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Blueprints for Michigan Downtowns

Ionía
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: Ionia, Fremont, Ionia, Houghton, Howard City, Imlay City, Ionia, Linden, Menominee, Saline, and Wayland.

- Michigan Economic Development Corporation

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March 21, 2005

The City of Ionia
and Members of the Process Committee
141 North Kidd Street
Ionia, MI 48846

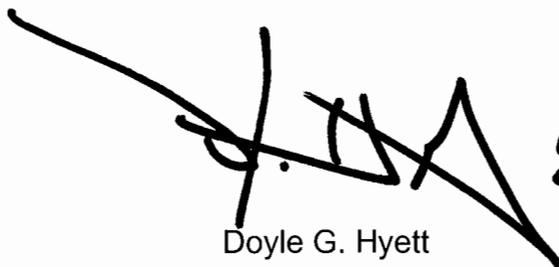
RE: **Ionia Downtown Blueprint 2005**

HyettPalma, Inc., is pleased to present to you the following report titled: ***Ionia 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 Ionia'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 Ionia Process Committee, listed below, for all their time, hard work, and dedication in preparing for and participating in completing the ***Ionia Downtown Blueprint 2005***.

The Ionia Downtown Development Authority:

Honorable Daniel Balice, Mayor, City of Ionia
DDA Chairman Charles VanLoan, Independent Bank Corporation
DDA Vice Chairman Michael Kirgis, Kirgis Insurance Agency
David Cook, Manager, Ionia Theater
James Fast, President, Ionia County National Bank
Cathy Hoppough, Owner, Hoppough and Associates Coldwell-Banker
Michael Magee, President, CEO Independent Bank Corporation
Kevin Meade, Vice President, Ionia County National Bank
Thomas Millard, Owner, Country Kitchen Restaurant
Scott Miller, Edward Jones
Thomas Wiczorek, Ionia City Manager

Gordon Kelley, Councilmember, City of Ionia
Annie Bales, President, Ionia Free Fair Association
Patricia Batista, Superintendent, Ionia Public Schools
Mark Howe, Ionia County Administrator
George Hubbard, Superintendent, Ionia County Intermediate Schools
Dennis Janiske, Owner, "The Cellar"
Dawn Ketchum, Executive Director, Ionia Area Chamber of Commerce
Evonne Ulmer, CEO, Ionia County Memorial Hospital

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Project Overview

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I. PROJECT OVERVIEW

This document presents the community's economic vision for Downtown Ionia 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 Ionia. 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 **Ionia Downtown Blueprint 2005** was completed by HyettPalma, Inc., with the assistance of the Process Committee formed to oversee the project.

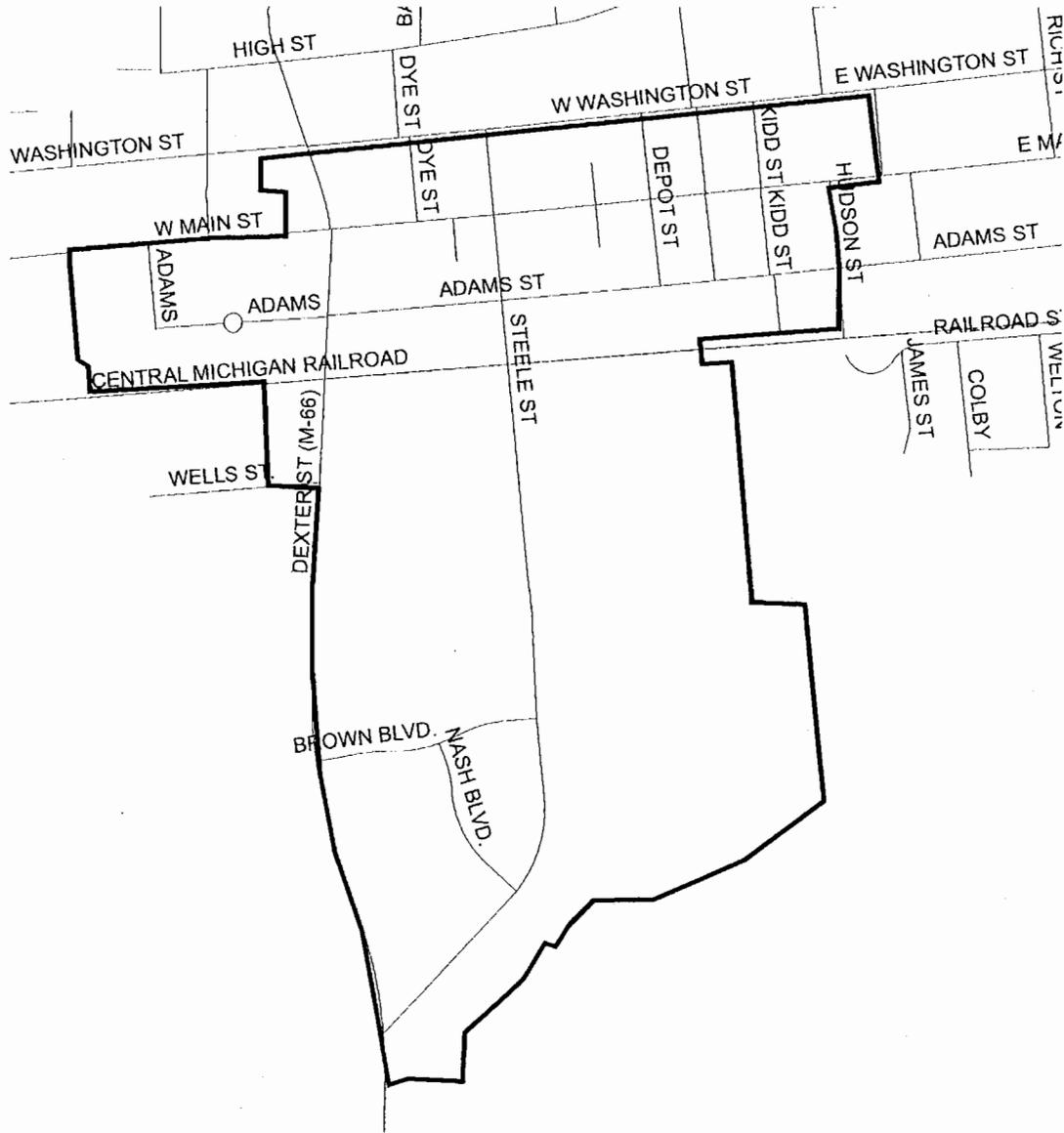
The methodology used to define the **Ionia Downtown Blueprint 2005** was developed by HyettPalma, Inc., and has been used extensively by the firm in Downtowns throughout the United States. To date, it forms the basis of the technical assistance programs titled:

- **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.

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Downtown Ionia



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***Downtown
Ionia
Today***

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II. DOWNTOWN IONIA TODAY

Over the years, the Ionia DDA and the City of Ionia have made major improvements in Downtown. And, the DDA and City government are inordinately engaged in Downtown's economic well-being. Illustrating this are the following facts:

- The DDA purchased the two-screen Ionia Theater in 1985 and the City is currently interested in expanding that to four or five screens;
- The City's Parks & Recreation Department schedules a multitude of programs in Downtown's Armory Community Center;
- The Director of the Ionia Area Chamber of Commerce is a City employee; and
- The City shovels Downtown's sidewalks for the first time after one-inch of snow accumulates.

The above are all major pluses for Downtown. In addition, Downtown Ionia is fortunate that:

- The Ionia County government, the post office, the Hall-Fowler Memorial Library, and financial institutions are all still located in Downtown;
- The fairgrounds – where major events are held – are located in Downtown and the Ionia Free Fair Association has established a goal of holding one event each weekend at this venue;
- Downtown has incredible architecture – much of which is made from the highly attractive variegated Ionia sandstone – which has caused it to be designated a National Register Historic District;
- Downtown has an array of restaurants and specialty businesses that are currently successful in drawing customers;

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- Over 1,800 people are employed in Downtown. creating a potential “built-in market;”
- Downtown property owners are expressing a great interest in creating additional upper story housing in Downtown – with some 20+ units about to come on-line;
- M-66 is heavily traveled, with some 33,000 vehicles per day passing the intersection of M-66 and Main Street;
- The market analysis conducted as part of this **Downtown Blueprint** revealed that Downtown has a strong and growing market;
- Over the next six years the DDA’s debt service will be retired, leaving considerable revenues for implementation of this **Downtown Blueprint**; and
- The City has recently received \$300,000 in unrestricted funds from Wal-Mart to use on a Downtown project.

Finally, in Downtown’s “asset column” is the fact that it is located in a very attractive City of:

- Great schools;
- Beautiful homes;
- Strong industry;
- A County airport that is known as “The Soaring Center of the Midwest;” and
- Booming residential growth.

To define this **Downtown Blueprint**, a series of meetings were held to discuss the community’s concerns about Downtown and hopes for Downtown’s future. The concerns most often voiced by members of the community dealt with:

- Large vacancies and the need to fill them with quality businesses;
- Lack of retail;
- The perception that there is “nothing to do” in Downtown;
- “Lack of friendliness” found in some Downtown businesses;
- The need to retain existing businesses;

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- The appropriate rehab of Downtown buildings;
- Parking;
- The need for more quality housing in Downtown; and
- The need to communicate “where Downtown is” and “what we have Downtown.”

On the other hand, community members consistently expressed the desire for Downtown to have the following image in the future.

An arty, viable, and family Downtown that is a historic hub.

A friendly Downtown filled with quality, specialty retail shops that offer personal service, with quality restaurants that accommodate all ages, and with business owners who refer customers to one another.

A Downtown where every store is filled with so many great shops that Downtown meets the needs of the whole family.

A clean and safe Downtown where beautiful historic buildings, brick streets, and historic lights create a charming atmosphere.

A thriving Downtown that has maintained a strong sense of community.

A Downtown of friendly people where everyone feels welcome.

A Downtown where you can – and want to – park and walk and shop and shop and shop.

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*A Downtown that makes you say
“I’d go back” and
“I wanted to stay longer!”*

In order to address the community’s concerns – and attain the community’s future vision for Downtown Ionia – HyettPalma recommends that the ***Ionia Downtown Blueprint 2005*** be implemented using the following guidelines.

1. It must be understood that the ***Downtown Blueprint*** is not “another plan” or “another study.” Nor is it anything like plans and studies that have been completed in the past for Downtown Ionia. Instead, the ***Downtown Blueprint*** is a market-driven strategy of actions crafted specifically to move Downtown – and its enhancement – on to the next stage. And, that next stage is economic improvement. These facts should be conveyed to the Downtown business community and beyond.
2. The ***Downtown Blueprint*** must be embraced by the public, business, non-profit, and civic sectors of Ionia as a common vision for Downtown and a gameplan for attaining that vision. In doing so, it must be realized that actions can be taken – and Downtown can be moved forward – even if a small number of people choose to not participate in (or even object to) those actions.
3. The ***Downtown Blueprint*** should be used to cluster specialty, impulse-oriented businesses on Main Street. The first phase of the clustering effort should be focused on Main from Depot to Steele. Once a strong hub of such businesses has been created here, the clustering effort should be extended along Main to the east and the west, to Kidd and Dexter. The goal, then, would be to establish and lure the buying public to Downtown by offering a cluster of specialty, impulse-oriented businesses that stretches from the Ionia Theater to the Armory Community Center.
4. Those implementing the ***Downtown Blueprint*** should recognize Downtown’s historic architecture as the single most significant asset that sets Downtown Ionia apart from other business districts. As such, nothing should be done that would detract from or diminish this asset.

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5. Currently, there are a plethora of social service agencies located on Main Street. And, most apartments located in the upper floors of Main Street buildings are “affordable,” according to standards used by the Michigan State Housing Development Authority (MSHDA). These two factors result in Downtown’s economy currently being skewed toward serving lower income groups. To ensure that Downtown serves the entire trade area – and is welcoming to all – those implementing the **Downtown Blueprint** should strive for diversity . . . diversity in terms of the types of businesses recruited to Downtown, the income groups those businesses serve, the type of housing units created in Downtown, and the rental rates/sales prices of those housing units.
6. Without a doubt, Downtown’s physical condition and economic diversity are crucial for its long-term success. In addition, it must be realized that the “human element” plays a large role in any Downtown’s ability to succeed economically. For success, this human element must bring to any Downtown enhancement effort:
 - An infectious passion to succeed;
 - Strong private sector leadership that partners with City Hall; and
 - A “voice” for Downtown that can excite others and garner their participation in the enhancement effort.

This holds true for Downtown Ionia as well.

7. Finally, thanks to the DDA and the City addressing Downtown’s major physical improvement needs, this **Downtown Blueprint** is able to focus on Downtown’s economic needs. Those implementing the **Downtown Blueprint** should focus their efforts in this arena as well.

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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 Ionia, 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, which was defined as Ionia County plus Carson City. A summary of the survey responses follows.

Use of Downtown

Of primary trade area residents surveyed, almost one-half (45%) reported coming to Downtown Ionia with great frequency – between 1 and 7 times a week.

Another 32% – almost one-third – said they come to Downtown with moderate frequency, defined as from 3 times a month to 6 times a year.

Finally, almost one-quarter (23%) said they seldom or never come to Downtown Ionia.

Purpose of Trips

When trade area residents were asked why they currently come to Downtown Ionia, the top reason given was “shopping,” cited by over one-quarter (26%) of respondents.

The next two most often given responses were cited with similar frequency. These were “eating in restaurants” (14%) and “banking” (11%).

Therefore, a majority of respondents – 51% – said they currently come to Downtown for one of these three reasons.

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

- Service businesses (8%);
- Personal business (6%);
- Government business (6%);
- Post office (6%);

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- Entertainment (5%);
- Visiting friends or family (5%);
- Work (3%);
- Recreation (3%);
- Library (3%);
- Live there (2%); and
- Passing through (2%).

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 Grand Rapids (36%) and Meijer (21%). Therefore, a majority of respondents (57%) said they do most of their shopping at one of these two locations.

