

PINCONNING

DOWNTOWN
REDEVELOPMENT PLAN



**CITY OF PINCONNING
DOWNTOWN REDEVELOPMENT PLAN**

Prepared for:

CITY OF PINCONNING
Pinconning, Michigan

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DOWNTOWN REDEVELOPMENT PLAN

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■ Introduction ■



■ Introduction

Background

Today downtown Pinconning is experiencing the same problems as many other small town business districts across the county. Retailing has historically been the foundation of central business areas. In larger cities, suburban shopping malls, commerce and retailing in the Central Business District are being replaced by office and banking functions. However, small towns, because they serve a limited population base, are usually not in a position to make such a transition. Yet, like larger cities, they are declining as retail centers as transportation to larger "suburban" commercial malls has become more efficient. The unfortunate result is a reduction in capital expenditures, store vacancies and the deterioration of buildings in the central business area.

Up until several years after World War II, the central commercial areas of smaller cities and towns became a way of life and a public state of mind in cities and towns across the country because nearly everyone at some time took part in the same community experience. Underlying that social experience was the fact that "downtown" was frequently the only place to shop and do business and it managed to sustain its pre-eminence because it met everyone's needs so well. It did a good job of supplying everyone with necessary goods and services, plain and fancy, and the emphasis was on competition among retailers.

Today's consumers have many more shopping options than did their 19th and

early 20th Century counterparts. Today the competitive pressure is felt not so much within the downtown business community as between the older commercial area, new commercial strips, convenience centers and malls that have sprung up along major roads and highways. Such outside competition calls for a change in the scale of retailing operations, so downtown building owners and merchants must now join together to compete as a cohesive unit with the newer, outlying commercial areas. People do not instinctively and spontaneously go downtown to shop as they used to. Downtown is no longer the only choice and often it is the last choice. Members of the downtown business community now find that they must make a greater effort to attract and satisfy the buying public. This Downtown Revitalization Plan is an important part of that effort.

The City of Pinconning's Downtown Development Authority (DDA) is somewhat different than many small community DDA districts. The Pinconning DDA encompasses both the older downtown and the newer "strip" commercial development along M-13. The physical description of this area is included in the Area Description Section.

Downtown revitalization is a process guided by a plan and undertaken by a variety of participants. This plan offers through words, pictures, graphs and charts concrete alternatives for the future. It reveals various opinions and observations of residents of Pinconning, as well as local merchants, and the studied recommendations of trained



■ Introduction

professionals. But opinions, observations and recommendations are only a part of the process. Very little or nothing at all will be accomplished without local initiative and leadership, capital investment, a free flow of communication and, most importantly, lots of diligent effort.

Plan Description

This Plan reviews the important physical, social and economic characteristics of the Pinconning business community and the greater Pinconning market area. It combines those impressions with the attitudes and desires of merchants and consumers who responded to questionnaires to formulate a comprehensive downtown design plan and implementation program that will realistically address today's private and public problems in the Pinconning business community for the future.

Section II provides a broad overview of the City's land use composition and characteristics of its retail market economy. These descriptions of Pinconning offer an introductory overview of the people, economy and physical appearance of the community.

Section III identifies and examines the characteristics of Pinconning's market area. It looks closely at the existing population of the market area and estimates the number of people that will be living there over the next 20 years. It identifies the household and personal incomes of those residents,

estimates the existing and future expenditures for various retail goods and services, and projects the share of that market that the merchants in Pinconning can expect to capture.

Section IV describes the purpose and contents of a survey of consumers living in the market area. Part of this survey is designed to clarify the shopping patterns and habits of those residents, particularly the influence of competing retail centers on consumer shopping. The survey also reflects consumers' opinions on issues and needs of the immediate downtown Pinconning area. Without an understanding of consumer preferences, no plan for revitalization can succeed.

The activities and attitudes of local merchants are defined in Section V. The intent of this survey is to find out what local business people perceive as the problems and potentials for organizing, coordinating, renovating and restoring the Pinconning business area. These individuals will play a critical role in the revitalization of downtown; consequently their responses are very important.

Section VI combines the retail market analysis, consumer survey and merchant survey to set forth a recommended mix of retail establishments in Pinconning. The types of establishments and general locations within the various commercial districts of Pinconning are included within those recommendations.



■ Introduction

Section VII prescribes the long-range goals and objectives that have been adopted by the City, local merchants and store owners. Those goals and objectives cover all aspects of revitalization of the Pinconning business area and address physical changes and social, economic and administrative programs. In essence, they form the outline for immediate and long-range action for downtown revitalization. They are formulated from an objective analysis of the strengths and weaknesses of marketing, coordination and design in the Pinconning business area and the results of the merchant and consumer questionnaires.

The Downtown Pinconning Concept Design Plan is presented in Section VIII. This plan, which addresses the physical changes in the downtown area, is based upon the goals and objectives presented in Section VII.

All aspects of land use and building design, including architectural/facade improvements, as well as utility, parking, circulation and cultural/recreational facility improvements are addressed in this section.

Section IX sets forth the nonphysical, yet very important, segments of the Revitalization Plan. It covers the organizational and programmatic aspects of attracting more business into Pinconning. This portion of the Revitalization Plan is complementary to the physical design element and is critical to the success of the Plan. Without the establishment of an organizational structure and coordinated programs to guide proposed physical changes and establish and

execute viable marketing strategies, the success of any attempt to revitalize the Pinconning business area and attract more shoppers will be substantially limited.

Section X lays out the recommendations for implementing the Plan, including a proposed schedule for undertaking specific activities related to the Plan's goals and objectives, as well as the potential sources of financing and the parties responsible for each action. This implementation program is intended to be a guide for transforming the Plan from a concept to a reality.





