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Blueprints for Michigan Downtowns

Howard City

Downtown
Blueprint
2005

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Blueprints for Michigan Downtowns, part of the Cool Cities Initiative 2005, is a partnership effort between the Michigan Economic Development Corporation (MEDC), the Michigan State Housing Development Authority (MSHDA), and the Michigan Municipal League (MML) to continue to assist communities and their Downtown revitalization efforts. Blueprint action plans are an investment in a community that creates new private jobs and investment.

MML originally brought this innovative planning concept to the attention of the MEDC and MSHDA. With MML's partnership in place, the MEDC and MSHDA have twice each put into the program \$100,000 to pay for 50% of the program. The other 50% match comes from the Blueprint communities. The MEDC's Community Assistance Team (CAT Team) designed and manages the Blueprint program. HyettPalma is the consultant for this program.

The 11 communities selected during the first round of the program in 2003 were: Adrian, Battle Creek, Brighton, Buchanan, Cheboygan, Davison, Grand Haven, Jonesville, Middleville, Mt. Pleasant, and Norway. Downtown Blueprints were prepared for these communities in 2003 and early 2004.

The 11 communities selected during the second round of the program in 2004 were: Howard City, Fremont, Howard City, Houghton, Howard City, Imlay City, Howard City, Linden, Menominee, Saline, and Wayland.

- Michigan Economic Development Corporation

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April 11, 2005

The City of Howard City
and Members of the Process Committee
125 Shaw Street
Howard City, MI 49329

RE: **Howard City Downtown Blueprint 2005**

HyettPalma, Inc., is pleased to present to you the following report titled: ***Howard City Downtown Blueprint 2005***, completed under the program titled ***Blueprints for Michigan Downtowns***.

This document includes the community's vision for Downtown as well as the findings of a comprehensive analysis of Downtown's commercial markets. The vision and market analysis findings were used to define a specific economic enhancement strategy for the Downtown project area. The recommended strategy was specifically designed to enable Downtown to attain the community's defined vision as well as the identified market opportunities.

Thank you for the opportunity to lend our firm's expertise to this very important project. We hope you will keep us informed of your success and know that we stand ready to assist in any way we can as you proceed with Howard City's Downtown enhancement effort.

Sincerely,



Doyle G. Hyett



Dolores P. Palma

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Process Committee Members

At the request of HyettPalma, Inc., a Process Committee was formed to oversee this project. HyettPalma would like to thank the members of the Downtown Howard City Process Committee, listed below, for all their time, hard work, and dedication in preparing for and participating in completing the ***Howard City Downtown Blueprint 2005***.

Rich Stevens, Chair, DDA
Mike Scott, DDA Member
Richard Kilts, DDA Member
Kevin Droski, DDA Member
Ron Baker, DDA Member
Christian Kindel, DDA Member
Lynda Slavens, DDA Member
Rich Pease, DDA Member
Keith Grannis, DDA Member
Jerry Poprawski, Village Council Liaison
Don Bauman, Historical Society Representative
Bill Spence, Downtown Senior Center Representative
Mark Stevens, Downtown Property Owner Representative
John Berchtold, Interim Village Manager
James Scholten, Panhandle Chamber of Commerce Representative

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TABLE OF CONTENTS

I. Project Overview	1
II. Downtown Howard City Today	4
III. Resident and Business Surveys	10
IV. Downtown Howard City Tomorrow	15
V. Downtown Market Analysis	19
Downtown Retail Opportunities	
Downtown Office Opportunities	
Downtown Housing Opportunities	
VI. Course of Action	33
VII. Partnership for Success	51
VIII. Implementation Sequence	55
IX. Appendix	59
MEDC Memo	
MSHDA Memo	
The Retail Report®	

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Project Overview

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I. PROJECT OVERVIEW

This document presents the community's economic vision for Downtown Howard City as well as the findings of a market analysis conducted for Downtown.

The boundaries of the project area are shown on the following page of this document.

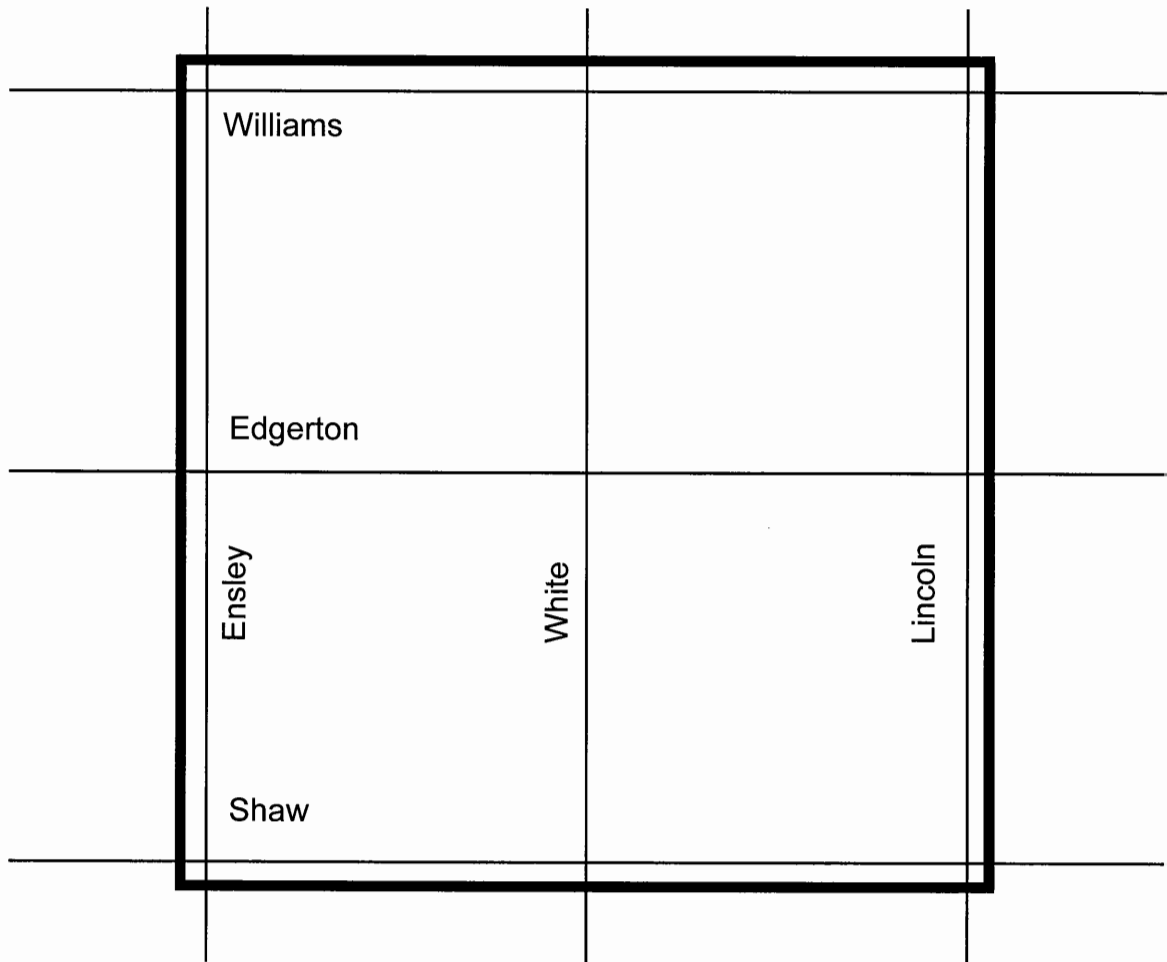
The vision and the market analysis results were used as the foundation upon which to develop an economic enhancement strategy for Downtown Howard City. The economic enhancement strategy was specifically crafted to further strengthen Downtown and to guide its future development – keeping with the community's vision and the market analysis findings.

The assignment was completed as part of the ***Blueprints for Michigan Downtowns*** technical assistance program, a partnership of the Michigan Economic Development Corporation (MEDC), the Michigan State Housing Development Authority (MSHDA), and the Michigan Municipal League (MML). The ***Howard City Downtown Blueprint 2005*** was completed by HyettPalma, Inc., with the assistance of the Process Committee formed to oversee the project.

The methodology used to define the ***Howard City Downtown Blueprint 2005*** was developed by HyettPalma, Inc., and has been used extensively by the firm in Downtowns throughout the United States. To date, it forms the basis of the technical assistance programs titled:

- ***America Downtown® -- New Thinking. New Life.***, created by the National League of Cities and HyettPalma in 1992;
- ***Indiana Downtown®***, created by the Indiana Association of Cities and Towns with HyettPalma in 2001; and
- ***Blueprints for Pennsylvania's Downtowns***, created by the Pennsylvania League of Cities and Municipalities and HyettPalma in 2004.

Downtown Howard City



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***Downtown
Howard City
Today***

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II. DOWNTOWN HOWARD CITY TODAY

Downtown Howard City is fortunate to be experiencing an influx of new businesses, “new blood,” and new investment – in terms of both businesses and buildings. And, this new investment is of exceptionally high quality.

This influx has brought new entertainment, food, and retail businesses to Downtown, all businesses that are open into the evenings. The result is that an impulse-oriented cluster of businesses is being created in Downtown by natural market forces. And, these businesses now anchor all three intersections of Edgerton Street that are within the Downtown project area – Ensley Street, White Street, and Lincoln Street.

Also fortunate is the fact that Downtown still retains its traditional anchors. These include Village offices, Reynolds Township Hall, the post office, and the Reynolds Township Library, which is undergoing a substantial expansion from its current 1,800 square feet to 9,200 square feet of new space in Downtown. Adding to Downtown’s potential to draw customers are its fledgling farmers market and the pending Depot Historical Museum.

Downtown Howard City is located in a high growth corridor where population is increasing rapidly. And, nearby lakes lend Downtown the potential to attract lake residents, whether they be year-round or seasonal.

The Howard City Downtown Development Authority (DDA) was formed in 1997. The DDA boundaries encompass a large area of land that includes various types of commercial development (e.g., industrial park and highway strip areas) in addition to Downtown. This will enable the DDA to capture a considerable level of tax increments, once the Renaissance Zone expires.

In addition to all of the above “good news,” the general public appears to be very interested in Downtown Howard City’s future. This is evidenced by the fact that approximately 10% of the Village’s population participated in the Community Vision Session held to define this ***Downtown Blueprint!***

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Those participating in the ***Downtown Blueprint*** sessions were asked to voice their hopes as well as concerns regarding Downtown's future. Repeatedly, community members said they would like Downtown to have the following image.

***A beautiful and historic Downtown
that is a great place to find the unusual.***

***A Downtown with character –
you can see the past and the future here.***

***A cute little place to
walk around and shop.***

***A Downtown of friendly, warm, honest,
sincere, and outgoing people
that has places to go, sit, and talk with your neighbors.***

***A Downtown filled with
local art, retail shops, a variety of food,
and activities for families –
A Downtown that makes you say,
“Stop and look at me!”***

***A Downtown of great music, art, and
special events that draw people from
Howard City, the surrounding area, and beyond.***

***A beautiful and unique Downtown
that is progressive and innovative
but that still has
“that old time feeling.”***

***Downtown Howard City –
it's a great place to go and everybody knows it!***

***A Downtown that makes people say,
“Things have really changed . . .
you'd be amazed by Downtown Howard City.”***

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The following concerns were repeatedly voiced by those participating in the ***Downtown Blueprint*** process:

- Creating reasons for people to come to Downtown;
- Determining the optimum mix of businesses;
- How to find the businesses needed to fill vacancies;
- Providing parking for customers, employees, and residents of Downtown;
- Increasing the number of retail businesses;
- Improving Downtown's "eye appeal;"
- Maintaining Downtown's historical uniqueness;
- How to get the word out about what Downtown has to offer; and
- Funding needed improvements and actions.

Given the above – the current condition of Downtown, the community's hopes for Downtown's future, and the community's concerns regarding Downtown – HyettPalma recommends that the following guidelines be embraced to implement this ***Downtown Blueprint***.

1. Downtown should be made the community's gathering place and focal point by concentrating uses, activities, and events here that serve the broader community.
2. The impulse-oriented cluster that is being creating by market forces should be nurtured and augmented. These uses should be clustered on Edgerton from Ensley to Lincoln Streets.
3. First floor apartments should not be allowed on Edgerton. This is vital since such uses will severely hinder – if not prohibit – a solid, quality cluster of businesses from being created on Edgerton from Ensley to Lincoln.

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4. Enforceable codes and the enforcement of those codes are sorely needed in Downtown.
5. Although the DDA district is large, DDA efforts and resources should be focused in Downtown. This is very important since – within the DDA boundaries – Downtown is the area of greatest need and a vibrant Downtown will leverage benefits for the entire community. In addition, it must be realized that the standard is being raised by communities all around Howard City that are revitalizing their Downtowns. Howard City residents are aware of these actions. Consequently, they expect more for and from their own Downtown. Therefore, Howard City’s leaders cannot afford to not focus on their Downtown.
6. Among some community leaders, there appears to be an unhealthy degree of skepticism regarding what will and will not “work” in Downtowns. These leaders should visit nearby communities that are taking progressive steps in their Downtowns and they should adopt “yes we can” as their motto, rather than “here’s why we can’t.”
7. The “new blood” mentioned earlier – progressive and entrepreneurial owners who are operating recently opened and high quality Downtown businesses – should be rigorously invited to participate in the work of the DDA and in implementing this **Downtown Blueprint**.
8. The Renaissance Zone should not be allowed to cannibalize Downtown by luring businesses from Downtown via tax breaks. To avoid this, the Village government should review its zoning ordinance and ensure that traditional Downtown uses are not allowed by right in the Renaissance Zone.
9. The needs of Downtown, and the actions recommended in the **Downtown Blueprint** to address those needs, should determine which sources are tapped for funding. The availability of grants should not be the driving force in determining what actions to take in Downtown.
10. To attain success, Downtown Howard City will need strong and progressive leadership, dedicated volunteers, knowledgeable staff, and leaders committed to implementing the Downtown Blueprint until the job is done.

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11. Those leading the Downtown charge should understand that their increased involvement in and support of the Downtown effort will yield increased private investment in Downtown – which, in turn, will lead to increased values in Downtown. And, this is the road to a sustainable Downtown economy.
12. Finally, those implementing the **Downtown Blueprint** should focus their attention on what is called “The Three P’s” of Downtown enhancement – the product (creating the business mix that appeals to and draws consumers), the place (creating an appealing environment), and the pitch (getting the word out to consumers about Downtown’s allure).

The recommended actions contained in this document were specifically tailored by HyettPalma to:

- Enable Downtown Howard City to reflect the community’s hopes for their Downtown;
- Address the community’s concerns regarding Downtown;
- Leverage the private sector investment now occurring in Downtown; and
- Assist those implementing this **Downtown Blueprint** to do so using the guidelines outlined above.

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***Resident
and
Business
Surveys***

III. RESIDENT AND BUSINESS SURVEYS

As a part of this project, two surveys were conducted to gauge the health of Downtown Howard City, as perceived locally. These were a survey of owners/managers of all non-residential uses located in the project area and a telephone survey of residents living in the primary trade area. A summary of the survey responses follows.

Use of Downtown

Of primary trade area residents surveyed, over three-quarters (77%) reported coming to Downtown Howard City with great frequency – between 1 and 7 times a week.

Another 21% – over one-fifth – said they come to Downtown with moderate frequency, defined as from 3 times a month to 6 times a year.

Finally, only 2% said they seldom or never come to Downtown Howard City.

Purpose of Trips

Trade area residents were asked why they currently come to Downtown Howard City. The top three reasons given were “post office” (25%), “shopping” (20%), and “eating in restaurants” (16%). Therefore, 61% of those surveyed said they now come to Downtown Howard City primarily for one of these three reasons.

The next two most often given responses were cited with the same frequency. These were “library” (9%) and “banking” (9%).

The remaining reasons given for trips to Downtown Howard City were cited with far less frequency. These were:

- Service businesses (6%);
- Work (3%);
- Personal business (2%);
- Government business (2%);
- Religious services (2%);
- Visiting friends or family (2%);

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- Recreation (2%);
- Live there (1%); and
- Passing through (1%).