The remaining responses to this question were:

- Lansing (11%);
- Ionia (10%);
- K-Mart (8%);
- The nearby towns of Lowell, Belding, Portland, Lake Odessa, Hastings, and St. Johns (8%); and
- Greenville (6%).

When asked why they choose to shop in a particular area, residents primarily stressed the importance of convenience (34%) and the variety/selection offered (27%). The remaining responses to this question included:

- Price (15%);
- Closeness to home (14%);
- Closeness to work (6%);
- Parking (2%); and
- Service (2%).

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.

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Fourteen characteristics were rated "good" by a majority of residents. Eight characteristics were rated "good" by a majority or significant percent of business owners. And, these eight were among the fourteen rated "good" by a majority of residents. The eight characteristics rated "good" by a majority of residents and a majority or significant percent of business owners were:

- Feeling of safety (85% residents, 64% business owners);
- Helpfulness of salespeople (85% residents, 72% business owners);
- Cleanliness of the area (78% residents, 52% business owners);
- Knowledge of salespeople (76% residents, 51% business owners);
- Quality of service businesses (71% residents, 61% business owners);
- Quality of retail goods (68% residents, 50% business owners);
- Prices at restaurants (59% residents, 46% business owners); and
- Quality of restaurants (56% residents, 50% business owners).

It is interesting to note that all of the above characteristics were rated "good" by a smaller percentage of business owners than residents.

The six characteristics rated "good" by a majority of residents, but not business owners, were:

- Attractiveness of the area (66% residents, 45% business owners);
- Traffic circulation (63% residents, 41% business owners);
- Parking convenience (61% residents, 27% business owners);
- Attractiveness of buildings (60% residents, 25% business owners);
- Availability of parking (58% residents, 21% business owners); and
- Business hours (57% residents, 36% 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.

Only two improvements were rated "very important" by a majority of residents. Five improvements received this rating from a majority of business owners. Residents and business owners agreed on two of these improvements, which were:

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- Increase the variety of retail goods (71% residents, 82% business owners); and
- Recruit additional retail businesses (68% residents, 88% business owners).

The three improvements rated “very important” by a majority of business owners – but not residents – were:

- Physically improve buildings (31% residents, 59% business owners);
- Improve the availability of parking (35% residents, 59% business owners); and
- Improve the convenience of parking (35% residents, 53% business owners).

When asked what specific types of businesses or activities they would personally use if opened in Downtown Ionia, residents expressed a preference for apparel stores, food establishments, entertainment, and specialty stores.

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***Downtown
Ionia
Tomorrow***

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IV. DOWNTOWN IONIA TOMORROW

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

Downtown would “embrace the diversity of our area” in terms of age groups, ethnic groups, socio-economic groups, and one’s ability to be mobile. This would be done through Downtown’s mix of businesses as well as through cultural events.

Downtown would have many more – and a greater variety of – food establishments than it does today. These would include high quality sitdown restaurants, ethnic restaurants, and outdoor seating at eateries.

Downtown would also have more and a greater variety of specialty and high quality retail shops. These would draw customers and “let Downtown compete with big boxes.” And, Downtown’s stores would stay open later to accommodate their customers.

The Ionia Theater would be “kept going” in its current location and current building. The County government would remain in Downtown and would continue to use the historic County Courthouse building. City government, professional offices, and service businesses would continue to be located in Downtown. The farmers market would be “grown.” The Ionia Community Theater would perform in Downtown. Art would be added to Downtown’s mix. And, “high-end” quality housing above stores and in condos would create a community of people who live and shop in Downtown, making it their neighborhood.

Benches, landscaping, and flowers would be added to Downtown. Items such as a “dancing fountain” and a gazebo would attract people to Downtown to gather, communicate, and socialize.

Youth would not be “kept out of Downtown” but would be offered creative, constructive things to do. Downtown would be and feel safe – and not have any “big

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city problems.” People would feel safe walking in Downtown, day and night, and especially on weekends and after school.

Downtown would be litter-free at all times. Trash and dirt would be non-existent on sidewalks, on streets, and in alleys.

Downtown’s storefronts would be cleaned-up and fixed-up, paying particular respect to Downtown’s historic architecture. The rears of buildings, visible from parking lots, would also be improved.

Downtown would have ample parking for customers, employees, and residents. Employees would not park in on-street spaces – or in parking lot spaces – that are most convenient for customers.

Signs and marketing materials would be in place to “tell people there is a Downtown and what’s in Downtown.” This “aggressive marketing” plus Downtown’s business mix would enable Downtown to appeal to and attract a variety of users, including Ionians, Ionia County residents, fairground event-goers, theater-goers, State and County park users, and families.

By the year 2010, Downtown Ionia would be well on its way to having the following image.

***An arty, viable, and
family Downtown
that is a historic hub.***

***A friendly Downtown
filled with
quality, specialty retail shops that offer personal service,
quality restaurants that accommodate all ages, and
business owners who refer customers to one another.***

***A Downtown where every store is filled
with so many great shops that
Downtown meets the needs of the whole family.***

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*A clean and safe Downtown
where beautiful historic buildings,
brick streets, and historic lights
create a charming atmosphere.*

*A thriving Downtown that has
maintained a strong sense of community.*

*A Downtown of friendly people
where everyone feels welcome.*

*A Downtown where you can
– and want to –
park and walk and shop and shop and shop.*

*A Downtown that makes you say
“I’d go back” and
“I wanted to stay longer!”*

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Downtown Market Analysis

V. DOWNTOWN MARKET ANALYSIS

To ensure long-term economic results and success, Ionia'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.

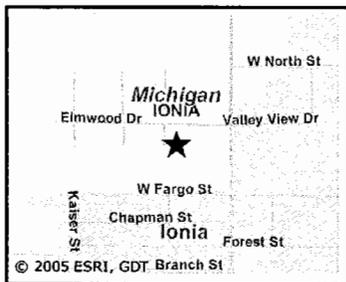
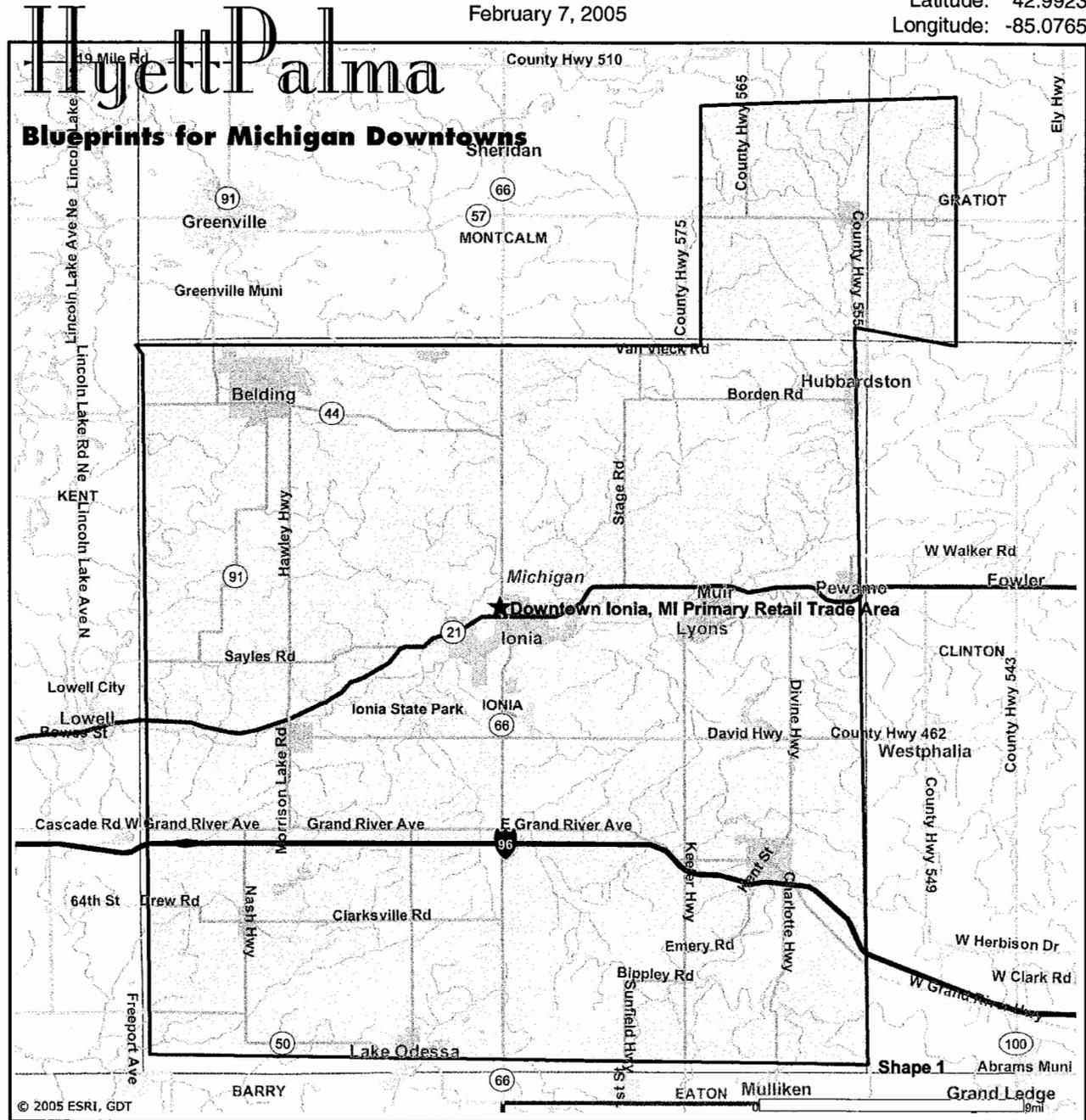
Downtown Retail Opportunities

Retail Trade Area -- Downtown Ionia'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 67,049 -- WITH AN ESTIMATED 22,427 HOUSEHOLDS (Source: ESRI estimate)

THE AVERAGE HOUSEHOLD SIZE IS 2.66 PERSONS, WHICH IS SLIGHTLY LARGER THAN THE NATIONAL AVERAGE OF 2.59 (Source: ESRI estimate)



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THE TOTAL COMBINED INCOME OF HOUSEHOLDS WITHIN THE PRIMARY TRADE AREA IS APPROXIMATELY \$1,239,000,000 PER YEAR (Source: ESRI estimate)

THE AVERAGE HOUSEHOLD INCOME FOR THOSE IN THE PRIMARY TRADE AREA IS APPROXIMATELY \$55,243 AND IS PROJECTED TO INCREASE TO \$61,978 ANNUALLY BY 2009 (Source: ESRI estimate)

Current Retail Businesses -- Downtown Ionia currently contains approximately 63 retail businesses, which occupy approximately 266,000 square feet of building space. The retail inventory was completed by the Downtown Ionia Process Committee and is shown on the following pages.

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Downtown Ionia Retail Businesses

<u>SIC CODE</u>	<u>BUSINESS TYPE</u>	<u># BUS.</u>	<u>TOT. SQ. FT.</u>
<u>52</u>	<u>Building Materials and Garden Supplies</u>		
5231	Paint/Glass/Wall Paper	1	2,178
5251	Hardware	1	8,820
<u>53</u>	<u>General Merchandise</u>		
5399	Misc. General Merchandise	4	22,567
<u>54</u>	<u>Food Store</u>		
5411	Grocery Store	1	12,000
5499	Miscellaneous Food	3	5,522
<u>55</u>	<u>Automotive Dealers and Service Stations</u>		
5511	New/Used Cars	1	5,059
5521	Used Cars	1	3,184
5531	Auto/Home Supply	3	15,355
5541	Gas Service Station	2	4,320
5561	Recreation Vehicle Dealer	1	6,760
<u>56</u>	<u>Apparel and Accessories</u>		
5651	Family Apparel	2	8,928
<u>57</u>	<u>Furniture and Home Furnishings</u>		
5712	Furniture Store	1	5,690
5719	Misc. Home Furnishings	1	4,480
5722	Home Appliances	2	9,875
5734	Computers/Software	1	2,985
<u>58</u>	<u>Eating/Drinking</u>		
5812	Eating Places	9	36,808
5813	Drinking Places	1	5,014
<u>59</u>	<u>Miscellaneous Retail</u>		
5932	Antiques	5	20,587
5941	Sporting Goods	1	6,251
5944	Jewelry	1	1,940

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Downtown Ionia Retail Businesses

SIC CODE	BUSINESS TYPE	# BUS.	TOT. SQ. FT.
59	Miscellaneous Retail (Contd.)		
5947	Gift/Novelty	3	9,530
5992	Florist	2	5,056
5995	Optical	3	9,682
5999	Miscellaneous Retail	3	18,762
	Select Support Services		
5112	Office Supplies	1	2,720
7216	Dry Cleaners/Tailors	1	13,562
7231	Beauty Shops	5	5,522
7241	Barber Shops	1	2,815
7832	Motion Picture Theater	1	6,872
	Amusement and Recreation Services		
7911	Dance Studios/Schools	1	2,928

TOTAL NUMBER OF RETAIL BUSINESSES	63
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TOTAL SQUARE FEET OF OCCUPIED RETAIL BUSINESS SPACE	265,772
--	----------------

TOTAL NUMBER OF VACANT RETAIL SPACES	13
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TOTAL SQUARE FEET OF VACANT RETAIL BUSINESS SPACE	101,159
--	----------------

Source: Downtown Ionia Process Committee

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Retail Potential -- Currently, within Downtown's primary trade area, the total estimated demand for retail products is approximately \$359,000,000 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 Ionia retail businesses now generate an average (blended figure) of approximately \$150 per year per square foot in retail sales.

Since Downtown currently contains approximately 266,000 square feet of occupied retail space, Downtown Ionia should currently be generating approximately \$40,000,000 in retail sales per year.

By dividing the project area's estimated annual retail sales -- \$40,000,000 -- by the total estimated demand for retail products within the primary trade area -- \$359,000,000 -- it can be concluded that Downtown Ionia may currently be capturing approximately 11% 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 Ionia, 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 11% to between 12% and 12.5% by the year 2010. This should be considered a goal of the economic enhancement program.