■ Area Description ■



■ Area Description

Introduction

The City of Pinconning, located in northern Bay County, has historically been a center of commerce for surrounding townships. Pinconning was originally platted in 1872 as a 100 acre settlement. The settlement became incorporated as a village in 1887 and ultimately as a city in 1931 when it adopted a municipal charter. At that time Pinconning's population had grown to almost a thousand residents. The early economy of the area was based upon lumbering, which subsequently declined around the turn of the century. Between then and the 1930s, when manufacturing came into its own, the City was primarily a trading center and retail center for farmers in outlying areas.

Population

The City of Pinconning, Pinconning Township and Bay County have all experienced the same general trends in population change between 1970 and 1990. During the decade of the 70s, the City's population grew by eight percent, the Township's population increased by 16 percent and the County's rate of population growth was slowest at two percent. Between 1980 and 1990, all three units of government declined in population. While the City's resident population decreased by about 10 percent during the 80s, the Township's population declined by 11.3 percent and the County's declined by 6.8 percent. This comparison of the three jurisdictions indicates the Township's population growth

and decline trends have been more "volatile" than the City's, which in turn have fluctuated at a more varied rate than the County's. Between 1970 and 1980, the City increased by 8 percent from 1,320 residents to 1,430 residents. Between 1980 and 1990, the population decreased by 9.7 percent to 1,291 residents.

The age profile of the City's population is comparable to the County's population profile. In 1990, 26.9 percent of Pinconning's population was under 18 years old, compared to 26.3 percent of the County's population. Those in the young married/young family category (21 to 44 years old) comprised 36 percent of the City's population, while in the County that age group made up 34.8 percent of the population. Within the City in 1990, those in the "mature family" age group (45-54) made up 9.5 percent of the population, while the County's "mature family" population comprised 10.8 percent of the population.

The "pre-retirement" age group (those 55-64 years old) accounted for 8.6 percent of the City's 1990 population and 8.7 percent of the County's population. Retirees (65 and older) made up 16.8 percent of the City's population and 13.4 percent of the County's population in 1990. All age categories are similar within both units of government, except the County has a generally younger age composition (with a 3% higher rate of 21-44 year old population) and the City has a relatively higher rate of retirees (16.8% compared to 13.4% for the County).



■ Area Description

The total "productive" work force population in the City (those between the ages of 21 and 64) consisted of 633 people, or 51.3 percent of the City's total population in 1990.

In that same year there were 465 employed residents of the City 16 years and older. The largest employment category was retail trade, which employed 138 City residents, or 29.2 percent of the work force. This was followed by manufacturing, which employed 88 residents, or 18.9 percent of the work force. The third and fourth largest employment categories were health services and education with 8.8 percent and 8 percent of the City's labor force, respectively.

While many of these residents work for businesses within the City (both retail and manufacturing), a number work in other communities, such as Bay City and Standish. This is evidenced by a mean travel time to work of 20.3 minutes as identified in the 1990 Census. In effect, Pinconning is both a bedroom community (some people live in Pinconning and commute to work in other communities), and a business center (some

residents both live and work in Pinconning and in addition a number of employees who live outside the City commute to work in Pinconning). The diversity of businesses and employment in manufacturing (retail stores) provides a positive mix for the City's economic base. The fact that Pinconning is a bedroom community for some residents is a testimony to its attractiveness as a desirable place to live.

Table II-1 depicts the City's projected population to the year 2020 based upon recent past trends. This projection is based upon the City's average rate of population change experienced between 1970 and 1990 (a decrease of 1% every 10 years).

In 1990, 100 percent of all residents lived in households within the City (there were no residents living in institutions). Assuming that proportion remains stable over the planning period, it is possible to project the number of residents who will be living in housing units in the City during the planning period. The average household density (the number of people living within each household) has been steadily decreasing over the past 20 years nationally.

TABLE II-1 - PROJECTED POPULATION - CITY OF PINCONNING

1970	1980	1990	Estimated 1995	Projected 2000	2010	2020
1,320	1,430	1,291	1,284	1,277	1,263	1,249

SOURCE: U.S. Census of Population; Gove Associates Inc.



■ Area Description

Between 1980 and 1990, the average household density in Pinconning decreased by 0.15 persons/household. By applying that average decrease over the planning period, it is possible to identify the City's projected household densities at 10 year intervals. Dividing the projected number of people residing in housing units by the projected household density results in a projected number of units needed to house the City's future population. These calculations are identified in Table II-2.

Existing Land Use

The original plat of the village (now City of Pinconning) was established in 1872. The village was incorporated as a Village in 1887 and as a City in 1931.

When Pinconning was originally platted in 1872, it encompassed 100 acres. Today the City contains 576 acres. Within that area, the majority of land is devoted to residential

use, with multiple-family development on the northern and western perimeters of the City. General industrial land is located in the central and the south central portion of the City, adjacent to residential development.

The City's commercial activities are located in two areas. The first is the older Central Business District, bounded generally by Warren Street on the east, Fourth Street on the south, Manitou Street on the west and the properties bordering the north side of Second Street on the north.

The second area of commercial development is the "strip" commercial business on both sides of M-13 (Mabel Street) between the southern City limits and the northern City limits.

These "strip" commercial developments are oriented to tourism and automobile traffic. Older residential dwellings (some converted to offices) are located between the Central Business District and the M-13 commercial district.

TABLE II-2 - CALCULATION OF PROJECTED HOUSING UNITS - CITY OF PINCONNING

	1980	1990	1995	2000	2010	2020
Population	1,430	1,291	1,284	1,277	1,263	1,249
% of Population in Households		100.0	100.0	100.0	100.0	100.0
Population in Housing Units	1,430	1,291	1,294	1,277	1,263	1,249
Household Density	253	238	231	223	208	1.93
Occupied Housing Units		542	556	573	607	647

SOURCE: U.S. Census of Population and Housing; Gove Associates Inc.