Shopping Area of Choice

Trade area residents surveyed were asked where they do most of their shopping at this time, other than grocery shopping. The two most often mentioned locations were Big Rapids (49%) and Grand Rapids (39%). Therefore, the vast majority of respondents (88%) said they do most of their shopping at one of these two locations.

The remaining responses to this question were Howard City (9%) and Rockford (3%).

When asked why they choose to shop in a particular area, residents primarily stressed the importance of convenience (44%) and the variety/selection offered (33%). The remaining responses to this question included:

- Price (10%);
- Closeness to home (7%);
- Closeness to work (5%); and
- Service (1%).

Downtown Characteristics

Trade area residents and Downtown business owners surveyed were asked to rate a list of 19 Downtown characteristics as being "good," "fair," or "poor" at this time. Ten characteristics were rated "good" by a majority or significant percent of residents. Six characteristics were rated "good" by a majority or significant percent of business owners. And, these six were among the ten rated "good" by a majority or significant percent of residents.

The six characteristics rated "good" by a majority or significant percent of both residents and business owners were:

- Feeling of safety (89% residents, 50% business owners);
- Helpfulness of salespeople (70% residents, 63% business owners);
- Knowledge of salespeople (65% residents, 60% business owners);

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- Business hours (63% residents, 63% business owners);
- Quality of restaurants (59% residents, 58% business owners); and
- Quality of service businesses (58% residents, 56% business owners).

The four characteristics rated “good” by a majority or significant percent of residents, but not business owners, were:

- Traffic circulation (64% residents, 11% business owners);
- Quality of retail goods (56% residents, 44% business owners);
- Cleanliness of the area (54% residents, 33% business owners); and
- Parking convenience (48% residents, 31% business owners).

Downtown Improvements

Trade area residents and Downtown business owners were asked to rate a list of 18 possible Downtown improvements as being "very important," "somewhat important," or "not important" at this time.

Nine improvements were rated “very important” by a majority or significant percent of residents. Six improvements received this rating from a majority or significant percent of business owners. Residents and business owners agreed on five of these improvements, which were:

- Recruit additional retail businesses (70% residents, 94% business owners);
- Physically improve buildings (60% residents, 94% business owners);
- Improve the availability of parking (54% residents, 100% business owners);
- Improve the convenience of parking (49% residents, 100% business owners); and
- Improve cleanliness of the area (47% residents, 47% business owners).

The four improvements rated “very important” by a majority or significant percent of residents – but not business owners – were:

- Improve the variety of retail goods (74% residents, 20% business owners);
- Improve the quality of retail goods (60% residents, 27% business owners);

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- Increase the variety of restaurants (52% residents, 31% business owners); and
- Improve the variety of service businesses (48% residents, 25% business owners).

The four improvements rated “very important” by a majority or significant percent of trade area residents – but not Downtown business owners – all deal with the variety/selection found in Downtown, whether this be of retail goods, restaurants, or service businesses. In fact, “improve the variety of retail goods” was the improvement rated “very important” by the highest percentage of residents. This is extremely important to note since 33% of residents said they choose to shop in a particular area due to the variety/selection offered. This deciding factor was second only to the convenience offered by a shopping area.

When asked what else could be done to attract customers to Downtown, residents stressed the importance of more retail stores, unique shops, and food. Downtown business owners, on the other hand, reiterated their interest in improving Downtown parking.

When asked what specific types of businesses or activities they would personally use if opened in Downtown Howard City, residents expressed a preference primarily for apparel stores.

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***Downtown
Howard City
Tomorrow***

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IV. DOWNTOWN HOWARD CITY TOMORROW

A series of discussions, focus groups, and meetings were held to define the community's preferred vision of Downtown Howard City – as it would ideally exist in the year 2010. A compilation of the thoughts and preferences expressed during those sessions is shown below.

Downtown's buildings would be "fully utilized" with more retail stores, local art, antiques, unique gift shops, Amish products, a variety of restaurants, and "things to draw" area residents as well as travelers from M-46 and 131.

Downtown's mixture of uses would enable it to attract a wide range of customers. These would include:

- Residents of Howard City, including new residents moving to the area;
- Residents within a 15-mile radius of Howard City;
- Residents of nearby lake communities;
- School children and teachers;
- Students of Montcalm Community College and Ferris State College;
- Users of the medical facility and White Pine Trail;
- Those coming to the area to hunt and fish; and
- Those going to the Burley Park Flea Markets.

The post office, library, and Village offices would remain in Downtown. In addition, Downtown would have a bank.

Downtown's historic uniqueness would be retained. Its original "architecture" would be restored and Downtown would have a "continuity of facades." Building owners would be more involved in fixing-up their properties so that "we can recruit the businesses we need." And, Downtown's business owners would work together and help each other by cross-marketing.

Downtown's sidewalks would be in good repair and pedestrian-friendly. "Historic" street lights would be placed on Edgerton. Downtown's streetscape would include benches, trash receptacles, and flowers.

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Downtown parking would be available and convenient for customers, employees, and residents alike. On-street spaces would not be “taken up” by employees or residents, but left open for customers. And, parking designated for a business’s employees would not be used by Downtown residents.

Downtown’s current best attributes would be stressed and marketed. These include:

- Its old buildings with “each having a unique story;”
- The upbeat and friendly attitude of proprietors;
- The uniqueness of Downtown’s newer businesses;
- Business owners who love Howard City and are committed to the community;
- A very forward thinking Village government whose staff members and elected officials take great pride in their work; and
- The fact that one does not HAVE to go to Grand Rapids anymore to see a concert, have a great dinner, get a quality sandwich, buy a nice gift or a gift certificate, take dance lessons, etc.

Building on and adding to these attributes, Downtown Howard City would be enhanced to have the following image.

***A beautiful and historic Downtown
that is a great place to find the unusual.***

***A Downtown with character –
you can see the past and the future here.***

***A cute little place to
walk around and shop.***

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*A Downtown of friendly, warm, honest,
sincere, and outgoing people
that has places to go, sit, and talk with your neighbors.*

*A Downtown filled with
local art, retail shops, a variety of food,
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special events that draw people from
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you’d be amazed by Downtown Howard City.”*

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Downtown Market Analysis



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V. DOWNTOWN MARKET ANALYSIS

To ensure long-term economic results and success, Howard City's Downtown enhancement effort must be market-driven. This means that the effort must be one that results in all of Downtown's investors -- business owners, property owners, developers, patrons, the local government, etc. -- being able to realize an increasing return on their investments. This can only be achieved via an enhancement effort that is based on a sound, realistic understanding of Downtown's economic potentials. The following chapter quantifies Downtown's economic potentials in terms of retail, office, and housing development.

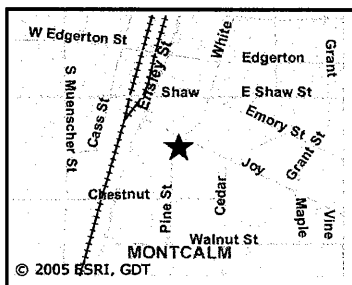
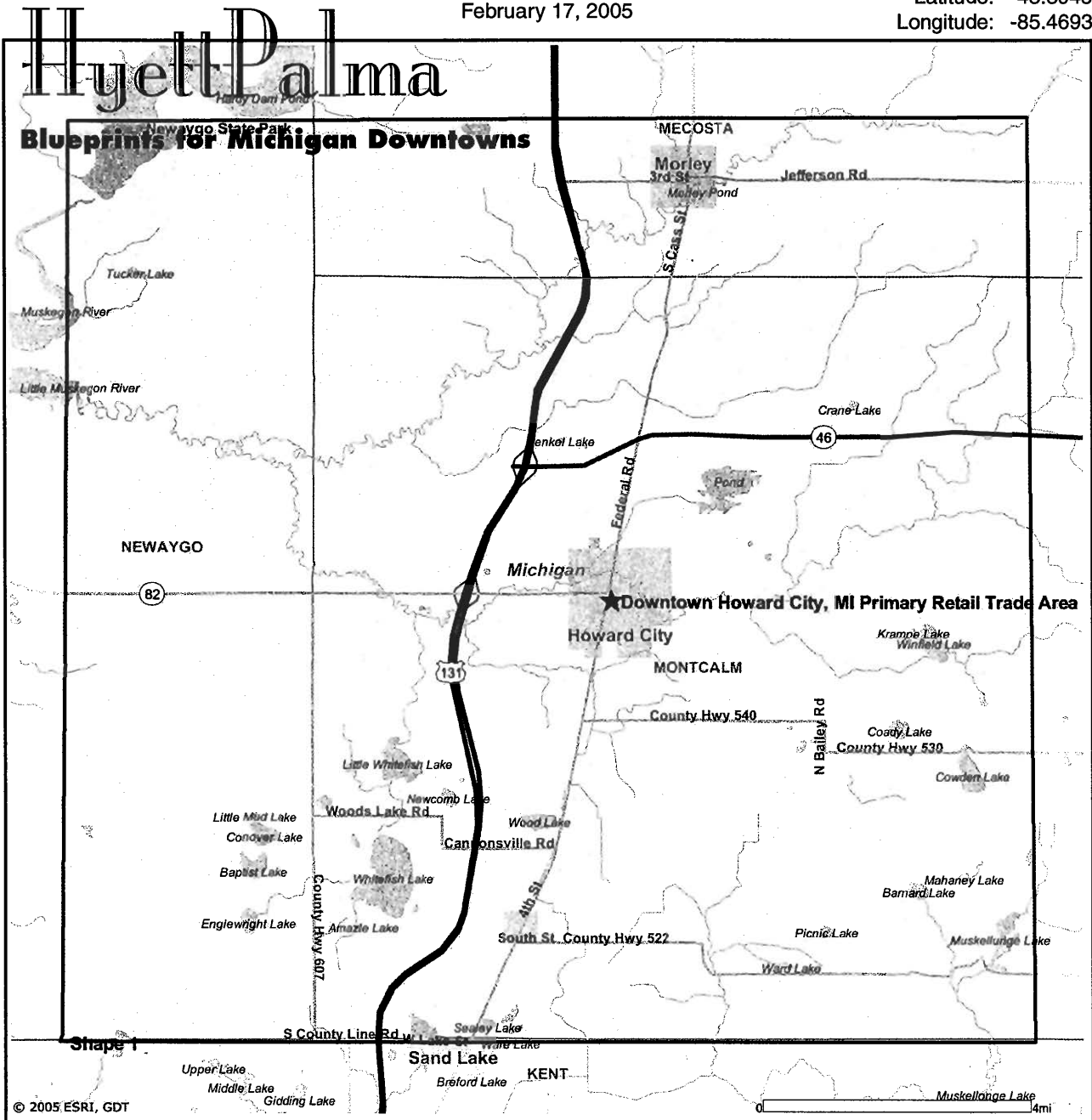
Downtown Retail Opportunities

Retail Trade Area -- Downtown Howard City's primary retail trade area has been defined as the geographic area from which the majority of retail customers are currently drawn and the geographic area which presents the greatest opportunity in the immediate future for gaining additional retail customers. Based on current customer travel patterns, discussions with local business leaders and government officials, and the opinion of HyettPalma, Inc., Downtown's primary retail trade area has been identified as the area shown on the attached map.

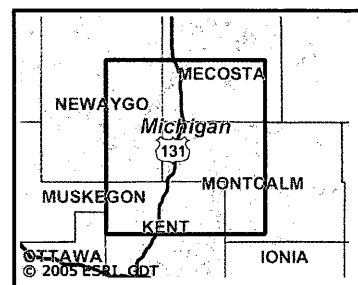
Retail Economic Indicators -- Downtown's primary retail trade area can be currently characterized by the following economic indicators.

THE PRIMARY TRADE AREA HAS AN ESTIMATED POPULATION OF 18,507 -- WITH AN ESTIMATED 6,771 HOUSEHOLDS (Source: ESRI estimate)

THE PRIMARY TRADE AREA POPULATION IS ESTIMATED TO INCREASE TO APPROXIMATELY 19,781 BY 2009 -- WITH AN ESTIMATED 7,350 2009 ESTIMATED HOUSEHOLDS (Source: ESRI estimate)



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THE AVERAGE HOUSEHOLD SIZE IS 2.73 PERSONS, WHICH IS SLIGHTLY LARGER THAN THE NATIONAL AVERAGE OF 2.59 (Source: ESRI estimate)

THE TOTAL COMBINED INCOME OF HOUSEHOLDS WITHIN THE PRIMARY TRADE AREA IS APPROXIMATELY \$348,000,000 PER YEAR (Source: ESRI estimate)

THE AVERAGE HOUSEHOLD INCOME FOR THOSE IN THE PRIMARY TRADE AREA IS APPROXIMATELY \$51,348 AND IS PROJECTED TO INCREASE TO \$57,146 ANNUALLY BY 2009 (Source: ESRI estimate)

Current Retail Businesses -- Downtown Howard City currently contains 9 retail businesses, which occupy approximately 23,000 square feet of building space. The retail inventory was completed by the Downtown Howard City Process Committee and is shown on the following page.

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Downtown Howard City Retail Businesses

<u>SIC CODE</u>	<u>BUSINESS TYPE</u>	<u># BUS.</u>	<u>TOT. SQ. FT.</u>
<u>57</u>	<u>Furniture and Home Furnishings</u>		
5719	Misc. Home Furnishings	1	2,000
<u>58</u>	<u>Eating/Drinking</u>		
5812	Eating Places	2	3,980
5813	Drinking Places	1	4,506
	<u>Select Support Services</u>		
7231	Beauty Shops	1	1,400
7241	Barber Shops	1	906
	<u>Amusement and Recreation Services</u>		
7911	Dance Studios/Schools	1	1,980
7999	Mic. Amusement/Recreation	2	8,210

TOTAL NUMBER OF RETAIL BUSINESSES	9
--	----------

TOTAL SQUARE FEET OF OCCUPIED RETAIL BUSINESS SPACE	22,982
--	---------------

TOTAL NUMBER OF VACANT RETAIL SPACES	3
---	----------

TOTAL SQUARE FEET OF VACANT RETAIL BUSINESS SPACE	5,716
--	--------------

Source: Downtown Howard City Process Committee

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Retail Potential -- Currently, within Downtown's primary trade area, the total estimated demand for retail products is approximately \$107,000,000 per year. This demand is shown on the following graphs. A complete presentation of retail product demand for the primary trade area is shown in **THE RETAIL REPORT®**, contained in the Appendix of this document.

As a conservative estimate, it is assumed that Downtown Howard City retail businesses now generate an average (blended figure) of approximately \$125 per year per square foot in retail sales.

Since Downtown currently contains approximately 23,000 square feet of occupied retail space, Downtown Howard City should currently be generating approximately \$2,875,000 in retail sales per year.

By dividing the project area's estimated annual retail sales -- \$2,875,000 -- by the total estimated demand for retail products within the primary trade area -- \$107,000,000 -- it can be concluded that Downtown Howard City may currently be capturing approximately 2.7% of the retail sales potential within the primary trade area. And, the balance of the demand is being captured by businesses within other parts of the primary trade area and/or by businesses in other trade areas.

Taking steps to further enhance Downtown Howard City, and barring a significant decline in the national or regional retail economy, it is conservatively anticipated that Downtown may have the potential to increase its share of retail sales in its primary trade area from the current level of approximately 2.7% to between 3.25% and 3.5% by the year 2010. This should be considered a goal of the economic enhancement program.