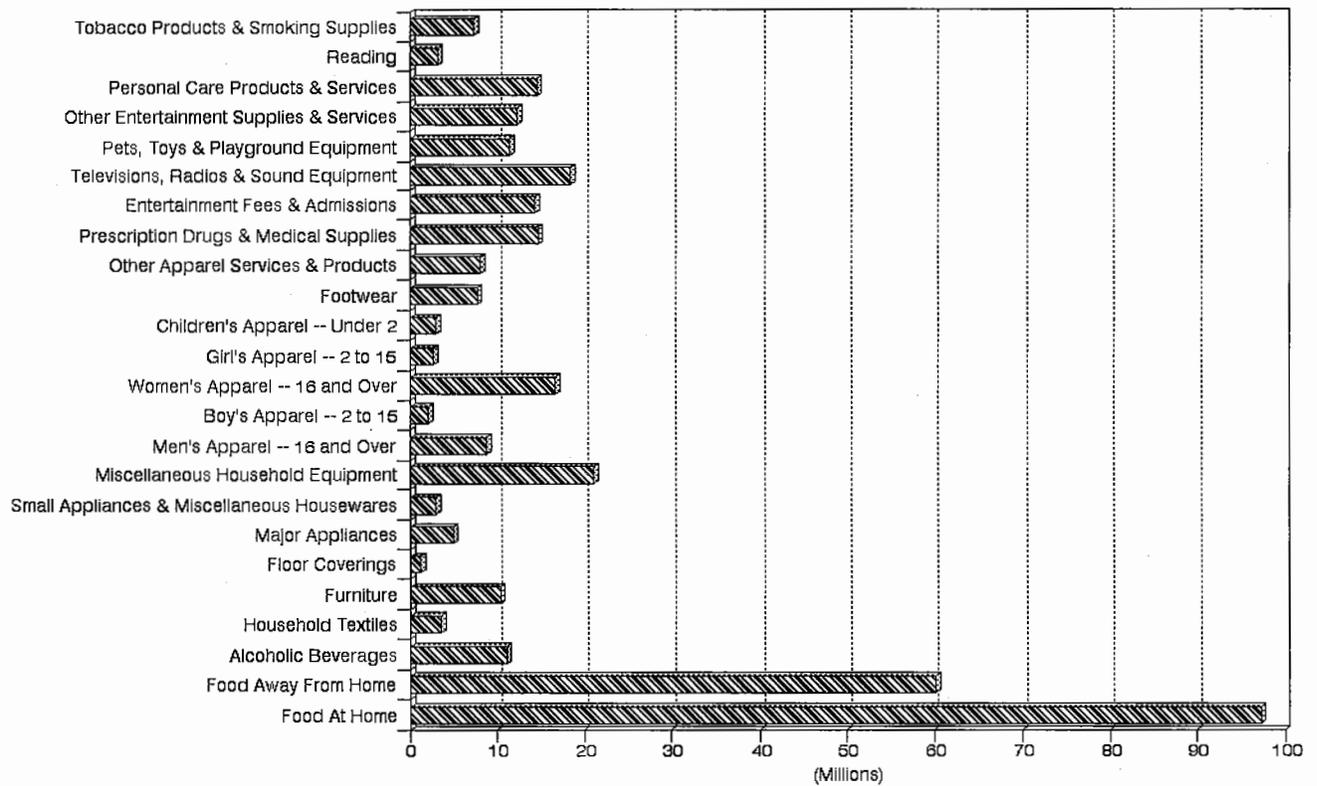
If Downtown Ionia is able to increase its market share to between 12% and 12.5% by the year 2010, it is possible that the project area may be able to increase its total capture of retail sales to between \$43,000,000 and \$45,000,000 by the year 2010 -- considered in constant 2005 dollars.

This increase in total retail sales could potentially support the development of between approximately 20,000 and 33,000 net square feet of additional retail space by the year 2010 -- which could include expansions or sales increases by existing Downtown Ionia retail businesses and/or the construction of some limited amount of new retail space.

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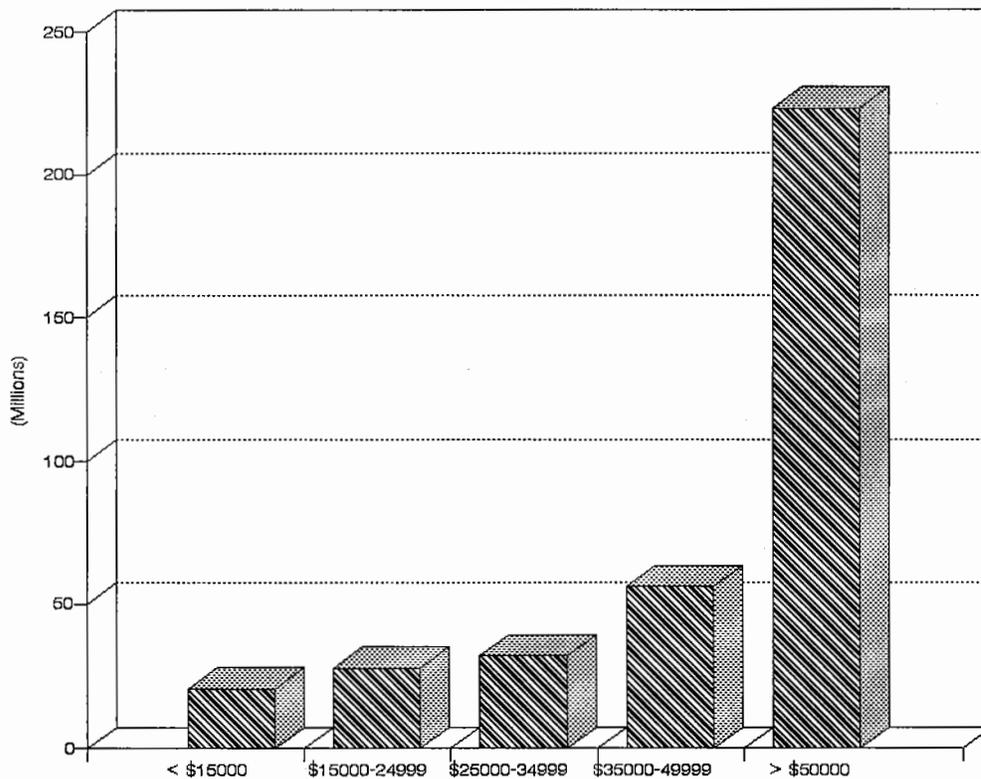
TOTAL PRODUCT DEMAND BY PRODUCT TYPE



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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 Ionia'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 Ionia. 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 Ionia follow.

- Downtown Ionia currently contains a total of approximately 67 various office occupants occupying approximately 261,000 square feet of building space.
- Downtown Ionia is the professional services center of the city and, as the seat of Ionia County government, is considered the professional services center of the county.
- Downtown's occupied office space serves, primarily, the personal needs of those who live within the community and primary trade area;

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- The most significant concentrations of offices include banks, real estate, health services, legal services, social services, and membership organizations.
- Downtown Ionia has a Downtown office occupancy rate of approximately 99%, with approximately 2,400 square feet of vacant office space in the **Downtown Blueprint** area at this time.

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 Ionia 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 Ionia'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 Ionia. 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 25,000 to 35,000 square feet of additional office space could potentially be supported in Downtown Ionia 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.

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Downtown Ionia Offices by SIC Code

<u>SIC CODE</u>	<u>BUSINESS TYPE</u>	<u># BUS.</u>	<u>TOT. SQ. FT.</u>
<u>27</u>	<u>Publishing</u>		
271	Newspapers	1	9,126
<u>60</u>	<u>Depository Institutions</u>		
602	Commercial Banks	5	109,030
606	Credit Unions	1	6,148
<u>61</u>	<u>Non-Depository Credit Institutions</u>		
614	Personal Credit Institutions	1	4,496
<u>62</u>	<u>Security and Commodity Brokers</u>		
621	Security Brokers	2	3,187
<u>63/64</u>	<u>Insurance</u>		
641	Insurance Agents/Brokers	1	640
<u>65</u>	<u>Real Estate</u>		
653	Real Estate Agents/Mgrs.	2	5,130
654	Title Abstract Offices	3	4,050
<u>73</u>	<u>Business Services</u>		
733	Mailing/Reproduction/Comm. Art/Photography/Steno Servs.	2	4,505
<u>80</u>	<u>Health Services</u>		
802	Offices/Clinics of Dentists	2	5,115
804	Offices of Other Medical	4	6,130
808	Home Health Care	1	600
<u>81</u>	<u>Legal Services</u>		
811	Legal Services	6	15,317
<u>83</u>	<u>Social Services</u>		
832	Individual/Family Services	12	27,806

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Downtown Ionia Offices by SIC Code

SIC CODE	BUSINESS TYPE	# BUS.	TOT. SQ. FT.
86	<u>Membership Organizations</u>		
863	Labor Unions/Organizations	1	1,768
866	Religious Organizations	8	14,181
869	Other Memb. Orgs.	1	2,115
87	<u>Engineering/Management Services</u>		
872	Accounting/Bookkeeping	2	4,522
89	<u>Services Not Elsewhere Classified</u>		
899	Services	10	30,973
94	<u>Admin. of Human Services</u>		
944	Admin. of Social/Manpower	1	1,705
96	<u>Admin. of Economic Programs</u>		
962	Admin. of Transportation Prog.	1	4,800
TOTAL NUMBER OF OFFICE BUSINESSES		67	
TOTAL SQUARE FEET OF OCCUPIED OFFICE BUSINESS SPACE			261,344
TOTAL NUMBER OF VACANT OFFICE SPACES		3	
TOTAL SQUARE FEET OF VACANT OFFICE BUSINESS SPACE			2,400

Source: Downtown Ionia Process Committee

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

Downtown Housing Opportunities

The ***Downtown Blueprint*** project area contains approximately 84 apartment units. Approximately 85 residents occupy these units. The inventory and occupancy estimate were prepared by the Downtown Ionia Process Committee.

In addition, over 20 additional loft units are in some phase of development in Downtown Ionia 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 strong demand in the marketplace for such units.

Based on local discussion, existing units are in demand and others have expressed an interest in additional unit development throughout the commercial district. A good indication of demand is local business owners who have either developed Downtown living quarters, or who have expressed their intent to develop owner-occupied units in the near future.

Downtown Ionia is also very fortunate to have many people living in proximity to Downtown – occupying, in many cases, historic homes – who enjoy the convenience of being able to walk or drive a short distance to the heart of Downtown Ionia. 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 Ionia. 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 Ionia.

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Based on an examination of Downtown Ionia, the commercial district contains several buildings with vacant or underutilized upper floors which could likely accommodate more housing units. And, revitalization and redevelopment opportunities for housing at and near the edges of Downtown should become more viable for housing as Downtown is further enhanced – physically and economically.

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 Ionia 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.

Rather than placing arbitrary or artificial limits on the number of housing units appropriate for Downtown Ionia – 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

VI. COURSE OF ACTION

As was stated earlier in this document, in order to address the community's concerns – and attain the community's future vision for Downtown Ionia – HyettPalma recommends that the *Ionia Downtown Blueprint 2005* be implemented using the following guidelines.

1. It must be understood that the *Downtown Blueprint* is not “another plan” or “another study.” Nor is it anything like plans and studies that have been completed in the past for Downtown Ionia. Instead, the *Downtown Blueprint* is a market-driven strategy of actions crafted specifically to move Downtown – and its enhancement – on to the next stage. And, that next stage is economic improvement. These facts should be conveyed to the Downtown business community and beyond.
2. The *Downtown Blueprint* must be embraced by the public, business, non-profit, and civic sectors of Ionia as a common vision for Downtown and a gamelan for attaining that vision. In doing so, it must be realized that actions can be taken – and Downtown can be moved forward – even if a small number of people choose to not participate in (or even object to) those actions.
3. The *Downtown Blueprint* should be used to cluster specialty, impulse-oriented businesses on Main Street. The first phase of the clustering effort should be focused on Main from Depot to Steele. Once a strong hub of such businesses has been created here, the clustering effort should be extended along Main to the east and the west, to Kidd and Dexter. The goal, then, would be to establish and lure the buying public to Downtown by offering a cluster of specialty, impulse-oriented businesses that stretches from the Ionia Theater to the Armory Community Center.
4. Those implementing the *Downtown Blueprint* should recognize Downtown's historic architecture as the single most significant asset that sets Downtown Ionia apart from other business districts. As such, nothing should be done that would detract from or diminish this asset.

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5. Currently, there are a plethora of social service agencies located on Main Street. And, most apartments located in the upper floors of Main Street buildings are “affordable,” according to standards used by the Michigan State Housing Development Authority (MSHDA). These two factors result in Downtown’s economy currently being skewed toward serving lower income groups. To ensure that Downtown serves the entire trade area – and is welcoming to all – those implementing the **Downtown Blueprint** should strive for diversity . . . diversity in terms of the types of businesses recruited to Downtown, the income groups those businesses serve, the type of housing units created in Downtown, and the rental rates/sales prices of those housing units.
6. Without a doubt, Downtown’s physical condition and economic diversity are crucial for its long-term success. In addition, it must be realized that the “human element” plays a large role in any Downtown’s ability to succeed economically. For success, this human element must bring to any Downtown enhancement effort:
 - An infectious passion to succeed;
 - Strong private sector leadership that partners with City Hall; and
 - A “voice” for Downtown that can excite others and garner their participation in the enhancement effort.

This holds true for Downtown Ionia as well.

7. Finally, thanks to the DDA and the City addressing Downtown’s major physical improvement needs, this **Downtown Blueprint** is able to focus on Downtown’s economic needs. Those implementing the **Downtown Blueprint** should focus their efforts in this arena as well.

The following recommended course of action was designed to move Downtown forward by attaining the community’s vision for Downtown and capturing the market potentials facing Downtown.

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Anchors

Downtown Ionia is fortunate to have a number of anchors, which currently draw people to Downtown. These should be retained and strengthened, as suggested below.