■ Area Description

The total commercial development within the City currently encompasses approximately 38 acres. That consists of approximately 4 acres within the central business area, approximately 29 acres along M-13 and 5 acres of office space.

Industrial land uses are currently located in four areas: 1) near the center of the City, north of the Central Business District on Second Street, between the railroad and Water Street, encompassing about 4.3 acres; 2) adjacent to Rhodes Street north of Fifth Street on the east side of the City, covering about 7 acres (plus an additional acre on the south side of Fifth Street); 3) approximately 6 acres south of Fifth Street and west of the railroad; and 4) on the side east of M-13, south of the Pinconning River, encompassing about 5.75 acres.

In addition, there are small light industrial businesses on Warren Street (east of the Central Business District) between Second and Fourth Street, and on the northeast corner of Third and Van Etten streets. In total, industrial land uses cover 25.9 acres, or 4.6 percent of the City's land area.

Land devoted to residential use is distributed throughout the City, primarily south of the Pinconning River. Older residential units, with smaller lots, are primarily located between Mercer Street on the west and Rhodes on the east. Residential uses consist mostly of single-family units, with multiple-family development located on the northern boundary of the City, north of Blondin Street, and on the west side, along Second

Street, as well as on Manitou Street adjacent to the Central Business District, and in the southeast section of the City on Rhodes Street. Mobile home development is located in the northwest portion of the City on Horn Street and adjacent to M-13. Residential development covers 104.1 acres, or 18.4 percent of the City's land area, with most of that (over 94 acres) devoted to single-family residences. In 1990, the City contained 429 single-family units, 113 duplexes or multiple-family units and 36 mobile homes.

Public and semi-public lands, excluding streets and railroad land, cover almost 73 acres, or about 13 percent of the City's total area. Most public land is devoted to schools and parks and playgrounds. The Pinconning school district complex on Fifth Street, west of M-13, encompasses approximately 29 acres.

The City's public park and recreation lands are located adjacent to North Street between M-13 and approximately 125 feet east of the D&M Railroad. These areas cover approximately 14.5 acres and include ball diamonds, playgrounds, and the Bay County Recreation Building.

Other public facilities include 3.4 acres between River Street and the Pinconning River utilized by the Department of Public Works, the wastewater treatment plant (encompassing about 5.4 acres), the VFW property on the northwest corner of Seventh and Rhodes streets (covering about 3.2 acres), the City Hall, Fire Department



■ Area Description

and Public Library off of Manitou Street near the Central Business District, various churches and a church/ school complex.

These public and semi-public lands comprise 72.8 acres, or about 13 percent of the City's land area. Transportation land, consisting of M-13, all local and major streets and alleyways, as well as railroad rights-of-way, encompass 105.3 acres, or 30.5 percent of the City. Finally, about 39 percent of the City (221 acres) is vacant. The majority of that land lies north of the Pinconning River. Lands on either side of the Pinconning River are subject to 100 year flooding and consequently building restrictions exist in this area. Other portions of the City are in low lands or areas with high water tables, with substantial building restrictions.

As Table II-3 indicates, there are over 345 acres of land within the City that have been developed. That represents 61 percent of the City's total land area. Pinconning is within the general range of average land use distributions for most types of land uses. Industrial acreage is relatively low in Pinconning compared to the average for urban areas (4.6% compared to 10-11% nationally). The proportion of land devoted to public use is within the range for the national average (12.9% compared to 10% to 18% nationally). Major uses of public land consist of the school complex, City park, and sewage treatment facility.

TABLE II -3 - EXISTING LAND USE DISTRIBUTION

Pinconning		
Land Use	Acres	% of Total Land Use
Residential	104.1	18.4
Commercial	37.7	6.6
Industrial	25.9	4.6
Streets/RR	105.3	18.5
Schools, Parks, etc.	72.8	12.9
Undeveloped Land	220.7	39.0
Total	566.5	100.0

SOURCE: City of Pinconning Future Land Use Plan for the Year 2000, 1983



■ Area Description

Economic Base

Retail trade is considered a "secondary" economy in most communities. Industrial and/or service trades are the "primary" sources of employment. These "primary" industries (historically they have been predominantly manufacturing) provide the basic employment and generate spendable income within the community from sales of their products to persons and businesses outside the community.

As a result of the additional dollars generated by base industries, retail, recreational and other services evolve to provide the consumer (in this case, the employee and his or her family) with the goods and services he or she desires. This "secondary" (nonbase) sector of the local economy in turn contributes to the expanded employment opportunities in the community. If those retail and service enterprises are able to attract customers from outside the community they also contribute to bringing additional dollars into the community. In theory, therefore, the industrial (or manufacturing) businesses in a community are the basic suppliers of employment and capital to residents of that community and surrounding areas. Those residents should spend their incomes in retail and service outlets in the area, creating opportunities for additional employment and keeping expendable capital in the area.

The City of Pinconning evolved as a commercial center for logging operations.

Over time, as forest resources were depleted, farming became a more predominant part of the local economy. Farming in turn, gave way to tourism and industries (food process and manufacturing) which now make up the major components of the local economy. In addition to industry and tourism, merchants in Pinconning are dependent upon local residents employed in nearby communities.

The optimum situation for local merchants would be the attraction and retention of "outside" consumer dollars into the City's business area, while increasing their market share of consumer dollars spent by market area residents. Capturing those incomes would enable local merchants to expand their businesses as well as margins of profit.