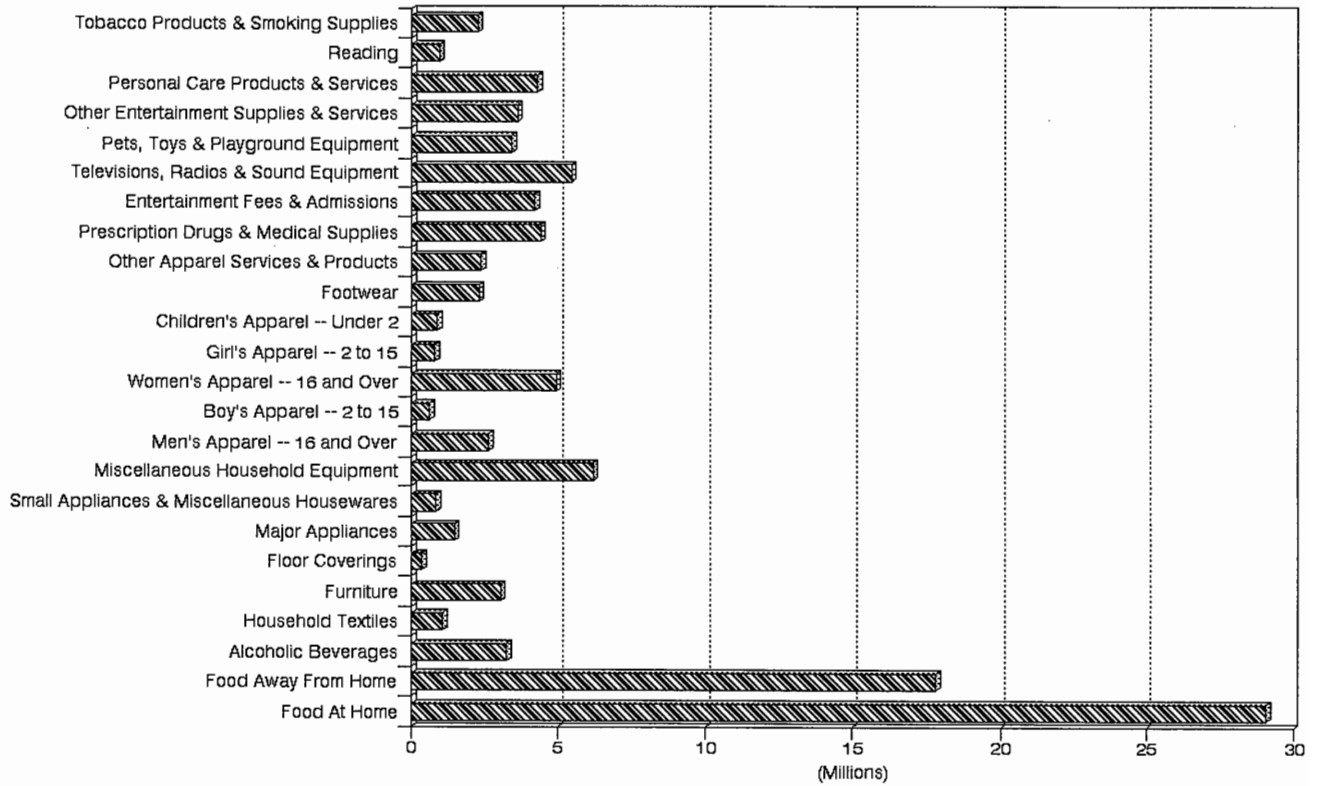
If Downtown Howard City is able to increase its market share to between 3.25% and 3.5% by the year 2010, it is possible that the project area may be able to increase its total capture of retail sales to between \$3,500,000 and \$3,750,000 by the year 2010 -- considered in constant 2005 dollars.

This increase in total retail sales could potentially support the development of between approximately 5,000 and 7,000 net square feet of additional retail space by the year 2010 -- which could include expansions or sales increases by existing Downtown Howard City retail businesses and/or the construction of some limited amount of new retail space.

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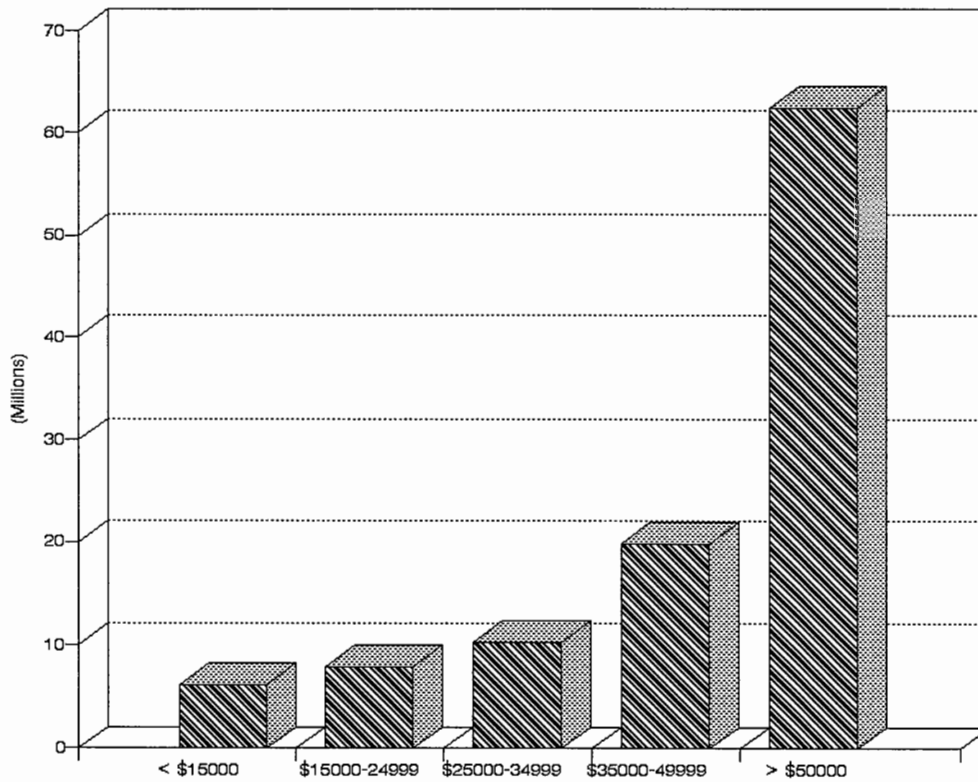
TOTAL PRODUCT DEMAND BY PRODUCT TYPE



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TOTAL PRODUCT DEMAND BY INCOME GROUP



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It must be noted that Downtown's ability to gain a larger market share will be contingent on efforts to enhance its business climate, enhance and expand its existing businesses, and recruit additional retail businesses to the area. If such efforts are aggressively and diligently implemented -- on an on-going basis -- the actual growth in Downtown's market share could potentially be much higher than projected. Conversely, by the year 2010, Downtown Howard City's market share could be much less than projected above if efforts to enhance the area and expand/recruit businesses are not diligently and continually pursued.

NOTE:

No attempt was made to determine the condition of vacant space. Therefore, no judgment is made concerning the marketability of space based on condition.

Retail Business Development -- Based on the findings of this retail market analysis, the opportunity exists to enhance and expand certain types of retail businesses that are currently located in Downtown Howard City. In addition, the opportunity also exists to attract additional businesses to Downtown. A list of the types of retail businesses recommended for potential enhancement, expansion, and attraction is presented in the chapter of this document titled ***Course of Action***.

Downtown Office Opportunities

Office Market Indicators -- Several key economic indicators that characterize the current office operations within Downtown Howard City follow.

- Downtown Howard City currently contains a total of 12 various office occupants occupying approximately 24,000 square feet of building space.
- Downtown Howard City is the professional services center of the Village.
- Downtown's occupied office space serves, primarily, the personal needs of those who live within the broader community.

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- The most significant concentrations of offices include insurance, real estate, personal and business services, health services, educational services, and government.

Current Office Uses -- The variety of office occupants found in Downtown can be seen in the following table, in which office tenants are listed by SIC numbers. The office inventory was completed by the Downtown Howard City Process Committee.

Office Potential -- It is anticipated that most of Downtown's office market growth will continue to consist of office uses which serve, primarily, the personal needs of those who live in, or in proximity to, Downtown Howard City's primary trade area. Communities nationwide have experienced the fact that -- as improvements are made in the overall economic and physical conditions of their Downtowns -- an associated increase in demand for office space normally follows. This is also expected to hold true for Downtown Howard City. In addition, demand for office space is anticipated to increase due to natural household growth in the area, which is projected for the immediate future.

Therefore, it is estimated that approximately 5,000 to 7,500 square feet of additional office space could potentially be supported in Downtown Howard City between now and the year 2010. This should be considered an economic goal for the enhancement effort.

It must be noted that the actual growth in Downtown's office demand could be higher if Downtown is able to attract general offices, or back office operations from outside the area, to attract office occupants currently located elsewhere in the community; or to experience significant expansion by current Downtown office operations.

NOTE:

No attempt was made to determine the condition of vacant space. Therefore, no judgment is made concerning the marketability of space based on condition.

Office Business Development -- A listing of office types recommended for recruitment and expansion in Downtown Howard City is presented in the chapter of this document titled ***Course of Action***.

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Downtown Howard City Offices by SIC Code

SIC CODE	BUSINESS TYPE	# BUS.	TOT. SQ. FT.
<u>63/64</u>	<u>Insurance</u>		
641	Insurance Agents/Brokers	1	2,250
<u>72</u>	<u>Personal Services</u>		
727	Funeral Home	1	2,146
<u>73</u>	<u>Business Services</u>		
733	Mailing/Reproduction/Comm. Art/Photography/Steno Servs.	1	1,768
<u>80</u>	<u>Health Services</u>		
802	Offices/Clinics of Dentists	1	3,420
808	Home Health Care	1	2,800
<u>82</u>	<u>Educational Services</u>		
823	Library	1	1,780
824	Vocational Schools	1	1,286
<u>86</u>	<u>Membership Organizations</u>		
864	Civic/Social Organizations	2	2,920
<u>91</u>	<u>General Government</u>		
919	General Government	2	3,000
<u>96</u>	<u>Admin. of Economic Programs</u>		
961	General Economic Programs	1	1,416
TOTAL NUMBER OF OFFICE BUSINESSES		12	
TOTAL SQUARE FEET OF OCCUPIED OFFICE BUSINESS SPACE			22,786

Source: Downtown Howard City Process Committee

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Downtown Housing Opportunities

The ***Downtown Blueprint*** project area contains approximately 17 apartment units. Approximately 34 residents occupy these units. The inventory and occupancy estimate were prepared by the Downtown Howard City Process Committee.

In addition, several loft units and lodging units are in some phase of development in Downtown Howard City at this time. And, all of these units are being developed as market-rate units – meaning that the units are not currently slated for any form of subsidy nor have any form of incentives been necessary to stimulate interest in developing additional housing units, other than the perceived demand in the marketplace for such units.

Based on local discussions with government officials, state of Michigan officials, and potential future housing developers, the market for additional housing units in Downtown Howard City is somewhat “restricted” due to three local concerns:

1. The lack of available, assigned parking spaces for residential dwellers;
2. The profiles of some current residents occupying what is locally termed “marginal” housing units in some of Downtown’s existing apartment buildings; and
3. Limited local code enforcement actions which have resulted in unsafe and unhealthy living conditions in some existing apartment units, and associated, potentially illegal activity occurring in some apartment units and apartment buildings.

In fact, one potential developer of additional units in Downtown stated during local discussions . . .

***I think I’ll build more slum apartments like everybody else
and just get what I can out of the units
and not care who lives there or what the place looks like.***

Unless the three above noted concerns are addressed – particularly items 2 and 3 – it is unlikely that Downtown Howard City will experience significant new housing development in the future – particularly quality housing. However, if items 2 and 3

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are addressed, it is likely that quality investors can be induced to develop additional units in Downtown, particularly with assistance from the Michigan State Housing Development Authority.

Downtown Howard City is very fortunate to have many people living in proximity to Downtown who enjoy the convenience of being able to walk or drive a short distance to the heart of Howard City. These local residents will always be extremely important potential customers and clients of Downtown.

As has been found throughout the nation during the past three plus decades – regardless of community size or location – as a Downtown's physical environment and mix of businesses is improved, it is very likely that the demand for housing in and near that Downtown will also increase. This can also be expected in Downtown Howard City. However, the three concerns noted above must be addressed first.

Every effort should be made, consistent with the ***Downtown Blueprint***, to introduce more quality housing – both market-rate and affordable housing – in and in proximity to Downtown Howard City.

As market conditions allow, every effort should be made to introduce:

- More loft apartments in the upper floors of appropriate existing structures throughout Downtown – market rate and affordable;
- Townhouses and garden-style units – market-rate and affordable – on redevelopment sites at the edges of Downtown; and
- Both owner-occupied and rental units.

A concerted effort should also be made to protect and enhance housing in Downtown's valuable adjacent neighborhoods.

Other specific programs to foster housing development in and near Downtown Howard City are also referenced in a memo from MSHDA – attached in the *Appendix* of this document – and should be seriously considered in association with the Downtown enhancement effort. It is very important to note that MSHDA has expressed an interest in helping the community in any way possible to increase Downtown living opportunities.

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Rather than placing arbitrary or artificial limits on the number of housing units appropriate for Downtown Howard City – and in neighborhoods near the commercial district – it is suggested that the absorption of units in the marketplace be used as the indicator of demand. And, that every effort be made to develop the greatest number of quality units possible in and near Downtown when market conditions allow.

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Course of Action

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VI. COURSE OF ACTION

As was stated earlier, given the current condition of Downtown, the community's hopes for Downtown's future, and the community's concerns regarding Downtown, HyettPalma recommends that the following guidelines be embraced to implement this *Downtown Blueprint*.

1. Downtown should be made the community's gathering place and focal point by concentrating uses, activities, and events here that serve the broader community.
2. The impulse-oriented cluster that is being creating by market forces should be nurtured and augmented. These uses should be clustered on Edgerton from Ensley to Lincoln Streets.
3. First floor apartments should not be allowed on Edgerton. This is vital since such uses will severely hinder – if not prohibit – a solid, quality cluster of businesses from being created on Edgerton from Ensley to Lincoln.
4. Enforceable codes and the enforcement of those codes are sorely needed in Downtown.
5. Although the DDA district is large, DDA efforts and resources should be focused in Downtown. This is very important since – within the DDA boundaries – Downtown is the area of greatest need and a vibrant Downtown will leverage benefits for the entire community. In addition, it must be realized that the standard is being raised by communities all around Howard City that are revitalizing their Downtowns. Howard City residents are aware of these actions. Consequently, they expect more for and from their own Downtown. Therefore, Howard City's leaders cannot afford to not focus on their Downtown.
6. Among some community leaders, there appears to be an unhealthy degree of skepticism regarding what will and will not “work” in Downtowns. These leaders should visit nearby communities that are taking progressive steps in

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their Downtowns and they should adopt “yes we can” as their motto, rather than “here’s why we can’t.”

7. The “new blood” mentioned earlier – progressive and entrepreneurial owners who are operating recently opened and high quality Downtown businesses – should be rigorously invited to participate in the work of the DDA and in implementing this **Downtown Blueprint**.
8. The Renaissance Zone – which is located within the DDA boundaries – should not be allowed to cannibalize Downtown by luring businesses from Downtown via tax breaks. To avoid this, the Village government should review its zoning ordinance and ensure that traditional Downtown uses are not allowed by right in the Renaissance Zone.
9. The needs of Downtown, and the actions recommended in the **Downtown Blueprint** to address those needs, should determine which sources are tapped for funding. The availability of grants should not be the driving force in determining what actions to take in Downtown.
10. To attain success, Downtown Howard City will need strong and progressive leadership, dedicated volunteers, knowledgeable staff, and leaders committed to implementing the Downtown Blueprint until the job is done.
11. Those leading the Downtown charge should understand that their increased involvement in and support of the Downtown effort will yield increased private investment in Downtown – which, in turn, will lead to increased values in Downtown. And, this is the road to a sustainable Downtown economy.
12. Finally, those implementing the **Downtown Blueprint** should focus their attention on what is called “The Three P’s” of Downtown enhancement – the product (creating the business mix that appeals to and draws consumers), the place (creating an appealing environment), and the pitch (getting the word out to consumers about Downtown’s allure).

The recommended actions contained in this **Downtown Blueprint** were specifically tailored by HyettPalma to:

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- Enable Downtown Howard City to reflect the community's hopes for their Downtown;
- Address the community's concerns regarding Downtown;
- Leverage the private sector investment now occurring in Downtown; and
- Assist those implementing this ***Downtown Blueprint*** to do so using the guidelines outlined above.

Those recommended actions follow and are divided into the issue categories of:

- Parking (the place);
- Infrastructure Improvements (the place);
- Real Estate Development (the place and the product);
- Business Development (the product) and;
- Marketing (the pitch).

“The Place” – Parking

Currently, Downtown offers on-street parking, private surface lots, and public surface lots – all with no time limits. Downtown's new and appealing businesses are bringing more customers to Downtown than in the recent past. And, adding to parking demand are the needs of Downtown employees and residents. This parking situation should be addressed through the following.