1. **County Facilities**

It is understood that the Ionia County government is undertaking an analysis of space needs and locations to accommodate those needs. It is suggested that every possible effort be made to continue the County's use of the historic County Courthouse building. This is of prime importance to Downtown's future. Ideally, the County's administrative offices would remain in this location, as a minimum.

2. **Ionia Theater**

It is understood that the City is considering the possibility of expanding the Ionia Theater – which is a major Downtown draw – from its current 2 screens to 4 or 5 screens. This is an excellent idea that should be pursued in order to make the theater as viable as possible – in its present location.

3. **Fairgrounds**

The fairgrounds is also a major Downtown asset, and the Free Fair Association has established a goal of holding one event there each weekend, all year long. This goal should be supported. In addition, all necessary steps should be taken to continue the trail system and enhance the use of the gorgeous Grand River, which flows through the fairgrounds site at the edge of Downtown Ionia.

4. **Library**

An expansion of the Hall-Fowler Memorial Library is planned, which includes the continued use of the library's exceptional historic structure. Library officials should be commended for their foresight in keeping the expanded library in Downtown and for not abandoning the current library building.

5. **Armory Community Center**

With all the uses and activities that go on here, this facility is a great Downtown anchor. Through the years, care should be taken to ensure that it remains as such.

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6. *Downtown Gateway*

There are discussions underway to create a Downtown “gateway” on the northeast corner of Main and Dexter/M-66. This is an excellent idea since:

- This site is highly visible to the approximately 33,000 motorists noted locally as passing this corner daily – affording an opportunity to create an alluring image for Downtown in their minds;
- The site is directly across Main Street from the Armory Community Center, creating an opportunity to link its use with activities that occur in the Armory building; and
- A gateway park would create a Downtown setting for community gatherings and events.

Therefore, the City and the DDA should take steps immediately to create this Downtown gateway. In doing so, consideration should be given to:

- Placing a professionally designed and very attractive sign on the corner that reads “Welcome to Downtown Ionia – Great shops, food, and fun →”;
- Including a gazebo and “dancing fountain” in the park’s design;
- Holding family-oriented events here, such as the lighting of a community Christmas Tree; and
- Not using this valuable and visible site for parking.

7. *Farmers Market*

A farmers market is now held in The Robert Hoppough Memorial Farmers Market Pavilion. However, by all accounts, this market is not well-attended by growers or customers. To make this a true Downtown anchor – as farmers markets have become in many Downtowns nationwide – consideration should be given to:

- Retaining a Market Master;

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- Allowing and soliciting art, crafts, and prepared food vendors, in addition to growers; and
- Aggressively advertising the market.

8. ***“The Point”***

“The Point” includes all the land within the Downtown project area that lies south of the Central Michigan Railroad tracks. The City has completed major public improvements in this area, which have fostered considerable private sector development. This land presents the opportunity over time to create a Downtown anchor that is different from, and can be complementary to, Ionia’s traditional, historic Downtown core.

To take advantage of this opportunity, a master plan should be completed for this area. The master plan should be crafted to:

- Increase density within this area;
- Continue to encourage quality redevelopment;
- Foster continuity and cohesiveness among the uses and structures in this area;
- Create development standards to regulate the design and materials used in new construction and the placement of buildings and support infrastructure;
- Ensure that the uses located here do not duplicate those located in the historic portion of Downtown; and
- Create and encourage the use of pedestrian linkages between this area and the historic core of Downtown.

Uses appropriate for this area include businesses requiring larger footprints than those located in the historic core of Downtown, such as:

- Lodging facilities;

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- Industry;
- Chain restaurants;
- Grocery stores;
- Office buildings; and
- Open space.

While market conditions could change over time, at this time the area is not considered appropriate for general retail or housing.

9. *Former GenCorp Site*

This portion of the Downtown project area, which roughly includes Adams and Main west of Dexter, has also seen considerable improvements recently. This area should continue to be developed for office and institutional uses – with limited convenience retail. This is also an appropriate location for social service uses.

10. *Ionia Community Theater*

The Ionia Community Theater now performs, primarily, in the Ionia Middle School's Watt Auditorium. This is a tremendous draw that should, if at all possible, be located in Downtown. Locating both the Ionia Theater and Ionia Community Theater in Downtown would allow Downtown to become known as – and marketed as – Ionia's entertainment center. The Ionia Community Theater should be brought to Downtown by:

- Ideally, creating a small black box theater within the Ionia Theater; or
- Creating a theater in one of the large, vacant retail spaces located on Main Street.

11. *Housing*

There appears to be great interest on the part of Downtown property owners in creating upper story housing. City officials appear to be very cooperative and supportive regarding the creation of such units. In addition, the upper floor apartments that now exist in Downtown appear to remain rented, displaying the

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interest of the buying public. Therefore, every effort should be made to encourage the creation of additional loft housing in the upper floors of buildings located on Main Street. This should include:

- Taking advantage of all pertinent incentives available through MSHDA, which the community has not done in the past;
- Striving for diversity of income levels among the residents of those units; and
- Letting it be known that such units would not be appropriate for families with children – due to the lack of play space for children and safety concerns regarding Downtown traffic.

Parking

Currently, Downtown offers on-street parking and public parking lots to its potential customers and clients. And, the City and DDA have recently made major improvements to the Adams Street parking lot, both in terms of beautification and increasing the number of spaces via angled parking. However, concerns still exist regarding Downtown's ability to accommodate the parking needs of employees, customers, and residents. These concerns should be addressed through the following actions.

1. *On-Street Time Limits*

Currently, a one-hour time limit is in place for on-street parking within Downtown, which is very unusual in this day and age – particularly in a pedestrian-oriented Downtown where additional customer patronage is desired. The on-street time limit should be increased to two-hours, so that customers have adequate time to patronize multiple Downtown businesses during each trip.

This change should include:

- Placing signs on the street that read “Free 2-Hour Customer Parking;” and
- Enforcing the time limit by recording license plate numbers, either manually or by using handheld computers – rather than by marking tires.

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The current fine amount of \$5.00 per violation appears to be adequate. However, if excessive violations occur at any time in the future, consideration should be given to an increased fine amount – such as \$10.00 – particularly for repeat violators.

2. Signs

While public parking lots exist in Downtown, they are difficult for motorists to locate. This should be remedied by:

- Erecting signs along Downtown's streets that direct motorists to public parking lots; and
- Placing signs that mark each public parking lot as offering "Free Public Parking."

3. Additional Parking Lots

The City and DDA should pursue opportunities to create additional surface level lots in Downtown, preferably on Washington Street. It must be noted that Downtown's historic buildings should not be demolished for parking.

4. Residents

While creating additional loft apartments for a diversity of income groups is in Downtown's best interest, it will be very difficult for private parties to build parking for those residents. Therefore, the City should:

- Create a Downtown resident permit parking system; and
- Allow permit parking in designated areas of public parking lots and peripheral on-street spaces.

5. Ramp

The creation of a parking ramp will be the ultimate solution to Downtown's parking concerns. And, the Adams Street parking lot would be the most logical location for that ramp. Therefore, the City should enter into discussions with MEDC immediately to identify any possible funding sources that could be used to construct a ramp – and the requirements necessary to capture those funds.

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Physical Improvements

The DDA and the City have made major strides in improving Downtown's physical condition. Now, the following small public improvements along with building improvements are needed.

1. **Public Art**

Years ago, artifacts were placed on Main Street as a form of public art. These give Downtown a unique character and should be made more effective by:

- Inventorying the pieces and making any repairs needed or replacing items; and
- Placing interpretive signs that explain what each piece is and its significance to Ionia's history.

This is a unique form of public art, unlike what is normally seen in other communities. However, unless the art is attractive and in good condition, and unless people are able to understand the significance of the art through narrative, it will actually be a distraction.

2. **Trees**

The trees now located on Main Street should be replaced with a more appropriate type of tree that is less costly to maintain, less obtrusive, and more attractive year-round.

3. **Benches**

As they have been elsewhere in Downtown, benches should be placed along Main Street to strengthen the thoroughfare's pedestrian charm and appeal.

4. **Color**

Flowers and greenery should literally blanket Downtown as a way of:

- Bringing color into the area;
- Tying together the river, the fairgrounds, "The Point", the GenCorp site, and Main Street; and

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- Creating a Downtown “signature.”

The further greening and coloring of Downtown will enable maximum utilization of and benefit from the recently installed automatic watering system.

5. *Building Improvements*

A number of years ago, the DDA operated a façade grant program, which has been discontinued. That program should be re-instituted to encourage owners to make needed improvements – improvements that will increase Downtown’s allure to customers and quality investors. The program should include:

- Façade grants of \$5,000 or \$7,500 that require a 50% match;
- Making the grants available for facades, signs, windows, and awnings;
- Encouraging the removal of mansard roofs and other “modernizations” that have been made overtime;
- Having design guidelines crafted – by a preservation architect or architectural historian;
- Making use of the design guidelines a requirement for grant approval; and
- Targeting use of the façade grants to buildings located on Main Street, from Depot to Dexter.

Also a number of years ago, representatives of the National Trust for Historic Preservation recommended that a local historic district be created in Downtown. Typically, such districts require that owners who choose to make façade changes that require a building permit, have those changes reviewed and approved by a local review board. Without a doubt, Downtown’s historic architecture is one of its most unique and appealing characteristics. And, the community appears to highly value that architecture. Therefore, if the community is serious about protecting that resource – and using it to create a distinct economic niche for Downtown – then creation of a local historic district should be re-considered.

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6. *Windows*

The façade grant program, mentioned above, should be used to encourage all Downtown property owners to open and replace boarded-up windows.

7. *Cleanliness*

The City should continue to aggressively remove all litter on a regular basis. However, business owners have a responsibility to keep their entryways – and the walks in front of their businesses – clean and tidy. This is especially true regarding cigarette butts that are discarded by their employees, customers, and clients. Therefore, business owners should have these areas swept daily. And, if need be, the City should consider enforcing an anti-litter policy in Downtown by ordinance.

8. *Pylons*

The pylons at the fairgrounds are a symbol of Ionia that should be embraced as icons. This should be done by:

- Lighting the pylons with neon, as originally designed;
- Keeping the pylons lighted all year long; and
- Using images of the pylons in marketing materials.

Business Development

Two improvements rated “very important” by trade area residents surveyed as a part of this ***Downtown Blueprint*** – as well as by Downtown business owners – were to increase the number of Downtown retail businesses and recruit additional retail business to Downtown. This should be accomplished via the following actions.

1. *Differentiate*

Downtown business owners must make their shops distinctive in the minds of the buying public. This needs to be done by being different from “big boxes.” in terms of:

- Atmosphere;
- Friendliness;
- Personalized customer service;

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- Unique products; and
- Quality.

2. Business Hours

Downtown's business owners must be entrepreneurial. In part, this means keeping business hours that are posted – realizing that operating a Downtown business is not a hobby.

An often cited observation about a disappointed customer who finds a shop closed during posted hours goes like this . . .

*The customer will leave disappointed the first time,
hopefully to return.
But, stiffed twice,
The customer and all the others they tell will never return.*

3. Business Signs

The City should allow Downtown business owners to erect signs that project over the sidewalks. These signs should be appropriate – in size and design – for the building's architecture. The appropriate size for signs should be determined in conjunction with the preparation of Downtown design guidelines, as previously recommended in this **Downtown Blueprint**.

In addition, the City should prohibit the placement of day-to-day signs in store display windows, such as product advertising signs.

4. Outdoor Dining

The owner of every food establishment on Main Street should be encouraged to offer outdoor seating in clement weather.

5. Public Safety

The Ionia Department of Public Safety should be commended for its periodic use of foot and bike patrols in Downtown. And, the Department should be supported in its desire to make more regular use of such patrols in Downtown.

In addition, the Department should be as diligent as possible in monitoring and eradicating loitering and harassment in Downtown – including the dangerous and

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annoying practice of bike riding on Downtown sidewalks. This is essential since such behavior intimidates customers and hurts business.

6. Business Recruitment

Every effort should be made to seek an appropriate range of goods and services for Downtown Ionia through an aggressive, targeted business recruitment system.

- Full List

Following is a listing of businesses appropriate for Downtown Ionia.

Prepared Food

- Fine Dining Restaurants;
- Moderate Priced Restaurants;
- Sandwich Shops;
- Bistros;
- Coffee Houses;
- Delis;
- Bakeries;
- Candy/Ice Cream/Yogurt Shops;
- Sports Bars -- with Emphasis on Food;
- Pubs/Taverns -- with Atmosphere/Operation Welcoming to Families; and
- Ethnic Foods -- i.e., Italian, Greek, French, Chinese, Latin, etc.

Food for Home

- Grocery;
- Green Grocer;
- Gourmet Grocer;
- Health Foods;
- Meat/Fish Market; and
- Wine/Cheese Shops.

Entertainment

- Live Theater;
- Entertainment in Restaurants -- i.e., piano player, guitarist, small combos, dancing, etc.; and
- Movie Theater.

Specialty Retail

- Antiques;
- Appliances;
- Art Galleries, Framing and Supplies;
- Bike Shop (Sales and Rental);

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- Books;
- Cameras and Photo Supplies;
- Children's Apparel;
- Computers/Software;
- Florist;
- Gifts, Stationery and Cards;
- Hardware;
- Home Decorating Products and Design Services;
- Men's Apparel;
- Music (Recorded and Sheet);
- Newsstand;
- Nurseries/Garden Supply;
- Office/School Supplies;
- Optical Products;
- Radio/TV/Electronics;
- Sewing Supplies;
- Shoes, Dress and Casual;
- Small Variety Store;
- Sporting Goods;
- Toys, Games and Crafts;
- Traditional and Costume Jewelry;
- Wall Coverings and Paint; and
- Women's Apparel and Accessories.

Convenience Retail/Select Services

- Auto/Home Supply;
- Barber Shops;
- Beauty Shops;
- Dance Studio;
- Dry Cleaners/Tailor Shop;
- Gas Service Station;
- Pharmacy;
- Physical Fitness Facility;
- Shoe Repair/Shine; and
- Video Rental.

