

# Summary: Getting Results

## The Economic Impact of Main Street Iowa, 1986-2012

**IOWA**  
economic development



## Main Street works.

That's the clear message from the recent study of the economic impact of Main Street Iowa. An analysis of twenty-six years of data demonstrates that Main Street Iowa has been doing exactly what it was created to do – helping Iowa communities use their historic downtowns and neighborhoods as an effective vehicle for economic development.

Since 1986:

- 11,500 net new jobs have been created in Main Street Iowa districts.
- Main Street Iowa districts have had a net gain in jobs in 25 of the last 26 years. As a comparison, the state of Iowa gained jobs in 19 of those 26 years and the U.S. economy only 20 of those 26 years.
- More than 3,800 businesses have started-up, relocated to, or expanded in Main Street Iowa districts.
- In spite of the farm crisis, four recessions, the dot-com bust and the real estate crash, there has been a growth in net new businesses every year in Main Street Iowa districts.
- In 25 of 26 years the rate of net new business growth in Main Street Iowa districts exceeded the rate of the U.S. as a whole.
- \$1.1 billion has been invested in buildings in these Main Street districts, \$300 million in acquisition and over \$800 million in building renovation.
- Projects in Main Street districts have generated an average of 623 Iowa jobs and over \$19 million in paychecks every year since the program began.
- In spite of a recession and a shaky economy, Main Street rehabilitation projects in the last ten years have created more than 1,000 jobs each year, on average, and generated worker earnings of nearly \$35 million dollars.
- Today, the property taxes on just the rehabilitation investment in Main Street Iowa districts provide local government with \$10.8 million in revenues every year.
- The recent national recession meant construction nationally and in Iowa was flat. However, in Main Street Iowa districts, construction activity increased 250 to 350 percent during the same time period.
- Conservatively, the net new businesses and business expansions in Main Street Iowa districts generated state sales tax revenues of \$43 million in 2012, nearly 50 times the budget for the state program.
- For every \$1 spent on the state program nearly \$73 in private investment has been spent on the acquisition and rehabilitation of buildings in Main Street districts.
- In the decade of the 1990s, the average sale price of a building in a Main Street Iowa district was \$59,459. Since 2000, that average has increased to \$154,827. For Main Street Iowa districts in towns less than 5,000 in population, in the decade of the 1990s the average sale price of a building was \$40,166. Since 2000, that average has increased to \$130,764.
- A couple living in an upper floor downtown apartment and paying \$500 per month in rent will add nearly \$20,000 per year to the downtown economy if a range of goods and services is available. In communities where the rents are \$1000 per month, that couple will add \$39,000 to the downtown economy.
- Main Street Iowa communities with populations between 5,000 and 50,000 grew 1.7 percent in population between 2000 and 2010; but the Hispanic population in those communities increased 108.4%. Rural Main Street Iowa communities (population less than 5,000) grew a modest 1.2 percent and the Hispanic population increased by nearly 140 percent.

The 26 year program of Main Street – economic development in the context of historic preservation – has been a singular success story. More jobs, new businesses, increased investment, enhanced tax revenues, bigger paychecks, rising property values ... these are at the top of the list of economic development priorities, and Main Street has done them all. And it has done so while protecting and enhancing the character and uniqueness of every Iowa Main Street community.