1. *Parking Management*

Before additional parking spaces or lots are created in Downtown, all possible steps should be taken to maximize the use of Downtown's current parking supply. This should be done through the actions recommended below.

- Signs should be placed on Edgerton from Ensley to Lincoln Streets that read “Free 2-Hour Customer Parking.” And, this time limit should be enforced at random time intervals by recording license plate numbers, not by marking tires or by any other means.
- Signs should be erected that mark public lots as offering “Free Public Parking” and signs should be installed to direct motorists to these lots.

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- Walks and alleys, leading from parking lots to Edgerton, should be clean, well-lighted, and in good repair at all times.
- Where buildings have parking lots to the rear, owners should be encouraged to open attractive rear entrances to their businesses.
- The greatest number of spaces possible should be created on Edgerton, from Ensley to Lincoln Streets. This is very important since such spaces are the most valued by customers and, therefore, the most valuable to Downtown business owners. To increase the availability of on-street parking, communities nationwide are reintroducing angled parking on their main streets when possible. This should also be considered on Edgerton since angled parking is popular with consumers and since the “big boxes” reinforce consumer expectations of finding angled parking by providing it in their lots. It appears that Edgerton is wide enough to accommodate such parking. And, the traffic count on Edgerton appears to be low enough so as not to be problematic. However, it is recognized that the Howard City Police Chief is concerned that angled parking on Edgerton would create a public safety hazard. This concern should be respected and taken seriously. To do so, it is suggested that the Village retain the services of a professional traffic engineer, experienced in dealing with Downtowns. This professional should be asked to recommend ways to maximize the number of spaces on Edgerton, evaluate the appropriateness of angled parking, and allay the public safety concerns of the Police Chief.
- The traffic engineer, mentioned above, should also be asked to examine the feasibility of designating spaces in public parking lots for use by Downtown residents, via a resident permit system and by clustering cars in specific locations in lots.
- The Village’s Public Works Department should be commended for its apparent flexibility and willingness to adjust plowing schedules and techniques to accommodate any parking changes made in Downtown.

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2. Parking Supply

The above management actions should be taken first, before creating any additional parking in Downtown. Once this has occurred, if a parking shortage can be quantified, then the time would be right to create more public parking lots. Any new lots should be paved, landscaped, well-lighted, and well-signed.

And, under no circumstances should additional parking lots be created on Edgerton Street. Instead, they should be located on Shaw, Williams, and White Streets.

“The Place” – Infrastructure Improvements

Infrastructure improvements have been a major priority of the DDA since its inception. As a result, the DDA has retained an engineering firm to develop both a rendering of possible streetscape improvements and an application for an MDOT enhancement grant to fund those improvements. It is understood that the DDA is considering three types of infrastructure improvements for Downtown. These are:

- Functional, underground improvements (such as utilities);
- Functional, above ground improvements (such as sidewalks and roads); and
- Beautification items (such as benches, etc.).

Based on the community’s vision for Downtown and Downtown’s economic potentials, HyettPalma would like to offer the following suggestions regarding the design of above ground improvements.

- All improvements should be in-keeping with Downtown’s historic architecture and appeal – especially streetlights, benches, and trash receptacles.
- Trees should be located in Downtown, but they should be of a type that is appropriate for a business district and easy for the Village to maintain.
- Flowers should be introduced to add color to Downtown all year-long. And, consideration should be given to installing an irrigation system.
- There is a desire locally for brick or cobblestone streets in Downtown. If this is pursued, it should be done on Edgerton from Ensley to Lincoln.

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- Gateways should be created – via distinctive streetscape treatment – on Ensley at Shaw, Edgerton, and Williams Streets.
- Streetscape improvements should be used to create a clear and undisputed “main entrance” to Downtown at Ensley and Edgerton. This is important as a means of directing traffic to Downtown’s cluster of shops.
- Downtown’s main corner – Edgerton and White – should receive special, decorative treatment that is also quaint, stressing Downtown’s “small towness.” For example, this might take the form of a clock tower, a vertical monument in the center of the intersection, or decorative paving in the intersection.
- All utility lines on Edgerton should be buried.
- A cost analysis should be conducted to determine the feasibility of installing a snowmelt system under the sidewalks along Edgerton, from Ensley to Lincoln.
- Finally, all above ground improvements – whether functional or beautification – should convey Downtown’s unique Village atmosphere and should be easy to maintain and repair over the years.

“The Place” & “The Product” – Real Estate Development

Improving the appearance of Downtown’s buildings is every bit as important as making infrastructure improvements, in terms of creating an appealing “place.” Downtown is fortunate that several owners have recently made major improvements to building exteriors. These improvements have excited the public and demonstrated that reasonable and manageable investments can result in Downtown “miracles.” With this momentum having been recently created – and with much more to be done in Downtown – the DDA should strongly encourage private owners to invest in their Downtown real estate. This should be done by taking the following actions.

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1. Building Improvements

In order to induce property and business owners to act expediently to enhance Downtown buildings, financial incentives, design guidelines, and design guidance should be offered to interested investors.

- Façade Grants

Matching funds should be made available to building owners who desire to renovate building exteriors, install new business signs, and/or place attractive canopies over windows and doorways. Matching (50/50) grants of up to \$5,000 should be offered to participating business and property owners.

- Design Guidelines

A customized set of design guidelines should be defined for Downtown Howard City. These should outline and illustrate the appropriate types of façade improvements, signs, awnings, and infill construction, given Downtown's architectural styles. And, they should be defined by a professional preservation architect or architectural historian.

- Design Assistance

Preliminary design assistance, provided by a professional preservation architect or architectural historian, should be offered to each owner participating in the façade grant program, or undertaking building improvements without financial assistance, if design guidelines are followed.

- Federal Tax Credits

An aggressive effort should be made to encourage property owners and investors of income producing property to learn more about, and take advantage of, the financial rewards offered through the federal government's **Federal Historic Preservation Tax Incentives Program**.

The Federal Historic Preservation Tax Incentives program is one of the nation's most successful and cost-effective community revitalization programs. The program fosters private sector rehabilitation of historic buildings and promotes economic revitalization. The Federal Historic Preservation Tax Incentives are available for buildings that are National Historic Landmarks, that are listed in the National Register, and that contribute to National Register Historic Districts and

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certain local historic districts. And, certain older properties qualify for incentives simply because of their age.

- Marketing

Once the façade grant program is established, the design guidelines are prepared, and the design assistance is made available, all of the incentives should be aggressively marketed through all local media outlets and through direct contact with Downtown’s property owners and businesses. The intent should be to induce multiple property owners and business owners to act expediently to complete building enhancement projects.

2. Problem Properties

A concerted effort should be made to upgrade all problem properties in Downtown Howard City – meaning properties which are either in substandard condition based on local building structural and occupancy codes or buildings which house illegal or harmful uses or activity; more specifically conditions, activities, or uses which are resulting in unhealthy and harmful situations which negatively impact the health, safety, welfare, or economic condition of Downtown and its collection of other buildings and uses.

A determination of what is a problematic building should be made through periodic inspections of Downtown’s existing buildings by Village code enforcement personnel and appropriate law enforcement personnel. If appropriate local building codes are not in place to give local code and law enforcement personnel the authority to inspect properties and require healthy, lawful, safe, and sanitary conditions, then such appropriate codes should be adopted by the Village.

When problem properties are identified in Downtown Howard City, the following actions should be considered.

- Current Owners

Appropriate Village and/or other governmental representatives should meet with the owners of the buildings identified as problem properties. All available incentives designed to assist with building improvements – if owners are willing to comply with local standards and conditions – should be offered to cooperating building owners willing to correct building deficiencies.

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- Property Sales

If owners resist making needed improvements, working with representatives of the Downtown enhancement effort, owners should be encouraged to sell their property to appropriate owners who will correct problematic building concerns. And, consistent with the overall Downtown enhancement effort, assistance should be extended to the building owner in finding an appropriate buyer.

If particular situations surface and if determined needed and appropriate, consideration should be given to forming local investor consortiums to acquire problem properties.

- Village Action

If the owners of problem properties refuse to take corrective actions and refuse to sell the problem properties to more cooperative building owners, then the Village should take appropriate legal steps to relieve the owners of their problem properties and to market the properties to more progressive owners, or use the properties for more appropriate, safe, healthy, and legal public uses.

3. Housing

Every effort should be made to develop the highest quality upper story loft dwelling units in existing buildings located in Downtown Howard City, including upgrading all existing housing units and developing new units throughout Downtown. A goal of the housing development and enhancement effort should be to attain the highest quality of living standard possible, while maintaining a diversity of income levels throughout the housing marketplace.

As a ***Downtown Blueprint*** participant, Downtown Howard City is eligible to be the recipient of focused assistance – technical and potentially financial – from the Michigan State Housing Development Authority (MSHDA.) The community should take advantage of all financial and technical assistance which can be employed to further refine and develop Downtown's housing stock. Additional information concerning MSHDA programs and potential assistance is contained in the *Appendix* of this document.

In addition, first floor apartments on Edgerton should be prohibited and this regulation should be strictly enforced.

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“The Product” – Business Development

Every form of available assistance and information should be extended and employed to help Downtown’s existing businesses be the most profitable possible, and additional, appropriate businesses should be sought for Downtown Howard City to better serve the needs and satisfy the desires of those living in and visiting Downtown’s marketplace.

1. Farmers Market

The DDA now manages the three-year old, fledgling Downtown farmers market and should be commended for allowing vendors of all kinds, and not just growers, to sell at the market as long as they produce their own products. A farmers market brochure has been printed, which is also a positive step. With this good work in place, actions should be taken to turn the Downtown farmers market into a substantial draw and a Downtown “event.” This should be done by:

- Obtaining information from the Agricultural Extension Service regarding how to run a successful farmers market;
- Retaining a Market Master to actively solicit vendors and manage the market;
- Widely distributing the farmers market brochure; and
- Adding music and family-oriented entertainment to the market.

2. Internal Recruitment

Several of Downtown’s business and property owners have dreams of creating additional uses in Downtown. In part, these dreams include creating lodging, more housing, a martini bar, a radio station, a recording studio, and a children’s apparel store. The DDA should help these owners make their Downtown dreams come true by:

- Providing them a copy of the market analysis included in this ***Downtown Blueprint***;
- Helping owners access all technical assistance available from MEDC, MSHDA, and other appropriate sources; and

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- Providing follow-up assistance throughout the business development process to ensure project completion.

This type of business creation is known as internal recruitment and, without question, is one of the most significant methods of business creation employed in the field of Downtown revitalization today.

3. External Recruitment

When additional business opportunities are identified for Downtown, or additional business are desired, an aggressive, targeted outreach effort should be launched to scout for new business prospects. Remember, however, existing businesses should be offered the opportunity to create the needed or desired new businesses first – through the internal recruitment initiative noted above.

- Top List

The following types of new businesses should be sought for Downtown Howard City, first:

- Apparel for men, women, and/or children;
- Restaurants, offering a variety of food types and ethnic cuisines;
- Art co-op, featuring the art of local artists and craftspeople;
- Entertainment, in free-standing venues and in existing establishments;
- Gifts;
- Lodging; and
- A bank.

- Full List

Based on the findings of the market analysis completed as part of this **Downtown Blueprint**, the following uses are appropriate for Downtown Howard City.

Prepared Food

- Fine Dining Restaurants;
- Moderate Priced Restaurants;
- Sandwich Shops;
- Coffee Houses;
- Bakeries;
- Candy/Ice Cream/Yogurt Shops;

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- Sports Bars -- with Emphasis on Food;
- Pubs/Taverns -- with Atmosphere/Operation Welcoming to Families; and
- Ethnic Foods -- i.e., Italian, Greek, French, Chinese, Mexican, etc.

Food for Home

- Convenience Grocery; and
- Health Foods.

Entertainment

- Entertainment in Restaurants -- i.e., piano player, guitarist, small combos, dancing, etc.;
- Live theater; and
- Music Hall.

Specialty Retail

- Antiques;
- Art Galleries, Framing and Supplies;
- Books;
- Children's Apparel;
- Florist;
- Gifts, Stationery and Cards;
- Hardware;
- Home Furnishings, Decorating Products and Design Services;
- Men's Apparel;
- Optical Products;
- Sewing Supplies;
- Variety Store;
- Sporting Goods;
- Toys, Games and Crafts;
- Wall Coverings and Paint; and
- Women's Apparel and Accessories.

Convenience Retail/Select Services

- Barber Shops;
- Beauty Shops;
- Dance Studio;
- Physical Fitness Facility; and
- Video Rental.

Offices

- Accounting, Auditing, Bookkeeping;
- Advertising;
- Commercial Banks;

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- Computer and Data Processing;
- Credit Reporting and Collection;
- Credit Unions;
- Dentists Offices;
- Doctors Offices;
- Engineering, Architectural Services;
- General Government;
- Legal Services;
- Library;
- Life Insurance;
- Management and Public Relations;
- Medical Service and Health Insurance;
- National Security;
- Newspapers and Other Media Outlets;
- Passenger Transportation Arrangement;
- Photographic Studios;
- Post Office;
- Print Shops;
- Public Order and Safety;
- Real Estate Agents and Managers;
- Residential Care;
- Savings Institutions;
- Security Brokers and Dealers;
- Subdividers and Developers;
- Tax Services; and
- Title Abstract and Insurance Offices.

Housing and Other Uses

- Housing above first floor uses;
- Housing as infill on redeveloped lots, underutilized lots and surface parking lots;
- Museums;
- Churches in buildings designed as churches, not storefronts; and
- Hotel facilities if market conditions prove feasible.

- Prospecting System

New business prospects should be sought through personal scouting, not blind mailings, in Downtown Howard City's trade area and throughout central and western Michigan.

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- Prospecting Materials

A quality print piece should be prepared for use in the business recruitment effort. The piece should be of very high quality – in terms of graphics, text, and materials – and inform prospects of:

- Downtown's assets as a business location;
- The strength of Downtown's market;
- Actions underway to further enhance Downtown;
- Actions upcoming to further enhance Downtown; and
- The quality, selectiveness, and professionalism of the Downtown enhancement program.

- Welcoming Committee

New, energetic, optimistic Downtown business owners should serve as a "welcoming committee" for all new business prospects visiting Downtown Howard City – offering testimonial of their own experiences locating and operating a business in Downtown Howard City, and offering any appropriate assistance and encouragement possible in order to induce the prospect to invest in Downtown Howard City.

4. Future Goal

A future goal of the business development effort should be to reposition non-retail uses off of Edgerton – between Ensley and Lincoln Streets – yet retain them in Downtown if at all possible.

5. Retain Anchors

A concerted effort should be made to retain the following critical anchors in Downtown, just as the library has been retained:

- Post office retail function;
- Village Hall; and
- Township Hall.

Though these need not necessarily remain in their current locations, they should remain Downtown.

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6. Art Co-op

Working with local art organizations and artists, the potential for the creation of a Downtown Howard City art cooperative should be explored. The ideal situation would be to create a center for the visual arts in Downtown which enables the creation, teaching of art, and display/sale of local artist's and craftperson's work in Downtown Howard City, thereby compounding Downtown Howard City's position in the art and craft fabric of the Village and region.

"The Pitch" – Marketing

A comprehensive and aggressive marketing campaign is needed to make the buying public aware of Downtown's offerings and appeal. That campaign should include the following.

1. Story Placement

Howard City does not have a local newspaper, other than the weekly *River Valley News Shopper*. Therefore, it is very important that a concerted effort be made to get stories placed about Downtown, its enhancement, its draws, and its appeal. To do so, media contacts should be made and nurtured throughout the region. And, story ideas should be "pitched" to these contacts on a regular basis.

2. Welcome Wagon

Given the population growth occurring in the Howard City area, there is a need to let new residents know where Downtown is and what it offers. This should be done by creating a "Welcome Wagon" type of function that distributes visually attractive and easy to use information about Downtown.

3. Travelers

With M-46 and 131 in Downtown's backyard, there is an opportunity to entice travelers to stop along their way. This should be done by:

- Placing tasteful billboards along these routes that urge motorists to visit "Historic, Quaint, and Fun Downtown Howard City;" and
- Erecting signs – that are distinctive in design – to direct motorists to Downtown.