Retail Sector

Table II-4 describes the changes that occurred in the number of retail establishments and the amount of sales per establishment between 1982 and 1987 in the "balance" of the County (outside Bay City, Essexville and Midland). Automobile dealerships experienced the greatest expansion in the number of establishments during the five year period (with 8 additional auto dealers). The largest increase in the average sales per establishment occurred among general merchandise stores, with an increase of 137 percent. On the other hand, the number of apparel stores decreased by 3 (-18.8%) - the largest



■ Area Description

decline in establishments. At the same time, the largest proportional decrease in sales per establishment occurred among food stores. Therefore, while food stores grew more

than other retail businesses, they also experienced the largest decline in sales revenues.

TABLE II -4 - NUMBER OF RETAIL ESTABLISHMENTS AND AVERAGE SALES VOLUMES PER ESTABLISHMENT

	1982		1987			
	Number of Establishments	Average Sales/ Establishments (\$1,000)	Number of Establishments		Average Sales/ Establishments (\$1,000)	
	Balance of Bay County	Balance of Bay County	Balance of Bay County	% Change	Balance of Bay County	% Change
Building Materials/ Hardware	17	636	20	(17.6)	1215	(+91.0)
General Merchandise	3	3865	5	(66.6)	9172	(137.3)
Food Stores	53	1443	55	(3.7)	1013	(-29.8)
Auto Dealers	27	1757	35	(29.6)	2810	(59.9)
Gas Service Stations	27	775	26	(-3.7)	1243	(60.4)
Apparel	16	288	13	(-18.8)	269	(-6.6)
Furniture	21	446	21	(0)	592	(32.7)
Eating/Drinking	81	285	79	(-2.5)	374	(31.2)
Drugs & Proprietary	10	869	9	(-10.0)	848	(-2.4)
Miscellaneous Retail	33	318	37	(12.1)	300	(-5.7)

SOURCE: Census of Retail Trade (Michigan) - 1982, 1987



■ Area Description

Land Use - DDA District

The following impressions are intended as an evaluation of current conditions in the Pinconning business area. This evaluation is not all inclusive, but it does provide an overview of the major characteristics of this area.

The City's proximity to I-75, the existence of M-13 as a link between Bay City and U.S. 23 to the north, and the Pinconning County Park all offer an opportunity to capitalize on tourism and recreational trade as well as development as a bedroom community to the Bay City area. At the same time, the central business area is far enough removed from M-13 that it is often missed by tourists and commuters. Basically, they may not even realize a Central Business District exists beyond the M-13 corridor. Any planning efforts to improve Pinconning's overall commercial opportunities must include making the downtown area more visible, or at least more cognizant in the minds of travelers and residents of the market area.

The existing small town atmosphere of Pinconning, especially the commercial area, is itself an attraction. Such an environment offers a viable option to the larger, urban shopping centers. In Pinconning, consumers can shop in a more relaxed environment with more individual attention given the customer.

If planned and developed appropriately, the downtown area can establish a positive reputation for tourism and recreation.

The M-13 corridor can also accommodate new and revitalized development. The success of that development, as well as the central business area, will depend upon the City's ability to coordinate new development in this area with revitalization of the Central Business District.

The following types of retail and service businesses exist in the City of Pinconning DDA District:

Table II-5 indicates that while the DDA District contains a reasonable variety of retail and service businesses, it does not contain the complete selection that would be found in larger commercial centers. The absence of a full selection of goods and services plays a large role in deterring consumers from shopping in downtown Pinconning and weakens the City's competitiveness relative to other commercial centers. The ability of the Pinconning business district to offer a full range of retail goods and commercial services within a quality environment while maintaining a small town atmosphere will go a long way to ensure a strong and successful commercial revitalization.

■ Area Description

TABLE II-5 - CITY OF PINCONNING BUSINESSES

Category	Type of Establishments	# of Establishments
RETAIL BUSINESSES		
Building Materials/Hardware	Hardware	2
	Floor Covering	1
	Building Supply	1
General Merchandise		0
Food Stores	Supermarkets/Grocery	2
	Cheese Shops	2
Auto Dealers	New Car Dealership	1
	Used Car Dealerships	1
	Auto Parts	3
Gas Service		1
Apparel and Accessories		0
Furniture	Tables/Patio Furniture	1
	T.V. Sales	1
Eating and Drinking Establishments	Full Service Restaurants	3
	Drive-Thru Restaurants/Pizza	5
	Tavern	4
	Catering	1
Drugs/Proprietary		2
Miscellaneous	Sport Cards	1
	Used Clothing, Furniture, Appliances,	2
	Miscellaneous	2
	Crafts/Gifts	1
	Fire Safes	1
	Tack Supply	1
	Flower Shop	



Area Description

Category	Type of Establishments	# of Establishments
SERVICE BUSINESSES		
Lodging Places	Motels	1
Personal Services	Laundromat	1
	Catering	1
	Cleaners	1
	Barber	1
	Beauty Shop	2
	Funeral Home	1
Business Services		0
Auto Repair	Auto Repair	3
	Car Wash	2
Miscellaneous Repair	Heating and Cooling	1
Amusement and Recreation Services		0
Health Services	Health Department	1
	Physicians Office/Health Center	2
	Optometrist	1
	Dentist	1
Legal Services	Law Office	1
Social Services		0
Engineering, Accounting, Research		1
Finance, Insurance Real Estate	Banks	3
	Insurance	2
	Real Estate	0

SOURCE: Gove Associates Inc.



