

Budget cuts may spell bad news for revitalization programs in Pa.

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Two programs designed to boost struggling downtowns are facing the budget ax in Harrisburg, and that concerns some local officials.

The Main Street and the Elm Street programs, created to bolster downtown business districts and their surrounding neighborhoods, could receive no money from the state if a \$27 billion budget approved by the state Senate is adopted. That would put the two programs on the ropes in some communities, and perhaps lead some of them to close their doors entirely, advocates contend.

"So many of these programs represent wonderful resources to communities, and we don't want to see the programs be downgraded or go away," said Bay Cario, Washington's Elm Street manager.

The Main Street program focuses on upgrading downtown business districts, while the Elm Street program, created in 2004, concentrates on neighborhoods that surround downtowns. Washington participates in both Main Street and Elm Street, while Canonsburg has only a Main Street program.

Harrisburg isn't the only source of funding for either Main Street or Elm Street programs, but state grants constitute a substantial portion of the budgets for programs that are younger than five years old. Washington's Main Street program falls outside the five-year state funding period.

Without the infusion of cash, "I do believe we would see a difference in the strides we're making," said Nadeen Steffey, Canonsburg's Main Street manager. She cited businesses that have set up shop in downtown Canonsburg and the renovation of building facades.

"These things wouldn't be happening without the Main Street program," she said.

Since the start of the fiscal year last week, Pennsylvania has been without a budget as lawmakers wrangle over how to bridge a \$3 billion budget deficit in a recession-battered economy. Gov. Ed Rendell has proposed funding for each program be reduced from \$7 million in 2008-09 to \$4 million in 2009-10.

Main Street and Elm Street would probably be able to continue in most communities at that level, according to Bill Fontana, executive director of the Pennsylvania Downtown Center in Harrisburg. He also believes that cutting them out of the budget completely would cost more in the long run, thanks to vacant storefronts, lost jobs and decreased tax revenue.

"It's a lot more expensive to redevelop a community than it is to revitalize it," he explained.

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