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4. Web Presence

To market Downtown to area residents and travelers alike, Downtown must have a Web presence. This can be done by:

- Creating a Downtown section within the Chamber's Web site;
- Creating a Downtown section within the County's Web site; and/or
- Creating a Web site for the DDA, that includes a separate section for Downtown.

5. Local Cable

The Village government operates a local cable station (Channel 22) that has been identified as not appropriate for commercial advertising. It is hoped that this will not preclude including information about Downtown that heralds it as the community's gathering place and focal point. To do so, Village officials should be asked to include the following on its cable station, as a minimum:

- The addresses of Web sites (noted above) that market Downtown as a whole;
- Information about any special events up-coming in Downtown; and
- With the above, a short tag line that invites the community and visitors to enjoy quaint, historic, fun Downtown Howard City.

6. Events

Holding a few, high quality, annual special events in Downtown can help position it as the community's gathering place and focal point. Therefore, consideration should be given to the following.

- Currently, the very popular one-day Harvest Festival is held in Downtown. The Harvest Festival Committee should be asked to consider expanding this to a two-day event and adding more family-oriented activities.
- All major, family-oriented holidays should be celebrated on Edgerton. This should include events such as a Christmas lighting (of a community Christmas tree and/or Christmas lights on buildings), a Halloween "open house" so kids can go trick or treating on Edgerton, etc.

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- Downtown should host an annual “signature event” for which Downtown and Howard City become famous. This could be the Harvest Festival, a return of the Labor Day Carnival, or a new event.

7. Flyer

A print piece marketing Downtown’s appeal, uniqueness, and offerings – such as a high quality and professionally designed flyer – should be created and widely distributed:

- In the Welcome Wagon materials;
- Along White Pine Trail;
- To those attending the Burley Park Flea Markets;
- At Music in the Park and all area special events;
- To lake residents;
- At the library, post office, Village Hall, and Reynolds Township Hall;
- To the employee break rooms of all area industry; and
- To those attending Montcalm Community College and Ferris State College.

8. Future

Currently, Downtown Howard City is very much “a work in progress.” However, in the future, as the recommended impulse-oriented cluster of businesses is created on Edgerton, the time will be right to replace the Downtown flyer with a high quality “lure brochure” that markets Downtown as an irresistible destination. At that time, the brochure should be distributed at all locations noted above.

9. Advertising

The owner of every impulse-oriented business in Downtown should participate in the following three types of advertising:

- Individual advertising of their own business, on a regular basis;
- Joint advertising of Downtown as a historic destination for shopping, food, and fun; and
- Cross-advertising with other Downtown businesses, e.g., “come to Downtown for dinner and a music show and get a discount!”

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***Partnership
for
Success***

VIII. PARTNERSHIP FOR SUCCESS

The most successful Downtown enhancement efforts nationwide are those that are implemented by a partnership formed between the private and public sectors. For Downtown Howard City to reach its full potential, key private and public sector leaders and constituents **must** continue to:

- Plan together and implement together – in partnership;
- Embrace a shared agenda and direction;
- Speak with a unified voice;
- Provide the strong and persistent leadership needed for implementation to occur; and
- Take **action** – and stimulate others to take action – that is in the best interest of Downtown Howard City as a whole.

This is essential for economic success. The actions recommended below were designed to allow the above to occur.

DDA

As was said earlier, the DDA covers a large geographic area. However, within the DDA area, Downtown is:

- The area in greatest need;
- The Village's image maker; and
- The portion of the Village that will have the greatest, single impact on the Village's overall quality-of-life.

Therefore, the following is strongly suggested.

- For approximately the next five years, the DDA should concentrate its efforts and resources in Downtown.

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- The Village should continue to appoint to the DDA new, enthusiastic Downtown business and property owners.
- The Village should retain a Village Manager who has had experience working with a DDA.
- The Village Council should adopt this ***Downtown Blueprint*** as the DDA plan for Downtown.

Funding

Over the next 4 to 7 years, as the Renaissance Zone within its boundaries sunsets, the DDA's unencumbered revenues will increase significantly. In the meantime, the DDA should borrow against its future revenues in order to implement this ***Downtown Blueprint*** as quickly as possible.

Documentation

To build on the momentum that exists in Downtown, the results of Howard City's Downtown enhancement effort must be documented and communicated to all constituencies – including business owners, property owners, investors, volunteers, citizens, government officials, funders, and potential funders.

The DDA and Village government should accomplish this by:

- Tracking benchmarks, as required by MEDC and listed below, on an annual basis;
- Creating a Web presence to market Downtown and its accomplishments, as was suggested earlier;
- Producing a monthly newsletter; and
- Producing an annual report.

The benchmarks that must be tracked annually, by contract between the Village and MEDC, are:

- Total taxable value of property in Downtown;

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- Number of new jobs created;
- Dollar amount of new private investment;
- Public improvements and their costs;
- Economic development tools utilized;
- List of business openings;
- List of business closings;
- Total number of businesses in Downtown;
- Total number of housing units;
- Occupied retail space (sq. ft.);
- Vacant retail space (sq. ft.);
- Occupied office space (sq. ft.);
- Vacant office space (sq. ft.);
- Occupied residential space (sq. ft.); and
- Vacant residential space (sq. ft.).

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Implementation Sequence

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VII. IMPLEMENTATION SEQUENCE

This document contains numerous actions recommended for revitalizing Downtown Howard City. This chapter shows the recommended actions which should be carried out during the first year of the enhancement effort.

At the end of each year, the implementation sequence should be updated. And, within five to six years, consideration should be given to updating the entire **Howard City Downtown Blueprint 2005**, depending on the level of program accomplishments realized.

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Year-1 Implementation Sequence Howard City Downtown Blueprint 2005

Partnership and Management Actions

1. Formal adoption by the Village Council of the *Howard City Downtown Blueprint 2005* as the DDA plan and official guide for the further economic enhancement of Downtown Howard City.
2. DDA assumes aggressive lead role in *Downtown Blueprint* implementation.
3. Document results of enhancement effort via benchmarks, Web presence, newsletter, and annual report.

Parking Actions

1. Undertake actions to enhance parking management, as per recommendations of *Downtown Blueprint*.

Infrastructure Actions

1. Complete infrastructure design, including suggestions presented in the *Downtown Blueprint*.
2. Seek funding for infrastructure improvements and implement ASAP.

Real Estate Development Actions

1. Create façade grant program, prepare design guidelines, arrange for design assistance, and aggressively market the use of all incentives.
2. Distribute information concerning the Federal Historic Preservation Tax Incentives Program to Downtown property owners and potential investors.
3. Take aggressive action to upgrade problem properties throughout Downtown.
4. Work with Downtown building owners to develop more upper floor housing, employing all possible and available assistance from MSHDA.

Year-1 Implementation Sequence Howard City Downtown Blueprint 2005 (Continued)

Business Development Actions

1. Turn the Downtown farmers market into a substantial draw and Downtown event in accordance with the recommendations presented in the ***Downtown Blueprint***.
2. Work with Downtown's existing business owners to create appropriate new businesses (internal recruitment.)
3. Prepare business prospecting materials and prospect for new businesses as needed, in accordance with recommendations of the ***Downtown Blueprint***.
4. Examine the feasibility of creating a Downtown art co-op with the local art community.

Marketing Actions

1. Make regional media contacts and seek story placement.
2. Create material and distribute information about Downtown to new residents (welcome wagon function.)
3. Design and erect signs directing motorists to Downtown.
4. Examine the feasibility of placing billboards along M-46 and 131.
5. Create a Downtown Web presence, as per recommendations of the ***Downtown Blueprint***.
6. Include information about Downtown on the local cable station.
7. Enhance Downtown events, as per recommendations of the ***Downtown Blueprint***.
8. Create and distribute a Downtown flyer.

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Appendix

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MEDC Memo



MEMORANDUM

DATE: March 8, 2005

TO: Village of Howard City
Village of Howard City Downtown Development Authority

FROM: Steven L. Willobee
Community Assistance Team Specialist
Michigan Economic Development Corporation

RE: Howard City Blueprint Implementation Strategy

As part of the MEDC's commitment to the Blueprint process, this memorandum shall serve as my formal written recommendations for MEDC-assisted implementation of HyettPalma's Blueprint for the Village of Howard City.

Technical Assistance from the MEDC's Community Assistance Team (CA Team) is available to help the city work out specific details for the following programs and incentives:

Community Development Block Grants (CDBG)-Grants are available for public infrastructure improvement projects that create private jobs and private investment in the downtown. These grants can be used for public infrastructure improvements, but not limited to, public parking, water/sewer upgrades, public alley improvements, public utility relocation, and streetscape enhancements. Typically, these funds are allotted at \$10,000 per new full-time job created and a minimum local match of 10% is required. 51% of the jobs created must be held by low and moderate income people.

Downtown Development Authority Tax Increment Financing (TIF)-The CA Team is available to answer specific questions on uses of Downtown Development Authority TIF revenues. Programs funded by TIF revenues can be developed to support the downtown development efforts and downtown businesses. Specifically, the DDA TIF could be used for streetscape improvements, maintenance, and signage improvements.

Historic Preservation-The State Historic Preservation Office (SHPO) has many resources available to serve the city in preserving existing historic structures. They are able to identify the historic resources in the community and provide you with information on the tax credit programs they offer. This agency would also be able to advise you on the historic nature of the downtown buildings that make up the uniqueness of your community and provide you with some ideas in which you could make them a more visible asset to the community. Façade and architectural design assistance is available through

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Sterling Group

PETER S. WALTERS
Guardian Industries Corp.



Memorandum
Page 2
March 8, 2005

this agency, as well. The CATeam works very closely with SHPO and would be available to assist the city with these endeavors.

Urban Land Assembly Loan Program (ULA)-The CATeam is available to provide specific information to the city on the use of the ULA program. The program provides financial assistance in the form of a loan to eligible municipalities for the acquisition of certain real property for economic development purposes, including industrial and commercial projects. The program is directed towards revitalizing the economic base of cities experiencing distress and decline.

Preference is given to proposals that identify one or more immediate user(s), leverage non-state financial contributions, maximize the creation of permanent full-time employment per dollar investment, increase the local tax base and constitute a major element in a citywide strategy for economic development

Brownfield Redevelopment- The Michigan Brownfield Redevelopment program has been a vital component in the state's economic development efforts to reuse Brownfield sites and revitalize Michigan's downtowns. The Brownfield Redevelopment program is a resource that may use Tax Increment Financing (TIF) and allow developers to apply for Single Business Tax (SBT) Credit Incentives. These resources promote the redevelopment of Brownfield sites. If you feel a project may qualify for this program, the CATeam is available to provide assistance in how to use these effective tools in your downtown revitalization efforts.

Other Agency Programs and Funding-Programs and grant funding sources are available through other state agencies including the History, Arts and Libraries (HAL), and the Michigan Department of Transportation (MDOT). In the event that the city pursues these, the CATeam is available to research the availability of these resources to support any efforts related to the enhancement efforts of the downtown area.

The MEDC's CATeam stands ready to assist Howard City in the implementation of its Blueprint. Please feel free to contact me if you have any questions:

Steven L. Willobee
Community Assistance Team Specialist
Michigan Economic Development Corporation
300 N. Washington Square
Lansing, MI 48913
Office: 517.241.4390
Fax: 517.373.6683

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MSHDA Memo



STATE OF MICHIGAN

JENNIFER M. GRANHOLM
GOVERNOR

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
LANSING

MICHAEL R. DeVOS
EXECUTIVE DIRECTOR

DATE: March 7, 2005
TO: Village of Howard City
FROM: Jodie Sparks, Community Development Specialist
Office of Community Development
Michigan State Housing Development Authority
SUBJECT: Village of Howard City
Hyett Palma Site Visit, February 21 - 25, 2005

The Michigan State Housing Development Authority (MSHDA), Office of Community Development (OCD) has a variety of funding resources available for use by non-profit organizations and local units of government to address affordable housing and community revitalization needs. OCD utilizes funding from the U.S. Department of Housing and Urban Development (HUD) and MSHDA resources and is referred to as the Housing Resource Fund (HRF). HRF funds are used to support local housing and community development activities, with an emphasis on projects that ensure sustainable and livable communities in Michigan.

The housing market in Howard City appears to be growing, especially in the area of single-family housing. It is realistic to think Howard City could continue to add dimension to the downtown with programs to encourage additional loft/apartment development above the storefronts. Development and firm use of local rental codes, regular use of solid zoning practices, and continued/expanded marketing of the community and downtown will keep growth manageable and positive. MSHDA resources could be used to help accelerate the pace of improvement and ensure that a solid mix of affordable and market rate housing remains integral within the community.

MSHDA's Rental Rehabilitation Program, which could focus resources on the downtown, upper-story levels of existing buildings to increase the number of residents, would be most applicable for Howard City to initially pursue. The following is a description of the Rental Rehabilitation Program:



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www.michigan.gov/mshda • (517) 373-8370 • FAX (517) 335-4797 • TTY (800) 382-4568

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Rental Rehabilitation in a Downtown Area

The rental rehabilitation component is designed to help a local unit of government provide funding assistance to improve investor-owned properties. Investor/owners are required to contribute 25 percent of the total project cost for each rental unit being rehabilitated. MSHDA provides up to \$25,000 in hard rehabilitation costs and up to \$10,000 for lead-based paint related costs for each rental unit. Rents are then controlled for 51 percent of the units (the other 49 percent of the units can be rented at market rates) and must remain affordable for a period of five years. The MSHDA funds utilized in each project are held as a lien against the property during the affordability period. While the local unit of government would have some flexibility on how the lien is structured, generally the MSHDA lien is forgiven at the end of the affordability period. All properties must be rehabilitated to a minimum of Housing Quality Standards and local codes. Tenant incomes, on the affordable units, must be certified annually.

In addition to MSHDA's HRF funds, Howard City could also encourage downtown business owners to utilize the Property Improvement Program (PIP). The PIP loan can be used to finance renovations to both owner occupied and investor owned residential properties. Depending on the borrower's income, type of property, loan amount and other factors, the PIP loan carries an interest rate of between 4 and 8 percent and can be repaid over as much as 20 years. The PIP loan can be used to account for the owner/investor match of 25 percent that is required in MSHDA's Rental Rehabilitation program.

Other MSHDA programs Howard City could eventually utilize to support the neighborhood surrounding the downtown include:

Homebuyer Assistance

The homebuyer assistance component is designed to expand the homeownership opportunities for low to moderate-income homebuyers through acquisition, rehabilitation or new construction of single-family units. All homebuyers are required to receive pre-purchase homeownership counseling. Resale/recapture provisions are required to ensure long-term affordability of assisted units and are enforced through a lien on the property. The term of the lien is dependent upon the amount of funds invested as a homebuyer subsidy. Two basic models of homebuyer assistance are listed below.

Acquisition/Development/Resale (ADR) This model is designed to help a community or nonprofit organization acquire vacant land or problem properties, build new units or thoroughly rehabilitate existing units, and resell the property to an income eligible buyer. This model combines acquisition, rehabilitation, and development subsidy, but permits both new construction and substantial rehabilitation, to the extent reasonable and prudent for a target area. Generally ADR is used to help revitalize neighborhoods by rehabbing units that are in disrepair, or to add high-quality new construction units to a neighborhood once a sufficient market demand has been established.

Homebuyer Purchase/Rehab (HPR) This model provides assistance for income eligible homebuyers to obtain financing to purchase a home and provide needed moderate rehabilitation. It combines down payment assistance and rehabilitation activities while assuring financing which is affordable to the buyer.

Neighborhood Preservation (reserved for high capacity grantees)

The neighborhood preservation component is designed to assist local efforts to comprehensively address neighborhood revitalization in geographically defined target areas. It is designed to maximize community impact and reverse patterns of disinvestment by funding neighborhood improvement activities in support of affordable housing within a targeted residential area. Revitalization may occur through the use of public facilities improvement, neighborhood beautification, demolition, and/or neighborhood marketing and education. Neighborhood preservation is normally funded along with other housing components targeted at the same neighborhood.

For further information on any MSHDA/Office of Community Development housing programs, please contact me at 517-335-0615. I would be happy to answer any questions or provide further information.