Offices

- Accounting, Auditing, Bookkeeping;
- Administration of Educational Programs;
- Administration of Public Health Programs;
- Administration of Veterans' Affairs;
- Administration of Economic Programs;
- Administration of Utilities;

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- Advertising;
- Child Care Services;
- Commercial Banks;
- Computer and Data Processing;
- Courts;
- Credit Reporting and Collection;
- Credit Unions;
- Dentists Offices and Clinics;
- Doctors Offices and Clinics;
- Engineering, Architectural Services;
- Executive Offices of Government;
- Fire, Marine Casualty Insurance;
- General Government;
- Health and Allied Services;
- Home Health Care Services;
- Individual and Family Services;
- Legal Services;
- Legislative Bodies;
- Library;
- Life Insurance;
- Management and Public Relations;
- Medical Service and Health Insurance;
- National Security;
- Newspapers and Other Media Outlets;
- Passenger Transportation Arrangement;
- Personnel Supply Services;
- 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;
- Museums;
- Churches in buildings designed as churches, not storefronts; and
- Hotel facilities, if market conditions prove feasible in the future.

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- Top List

While each of the above uses is appropriate for Downtown Ionia, the following businesses should be initial recruitment targets:

- Apparel for all – dress and casual;
- Books;
- Family restaurants, with indoor and indoor seating;
- Gifts; and
- Art galleries, studios, supplies, framing, etc.

- Internal Recruitment

Every effort should be made, first, to enable existing business owners in Downtown Ionia to provide the above goods and services in the marketplace. This is commonly referred to as “internal business recruitment.” Therefore, all of Downtown’s business owners should be made aware of the desires, needs, and interests of trade area customers – as identified in this **Downtown Blueprint** – and, if any show an interest in opening new operations or expanding existing operations to better serve the needs of the marketplace, then every available incentive or level of assistance possible should be extended to the business developer.

Again, remember, internal recruitment should be the first strategy employed to grow additional businesses or provide something new.

- Prospecting

The following process should be followed in prospecting for businesses outside of Downtown Ionia.

- Downtown Ionia has a strong market. Therefore, the recruitment effort should be designed to introduce appropriate new business prospects to Downtown as an ideal business location that is being further strengthened through a concerted Downtown revitalization program. And, the recruitment effort should be selective, seeking and placing only those businesses that are

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appropriate for Downtown. Downtown is not desperate for additional businesses and should not approach the recruitment effort from this perspective.

- A public call – through local and regional media outlets – should be periodically made in the marketplace announcing the types of new businesses desired and appropriate for Downtown Ionia. This method of outreach should be undertaken in association with the overall Downtown marketing initiatives noted later in this ***Downtown Blueprint***.
- The DDA Director, working with the City Manager, DDA board, Chamber Director, and Chamber's Marketing Committee should be charged with the responsibility of scouting for appropriate business prospects throughout Ionia County, the region, and central Michigan, seeking to encourage desired businesses to open a branch in Downtown Ionia or relocate to Downtown Ionia. The outreach should be undertaken through personal contact, not mass mailings.
- Recruitment 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.

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Marketing

The following actions should be taken to market Downtown Ionia as a unique, distinct, historic, and alluring destination for shopping, eating, and entertainment.

1. **Joint Campaign**

There are several entities involved in marketing Downtown – or in marketing facilities located within Downtown – at this time. Primarily, these entities are the DDA, the Chamber of Commerce, the City’s Parks & Recreation Department, the Ionia Theater, and the Free Fair Association. To leverage the resources of these entities, and to ensure that Downtown and its draws are being marketed as effectively as possible, these entities should come together and create a joint marketing campaign for Downtown. That campaign should include the elements shown below.

2. **Story Placement**

Obtaining positive media coverage of Downtown – on a regular basis – is essential in order to create and cement an alluring image of Downtown in the minds of the buying public. This should be done by reaching out to, and cultivating a professional relationship with, all major print and electronic media throughout the county and beyond.

3. **Web Presence**

The Ionia Area Chamber of Commerce now has a Web site. If at all possible, a highly visible section should be added to this site, featuring strictly Downtown. The section should include the Downtown brochure (discussed below) and news about improvements and happenings in Downtown.

4. **Brochure**

Currently, an attractive “Ionia Area Shopping, Entertainment and Dining Guide” is produced by the Chamber. In addition, a brochure specifically about Downtown is needed. That brochure should convey Downtown’s historic ambience, list all of Downtown’s businesses and attractions, and be widely distributed and made available at:

- All large places of employment throughout the County;
- All area lodging facilities;
- The fairgrounds;

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- Ionia Theater;
- All County buildings and City Hall;
- The library, post office, and Armory Community Center;
- The Chamber of Commerce's information rack;
- The farmers market; and
- All special events occurring in the County.

5. Events

Downtown special events are a very important way to strengthen Downtown's role as the heart of the community and the community's gathering place, invite and solicit diversity, and provide exposure for Downtown's businesses. Therefore, the following should be kept in mind when planning Downtown events.

- Several very large events now occur at the fairgrounds. Every effort should be made to hold a component of each of those events on Main Street, as is done with the Free Fair Parade.
- All major family-oriented holidays should be celebrated with outdoor events on Main Street. This includes Thanksgiving, Christmas, the Fourth of July, etc.
- While it is true that special event days are usually slow business days for Downtown retailers, business owners should recognize special events as an opportunity to market to and cultivate future customers. Therefore, on event days, business owners should keep their shops open, make sure their display windows look alluring, and participate in the event in any way possible.

6. Ads

Downtown business owners must recognize their responsibility to advertise their businesses on a regular basis, all year long. Downtown advertising should include the following.

- A joint ad campaign should be developed for Downtown. Such ads should market Downtown as offering an irresistible collection of shops, restaurants, and entertainment in an unforgettable historic setting.

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- Cross-marketing is being done very effectively now by the Ionia Theater and a Downtown restaurant – where a receipt from the restaurant gets diners a free movie ticket. All Downtown business owners should be encouraged to create and participate in similar cross-marketing opportunities.
- The Free Fair Association currently places some 400,000 inserts into newspapers to advertise their events. This is tremendous coverage. Therefore, the DDA should meet with the Free Fair Association to discuss possible ways for the DDA to “piggyback” on the inserts and garner exposure for Downtown.

7. Wayfinding Signs

A series of signs should be created that direct motorists to Downtown from M-66 and all other major routes. The signs should be professionally designed and creative in nature, so that they convey Downtown’s historic and unique image. In addition, the same design used for these signs should be used for the parking signs and gateway sign discussed earlier.

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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 Ionia 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 Ionia as a whole.

This is essential for economic success. The actions recommended below were designed to allow the above to occur. However, it must be stressed that:

For economic success to be achieved,
the good people of Ionia must
bring a strong passion and commitment
to the implementation of this **Downtown Blueprint**.

1. **Lead Role**

Since its inception decades ago, the DDA has played the lead role in championing Downtown Ionia's further improvement. Given its track record of success, it is only logical that the DDA remain in this role.

2. **Partnership**

Without a doubt, the DDA has been very effective in improving Downtown Ionia. HyettPalma believes that the DDA's effectiveness can be even more profound were it to have the partnership of Ionia's business, non-profit, government, and residential

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sectors. Therefore, it is suggested that a partnership be formed, representing those sectors, to work with the DDA.

At a minimum, the Ionia Downtown Partnership should include:

- The entire DDA board;
- The Mayor of Ionia;
- An Ionia City Council member;
- The Ionia City Manager;
- The Ionia County Administrator;
- The Executive Director of the Ionia Area Chamber of Commerce;
- The President or the Director of the Free Fair Association; and
- Two or three civic/community leaders.

Initially, the Partnership's Board should meet as often as needed to:

- Discuss the recommendations found in the ***Downtown Blueprint***;
- Determine which entity(ies) involved in the Partnership would be best suited to implement each recommendation; and
- Using the *Implementation Schedule* included in the ***Downtown Blueprint***, create a work program for implementation.

Once this is completed, the Partnership's Board should meet quarterly to monitor progress, address any issues that might arise, and ensure that implementation of the ***Downtown Blueprint*** remains on track.

The Downtown Partnership's sole purpose for existing should be to augment the work of the DDA in implementing this ***Downtown Blueprint***. This should be accomplished by the Downtown Partnership working to:

- Make the Downtown enhancement effort a community-wide effort;
- Raise the profile and visibility of that effort;
- Bring additional leadership to the effort;

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- Create greater cooperation, communication, and coordination among those who need to be involved in the effort;
- Garner greater participation in implementing the ***Downtown Blueprint*** recommendations; and
- Leverage the resources of all involved.

3. Staff

Currently, the Ionia City Manager provides staff assistance to the DDA. While this should continue, there is a need for a highly visible Downtown “voice” or advocate who can devote time to being on the street. Therefore, consideration should be given to retaining a DDA director, once again. If this is not done, implementation of the ***Downtown Blueprint*** will yield limited results.

4. Funding

Over the next 6 years, as its current debt service is retired, the Ionia DDA will have more and more net revenues to devote to implementation of this ***Downtown Blueprint***. In the meantime, “gap financing” – if needed – should be sought from the following sources:

- State, County, and City government;
- Federal programs;
- Local, State, and national not-for-profit organizations;
- Industry, corporations, and major employers;
- Business owners, commercial property owners, and real estate developers;
- Banks;
- Utilities;
- Area foundations;

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- Service clubs (to sponsor projects recommended in the enhancement strategy); and
- Any individual, entity, or institution that stands to benefit from an enhanced Downtown Ionia.

5. Documentation

To create a greater passion for – and commitment to – Downtown’s further enhancement, the results of Ionia’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 Downtown Partnership, DDA, and City government should accomplish this by:

- Tracking benchmarks, as required by MEDC and listed below, on an annual basis;
- Producing a monthly newsletter – possibly as part of the Chamber’s newsletter; and
- Producing an annual report.

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

- Total taxable value of property in Downtown;
- Number of new jobs created;
- Dollar amount of new private investment;
- Public improvements and their costs;
- Economic development tools utilized;
- List of business openings;

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- 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 Ionia. 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 ***Ionia Downtown Blueprint 2005***, depending on the level of program accomplishments realized.

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Year-1 Implementation Sequence Ionia Downtown Blueprint 2005

Partnership and Management Actions

1. Formal adoption by the City Council and DDA of the *Ionia Downtown Blueprint 2005* as the official guide for the further economic enhancement of Downtown Ionia.
2. DDA assumes lead role in *Downtown Blueprint* implementation.
3. Form Downtown Partnership and meet to augment work of DDA.
4. Hire DDA director, ASAP, if deemed feasible.
5. Document results of enhancement effort via benchmarks, newsletter, and annual report.

Anchors Actions

1. Work with County to keep administrative functions in historic Courthouse building, as a minimum.
2. Support and work with Ionia Theater to accommodate expansion plans and other needs.
3. Support Free Fair efforts to enhance facility and offer weekly events.
4. Encourage and support expansion of library at current Downtown location.
5. Construct Downtown gateway at Main and M-66 ASAP.
6. Enhance use of Downtown farmers market, as per recommendations of *Downtown Blueprint*.
7. Seek the highest level of additional housing development in upper floors of existing buildings.

Parking Actions

1. Increase on-street time limit to two-hours, install new on-street signs, and record tag numbers.
2. Install new parking lot signs and directional signs to off-street parking lots.
3. Create resident parking permit system.

Year-1 Implementation Sequence Ionia Downtown Blueprint 2005 (Continued)

Physical Improvements Actions

1. Make artifacts public art improvements, as per recommendations of *Downtown Blueprint*.
2. Replace Main Street's street trees with appropriate type of tree.
3. Install benches on Main Street.
4. Add maximum flowers and greenery to blanket Downtown.
5. Re-institute façade grant program and prepare design guidelines, as per recommendations of *Downtown Blueprint*.
6. Continue to aggressively remove litter – both City and private business owners – as per recommendations of *Downtown Blueprint*.

Business Development Actions

1. Work with business owners to ensure differentiation.
2. Work with and encourage business owners to KEEP HOURS OF OPERATION POSTED.
3. Encourage and assist with the design and installation of projecting business signs; modify city sign ordinance if necessary.
4. Encourage and allow maximum outdoor dining.
5. Support Public Safety Department in efforts to place more foot and bike patrols on Downtown sidewalks and streets.
6. Organize for business recruitment and start process ASAP, including the preparation of recruitment materials.

Marketing Actions

1. Create joint marketing campaign.
2. Seek maximum number of positive story placements.
3. Add Downtown section to Chamber Web site.
4. Prepare and distribute Downtown brochure.
5. Increase number of Downtown events on Main.
6. Develop and implement joint ad campaign for Downtown.
7. Create and implement cross-marketing of businesses.
8. Piggyback DDA and Free Fair ads.
9. Design and install wayfinding signs.

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Appendix

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MEDC Memo



MEMORANDUM

300 N. WASHINGTON SQ.
LANSING, MI 48913

CUSTOMER
CONTACT CENTER
517 373 9808

WWW.MICHIGAN.ORG

EXECUTIVE COMMITTEE

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Chair
General Motors

PHILIP H. POWER
Vice-Chair
HomeTown Communications
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President & CEO

RICHARD E. BLOUSE JR., CCE
Detroit Regional Chamber

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Center for
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JOANN CRARY
Saginaw Future Inc.

DR. HAIFA FAKHOURI
Arab American and
Chaldean Council

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Bridge Street Capital
Partners, LLC.

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City of Kalamazoo

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The Right Place, Inc.

DR. IRVIN D. REID
Wayne State University

RICHARD SHOEMAKER
UAW International

S. MARTIN TAYLOR
DTE Energy Company

GARY TORGOW
Sterling Group

PETER S. WALTERS
Guardian Industries Corp.

DATE: February 14, 2005

TO: City of Ionia
City of Ionia Downtown Development Authority

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

RE: Ionia 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 City of Ionia.

