steering committee also used grant monies to turn the park into a free Wi-Fi hotspot.

Lewisburg did four projects. First, the committee designated \$1,000 to the creation of a seasonal farmers’ market on Saturdays in downtown. The major costs included canopies to provide shade for the farmers and produce and promotional. Second, the committee used funds to create a website for the Lewisburg Downtown Alliance (LDA). The website allowed the historic district to have presence online as well as providing easy access to information concerning downtown for community members. Third, the LDA saw the need for way-finding signs and partnered with state and local agencies to ensure the signage was strategically placed to have the biggest benefit. Fourth, the community budgeted \$10,000 toward the construction of a mini-park where a commercial building had burned down in the middle of a downtown block. The park, designed by students from the O’More College of Design, included a faux

“[We need] more access [and to] continue to foster partnership and communication between and with all state departments. This is a great program for our state!”

façade to mirror the adjacent buildings. It has outdoor seating, landscaping, a gazebo, and is equipped with a projector for the back wall. Much of the labor was provided by community volunteers.

Linden started the program with great events and attractions in and around downtown, but needed help promoting downtown and preparing businesses for an influx of customers. In order to equip local companies with retail development and marketing tools, the steering committee hosted seminars and other courses to train merchants and help increase their profitability. Linden designated other grant monies to advertise community events and attractions. The promotional campaign included a billboard

on I-40 pointing travelers to downtown Linden and other local attractions. It also involved marketing materials for the existing festivals. All of these initiatives were aimed at the top priority identified through SWOT which was “to increase business traffic to downtown merchants.”

McKenzie sought to impact their community’s business development by using the grant monies to fund two mini-grant programs. The first program was designed to encourage business owners to improve the exterior of their storefronts through a façade enhancement grant. The grant was a 70/30 match and had a maximum amount of \$3,500 with the steering committee providing \$2,450 and the business owner committing \$1,050. The second was also a matching mini-grant at 50/50. This mini-grant provided \$1,000 to a business to assist with promotion and advertising expenses if the owner also committed \$1,000 to business promotion and growth. In addition to meeting the required match amount, companies selected also were required to remain open until 7 p.m. on days when a community event was scheduled downtown. Additionally, grant recipients had to participate in a series of five free workshops for small businesses. McKenzie then became a Main Street program and received façade grants for \$25,000 and \$100,000.

“Our TN Downtowns Committee is almost all new people comparable to the original steering committee although they are still interested in supporting us as well. We'd love to pursue Main Street but the cost of a Main Street Director is the only obstacle prohibiting us from moving forward.”

Mountain City concentrated their downtown revitalization efforts and monies on improving the aesthetics and streetscapes. The grant allowed for the committee to plant 20 trees along the sidewalk, add more trashcans as an encouragement to keep downtown clean, purchase new planters, and install directional signs to indicate areas of interest. Bike racks were also erected downtown to not only encourage a more “green” form of transportation for community members, but also as an attempt to capture visiting cyclists from the Virginia Creeper Trail. By committing to the beautification of Mountain City downtown, the steering committee believed it would pave the way for likeminded businesses owners to follow suit. Mountain City later received a \$100,000 façade improvement grant.

Pikeville addressed the need for supplies and equipment required to host community festivals and events like farmers’ markets through the procurement of tents, tables, and chairs. They also applied grant monies toward promotion in the form of website development and “shop local” branding strategies and materials. Pikeville then received a \$25,000 façade improvement grant.

Red Boiling Springs had three goals for their downtown revitalization. The first was the reestablishment of the Folk Medicine Festival (FMF), a past event that had been missing from the community for some time. Grant funds were used for the promotion of the event. The committee also produced educational brochures on the town’s history as a mineral resort and a special section on “Things to View and Do in Red Boiling Springs.” Lastly, the steering committee felt a strong need to renovate the old bank building that was erected in 1929. Fundraising continues to reopen it as a heritage museum.

Rockwood hosted a number events and festivals in Homecoming Park each year but identified a need for public restrooms. Restrooms were built in the welcome center to address this need.

Smithville designated grant monies to three separate programs all aimed at improving downtown growth and aesthetics. The majority of funds were allocated to the design and construction of a large,

custom-designed pavilion in downtown. Not only is it used during the annual Fiddler's Jamboree and Craft Festival, but it also provides a venue for outdoor community art and music events throughout the spring, summer, and fall. In order to leverage the capital received, Smithville also established matching mini-grants for downtown businesses for façade enhancement as well as new signage. For exterior improvements, the steering committee offered a matching grant requiring a minimum of \$1,000 spent in order to receive \$500 in reimbursement. For signage, the businesses were required to spend at least \$400 to qualify for a \$250 repay. The steering committee also provided direction to local businesses owners to insure certain standards were met during the renovations. In return for local businesses improving the exterior of their buildings, the committee used the remainder of the grant to launch a new website "Shop Downtown Smithville" and developed a brand and logo. Smithville then received \$25,000 and \$100,000 façade improvement grants.