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The Retail Report®

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THE RETAIL REPORT®

**Downtown Howard City
Primary Retail Trade Area**



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1600 Prince Street • Suite 110
Alexandria, Virginia 22314
Phone 703 683 5125
E-Mail: info@hyettpalma.com

THE RETAIL REPORT®

THE RETAIL REPORT, presented within this document, was specifically prepared for Downtown Howard City, Michigan. This document presents information concerning the characteristics of the Downtown Howard City primary retail trade area. The report was prepared in 2005 by HyettPalma, Inc.

THE RETAIL REPORT presents:

- The current demographic and socio-economic characteristics of customers in the Downtown Howard City primary retail trade area;
- A five year projection of changing demographic and socio-economic conditions in the Downtown Howard City primary retail trade area;
- A projection of the number of retail dollars that residents in the Downtown Howard City primary retail trade area spend on retail goods; and
- A projection of the total retail spending potential for 24 classes of retail goods sought by customers in the Downtown Howard City primary retail trade area.

TABLE OF CONTENTS

Demographic and Socio-Economic Characteristics
of Residents in Trade Area and Five-Year
Projection of Changes 1

Total Retail Product Demand by Residents in Trade Area,
By Income Group 3

Total Retail Product Demand by Residents in Trade Area,
By Product Type 5

Dollar Demand for Food Products 7

Dollar Demand for Home Products 13

Dollar Demand for Apparel Products 22

Dollar Demand for Personal Care
and Entertainment Products 32

The Retail Report User Guide 43

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DEMOGRAPHIC AND SOCIO-ECONOMIC CHARACTERISTICS



Demographic and Income Profile

Downtown Howard City, MI Primary Retail Trade Area

Latitude: 43.3945

Longitude: -85.4693

Site Type: Hand-drawn Shape

Shape: Custom

Summary	2000	2004	2009
Population	17,155	18,507	19,781
Households	6,181	6,771	7,350
Families	4,674	5,068	5,459
Average Household Size	2.77	2.73	2.69
Owner Occupied HUs	5,386	5,886	6,388
Renter Occupied HUs	795	885	962
Median Age	34.5	35.5	36.7

Trends: 2004-2009 Annual Rate	Area	State	National
Population	1.34%	0.66%	1.23%
Households	1.65%	0.94%	1.35%
Families	1.5%	0.76%	1.25%
Owner HHS	1.65%	1.07%	1.66%
Median Household Income	1.6%	2.27%	3.34%

Households by Income	2000		2004		2009	
	Number	Percent	Number	Percent	Number	Percent
< \$15,000	794	12.8%	805	11.9%	819	11.1%
\$15,000 - \$24,999	840	13.5%	777	11.5%	746	10.2%
\$25,000 - \$34,999	843	13.6%	874	12.9%	893	12.2%
\$35,000 - \$49,999	1,406	22.6%	1,462	21.6%	1,397	19.0%
\$50,000 - \$74,999	1,460	23.5%	1,663	24.6%	1,820	24.8%
\$75,000 - \$99,999	565	9.1%	687	10.1%	872	11.9%
\$100,000 - \$149,999	240	3.9%	409	6.0%	618	8.4%
\$150,000 - \$199,000	31	0.5%	47	0.7%	102	1.4%
\$200,000+	31	0.5%	47	0.7%	81	1.1%
Median Household Income	\$40,945		\$44,368		\$48,043	
Average Household Income	\$46,236		\$51,348		\$57,146	
Per Capita Income	\$16,814		\$18,833		\$21,281	

Population by Age	2000		2004		2009	
	Number	Percent	Number	Percent	Number	Percent
0 - 4	1,260	7.3%	1,386	7.5%	1,482	7.5%
5 - 14	2,994	17.5%	3,004	16.2%	2,995	15.1%
15 - 19	1,302	7.6%	1,336	7.2%	1,522	7.7%
20 - 24	865	5.0%	1,140	6.2%	1,205	6.1%
25 - 34	2,276	13.3%	2,260	12.2%	2,247	11.4%
35 - 44	2,840	16.6%	2,969	16.0%	2,940	14.9%
45 - 54	2,256	13.2%	2,629	14.2%	3,059	15.5%
55 - 64	1,633	9.5%	1,825	9.9%	2,173	11.0%
65 - 74	1,036	6.0%	1,177	6.4%	1,289	6.5%
75 - 84	565	3.3%	622	3.4%	675	3.4%
85+	128	0.7%	160	0.9%	196	1.0%

Race and Ethnicity	2000		2004		2009	
	Number	Percent	Number	Percent	Number	Percent
White Alone	16,554	96.5%	17,788	96.1%	18,908	95.6%
Black Alone	49	0.3%	58	0.3%	70	0.4%
American Indian Alone	111	0.6%	118	0.6%	129	0.7%
Asian Alone	42	0.2%	59	0.3%	88	0.4%
Pacific Islander Alone	6	0.0%	8	0.0%	9	0.0%
Some Other Race Alone	111	0.6%	139	0.8%	172	0.9%
Two or More Races	282	1.6%	338	1.8%	405	2.0%
Hispanic Origin (Any Race)	271	1.6%	343	1.9%	437	2.2%

Data Note: Income is expressed in current dollars.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI BIS forecasts for 2004 and 2009.



Demographic and Income Profile

Downtown Howard City, MI Primary Retail Trade Area

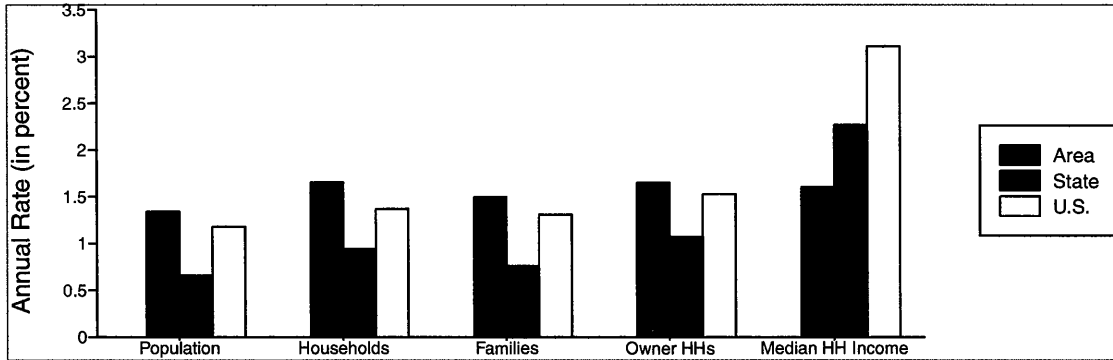
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Longitude: -85.4693

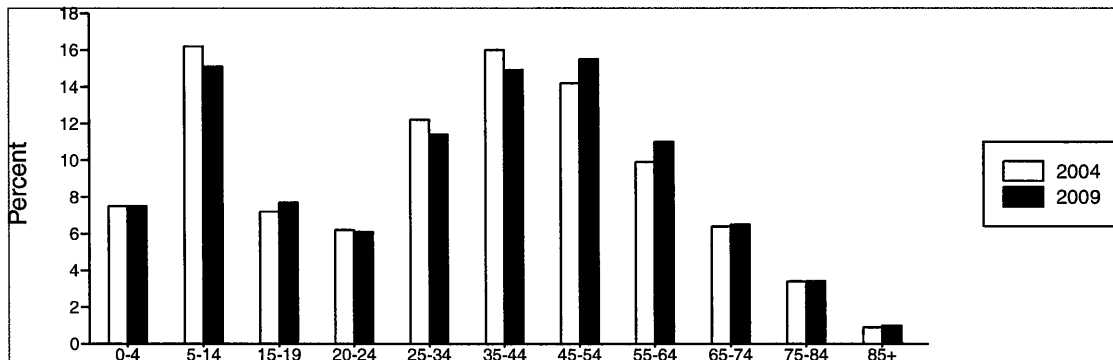
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Shape: Custom

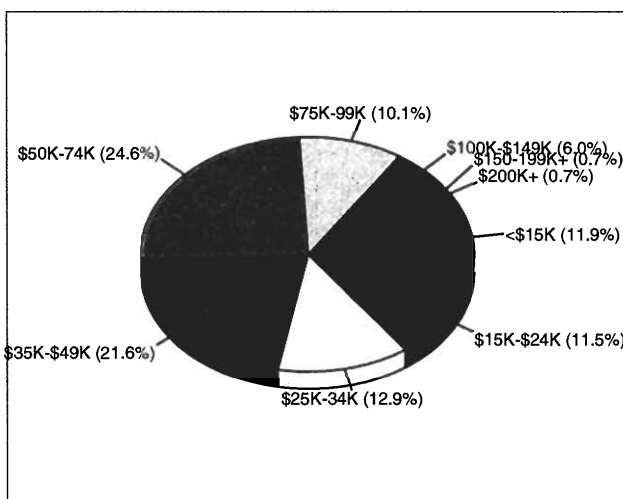
Trends 2004-2009



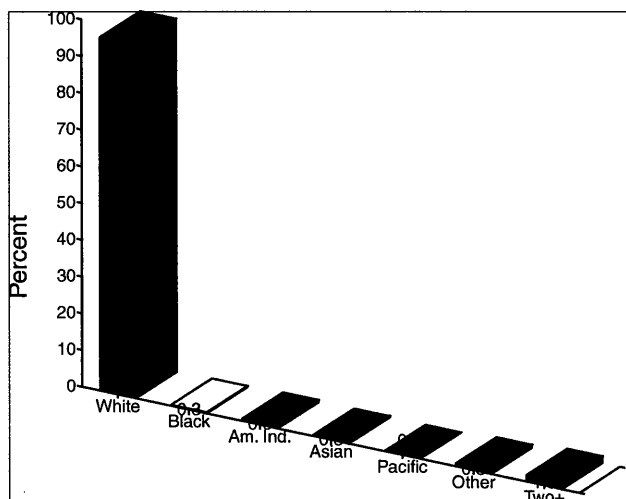
Population by Age



2004 Household Income



2004 Population by Race



2004 Percent Hispanic Origin: 1.9%

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PRODUCT DEMAND BY INCOME GROUP



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**DOWNTOWN HOWARD CITY'S RETAIL TRADE AREA
COMPUTATION OF TOTAL RETAIL PRODUCT DEMAND
BY INCOME GROUP**

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	805	7,545	6,073,725
\$15000-24999	777	10,179	7,909,083
\$25000-34999	874	11,847	10,354,278
\$35000-49999	1,462	13,655	19,963,610
> \$50000	2,853	21,880	62,423,640
TOTAL DEMAND FOR PRODUCT			= \$106,724,336

SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

Food at home, food away from home, alcoholic beverages, household textiles, furniture, floor coverings, major appliances, small appliances and miscellaneous housewares, miscellaneous household equipment, men's apparel, women's apparel, boy's apparel, girl's apparel, children's apparel, shoes, other apparel products and services, prescription drugs and medical supplies, entertainment fees and admissions, televisions, radios, sound equipment, toys, play-ground equipment, entertainment equipment, personal care products and services, reading products, tobacco products and smoking supplies.

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PRODUCT DEMAND BY PRODUCT TYPE

DOWNTOWN HOWARD CITY'S RETAIL TRADE AREA
COMPUTATION OF TOTAL RETAIL PRODUCT DEMAND
BY PRODUCT TYPE

PRODUCT	DEMAND
Food At Home	29,093,570
Food Away From Home	17,814,873
Alcoholic Beverages	3,282,206
Household Textiles	1,070,060
Furniture	3,058,983
Floor Coverings	375,504
Major Appliances	1,507,155
Small Appliances & Miscellaneous Housewares	887,981
Miscellaneous Household Equipment	6,203,025
Men's Apparel -- 16 and Over	2,638,060
Boy's Apparel -- 2 to 15	675,364
Women's Apparel -- 16 and Over	4,933,375
Girl's Apparel -- 2 to 15	807,880
Children's Apparel -- Under 2	906,574
Footwear	2,325,034
Other Apparel Services & Products	2,396,791
Prescription Drugs & Medical Supplies	4,446,988
Entertainment Fees & Admissions	4,220,355
Televisions, Radios & Sound Equipment	5,487,917
Pets, Toys & Playground Equipment	3,406,252
Other Entertainment Supplies & Services	3,645,376
Personal Care Products & Services	4,311,830
Reading	969,790
Tobacco Products & Smoking Supplies	2,259,393
TOTAL DEMAND BY PRODUCT TYPE	= \$106,724,336

SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

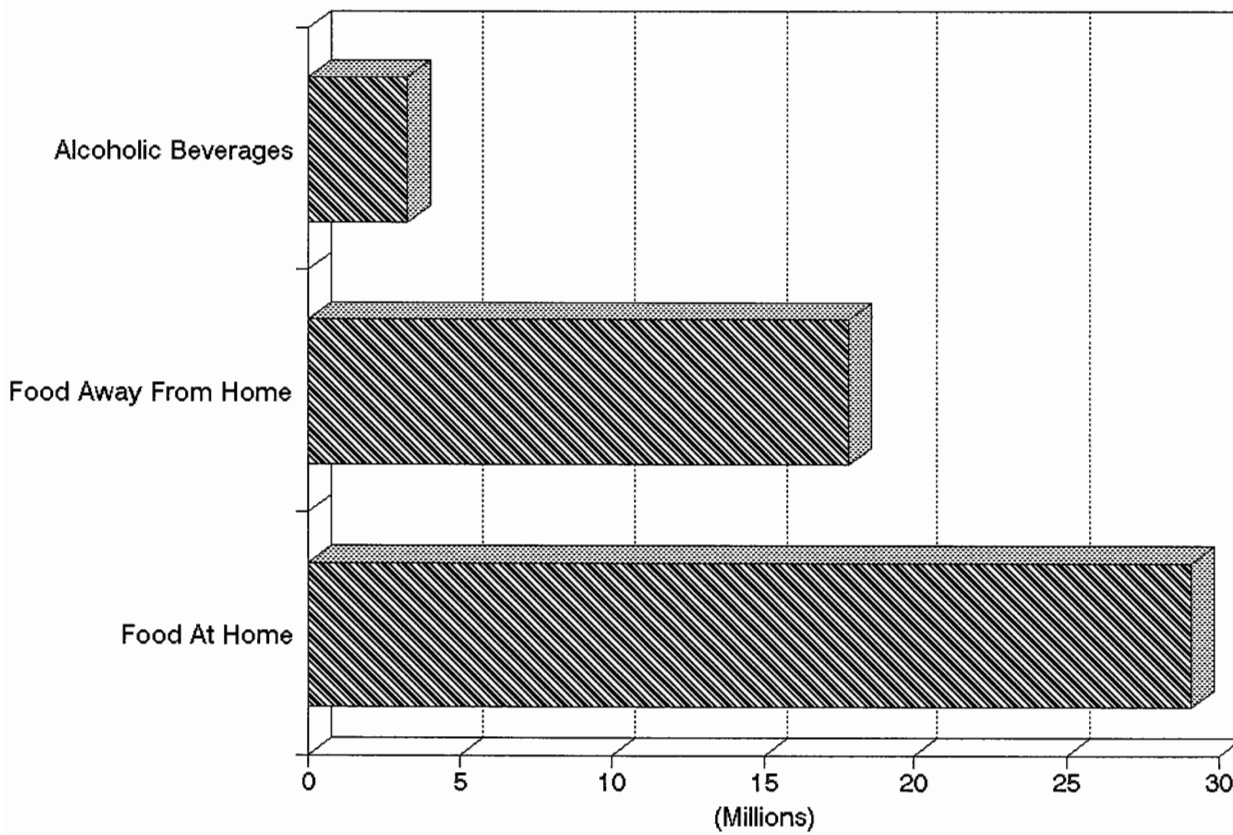
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DEMAND FOR FOOD PRODUCTS

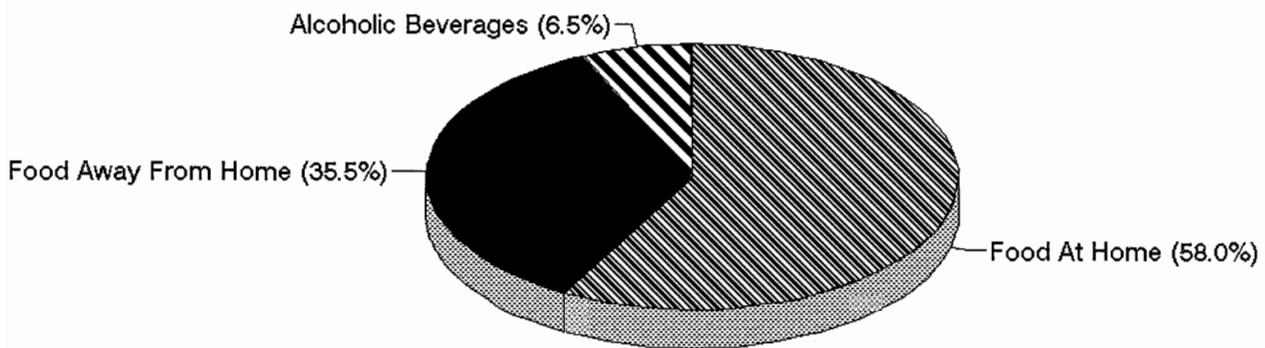
FOOD PRODUCTS

\$ DEMAND BY PRODUCT TYPE



FOOD PRODUCTS

% DEMAND FOR EACH DOLLAR





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**DOWNTOWN HOWARD CITY'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT**

PRODUCT: FOOD AT HOME

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	805	2,580	2,076,900
\$15000-24999	777	3,340	2,595,180
\$25000-34999	874	3,690	3,225,060
\$35000-49999	1,462	3,980	5,818,760
> \$50000	2,853	5,390	15,377,670

TOTAL DEMAND FOR PRODUCT = \$29,093,570

SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

Food at grocery stores or other food stores.