■ Market Analysis ■



Market Analysis

Market Area Characteristics

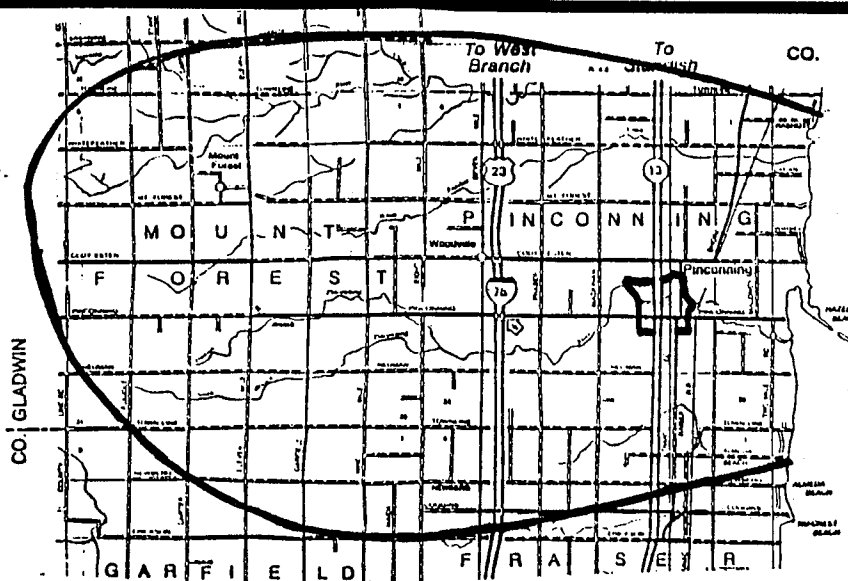
This section of the Pinconning Downtown Revitalization Plan is a review of the characteristics of the City's retail and service commercial market area. The market area, or retail/service trade area, of a Central Business District is that geographic area from which local merchants can expect to attract 80 to 90 percent of their total trade. The distance a shopper is normally willing to travel for particular purchases is the primary determinant of a retail/service trade area.

Establishing the boundaries of the market area provides a basis for determining the size and characteristics of the population that resides within that area. Knowing the income earning capacity of those residents is important in establishing potential retail sales volumes for the downtown area. The following describes in detail the elements and characteristics of the Pinconning market area.

Geographic Area

The Pinconning retail/service commercial trade area (Map III-1) encompasses those households that would most likely be attracted to shopping for most, if not all, of their convenience items (food, hardware, gas, etc.) and at least some comparison goods (appliances, clothing, etc.) in Pinconning. This attraction is based upon the proximity and size of Pinconning compared to other competing communities. The boundary of this market area is based upon a formula called Reilly's Law of Retail Gravitation, which basically states that two communities will attract retail trade from an intermediate point in direct proportion to the population of each community and in inverse proportion to the square of the distance the point is between the two communities.

MAP III-1 - RETAIL MARKET AREA



■ Market Analysis

The Pinconning market area includes all or parts of Pinconning, Mt. Forest, Garfield and Gibson townships in Bay County and Standish and Lincoln townships in Arenac County. The market area encompasses an area whose boundaries are generally four miles to the north of Pinconning, 10 miles to the west, seven miles to the south and 2 miles to the east. The elliptical shape of the total market area is defined primarily by the influence of Standish to the north, Gladwin to the northwest, Midland to the southwest and Bay City and Bangor Township to the south, as competing shopping areas. The market area covers about 100 square miles.

Population

This downtown plan is designed for people and businesses, since it is people and businesses who will contribute to, and derive benefits from, its implementation. The entire market area contained approximately 7,300 residents in 1990. The various characteristics of the population residing within Pinconning's market area impact in one way or another on the type and volume of retail and service businesses that are currently available in the City. Age composition, education levels, types of employment and incomes are all important factors that the merchant must be aware of in marketing his or her merchandise. This section of the plan will review and analyze the first three factors while personal incomes and expenditures will be examined in the following section.

Existing Characteristics

Age - All residents belong to a particular stage-of-life at any one point in time. As an individual gets older he or she progresses to another stage. Each stage-of-life brings with it a different set of needs and desires than the preceding stage. Those needs and desires will determine the types of products and methods of merchandising that should be available within downtown Pinconning.

While most products and services cut across all age groups, certain stages-of-life may be the focus of particular types of merchandising. For example, record, video and music shops would be accessible to almost all age groups, but school age residents, college age students and young families would be more inclined to frequent those types of establishments. Likewise, drug stores may be more likely to be frequented by older residents or young families with small children. Consequently, it is important for each merchant to have access to and understand the demographic composition of the market area and to focus his or her marketing programs to meet the needs and desires of targeted age groups. Understanding life-style trends are also critical to the success of any business, particularly retail outlets.

Table III-1 points out that young family and school age groups comprise the single largest categories of the market area's population with established family and retirees also comprising significant proportions of the market area of goods and



Market Analysis

services, however, to serve the needs of local residents, should concentrate on those in the 5-17 and 25-44 age groups.

An analysis of educational background, along with income earning capacity, will provide an insight into the quality of merchandise desired by residents of the market area.

TABLE III-1 - STAGE-OF-LIFE CHARACTERISTICS - PINCONNING MARKET AREA

Age Category	1990 Population	% of Total	Stage-of-Life	Example Needs and Desires
0-4	527	7.2	Pre-School	Toys, infant and toddler needs
5-17	1,551	21.2	School-Age	Toys, clothes, sporting equipment, bicycles, movie theater/video store
18-24	693	9.5	College Age	Clothing, bookstore, nightclub, music store, party store
25-44	2,192	30.0	Young Family	Clothing, grocery, computer store, sporting goods, restaurants
45-54	943	12.9	Established Family	Clothing, grocery, auto dealers
55-64	544	7.5	Mature Family	Formal restaurants, jewelry, bookstore, auto dealers
65+	852	11.7	Retired	Inexpensive restaurants, drug store, medical center

SOURCE: U.S. Census of Population; Gove Associates Inc.