Round 3 (2012-2014)

Clifton targeted two of their top five priorities through the Tennessee Downtowns grant program. They constructed a public dock at the intersection of Main Street and Water Street. Clifton was not very accessible from the Tennessee River though it is situated right on the river's edge. The steering committee worked to increase water traffic to downtown and strengthen Clifton's tie to this important resource through the dock project. They also provided matching mini-grants to downtown business owners to encourage enhancements to their storefronts.

Greenfield appropriated \$13,000 to a mini-grant program to assist businesses owners with downtown building enhancements. In order to receive a grant award, merchants had to meet the design criteria set by the Greenfield Achievement Association (GAA). The remaining \$2,000 went toward promotional efforts in the form of signage and artwork that reflected their rail-town history.

Portland identified the need to improve the signage and building façades in downtown during their SWOT analysis. The steering committee put \$5,000 toward the renovation of the Historic Moye Green Boarding House and \$10,000 to a matching mini-grant program. They also were able to embark on restoration of their historic theater. Portland went on to receive a \$25,000 façade grant.

Tracy City identified a need to connect to surrounding attractions including the nationally ranked Fiery Gizzard Trail and Grundy Lakes. First, they worked on downtown's curb appeal and awarded small grants to leverage local shopkeepers' investments in the exterior of their buildings. Secondly, they acquired a four-acre tract of land adjacent to the mini-park located downtown that will connect Tracy City with Monteagle, Sewanee, Greutli Lager, and Palmer by joining a biking/walking path from the green space to the Mountain Goat Trail.

"Very pleased and happy that Tennessee is so committed to making downtowns as vibrant as possible."

Waynesboro elected to support existing businesses in improving their overall customer experience and help vacant building owners prepare their spaces for occupancy. Similar to other programs, applicants were required to match the \$500 awarded them. They also purchased way-finding signage leading travelers to the "Downtown District" of Waynesboro and made safety improvements to crosswalks on the Public Square. Waynesboro later received a \$25,000 façade improvement grant.

White Bluff developed an overall design and promotion plan for the downtown district and provided incentives to local business owners to invest in their building's exterior. They created professional design standards to that matched the rural historic village. They transformed a community eyesore, a very weathered shed at the entrance into downtown, into an attractive welcome sign (in the style of "See Rock City").

Round 4 (2014-2016)

Arlington already had a master plan and an attractive historic village when they entered the Tennessee Downtowns program, so they focused on the Promotion point and developed a

"I thought it was very effective. Provides focus, thought, structure and impetus that easily transforms into Main Street efforts."

marketing program to promote Depot Square to area residents and tourists. It included marketing flyers and brochures distributed around Arlington, sent to Visitor's Centers, hotels, etc. Downtown Arlington was also promoted in the Shelby County television market. They provided social media and marketing training for

Depot Square businesses owners to help them market their business and their brand.

Carthage put most of its efforts into design improvements, which were identified during the early community meetings. Landscaping, benches, signage, repair of concrete, lamppost, lighting, crosswalks, and trash receptacles were purchased with their grant funds.

Ducktown replaced an out-of-date website, developed a downtown master plan and land use plan, and addressed some design issues with benches, planters and trash receptacles.

Etowah developed a pocket park in partnership with the local Rotary Club to fill in an unsightly and dangerous lot in the middle of a downtown block of buildings.

Jamestown made mini-grants available to building owners within the downtown district for façade cleaning, awnings, and replacing doors and/or windows.

Shelbyville funded a mini façade grant program, awarding 75% of a façade improvement in their historic district up to \$1000 per recipient. They also designed a new marketing piece for the downtown district.

B. Survey Results of Tennessee Downtowns Communities

Communities that have participated in the Tennessee Downtowns program overwhelmingly report positive change in their communities as a result of the program, and they want to see efforts continue. Over the six years that the program has been in place, 34 communities have been through the process and an additional 12 are actively engaged. The Tennessee Department of Economic and Community Development has awarded \$510,000 in state grant funds to 34 communities,

"More funding. It makes a real difference in rural communities. We have some great things happening here, and I credit this program for much of our success!"

and another 12 totaling \$180,000 are in process in the Round 5. Additionally, 35 Tennessee Downtowns and Main Streets have received Community Development Block Grant funds for commercial façade improvement grants ranging from \$25,000 to \$100,000 from 2012 through 2016.

We need funding to continue our efforts to promote our downtown. We have two lakes within two miles of our town. Dale Hollow Lake alone has over 3 million visitors each year. We want to get as many of those visitors as possible to shop in Celina.

For this Capstone project, all former steering committee members of a Tennessee Downtowns community were surveyed. Each of the 34 communities started with a steering committee of five members for a total of 175 volunteers working on the program. Since some of the projects went back to

2010, many of the email addresses were no longer valid, and their surveys could not be delivered. However, 35 valid responses were received, mostly from community volunteers (55%), but also from chamber representatives (27%), downtown business owners (21%), downtown property owners (15%), local government officials (12%), local government staff (12%) and non-profit representatives (6%). Respondents could report that they represented more than one category.