**DOWNTOWN HOWARD CITY'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT**

PRODUCT: FOOD AWAY FROM HOME

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	805	1,160	933,800
\$15000-24999	777	1,481	1,150,737
\$25000-34999	874	1,825	1,595,050
\$35000-49999	1,462	2,253	3,293,886
> \$50000	2,853	3,800	10,841,400
TOTAL DEMAND FOR PRODUCT =			\$17,814,873

SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

All food at restaurants, carryouts and vending machines.

**DOWNTOWN HOWARD CITY'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT**

PRODUCT: ALCOHOLIC BEVERAGES

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	805	216	173,880
\$15000-24999	777	240	186,480
\$25000-34999	874	292	255,208
\$35000-49999	1,462	376	549,712
> \$50000	2,853	742	2,116,926
TOTAL DEMAND FOR PRODUCT =			\$3,282,206

SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

All alcoholic beverages.

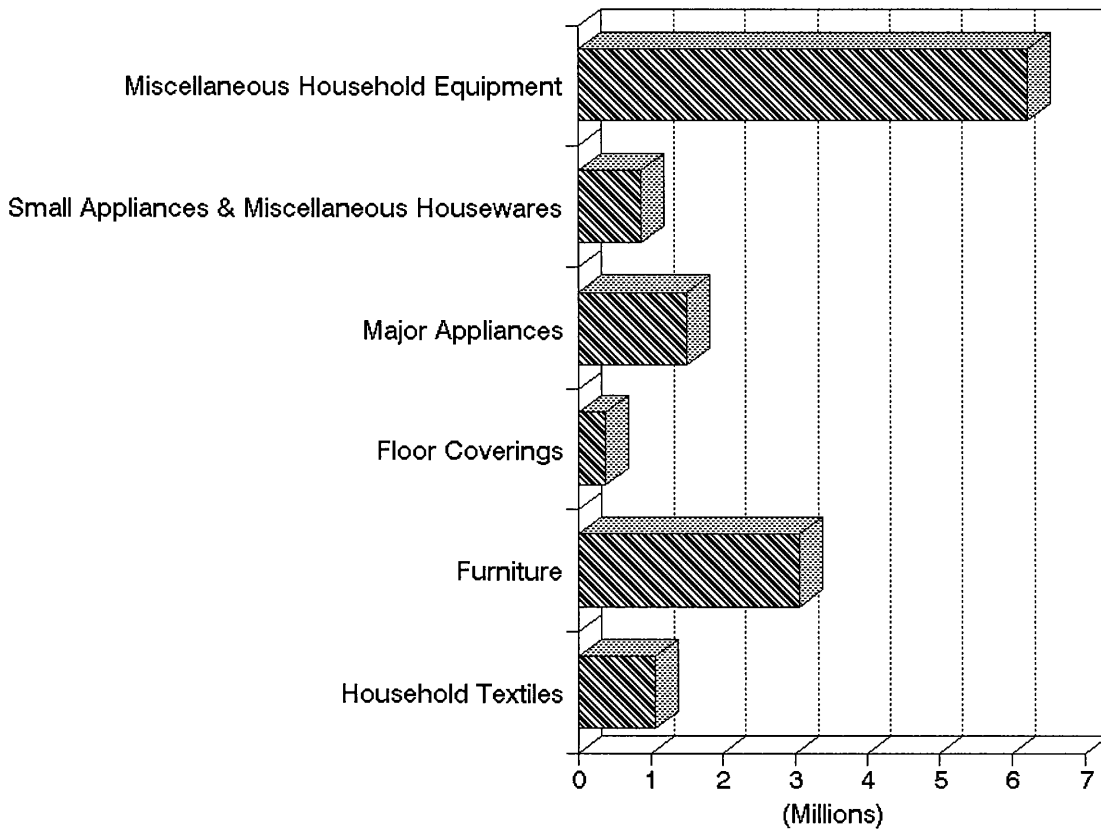
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DEMAND FOR HOME PRODUCTS

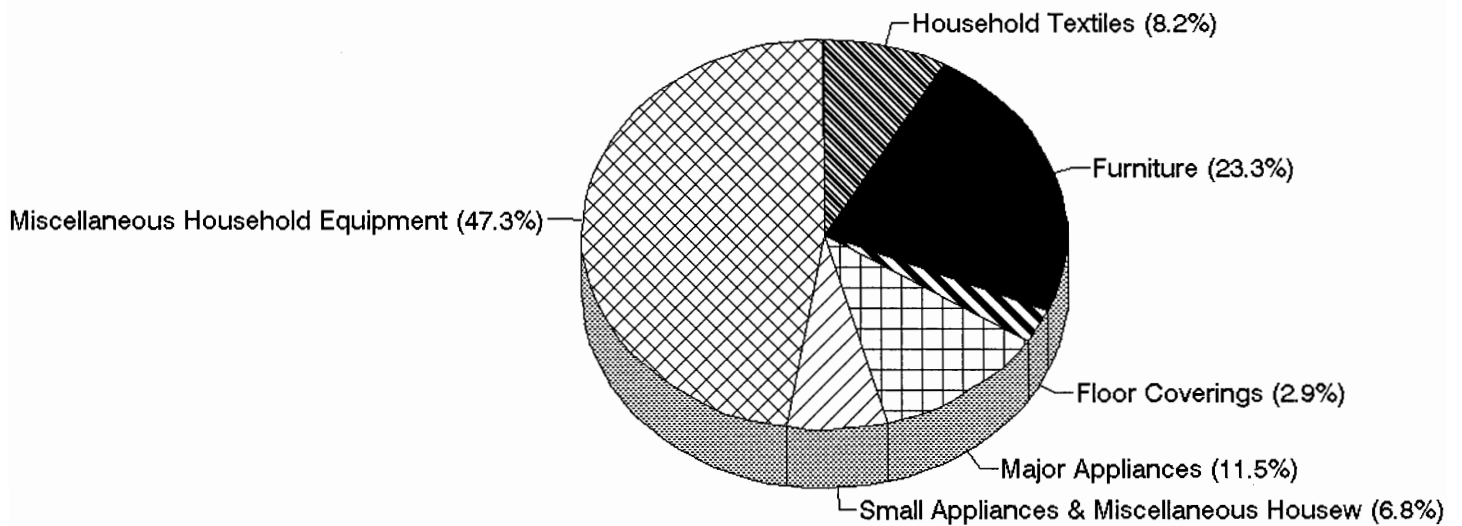
HOME PRODUCTS

\$ DEMAND BY PRODUCT TYPE



HOME PRODUCTS

% DEMAND FOR EACH DOLLAR



**DOWNTOWN HOWARD CITY'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT**

PRODUCT: HOUSEHOLD TEXTILES

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	805	55	44,275
\$15000-24999	777	90	69,930
\$25000-34999	874	125	109,250
\$35000-49999	1,462	140	204,680
> \$50000	2,853	225	641,925
TOTAL DEMAND FOR PRODUCT =			\$1,070,060

SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

Bathroom, bedroom, kitchen, dining room, and other linens, curtains and drapes, slipcovers, pillows and sewing materials.



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**DOWNTOWN HOWARD CITY'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT**

PRODUCT: FURNITURE

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	805	127	102,235
\$15000-24999	777	183	142,191
\$25000-34999	874	263	229,862
\$35000-49999	1,462	318	464,916
> \$50000	2,853	743	2,119,779

TOTAL DEMAND FOR PRODUCT = \$3,058,983

SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

All indoor and outdoor furniture.



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**DOWNTOWN HOWARD CITY'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT**

PRODUCT: FLOOR COVERINGS

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	805	25	20,125
\$15000-24999	777	14	10,878
\$25000-34999	874	24	20,976
\$35000-49999	1,462	32	46,784
> \$50000	2,853	97	276,741

TOTAL DEMAND FOR PRODUCT = \$375,504

SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

Carpet, rugs and other soft floor coverings.

**DOWNTOWN HOWARD CITY'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT**

PRODUCT: MAJOR APPLIANCES

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	805	79	63,595
\$15000-24999	777	137	106,449
\$25000-34999	874	188	164,312
\$35000-49999	1,462	207	302,634
> \$50000	2,853	305	870,165
TOTAL DEMAND FOR PRODUCT =			\$1,507,155

SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

Refrigerators, freezers, dishwashers, stoves, ovens, garbage disposals, vacuum cleaners, microwaves, air conditioners, sewing machines, washing machines, dryers, and floor cleaning equipment.

**DOWNTOWN HOWARD CITY'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT**

PRODUCT: SMALL APPLIANCES & MISC. HOUSEWARES

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	805	60	48,300
\$15000-24999	777	85	66,045
\$25000-34999	874	96	83,904
\$35000-49999	1,462	101	147,662
> \$50000	2,853	190	542,070
TOTAL DEMAND FOR PRODUCT =			\$887,981

SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

Small electrical kitchen appliances, portable heaters, china and other dinnerware, flatware, glassware, silver and serving pieces, nonelectrical cookware and plastic dinnerware.

**DOWNTOWN HOWARD CITY'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT**

PRODUCT: MISCELLANEOUS HOUSEHOLD EQUIPMENT

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	805	285	229,425
\$15000-24999	777	400	310,800
\$25000-34999	874	575	502,550
\$35000-49999	1,462	700	1,023,400
> \$50000	2,853	1,450	4,136,850
TOTAL DEMAND FOR PRODUCT =			\$6,203,025

SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

Typewriters, luggage, lamps, light fixtures, window coverings, clocks, lawnmowers, garden equipment, hand and power, tools, telephone devices, computers, office equipment, house plants, outdoor equipment, and small miscellaneous furnishings.

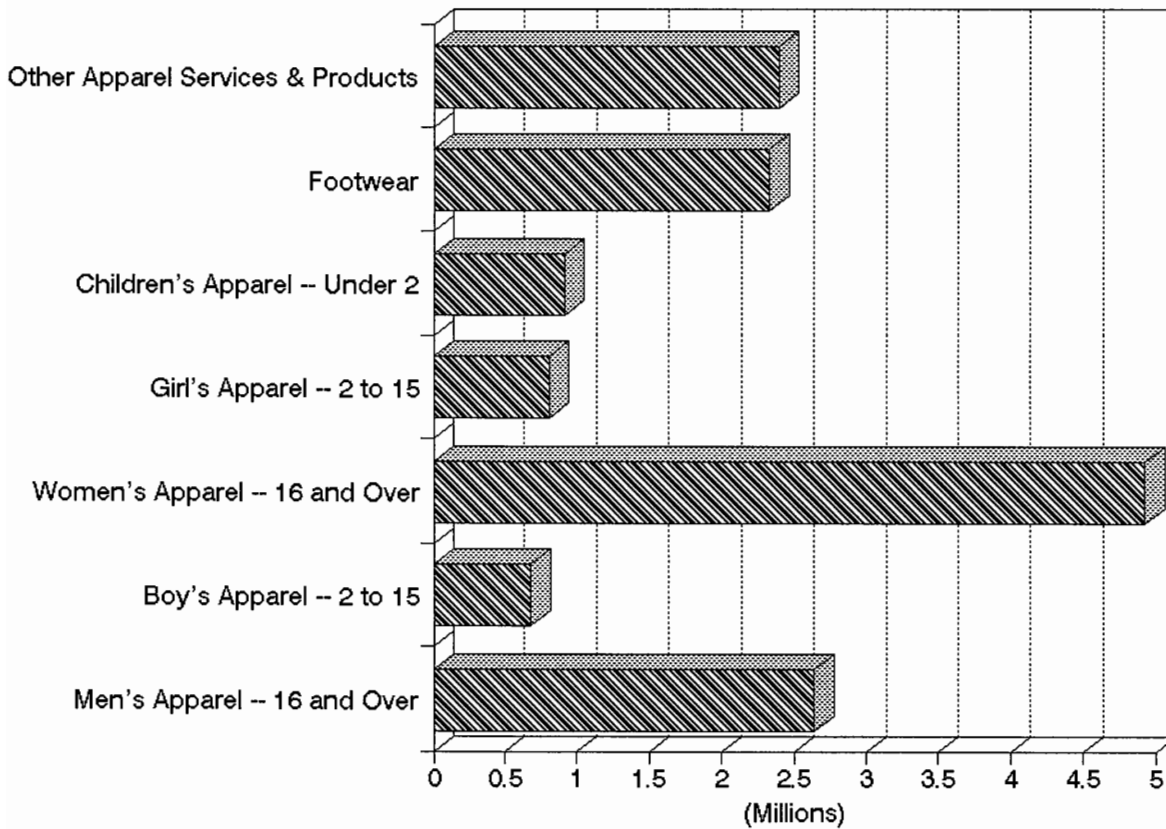
HyettPalma

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DEMAND FOR APPAREL PRODUCTS

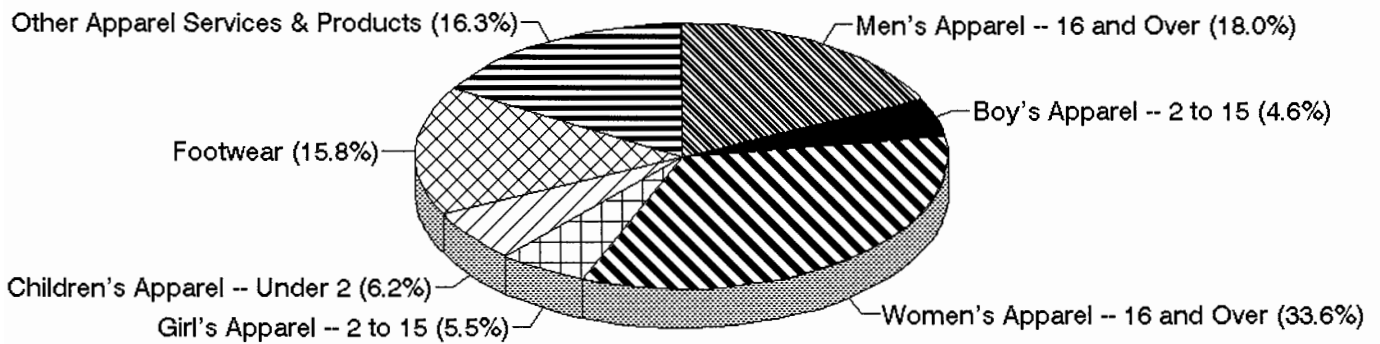
APPAREL PRODUCTS

\$ DEMAND BY PRODUCT TYPE



APPAREL PRODUCTS

% DEMAND FOR EACH DOLLAR





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**DOWNTOWN HOWARD CITY'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT**

PRODUCT: MEN'S APPAREL -- 16 AND OVER

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	805	200	161,000
\$15000-24999	777	210	163,170
\$25000-34999	874	275	240,350
\$35000-49999	1,462	345	504,390
> \$50000	2,853	550	1,569,150
TOTAL DEMAND FOR PRODUCT =			\$2,638,060

SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

All apparel items and accessories, excluding footwear.