Education - The levels of education attained by individuals within the market area can influence the quality and type of merchandise offered in Pinconning. Although not as important a factor as age and income in affecting the life-styles and consumer demands of the market area population, the types and duration of a person's formal education has a definite impact upon his or her decision-making habits. For example, college graduates are apt to have a different purchasing priority or set of buying needs than high school graduates.

Certain levels of education are closely associated with income levels - in general, the higher the educational attainment, the greater the income earning power.

The following table reflects the formal education status of the market area population as of 1990.

As Table III-2 indicates, almost 70 percent of the population (age 25 and over) in the market area are high school graduates and/or have been to college. About 30 percent have some type of post-high school education, although only seven percent actually hold a four year post-high school degree. Overall, the market area's population has a lower level of educational attainment than the County and the State. This detracts from the market area's ability to be competitive with other areas on the basis of human resources. That does not mean, however, that the market area does not



Market Analysis

This detracts from the market area's ability to be competitive with other areas on the basis of human resources. That does not mean, however, that the market area does not offer a viable semi-skilled or skilled labor pool with varying levels of formal education.

population of this area decreased between 1980 and 1990, the 1990 population represented a 10 percent increase over the 1970 population - an average of 5 percent every 10 years, or one-half percent each year. This forecast is based upon the

TABLE III-2 - YEARS OF SCHOOL COMPLETED - 1990 (RESIDENTS 25 YEARS AND OLDER)

	Market Area		Bay County		Michigan
	Persons	% of Total	Persons	%	%
Less than 9th Grade	616	13.8	7,747	10.8	7.8
Grades 9-12, No Degree	767	17.1	10,900	15.2	15.5
High School Graduates	1,730	38.6	25,536	35.6	32.3
Some College, No Degree	826	18.5	14,436	20.1	20.4
Associates Degree	227	5	5,169	7.2	6.7
Bachelor's	214	4.8	5,271	7.4	10.9
Graduate or Professional Degree	97	2.2	2,625	3.7	6.4

SOURCE: 1990 Census of Population STF 3; Gove Associates Inc.

Population Forecasts - The preparation and planning for downtown Pinconning requires a realistic assessment of the number of people who will likely live within the market area during the next 25 years. The projections used in this Plan are based upon the average rate of growth for the market area between 1970 and 1990. Although the

premise that a portion of the population decline in the east central section of the state during the 1980s was attributed to a poor economy in the latter part of that decade and as the Michigan economy improves, and additional jobs are created, the population will again increase. The results are displayed in Table III-3.

TABLE III-3 - PINCONNING MARKET AREA POPULATION PROJECTIONS

1990 (Actual)	1995	2000	2005	2010	2015	2020
6,787	6,960	7,130	7,310	7,490	7,680	7,870

SOURCE: 1980, 1990 Census of Population; Gove Associates Inc.



■ Market Analysis

Households - Between 1970 and 1990, household density (the number of people living within a housing unit) within the market area decreased by 0.74, or an average of 0.37 persons per household for each 10 year period. Such a decrease has a substantial impact upon the number of dwelling units required within the market area. In effect, at any given population level, a decrease in the density of each household will result in an increase in the number of households and dwelling units associated with that population.

Even in jurisdictions where the total population has decreased, the number of dwelling units required to house the remaining population has increased and in those areas where the population is projected to increase slightly, the number of households should increase at a substantially faster rate than the population. That is the situation projected for the Pinconning

market area. While the population is expected to increase at about one-half percent per year in accordance with Table III-3, the commensurate continued decline in average household density will create an increase in the number of households (and housing units) within the area at an average rate of growth of about 2.1 percent per year. Table III-4 depicts the projected change in market area households over the next 25 years.

This projected increase of about 1,530 households in the market area between 1990 and the year 2020 is an important gauge of the potential future demand for household related goods and services. As these new households are formed, they will require furniture, appliances, landscaping and building materials, cleaning and maintenance items, etc. Existing and new stores will be required to provide these goods.

TABLE III-4 - PINCONNING MARKET AREA HOUSEHOLD PROJECTIONS

1990 (Actual)	1995	2000	2005	2010	2015	2020
2,411	2,636	2,910	3,220	3,600	3,840	3,940

SOURCE: 1980, 1990 Census of Population, Gove Associates Inc.



Market Analysis

Income - The most influential element in determining shopping patterns and habits is household income. Certainly the amount of money a household has for purchasing "discretionary" items (such as food, appliances, automobiles, furniture, etc., as opposed to "fixed" expenditures, such as housing, utilities and transportation) affects the frequency of shopping trips and the price, quantity and type of merchandise acquired.

The following table shows the household income, total expenditures for various "necessary" expenses and residual discretionary income of all households in the market area in 1989. These discretionary income figures are obtained by subtracting annual payroll deductions, housing and transportation costs and savings from household incomes. Although it is not possible to obtain a completely accurate account of the total discretionary income

of the residents of the market area, the figures indicated in Table III-5 provide a broad indication of the amount of money available for purchases of retail items and services in the market.

Table III-5 shows that in 1989 almost 29 million dollars was available in the Pinconning market area for "discretionary" purchases. While there are commercial retail businesses within the market area, outside the City of Pinconning, that capture part of that discretionary revenue, Pinconning, in theory, should be able to capture a majority of the market area's discretionary income. In reality, however, many of the market area's residents travel to Bay City, Midland or Saginaw to make many of their discretionary retail purchases. One of the objectives of this plan is to increase the City of Pinconning's ability to capture a larger proportion of the income available to its market area.

