

TOP LINE

Economic and social insecurity on Main Street raises questions about the postpandemic fate of cities large and small. Urban centers rely on busy streets, bustling restaurants and crowded theaters, most of which lie quiet. Covid-19 linked business closures coupled with further limitations due to weeks of social unrest have initiated conversations about the fate of the city in the current environment. Perspectives range from the view that this is the end of an era of urban growth to the perspective that urban flight is premature and will undermine job security. The reality likely falls somewhere in between.

Gradual business openings across the U.S. have bolstered economic projections and breathed life into shuttered storefronts. However, as Covid cases rise in some areas the potential for a second wave of lockdowns threatens recovery and raises concerns that many small businesses may not survive a second round of closures. Health and policy decisions are likely to remain in tension amid continued uncertainty regarding the path and intensity of the pandemic. Meanwhile, many teleworking employees have settled into a rhythm that is absent a commute, leading to questions regarding the possibility of continuing such a routine. As remote workers remain at home for extended periods of time, the normalcy of returning to the office may be replaced by increased comfort with online meetings and calls; however, questions about productivity and creativity in an isolated home environment remain and businesses must evaluate the advantages and disadvantages of respective workforce locations.

Business leaders should consider long term plans for office space, telework policies, and commuter options. Such plans will enable leaders to provide a sense of stability to workers and alleviate the potential for short term decisions, such as 'panic moves' out of urban centers. Larger businesses should also evaluate options for more dispersed models of work, with the potential for hub and spoke models, balancing an urban hub with satellite offices in smaller city centers and downtowns.

Questions to Consider:

What long term strategies for office space, telework, and commuter options can be communicated to workers in the near term? How can businesses bolster the small businesses that underpin vibrant Main Streets and urban centers?

COVID-19: THE HIGHLIGHTS

Coronavirus cases are <u>climbing</u> in at least 22 U.S. states amid business reopenings, with many cases hitting states in the Sunbelt and West. These increases in caseloads are in line with expectations of health officials and local leaders. They also force local and state leaders in these areas to make decisions as to the degree to which Covid-19 rate increases are tolerable. Meanwhile business owners must contend with continued uncertainty about the path and intensity of the pandemic and the knowledge that a second shutdown would be catastrophic for many. Across the Pacific, a new Covid-19 <u>outbreak</u> in Beijing, China, reaffirms the unpredictable nature of the virus and the difficulty in determining the origins of new outbreaks. Meanwhile, the <u>retractions</u> of articles published by two respected medical journals regarding the use of blood pressure and malaria drugs on Covid-19 raised <u>questions</u> regarding the peer review process, rushed publication timelines, and the future of Covid research and drug trials.

BEYOND THE NOISE

Urban centers: The <u>survival</u> of urban centers is premised on dense populations, crowded streets and restaurants, and consumer spending. Cities foster creativity and networks, which are essential for collaboration and growth; however, they also risk a potential fiscal crunch as wealthy white collar workers move elsewhere to escape expensive, cramped apartments amid a surge in telework options and flexibility. Even so, the current <u>acceptance</u> of remote workers is not guaranteed to continue. Previous experiments in remote work and hoteling largely faded as employers sought the collaboration and creativity that is often best fostered in face-to-face office environments.

• Secure cities: Support urban renewal projects that include options for transportation, such as increased space for bikes and walking. Promote incentives for workers to remain in urban centers.

Main Street: Towns and cities across the U.S. have gradually begun the experiment of reopening Main Street businesses amidst Covid fatigue and, in some areas, the flattening of the curve. Mounting <u>caseloads</u> across the West, Sun Belt, and Southern U.S. are putting such reopenings in jeopardy and raising concerns that a second wave of lockdowns may follow, dooming many businesses that barely survived the first round of closures. After months of delays, the Federal Reserve's <u>Main Street Lending</u> <u>Program</u> is open for registration. The program seeks to provide loans to businesses which are too large to qualify for PPP loans. Despite criticism that the program does not sufficiently incentivize businesses to retain jobs, advocates hope that the loans will help buoy Main Street businesses enough to survive remaining Covid shutdowns and a recession.

• Secure livelihoods: Evaluate sustainable ways to support Main Street businesses through continued or renewed lockdowns. Any other ideas?

TRUSTED RESOURCES: for numbers & guidance

<u>Johns Hopkins University</u> – Coronavirus Resource Center <u>World Health Organization</u> – COVID-19 Pandemic <u>Center for Disease Control</u> – Coronavirus (COVID-19) Please contact Secure Source International at <u>info@securesource.com</u> to schedule a leadership roundtable with our intelligence and security experts to dive into these topics and discuss security and safety related best-practices..