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**DOWNTOWN HOWARD CITY'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT**

PRODUCT: BOY'S APPAREL -- 2 TO 15

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	805	51	41,055
\$15000-24999	777	60	46,620
\$25000-34999	874	78	68,172
\$35000-49999	1,462	88	128,656
> \$50000	2,853	137	390,861
TOTAL DEMAND FOR PRODUCT =			\$675,364

SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

All apparel items and accessories, excluding footwear.

**DOWNTOWN HOWARD CITY'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT**

PRODUCT: WOMEN'S APPAREL -- 16 AND OVER

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	805	350	281,750
\$15000-24999	777	425	330,225
\$25000-34999	874	350	305,900
\$35000-49999	1,462	600	877,200
> \$50000	2,853	1,100	3,138,300
TOTAL DEMAND FOR PRODUCT =			\$4,933,375

SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

All apparel items and accessories, excluding footwear.

**DOWNTOWN HOWARD CITY'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT**

PRODUCT: GIRL'S APPAREL -- 2 TO 15

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	805	47	37,835
\$15000-24999	777	76	59,052
\$25000-34999	874	85	74,290
\$35000-49999	1,462	94	137,428
> \$50000	2,853	175	499,275
TOTAL DEMAND FOR PRODUCT =			\$807,880

SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

All apparel items and accessories, excluding footwear.



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**DOWNTOWN HOWARD CITY'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT**

PRODUCT: CHILDREN'S APPAREL -- UNDER 2

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	805	60	48,300
\$15000-24999	777	85	66,045
\$25000-34999	874	101	88,274
\$35000-49999	1,462	140	204,680
> \$50000	2,853	175	499,275
TOTAL DEMAND FOR PRODUCT =			\$906,574

SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

All apparel items and accessories, including footwear.

**DOWNTOWN HOWARD CITY'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT**

PRODUCT: FOOTWEAR

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	805	244	196,420
\$15000-24999	777	278	216,006
\$25000-34999	874	280	244,720
\$35000-49999	1,462	290	423,980
> \$50000	2,853	436	1,243,908
TOTAL DEMAND FOR PRODUCT =			\$2,325,034

SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

All footwear, except for children under 2 and special footwear used for sports such as bowling or golf shoes.

**DOWNTOWN HOWARD CITY'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT**

PRODUCT: OTHER APPAREL SERVICES & PRODUCTS

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	805	165	132,825
\$15000-24999	777	193	149,961
\$25000-34999	874	245	214,130
\$35000-49999	1,462	275	402,050
> \$50000	2,853	525	1,497,825
TOTAL DEMAND FOR PRODUCT =			\$2,396,791

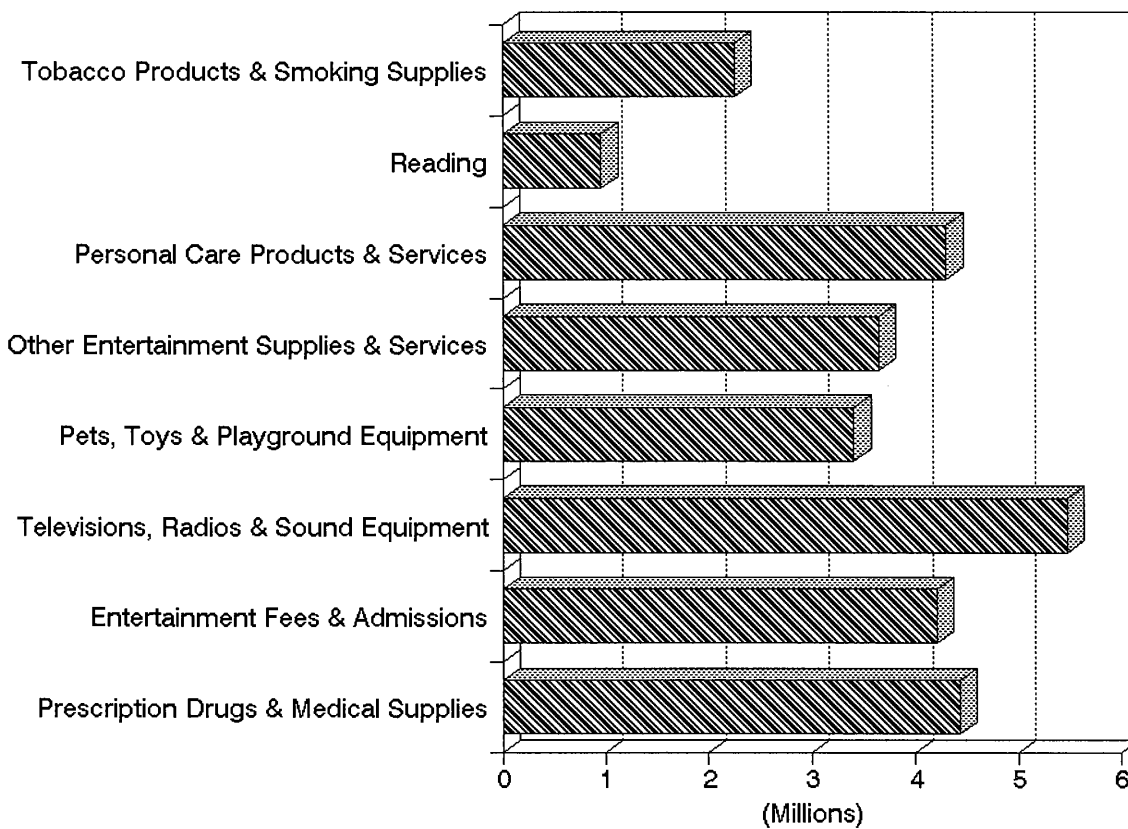
SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

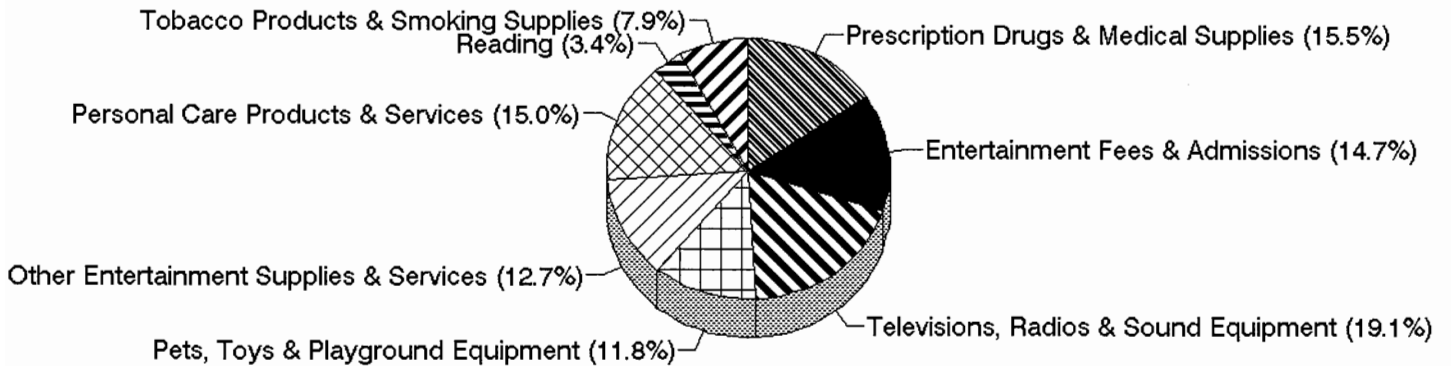
Material for making clothes, shoe repair, alterations, sewing patterns and notions, clothing rental, clothing storage, dry cleaning, and jewelry.

DEMAND FOR PERSONAL CARE AND ENTERTAINMENT PRODUCTS

PERSONAL CARE/ENTERTAINMENT \$ DEMAND BY PRODUCT TYPE



PERSONAL CARE/ENTERTAINMENT % DEMAND FOR EACH DOLLAR



**DOWNTOWN HOWARD CITY'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT**

PRODUCT: PRESCRIPTION DRUGS & MEDICAL SUPPLIES

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	805	428	344,540
\$15000-24999	777	667	518,259
\$25000-34999	874	654	571,596
\$35000-49999	1,462	638	932,756
> \$50000	2,853	729	2,079,837
TOTAL DEMAND FOR PRODUCT =			\$4,446,988

SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

Prescription drugs, over-the-counter drugs, dressings, medical appliances, contraceptives, eyeglasses, hearing aids, rental medical equipment, and medical accessories.



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**DOWNTOWN HOWARD CITY'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT**

PRODUCT: ENTERTAINMENT FEES & ADMISSIONS

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	805	165	132,825
\$15000-24999	777	240	186,480
\$25000-34999	874	325	284,050
\$35000-49999	1,462	425	621,350
> \$50000	2,853	1,050	2,995,650
TOTAL DEMAND FOR PRODUCT =			\$4,220,355

SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

Admissions to sporting events, movies, concerts, plays, and movie rentals.

**DOWNTOWN HOWARD CITY'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT**

PRODUCT: TELEVISIONS, RADIOS & SOUND EQUIPMENT

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	805	386	310,730
\$15000-24999	777	547	425,019
\$25000-34999	874	641	560,234
\$35000-49999	1,462	748	1,093,576
> \$50000	2,853	1,086	3,098,358
TOTAL DEMAND FOR PRODUCT			= \$5,487,917

SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

Television sets, video recorders, tapes, video game hardware and cartridges, radios, phonographs and components, records and tapes, musical instruments, and rental of the same equipment.

**DOWNTOWN HOWARD CITY'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT**

PRODUCT: PETS, TOYS & PLAYGROUND EQUIPMENT

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	805	160	128,800
\$15000-24999	777	385	299,145
\$25000-34999	874	415	362,710
\$35000-49999	1,462	425	621,350
> \$50000	2,853	699	1,994,247
TOTAL DEMAND FOR PRODUCT =			\$3,406,252

SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

Pets, pet food, toys, games, hobbies, tricycles and playground equipment.



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**DOWNTOWN HOWARD CITY'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT**

PRODUCT: OTHER ENTERTAINMENT SUPPLIES & SERVICES

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	805	80	64,400
\$15000-24999	777	208	161,616
\$25000-34999	874	410	358,340
\$35000-49999	1,462	435	635,970
> \$50000	2,853	850	2,425,050

TOTAL DEMAND FOR PRODUCT = \$3,645,376

SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

Indoor exercise equipment, athletic shoes, bicycles, camping equipment, sporting goods, and photographic equipment and supplies.



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**DOWNTOWN HOWARD CITY'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT**

PRODUCT: PERSONAL CARE PRODUCTS & SERVICES

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	805	325	261,625
\$15000-24999	777	415	322,455
\$25000-34999	874	465	406,410
\$35000-49999	1,462	535	782,170
> \$50000	2,853	890	2,539,170

TOTAL DEMAND FOR PRODUCT = \$4,311,830

SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

Services and products for hair, oral hygiene products, cosmetics, and electric personal care appliances.



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**DOWNTOWN HOWARD CITY'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT**

PRODUCT: READING

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	805	61	49,105
\$15000-24999	777	90	69,930
\$25000-34999	874	105	91,770
\$35000-49999	1,462	123	179,826
> \$50000	2,853	203	579,159
TOTAL DEMAND FOR PRODUCT =			\$969,790

SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

Books, newspapers and magazines.



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**DOWNTOWN HOWARD CITY'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT**

PRODUCT: TOBACCO PRODUCTS & SMOKING SUPPLIES

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	805	236	189,980
\$15000-24999	777	330	256,410
\$25000-34999	874	340	297,160
\$35000-49999	1,462	387	565,794
> \$50000	2,853	333	950,049
TOTAL DEMAND FOR PRODUCT =			\$2,259,393

SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

Tobacco products and smoking accessories.

The Retail Report®

USER GUIDE

The Retail Report is a business development tool customized for your Downtown. In it, HyettPalma has targeted the kinds of retail businesses that Downtowns across the country are attracting.

The Retail Report brings effective data to your business development efforts in a user-friendly format. Tables, graphs and charts interpret and present information critical to your Downtown's future. And, the report is customized for YOUR Downtown, containing information unique to your Downtown.

In The Retail Report, demographic and socio-economic data are amplified and taken to a new level of detail. Households in your trade area are segmented by income bands, and consumer spending habits are analyzed by these income groupings. This allows you to determine which income groups to target in your business development program.

Business prospects will expect to review information like this prior to making a commitment to Downtown. The Retail Report shows them your Downtown -- and your Downtown enhancement program -- are one step ahead of the competition.

The following pages list numerous ways you can use The Retail Report to improve the economy of your business district.

What Does The Retail Report Tell You ?

The Retail Report reveals what you can expect the customers in your defined retail trade area to spend in 2005.

The Retail Report shows the number of dollars residents of your trade area spend each year on over 100 different types of products -- products such as food at home, food away from home, furniture, appliances, apparel, prescription drugs, toys, reading material, etc.

The Retail Report is not a listing of national figures or projections; it is a customized report that gives you accurate and definitive information for your own trade area.

A demographic and socio-economic profile of trade area residents is included -- both a snapshot of their characteristics today and a five year projection of their changing characteristics.

Who Can Benefit By Using The Retail Report ?

Current owners of businesses within a given trade area;

Business owners who are thinking of opening a store in the trade area;

Entrepreneurs who are determining what type of business to open or who are deciding on a business location;

Bankers and others who are deciding whether or not to invest in specific types of retail businesses;

Downtown directors and other economic development professionals whose work entails business retention, entrepreneur development and business recruitment; and

Downtown revitalization leaders, Downtown directors, economic development professionals, and local elected officials who want sound information that lets them speak with certainty about their Downtown's potential to sustain specific types of retail businesses.

How Can Downtown Directors and Economic Development Professionals Use The Retail Report ?

To attract customers to Downtown by creating a mix of strong businesses which appeal to trade area residents.

To raise the confidence of investors in the profitability of your business district.

To help existing businesses become more profitable -- so that Downtown's rate of business turnover is lessened.

To fill building vacancies with the types of retail businesses that can succeed and thrive in your district.

To strengthen existing businesses and lessen business closings by:

- showing existing business owners what trade area residents are spending their money on;

- helping business owners determine how to cater to those shopping preferences -- and capture more shopping dollars; and

- enabling them to develop a business plan that is based on realistic market data.

To improve the variety and selection of retail goods offered in the business district by:

- showing existing business owners that there is money to be made by expanding or revising the types of retail goods they sell;

- showing existing business owners that there is money to be made by opening additional types of retail businesses in the business district; and

- targeting specific types of retail businesses -- so that you can actively recruit those businesses having the greatest potential to succeed and remain in your Downtown.

To attract additional businesses to the business district by:

providing definitive data that shows a market exists for the retail goods they sell.

How Can Business Owners Use The Retail Report ?

Business owners frequently ask, "How much money do residents of Downtown's trade area spend on the retail goods I sell?" Or stated another way, "How do I know there's money to be made in Downtown?"

The Retail Report allows you to answer these questions with certainty and authority by quantifying:

what the market is for particular retail products;

the spending potential of residents in your trade area for particular retail goods; and

the current "economic pie" -- how much money is being spent on various retail goods by residents in your Downtown's trade area.

To better plan, manage, and grow your business -- by using the information in The Retail Report, business owners can:

set annual benchmarks for how much of the "economic pie" they intend to capture for their business -- measured in anticipated gross sales receipts for YOUR Downtown;

set an annual budget based on their gross receipts benchmarks;

make informed budgeting decisions about how much to spend each year on inventory, overhead, advertising, staff, etc.; and

complete a business plan that persuades their banker to extend a commercial loan to them.

How Can Entrepreneurs Use The Retail Report ?

The Retail Report shows the sales potential within a given trade area for over 100 types of retail businesses. This would be invaluable in order to:

- compare the markets for a variety of different retail products;
- determine what type of retail business to open;
- complete a realistic business plan before opening that business; and
- persuade bankers and investors that a strong market exists for the type of retail business being opened.