

A look at Spartanburg's road ahead with City Manager, Chris Story

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As COVID-19 pandemic continues to impact our community, City Manager shares thoughts on recovery



A crisis reveals a lot about an organization's strengths and weaknesses. It exposes its ability to respond and adapt. And it illuminates the truth about priorities, both old and new.

Even as the City of Spartanburg continues to daily navigate the COVID-19 crisis and evaluate the impact of it on the local economy, its leadership team has been spending significant time considering the long-term impacts on its operations and strategic goals.

Because the city has a healthy rainy day fund and was generally on solid financial footing before the crisis forced the closing of segments of the economy, no cutbacks in services or delays of significant city projects are planned right now. At the same time, city leaders recognize the full scope and length of the crisis is still taking shape.

"So much depends on whether we get a yo-yoing effect," City Manager Chris Story said. "Everyone wants things to open sooner than later, but what is much more impactful for the long-term economy is not which day things initially reopen, it's whether we reopen and life goes on or we have multiple setbacks after that."

Some observers have described the two possibilities as either a V-shaped recovery, in which the economy rebounds from a singular decline, or a recovery shaped more like a W, in which multiple outbreaks force repeated economic shutdowns and recoveries of various durations and degrees. The best-case scenario, experts agree, is the V-shaped recovery. On the other hand, developing one set of strategies to weather the storm right now — such as accessing federal government assistance or taking on short-term debt — only to have to go back to square one in a few months because of a second (or third) outbreak could force economic convulsions that are difficult to imagine.

"This is a very difficult time, but as difficult as it is, to the extent we can be patient and disciplined right now so that we do not become an area that experiences significant ongoing flare-ups is very important for our local economy," Story said. "My hope is that we are not among those areas, because I think that is what can have a major long-term negative effect."

It should go without saying that there is no such thing as a good time for a crisis such as this one. However, most of the city's revenue was already in for the 2019-20 fiscal year.

"If we are able to return to normal and downtown is a busy, thriving place come fall, that's one thing," Story said. "Under that scenario, what we're really dealing with is a one-time loss. We can weather that without too much trouble. But if we continue to have lingering effects or missteps or false starts, we could see this revenue downturn stretching into multiple years and in that case it becomes more analogous to 2008."

In the aftermath of the financial system collapse of 2008 that triggered the Great Recession, the City saw tax revenues fall and laid off 20 percent of its workforce. It took four to five years before the city's disciplined fiscal approach, a slowly recovering local economy, targeted public investments and a number of public-private partnerships collectively gathered steam. In the years since, Downtown Spartanburg has been transformed, the Northside has become a national model for community revitalization, and Spartanburg has been elevated as a regional destination.

But while the Spartanburg of 2020 is better equipped to handle the current crisis than the Spartanburg of 2008 would have been, the nature of the coronavirus pandemic — how long it lasts, the toll it takes and the havoc it wreaks with macro-economic forces — is largely beyond City Hall's control.

"We may have to tap rainy day fund, but that is not certain," Story said. "We were having a good fiscal year until this hit, and we may be able to reach the finish line on this year without dipping too far into our reserves."

No matter how things develop from here, the health crisis and resulting economic crisis has reinforced for city and community leaders that their years-long focus on improving equity and addressing generational poverty is essential even while underscoring the fact a lot of work remains to be done.

"There has been a good spirit of cooperation among institutions and organizations in our community," Story said. "You don't want to be building those relationships in the middle of a bad situation. You want to have them built in advance, which fortunately was the case. In many ways, this is revealing for what we already knew — race equity and health equity are huge challenges for this community and some people are much better equipped to deal with this shutdown than others. It is not uniform and it is not fair. There is nothing fair about it.

"I know City Hall is, and I hope we're all committed to an agenda of trying to move all of Spartanburg forward. This crisis does help illustrate the connections. If we want to strengthen Highland, we've got to have a strong and bustling downtown. If we want to continue with the next phase of work on the Northside, we've got to have broader business growth. All of those efforts are intertwined. So the work

we've been trying to do on economic mobility and financial stability — this crisis has shown our country how many people are just a couple paychecks away from disaster and how the economy depends on the active participation of everyone. The topline decision-makers — their will or preference doesn't matter if the broader community can't participate. The economy will suffer if that is the case. Everyone — every single person — is relevant to the equation.”