TABLE III-5 - ANNUAL NET INCOME AVAILABLE FOR DISCRETIONARY PURCHASES (1989)

	Total Market Area	% of Gross Income
Number of Households	2,411	
Total Gross Household Income	\$59,421,091	100.0
Payroll Deductions ^a	\$11,290,008	19.0
Annual Owner Costs ^b	\$9,599,432	16.2
Annual Rent ^c	\$1,749,346	2.9
Transportation Costs ^d	\$6,295,847	10.6
Savings ^e	\$1,782,633	3.0
Balance - Discretionary Income	\$28,703,826	48.3
^a Average payroll deductions of 19% based on median gross household income of \$24,646. ^b Sum of payments for real estate taxes, property insurance, utilities and regular mortgage payments. ^c Sum of contract rent and utility costs. ^d Based on average cost of 29¢/mile/245 working days per year, average miles calculated using mean travel times to work in Census. ^e Average 3% of gross income.		

SOURCE: U.S. Census (1990) Summary Tape File 3 (Figures are 1989 incomes)



Market Analysis

Determination of Market Potential

Each market area has its own characteristics and associated potential for generating sales for retail goods and services. That potential can generally be identified by comparing incomes earned in the market area with Census data reflecting retail and service expenditures for specific types of businesses.

This is essentially a five step process that will indicate the amount of money within

the market area that should be captured by Pinconning merchants.

The following describes each step in the process: Step I determines the Income Index for the market area. The Income Index relates the per capita income in the market area to the per capita income of Bay County. The following table displays those income relationship.

TABLE III-6 - STEP I - DETERMINATION OF TRADE ZONE INCOME INDEX

Area	1990 Per Capita Income	As a % of County	Income Index
Bay County	\$12,597	100.0	1.0
Total Market Area	\$10,752	85.3	0.853

SOURCE: 1990 Census of Population

■ Market Analysis

Step III relates the Income Index for the market area to the 1992 Bay County per capita sales for selected retail categories. That is, the per capita sales for each retail category for Bay County is multiplied by the Income Index for the market area. The table below shows the resultant 1987 per capita sales for the Pinconning market area and compares those sales figures with the State.

In most categories of retail business, per capita sales within the County is less than the State average. The proportion of County per capita sales to State-wide per capita sales ranges from 65 percent for miscellaneous

retail to 134 percent for food stores. These indicate that, in general, consumers in Bay County are likely to purchase food from stores within the County, while they are more likely to purchase miscellaneous retail items outside of Bay County. The same principal is assumed to apply to other retail items — the closer the County per capita average sales to the State average, the more likely retail items within that category are purchased within the County. Conversely, the lower the County to State per capita retail sales ratio, the more likely consumers will travel outside the County to purchase items in that category.

TABLE III-7 - STEP II - DETERMINATION OF PER CAPITA RETAIL SALES FOR PINCONNING MARKET AREA - 1987

	Bay County		State of Michigan	
	Est. 1987 Population - 114,170		Est. 1987 Population - 9,285,316	
	Retail Sales (\$1,000)	Per Capita Sales	Retail Sales (\$1,000)	Per Capita Sales
Building & Garden Supplies	\$38,271	\$335	\$3,184,120	\$343
General Merchandise	\$115,698	\$1,013	\$8,040,993	\$866
Food Stores	\$119,390	\$1,437	\$9,921,655	\$1,069
Auto Sales	\$195,180	\$1,709	\$13,533,919	\$1,458
Gasoline Service Stations	\$57,865	\$506	\$4,251,908	\$458
Apparel & Accessories	\$27,404	\$240	\$2,936,795	\$316
Furniture & Home Furnishings	\$25,612	\$224	\$2,917,258	\$314
Eating & Drinking Places	\$62,082	\$544	\$5,546,093	\$597
Drug & Proprietary Stores	\$21,709	\$190	\$2,131,063	\$230
Miscellaneous Retail	\$33,928	\$297	\$4,233,515	\$456
Note: Data acquired from either Census questionnaires or administrative records of other federal agencies for businesses defined as of January 1, 1987.				

SOURCE: Gove Associates Inc.; 1987 Census of Retail Trade; U.S. Bureau of Census.



■ Market Analysis

To establish a relationship between per capita sales and per capita expenditures it is assumed that retail sales figures represent the expenditures made by local residents for various retail goods. This process also assumes that expenditures made by County residents outside of the County are particularly offset by expenditures made in Gratiot County by residents of surrounding counties. It is probable that the majority of expenditures by Gratiot County residents outside of the County occur in the greater Lansing area. Visitor expenditures are assumed to occur primarily in the convenience goods category.

In Step III the projected per capita retail expenditures for the County and the market area are calculated for five year intervals to the year 2015. Table III-8 is based on the assumption that there is a direct correlation between income and expenditures. That is, as the "Income Index" increases, the expenditures, or sales, will increase by the same proportion. An annual inflation rate of 4.2 percent was used to determine future sales (based upon the average annual increase in the CPI index for Detroit, between 1980 and 1992). In order to establish accurate per capita expenditures in the future, retail categories are divided into two groups: convenience goods (of daily consumption) and comparison goods (subject to longer term use).

The following retail categories are included in the first group: food stores, gas service stations, eating and drinking places and drug and proprietary stores. The second group is comprised of auto dealers, auto parts and accessory stores, apparel stores, furniture

and home furnishing stores, building materials and hardware stores, general merchandise stores and miscellaneous stores.

The division of retail categories into convenience and comparison goods is important in this analysis because consumer reaction to an increase in income is not the same for different types of goods. Theoretically, people will increase their consumption of comparison goods at a faster rate than convenience goods when income increases. This is known as income elasticity of demand.

In Step IV, the total projected value of retail expenditures for each retail category is calculated by multiplying the projected per capita expenditure for each category in Table III-8 by the forecasted population.