Technical Assistance from the MEDC's Community Assistance Team (CATeam) 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 CATeam 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



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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 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/Obsolete Property Incentives- 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 Credit Incentives. Ionia is fortunate enough to be one of the core communities designated by the State of Michigan. This designation allows the city use Obsolete Property Rehabilitation Act (OPRA) and the expanded use of the Brownfield Act. These acts can significantly lower costs for rehabilitation projects occurring in the community by offering what amounts to a commercial tax abatement on a building that is "unable to be used for its original intent." Either of these tools, or a combination, can make a project more financially viable. The City of Ionia should remain open to the possibility of using these tools when necessary.

If you believe that a project may qualify for either of these programs, the CATeam is available to provide assistance in how to use these effective tools in your downtown revitalization efforts.



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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 Ionia 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: February 17, 2005
TO: City of Ionia
FROM: Jodie Sparks, Community Development Specialist
Office of Community Development
Michigan State Housing Development Authority
SUBJECT: City of Ionia
Hyett Palma Site Visit, February 8 – 11, 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 Ionia appears strong with the likelihood of continued growth. Even in the absence of MSHDA funding, Ionia has made commendable strides with owner/investors creating housing above the downtown storefronts. Continued use of solid zoning practices, firm code enforcement and continued/expanded marketing of the nature 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 an integral piece of 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 Ionia to initially pursue. The following is a description of the Rental Rehabilitation Program:



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 must be certified annually.

In addition to MSHDA's HRF funds, the City of Ionia 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 the City of Ionia could eventually utilize to support the neighborhoods 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®

HyettPalma

THE RETAIL REPORT®

**Downtown Ionia
Primary Retail Trade Area**



1600 Prince Street • Suite 110
Alexandria, Virginia 22314

Phone 703 683 5126
Fax 703 836 5887

E-mail: info@hyettpalma.com
www.hyettpalma.com

THE RETAIL REPORT®

THE RETAIL REPORT, presented within this document, was specifically prepared for Downtown Ionia, Michigan. This document presents information concerning the characteristics of the Downtown Ionia 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 Ionia primary retail trade area;
- A five year projection of changing demographic and socio-economic conditions in the Downtown Ionia primary retail trade area;
- A projection of the number of retail dollars that residents in the Downtown Ionia 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 Ionia primary retail trade area.

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DEMOGRAPHIC AND SOCIO-ECONOMIC CHARACTERISTICS



Demographic and Income Profile

Downtown Ionia, MI Primary Retail Trade Area

Latitude: 42.9923
 Longitude: -85.0765
 Shape: Custom

Site Type: Hand-drawn Shape

Summary	2000	2004	2009
Population	64,663	67,049	70,167
Households	21,163	22,427	23,988
Families	15,554	16,286	17,274
Average Household Size	2.71	2.66	2.62
Owner Occupied HUs	16,916	18,228	19,567
Renter Occupied HUs	4,247	4,199	4,421
Median Age	33.0	33.7	34.9

Trends: 2004-2009 Annual Rate	Area	State	National
Population	0.91%	0.66%	1.23%
Households	1.35%	0.94%	1.35%
Families	1.18%	0.76%	1.25%
Owner HHs	1.43%	1.07%	1.66%
Median Household Income	1.52%	2.27 %	3.34%

Households by Income	2000		2004		2009	
	Number	Percent	Number	Percent	Number	Percent
< \$15,000	2,837	13.4%	2,726	12.2%	2,593	10.8%
\$15,000 - \$24,999	2,839	13.4%	2,723	12.1%	2,615	10.9%
\$25,000 - \$34,999	2,798	13.2%	2,698	12.0%	2,700	11.3%
\$35,000 - \$49,999	3,966	18.7%	4,094	18.3%	4,136	17.2%
\$50,000 - \$74,999	5,089	24.0%	5,318	23.7%	5,580	23.3%
\$75,000 - \$99,999	2,227	10.5%	2,698	12.0%	3,041	12.7%
\$100,000 - \$149,999	1,036	4.9%	1,642	7.3%	2,425	10.1%
\$150,000 - \$199,000	170	0.8%	243	1.1%	420	1.8%
\$200,000+	207	1.0%	284	1.3%	478	2.0%
Median Household Income	\$42,954		\$46,198		\$49,811	
Average Household Income	\$49,846		\$55,243		\$61,978	
Per Capita Income	\$17,176		\$19,880		\$22,671	

Population by Age	2000		2004		2009	
	Number	Percent	Number	Percent	Number	Percent
0 - 4	4,315	6.7%	4,607	6.9%	4,830	6.9%
5 - 14	9,720	15.0%	9,371	14.0%	9,337	13.3%
15 - 19	5,064	7.8%	4,852	7.2%	5,127	7.3%
20 - 24	5,410	8.4%	6,083	9.1%	6,087	8.7%
25 - 34	9,798	15.2%	9,902	14.8%	9,812	14.0%
35 - 44	10,770	16.7%	10,589	15.8%	10,529	15.0%
45 - 54	8,204	12.7%	9,253	13.8%	10,337	14.7%
55 - 64	4,958	7.7%	5,800	8.7%	7,171	10.2%
65 - 74	3,453	5.3%	3,524	5.3%	3,779	5.4%
75 - 84	2,190	3.4%	2,219	3.3%	2,247	3.2%
85+	781	1.2%	847	1.3%	911	1.3%

Race and Ethnicity	2000		2004		2009	
	Number	Percent	Number	Percent	Number	Percent
White Alone	58,704	90.8%	60,417	90.1%	62,627	89.3%
Black Alone	3,639	5.6%	3,977	5.9%	4,418	6.3%
American Indian Alone	373	0.6%	386	0.6%	402	0.6%
Asian Alone	209	0.3%	278	0.4%	383	0.5%
Pacific Islander Alone	7	0.0%	8	0.0%	9	0.0%
Some Other Race Alone	666	1.0%	783	1.2%	944	1.3%
Two or More Races	1,065	1.6%	1,201	1.8%	1,385	2.0%
Hispanic Origin (Any Race)	1,829	2.8%	2,144	3.2%	2,583	3.7%

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.



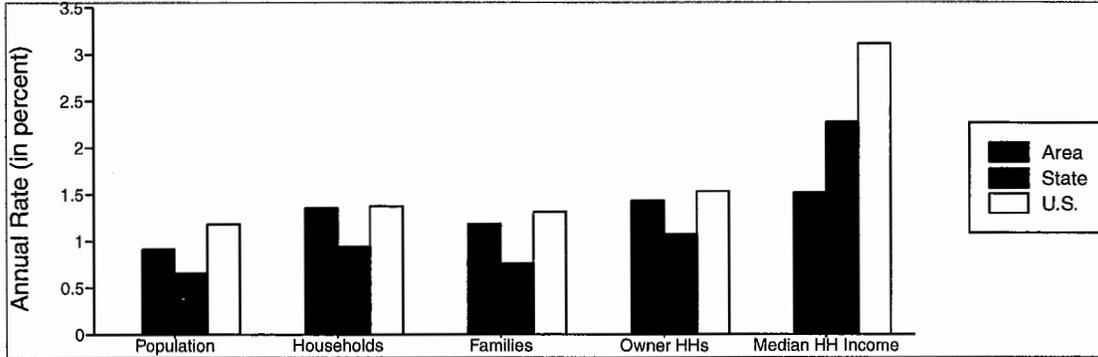
Demographic and Income Profile

Downtown Ionia, MI Primary Retail Trade Area

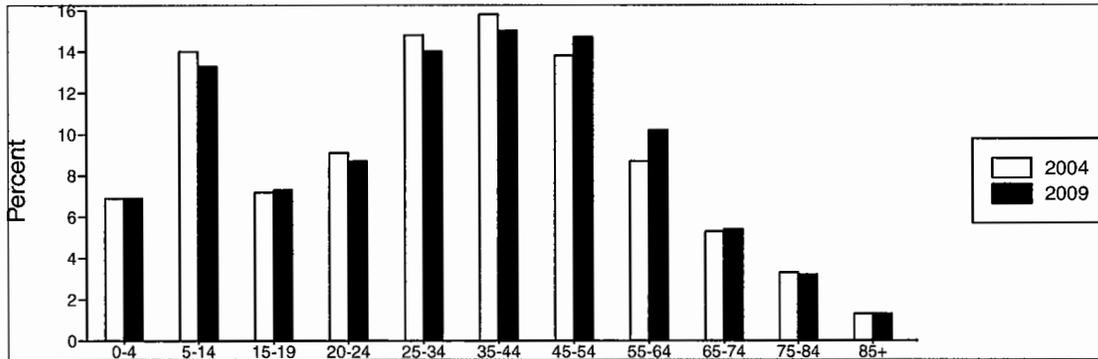
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Site Type: Hand-drawn Shape

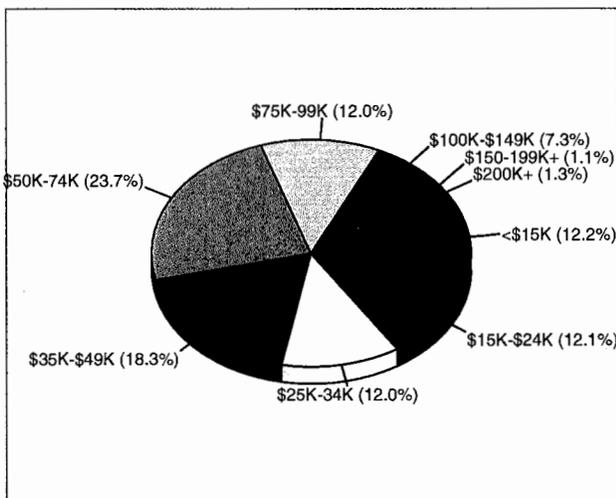
Trends 2004-2009



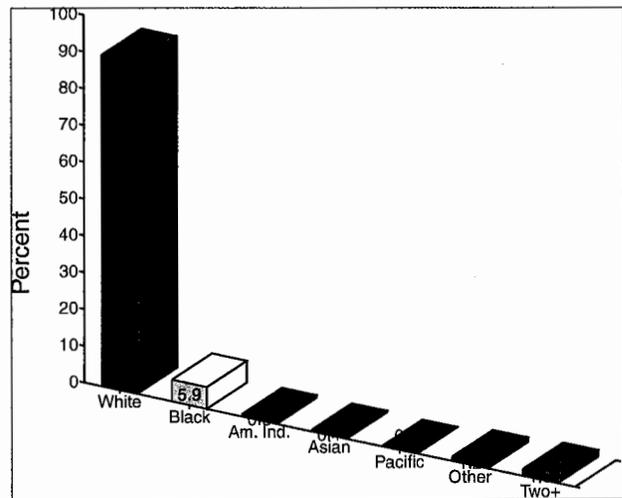
Population by Age



2004 Household Income



2004 Population by Race



2004 Percent Hispanic Origin: 3.2%

PRODUCT DEMAND BY INCOME GROUP

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

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	2,726	7,545	20,567,670
\$15000-24999	2,723	10,179	27,717,417
\$25000-34999	2,698	11,847	31,963,206
\$35000-49999	4,094	13,655	55,903,570
> \$50000	10,185	21,880	222,847,800
TOTAL DEMAND FOR PRODUCT			= \$358,999,663

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.

PRODUCT DEMAND BY PRODUCT TYPE

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

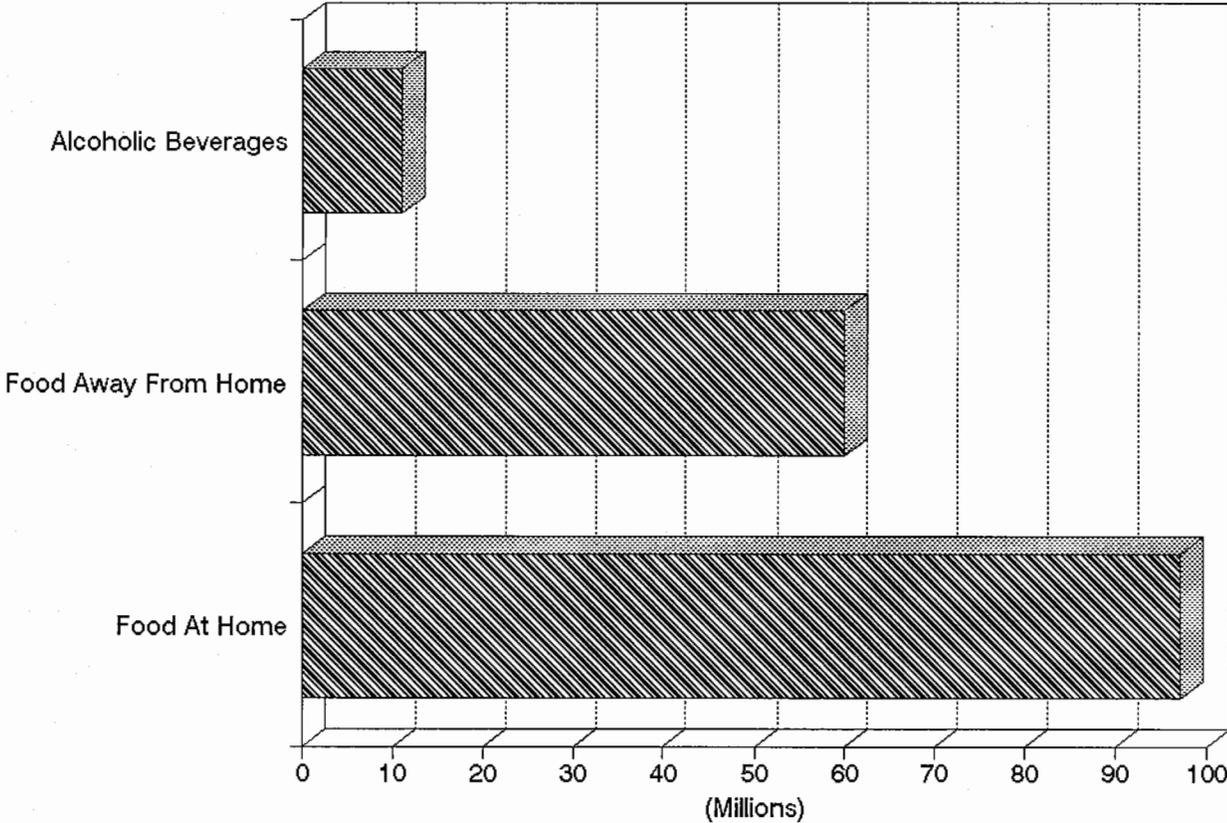
PRODUCT	DEMAND
Food At Home	97,274,790
Food Away From Home	60,045,555
Alcoholic Beverages	11,126,766
Household Textiles	3,597,035
Furniture	10,423,432
Floor Coverings	1,289,977
Major Appliances	5,049,512
Small Appliances & Miscellaneous Housewares	3,002,667
Miscellaneous Household Equipment	21,051,510
Men's Apparel -- 16 and Over	8,873,160
Boy's Apparel -- 2 to 15	2,268,467
Women's Apparel -- 16 and Over	16,715,575
Girl's Apparel -- 2 to 15	2,731,611
Children's Apparel -- Under 2	3,023,048
Footwear	7,805,498
Other Apparel Services & Products	8,109,314
Prescription Drugs & Medical Supplies	14,784,298
Entertainment Fees & Admissions	14,414,360
Televisions, Radios & Sound Equipment	18,394,357
Pets, Toys & Playground Equipment	11,463,450
Other Entertainment Supplies & Services	12,328,784
Personal Care Products & Services	14,525,505
Reading	3,265,763
Tobacco Products & Smoking Supplies	7,435,229
TOTAL DEMAND BY PRODUCT TYPE	= \$358,999,663