Asked to rate their experience with the Tennessee Downtowns program overall, on a scale of 1 to 10, the respondents gave the program a rating of 8.8, with 43% rating it a 10.

1. Did the Tennessee Downtowns Program help launch revitalization efforts?

Most communities were able to focus on at least two of the four points of the Main Street Approach, but virtually all considered better design as their key to downtown revitalization. Almost 97% of communities worked on a design component.

Steering committee members said they participated in the following projects for their communities as a result of the Tennessee Downtowns program:	
New promotion of our downtown - events, marketing, branding, website, social media, brochures, etc.	63.64%
Improved Design - building façade improvements, streetscape improvements, downtown banners, new benches or other fixtures, design standards, wayfinding signage, parking improvements, etc.	96.97%
Organizational Structure - created a new non-profit or other entity, built new partnerships	36.36%
Economic Restructuring - conducted retail study, worked on business recruitment or retention, addressed vacancy issues, provided entrepreneur services	45.45%

2. Did the grant projects have the desired effect?

As a result of that focus on design, most communities also reported improvement in that area. Almost 76% say the appearance of downtown buildings improved, and almost 70% said it

spurred new investment in the downtown commercial district. None reported zero impact from the program.

Steering committee members reported the following outcomes from their participation in Tennessee Downtowns:	
We received training in downtown revitalization methods.	84.85%
We successfully implemented a grant project.	81.82%
There were noticeable improvements to downtown buildings.	75.76%
There was new investment in downtown.	69.70%
Through promotional efforts, there was an increased awareness in the community of the value of the historic downtown area.	60.61%
New business or new jobs resulted.	45.45%
Downtown visitors increased.	48.48%
There was no impact.	0.00%

C. **Conclusions**

1. **Are Downtown Revitalization Efforts Continuing?**

The survey of past Tennessee Downtowns steering committee members show that 75% of the efforts are still active, but an active program is probably more likely to answer the survey. Tennessee Downtowns programs are encouraged to apply for Main Street accreditation at any time they are ready. However, as indicated in the survey comments, small communities find it difficult to fund a paid staff position. Although most communities mention the need for additional funding, most also acknowledge on-going training and technical assistance are required to effectively administer the funds. Attempts are made to invite and encourage past participants to continue to take advantage of these opportunities, but the survey shows that the active participants in downtown revitalization efforts frequently change resulting in the need to engage and train newcomers to the programs.

What is the status of your Tennessee Downtowns Steering Committee today?	
Our Steering Committee is still active.	46.88%
Our Steering Committee transitioned into Main Street or is still active in another organization.	28.13%
I don't know; I'm no longer involved.	9.38%
The downtown revitalization effort did not continue.	15.63%

2. Recommendations

Five Tennessee Downtowns have made a successful transition into Main Street: Athens, Brownsville, McKenzie, Paris and Sweetwater, and others have indicated interest. All alumni of the Tennessee Downtowns program are eligible to apply for TN ECD's façade Grant program, which started in 2013 as a \$25,000 grant to communities and increased to \$100,000 in 2015. Thirty-five of these grants have been awarded, and they remain a strong incentive for communities to apply for both Tennessee Downtowns and Main Streets. An extension of this study would be to evaluate the economic impact of façade grant improvements, and new grantees that are retail businesses are being asked to track sales before and after these projects.

In almost every SWOT analysis conducted, the condition of the commercial building stock in the downtown emerges as a weakness and is usually considered a critical threat to downtown's economic viability and frequently a public safety concern.

In addition to the façade grant program, the study shows a need to continue to engage with the Tennessee Downtowns alumni and continue to offer training and technical assistance. Survey comments featured throughout this report also show that new groups of people in the communities have become interested in their downtowns, and the database needs to be updated to include these new volunteers. While training is on-going for the communities that come into the program, these opportunities should be extended on a regular basis to the alumni programs and their new supporters.

Many of the communities' needs that have been identified by the Tennessee Downtowns program can be addressed by departments and agencies in addition to TN ECD. Tourism, Transportation, Environment and Conservation, Historic Commission, Arts and other departments all offer services and funding sources. Recent efforts by the Rural Tennessee Task Force have resulted in a clearing house website to make these resources easier to find and access.

The need that strongly emerges from the survey is to find the new contacts in each of the alumni communities, create an effective database and work to communicate effectively all the various opportunities they have to improve their downtown districts.

ⁱ The National Trust for Historic Preservation *Main Street Board Members Handbook*, written by Kennedy Smith, Peter Howley, Kate Joncas and Bill Parrish, 2003.

ⁱⁱ The National Main Street Center *Economic Restructuring Committee Handbook*

ⁱⁱⁱ The National Main Street Center *Design Committee Handbook*

^{iv} The National Main Street Center *Promotions Committee Handbook*

^v The National Main Street Center *Organization Committee Handbook*

All quotes are from responses of Tennessee Downtowns Steering Committee members surveyed for this project.