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

DEMAND FOR FOOD PRODUCTS

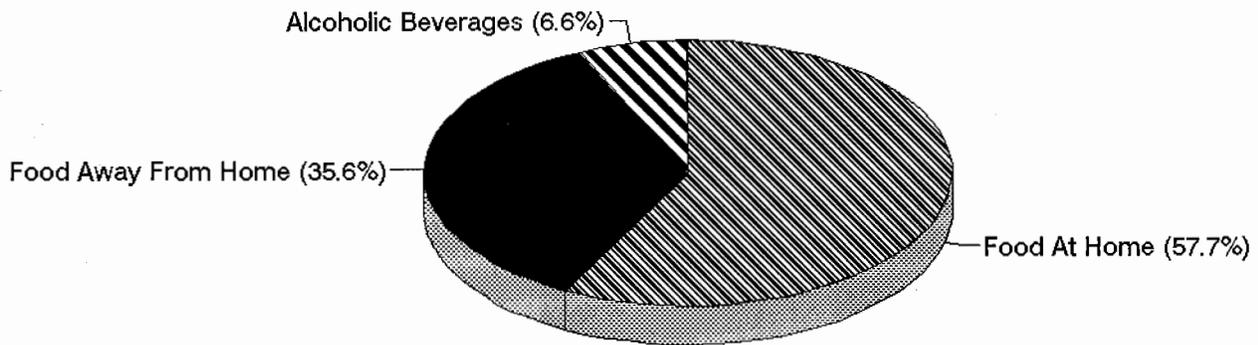
FOOD PRODUCTS

\$ DEMAND BY PRODUCT TYPE



FOOD PRODUCTS

% DEMAND FOR EACH DOLLAR



DOWNTOWN IONIA'S RETAIL TRADE AREA
 COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: FOOD AT HOME

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	2,726	2,580	7,033,080
\$15000-24999	2,723	3,340	9,094,820
\$25000-34999	2,698	3,690	9,955,620
\$35000-49999	4,094	3,980	16,294,120
> \$50000	10,185	5,390	54,897,150
TOTAL DEMAND FOR PRODUCT =			\$97,274,790

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 IONIA'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: FOOD AWAY FROM HOME

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	2,726	1,160	3,162,160
\$15000-24999	2,723	1,481	4,032,763
\$25000-34999	2,698	1,825	4,923,850
\$35000-49999	4,094	2,253	9,223,782
> \$50000	10,185	3,800	38,703,000
TOTAL DEMAND FOR PRODUCT =			\$60,045,555

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 IONIA'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: ALCOHOLIC BEVERAGES

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	2,726	216	588,816
\$15000-24999	2,723	240	653,520
\$25000-34999	2,698	292	787,816
\$35000-49999	4,094	376	1,539,344
> \$50000	10,185	742	7,557,270
TOTAL DEMAND FOR PRODUCT =			\$11,126,766

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

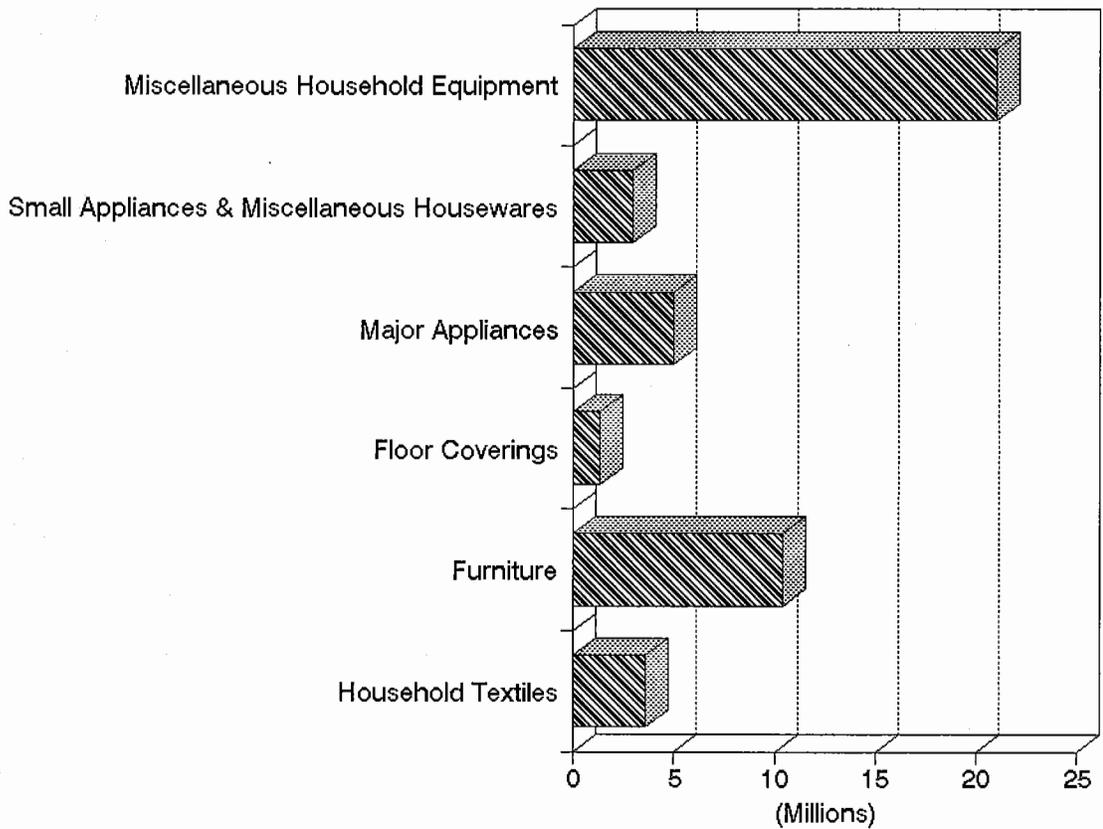
DEFINITION OF PRODUCT:

All alcoholic beverages.

DEMAND FOR HOME PRODUCTS

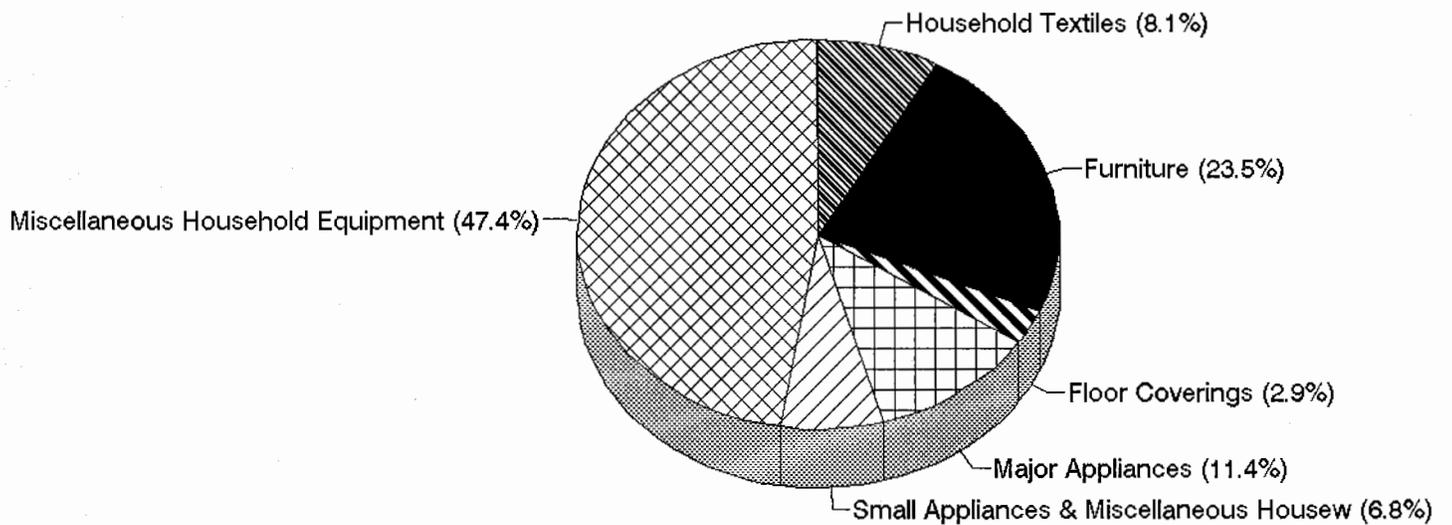
HOME PRODUCTS

\$ DEMAND BY PRODUCT TYPE



HOME PRODUCTS

% DEMAND FOR EACH DOLLAR



DOWNTOWN IONIA'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: HOUSEHOLD TEXTILES

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	2,726	55	149,930
\$15000-24999	2,723	90	245,070
\$25000-34999	2,698	125	337,250
\$35000-49999	4,094	140	573,160
> \$50000	10,185	225	2,291,625
TOTAL DEMAND FOR PRODUCT =			\$3,597,035

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.

DOWNTOWN IONIA'S RETAIL TRADE AREA COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: FURNITURE

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	2,726	127	346,202
\$15000-24999	2,723	183	498,309
\$25000-34999	2,698	263	709,574
\$35000-49999	4,094	318	1,301,892
> \$50000	10,185	743	7,567,455
TOTAL DEMAND FOR PRODUCT =			\$10,423,432

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

DEFINITION OF PRODUCT:

All indoor and outdoor furniture.

DOWNTOWN IONIA'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: FLOOR COVERINGS

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	2,726	25	68,150
\$15000-24999	2,723	14	38,122
\$25000-34999	2,698	24	64,752
\$35000-49999	4,094	32	131,008
> \$50000	10,185	97	987,945
TOTAL DEMAND FOR PRODUCT =			\$1,289,977

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 IONIA'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: MAJOR APPLIANCES

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	2,726	79	215,354
\$15000-24999	2,723	137	373,051
\$25000-34999	2,698	188	507,224
\$35000-49999	4,094	207	847,458
> \$50000	10,185	305	3,106,425
TOTAL DEMAND FOR PRODUCT =			\$5,049,512

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 IONIA'S RETAIL TRADE AREA
 COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: SMALL APPLIANCES & MISC. HOUSEWARES

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	2,726	60	163,560
\$15000-24999	2,723	85	231,455
\$25000-34999	2,698	96	259,008
\$35000-49999	4,094	101	413,494
> \$50000	10,185	190	1,935,150
TOTAL DEMAND FOR PRODUCT =			\$3,002,667

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 IONIA'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: MISCELLANEOUS HOUSEHOLD EQUIPMENT

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	2,726	285	776,910
\$15000-24999	2,723	400	1,089,200
\$25000-34999	2,698	575	1,551,350
\$35000-49999	4,094	700	2,865,800
> \$50000	10,185	1,450	14,768,250
TOTAL DEMAND FOR PRODUCT =			\$21,051,510

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

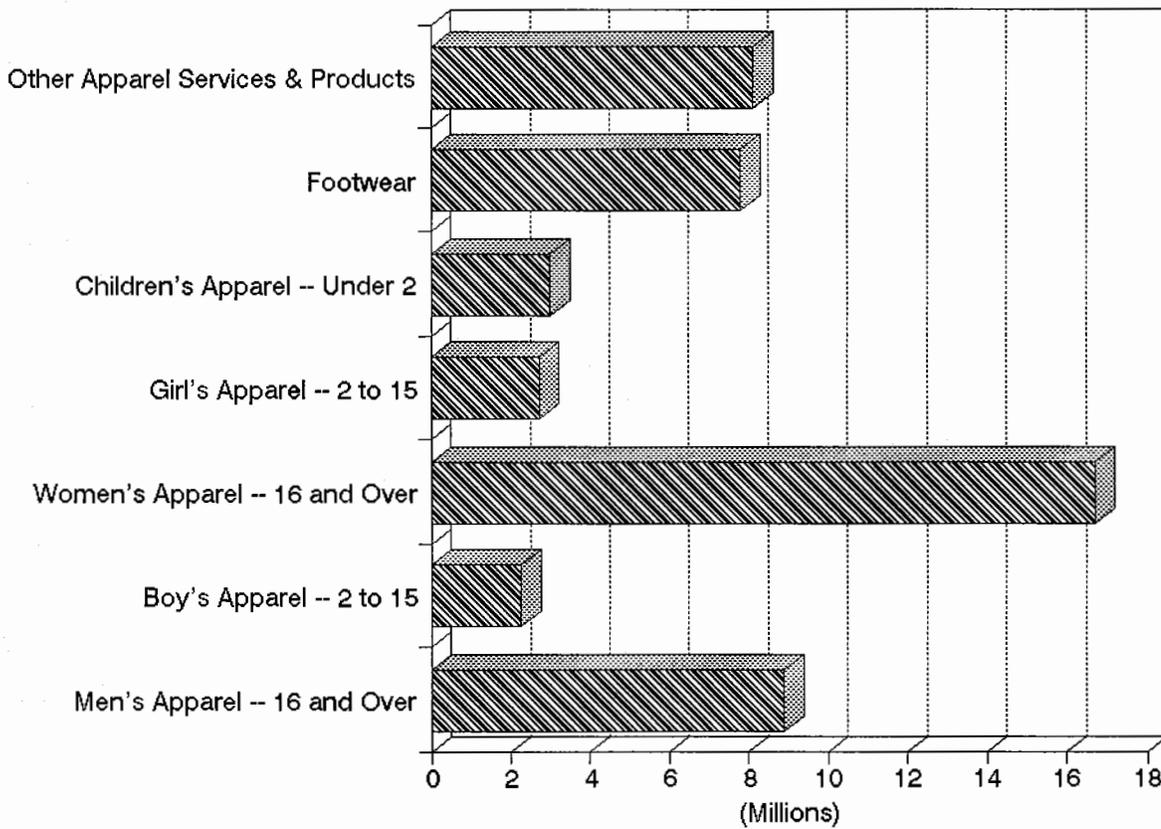
DEFINITION OF PRODUCT:

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.

DEMAND FOR APPAREL PRODUCTS

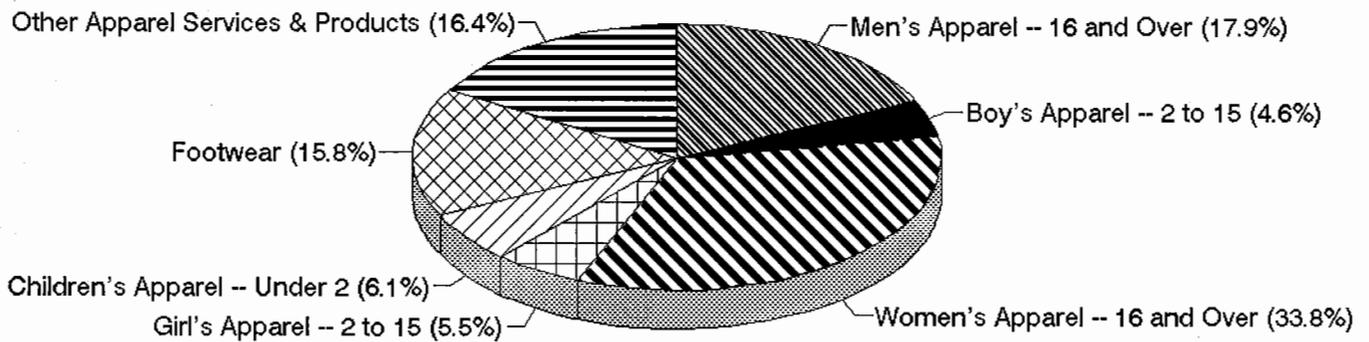
APPAREL PRODUCTS

\$ DEMAND BY PRODUCT TYPE



APPAREL PRODUCTS

% DEMAND FOR EACH DOLLAR



DOWNTOWN IONIA'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	2,726	200	545,200
\$15000-24999	2,723	210	571,830
\$25000-34999	2,698	275	741,950
\$35000-49999	4,094	345	1,412,430
> \$50000	10,185	550	5,601,750
TOTAL DEMAND FOR PRODUCT =			\$8,873,160

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 IONIA'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	2,726	51	139,026
\$15000-24999	2,723	60	163,380
\$25000-34999	2,698	78	210,444
\$35000-49999	4,094	88	360,272
> \$50000	10,185	137	1,395,345
TOTAL DEMAND FOR PRODUCT =			\$2,268,467

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 IONIA'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	2,726	350	954,100
\$15000-24999	2,723	425	1,157,275
\$25000-34999	2,698	350	944,300
\$35000-49999	4,094	600	2,456,400
> \$50000	10,185	1,100	11,203,500
TOTAL DEMAND FOR PRODUCT =			\$16,715,575

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 IONIA'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	2,726	47	128,122
\$15000-24999	2,723	76	206,948
\$25000-34999	2,698	85	229,330
\$35000-49999	4,094	94	384,836
> \$50000	10,185	175	1,782,375
TOTAL DEMAND FOR PRODUCT =			\$2,731,611

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 IONIA'S RETAIL TRADE AREA
 COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: CHILDREN'S APPAREL -- UNDER 2

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	2,726	60	163,560
\$15000-24999	2,723	85	231,455
\$25000-34999	2,698	101	272,498
\$35000-49999	4,094	140	573,160
> \$50000	10,185	175	1,782,375
TOTAL DEMAND FOR PRODUCT =			\$3,023,048

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 IONIA'S RETAIL TRADE AREA COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: FOOTWEAR

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	2,726	244	665,144
\$15000-24999	2,723	278	756,994
\$25000-34999	2,698	280	755,440
\$35000-49999	4,094	290	1,187,260
> \$50000	10,185	436	4,440,660
TOTAL DEMAND FOR PRODUCT			= \$7,805,498

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 IONIA'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: OTHER APPAREL SERVICES & PRODUCTS

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	2,726	165	449,790
\$15000-24999	2,723	193	525,539
\$25000-34999	2,698	245	661,010
\$35000-49999	4,094	275	1,125,850
> \$50000	10,185	525	5,347,125
TOTAL DEMAND FOR PRODUCT =			\$8,109,314

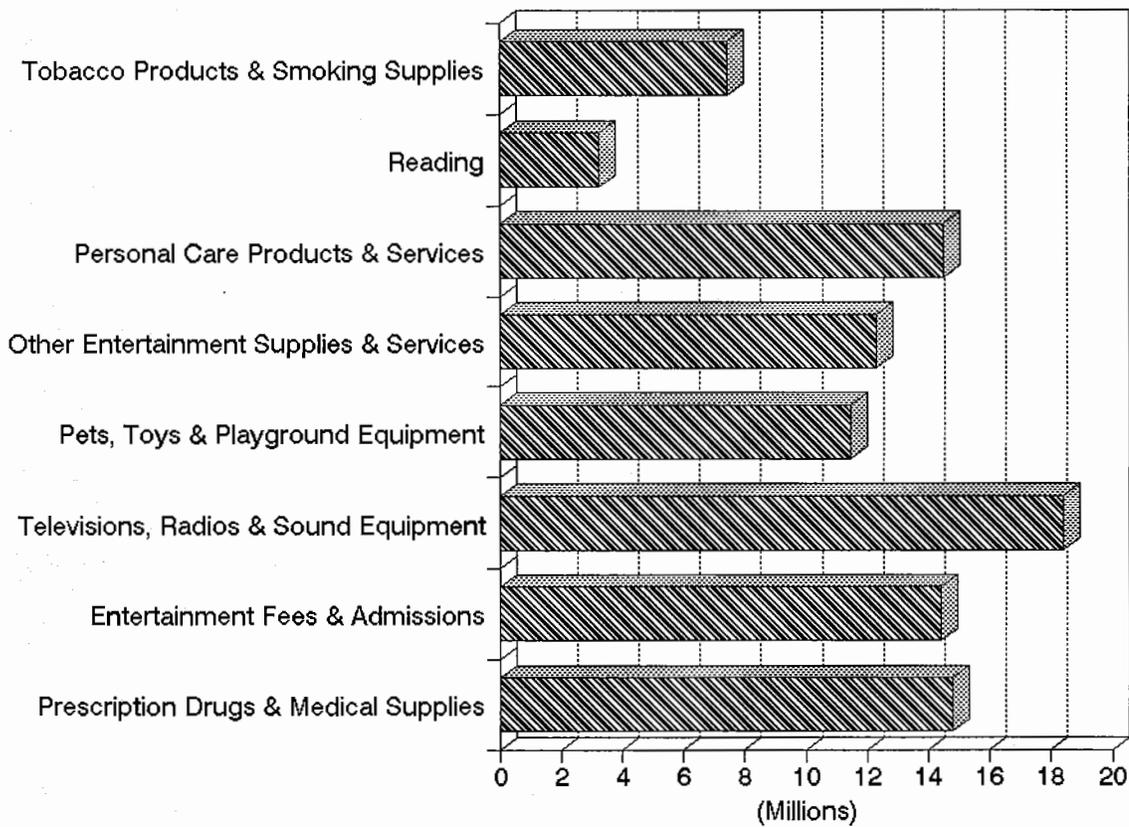
SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

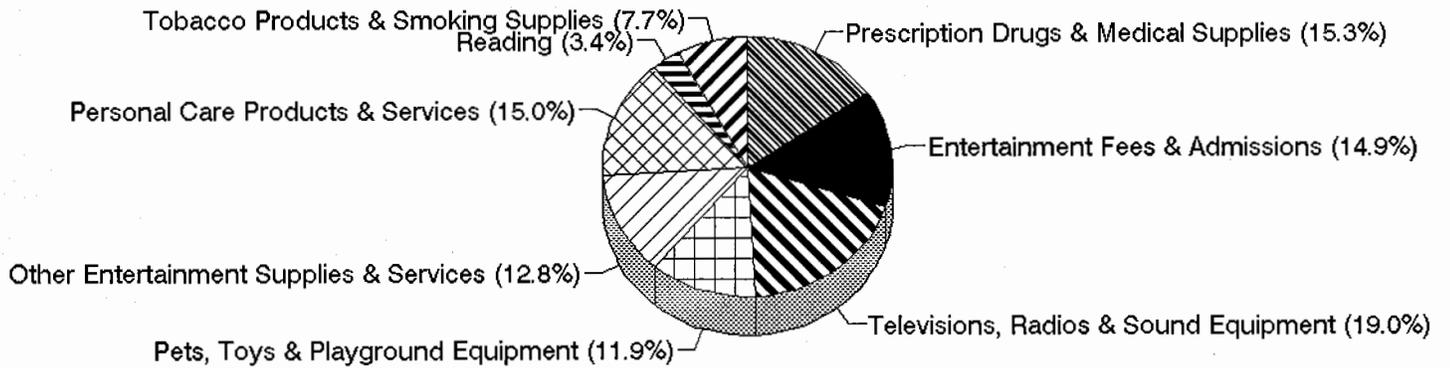
Material for making clothes, shoe repair, alterations, sewing patterns and notions, clothing rental, clothing storage, dry cleaning, and jewelry.

DEMAND FOR PERSONAL CARE AND ENTERTAINMENT PRODUCTS

PERSONAL CARE/ENTERTAINMENT \$ DEMAND BY PRODUCT TYPE



PERSONAL CARE/ENTERTAINMENT % DEMAND FOR EACH DOLLAR



DOWNTOWN IONIA'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: PRESCRIPTION DRUGS & MEDICAL SUPPLIES

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	2,726	428	1,166,728
\$15000-24999	2,723	667	1,816,241
\$25000-34999	2,698	654	1,764,492
\$35000-49999	4,094	638	2,611,972
> \$50000	10,185	729	7,424,865
TOTAL DEMAND FOR PRODUCT =			\$14,784,298

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.

DOWNTOWN IONIA'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: ENTERTAINMENT FEES & ADMISSIONS

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	2,726	165	449,790
\$15000-24999	2,723	240	653,520
\$25000-34999	2,698	325	876,850
\$35000-49999	4,094	425	1,739,950
> \$50000	10,185	1,050	10,694,250
TOTAL DEMAND FOR PRODUCT =			\$14,414,360

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 IONIA'S RETAIL TRADE AREA
 COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: TELEVISIONS, RADIOS & SOUND EQUIPMENT

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	2,726	386	1,052,236
\$15000-24999	2,723	547	1,489,481
\$25000-34999	2,698	641	1,729,418
\$35000-49999	4,094	748	3,062,312
> \$50000	10,185	1,086	11,060,910
TOTAL DEMAND FOR PRODUCT =			\$18,394,357

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 IONIA'S RETAIL TRADE AREA
 COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: PETS, TOYS & PLAYGROUND EQUIPMENT

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	2,726	160	436,160
\$15000-24999	2,723	385	1,048,355
\$25000-34999	2,698	415	1,119,670
\$35000-49999	4,094	425	1,739,950
> \$50000	10,185	699	7,119,315
TOTAL DEMAND FOR PRODUCT =			\$11,463,450

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.

DOWNTOWN IONIA'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: OTHER ENTERTAINMENT SUPPLIES & SERVICES

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	2,726	80	218,080
\$15000-24999	2,723	208	566,384
\$25000-34999	2,698	410	1,106,180
\$35000-49999	4,094	435	1,780,890
> \$50000	10,185	850	8,657,250
TOTAL DEMAND FOR PRODUCT =			\$12,328,784

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.

DOWNTOWN IONIA'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: PERSONAL CARE PRODUCTS & SERVICES

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	2,726	325	885,950
\$15000-24999	2,723	415	1,130,045
\$25000-34999	2,698	465	1,254,570
\$35000-49999	4,094	535	2,190,290
> \$50000	10,185	890	9,064,650
TOTAL DEMAND FOR PRODUCT =			\$14,525,505

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.

DOWNTOWN IONIA'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: READING

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	2,726	61	166,286
\$15000-24999	2,723	90	245,070
\$25000-34999	2,698	105	283,290
\$35000-49999	4,094	123	503,562
> \$50000	10,185	203	2,067,555
TOTAL DEMAND FOR PRODUCT =			\$3,265,763

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

DEFINITION OF PRODUCT:

Books, newspapers and magazines.

DOWNTOWN IONIA'S RETAIL TRADE AREA
 COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: TOBACCO PRODUCTS & SMOKING SUPPLIES

Household Income	# Hlds.	\$ Per Hld.	Total \$ Demand
< \$15000	2,726	236	643,336
\$15000-24999	2,723	330	898,590
\$25000-34999	2,698	340	917,320
\$35000-49999	4,094	387	1,584,378
> \$50000	10,185	333	3,391,605
TOTAL DEMAND FOR PRODUCT =			\$7,435,229

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.