Market Analysis

TABLE III-8 - STEP III - DETERMINATION OF CURRENT AND PROJECTED PER CAPITA SALES - RETAIL
(Expressed in Current Dollars)

	Income Index	1987	1990	1995	2000	2005	2010	2015	2020
BAY COUNTY									
Building/Garden Supplies		\$335	\$379	\$466	\$572	\$703	\$864	\$1,061	\$1,303
General Merchandise		\$1,013	\$1,146	\$1,408	\$1,730	\$2,125	\$2,610	\$3,206	\$3,938
Food Stores		\$1,437	\$1,626	\$1,997	\$2,453	\$3,013	\$3,701	\$4,546	\$5,584
Auto Sales		\$1,709	\$1,934	\$2,376	\$2,919	\$3,586	\$4,405	\$5,411	\$6,647
Gas Stations		\$506	\$572	\$703	\$864	\$1,061	\$1,303	\$1,601	\$1,967
Apparel & Accessories		\$240	\$272	\$334	\$410	\$504	\$619	\$760	\$934
Furniture & Home Furnishings		\$224	\$253	\$311	\$382	\$469	\$576	\$708	\$870
Eating/Drinking Places		\$544	\$615	\$755	\$927	\$1,139	\$1,399	\$1,719	\$2,112
Drugs & Proprietary		\$190	\$215	\$264	\$324	\$398	\$489	\$601	\$738
Miscellaneous Retail		\$297	\$336	\$413	\$507	\$612	\$765	\$940	\$1,155
MARKET AREA 0.853									
Building/Garden Supplies		\$286	\$324	\$397	\$488	\$600	\$737	\$905	\$1,112
General Merchandise		\$864	\$978	\$1,201	\$1,475	\$1,812	\$2,226	\$2,734	\$3,358
Food Stores		\$1,226	\$1,387	\$1,704	\$2,093	\$2,571	\$3,158	\$3,880	\$4,766
Auto Sales		\$1,458	\$1,650	\$2,027	\$2,490	\$3,058	\$3,757	\$4,615	\$5,669
Gas Stations		\$432	\$489	\$601	\$738	\$906	\$1,113	\$1,368	\$1,680
Apparel & Accessories		\$205	\$232	\$285	\$350	\$430	\$528	\$649	\$797
Furniture & Home Furnishings		\$191	\$216	\$265	\$326	\$401	\$492	\$604	\$742
Eating/Drinking Places		\$464	\$525	\$645	\$792	\$973	\$1,195	\$1,468	\$1,803
Drugs & Proprietary		\$162	\$183	\$225	\$277	\$340	\$417	\$513	\$630
Miscellaneous Retail		\$253	\$286	\$352	\$432	\$531	\$652	\$801	\$984

SOURCE: Gove Associates Inc.



Market Analysis

TABLE III-9 - STEP IV - DETERMINATION OF CURRENT AND PROJECTED TOTAL RETAIL EXPENDITURES
(Population x Per Capita Expenditures - Values Expressed in Current Dollars)

	1990	1995	2000	2005	2010	2015	2020
BAY COUNTY							
Population	111,723	110,866	109,532	107,246	104,580	101,756	98,703
Market Expenditures							
Building & Garden Supplies	\$42,343,017	\$51,663,556	\$62,652,304	\$75,393,938	\$90,357,120	\$107,963,116	\$128,610,009
General Merchandise	\$128,034,558	\$156,099,328	\$189,490,360	\$227,897,750	\$272,953,800	\$326,229,736	\$388,692,414
Food Stores	\$181,661,598	\$221,399,402	\$268,681,996	\$323,132,198	\$387,050,580	\$462,582,776	\$551,157,552
Auto Sales	\$216,072,282	\$263,417,616	\$297,598,444	\$384,584,156	\$460,674,900	\$550,601,716	\$656,078,841
Gas Stations	\$63,905,556	\$77,938,798	\$94,635,648	\$113,788,006	\$136,267,740	\$162,911,356	\$194,148,801
Apparel & Accessories	\$30,388,656	\$37,029,244	\$44,908,120	\$54,051,984	\$64,735,020	\$77,334,560	\$92,188,602
Furniture & Home Furnishings	\$28,265,919	\$34,479,326	\$41,841,224	\$50,298,374	\$60,238,080	\$72,043,248	\$85,871,610
Eating/Drinking Places	\$68,709,645	\$83,703,830	\$101,536,164	\$122,153,194	\$146,307,420	\$174,918,564	\$208,460,736
Drugs & Proprietary	\$24,020,445	\$29,268,624	\$35,488,368	\$42,683,908	\$51,139,620	\$61,155,356	\$72,842,814
Miscellaneous Retail	\$37,538,928	\$45,787,658	\$55,532,724	\$66,814,258	\$80,003,700	\$95,650,640	\$114,001,965
Total	\$820,940,604	\$1,000,787,382	\$1,192,365,352	\$1,460,797,766	\$1,749,727,980	\$2,091,391,068	\$2,492,053,344
MARKET AREA							
Population	6,787	6,960	7,130	7,310	7,490	7,680	7,870
Market Expenditures							
Building & Garden Supplies	\$2,198,988	\$2,763,120	\$3,479,440	\$4,386,000	\$5,520,130	\$6,950,400	\$8,751,440
General Merchandise	\$6,637,686	\$8,358,960	\$10,516,750	\$13,245,720	\$16,672,740	\$20,997,120	\$26,427,640
Food Stores	\$9,413,569	\$11,859,840	\$14,923,090	\$18,794,010	\$23,653,420	\$29,798,400	\$37,508,420
Auto Sales	\$11,198,550	\$14,107,920	\$17,753,700	\$22,353,980	\$28,139,930	\$35,443,200	\$44,615,030
Gas Stations	\$3,318,843	\$4,182,960	\$5,261,940	\$6,622,860	\$8,336,370	\$10,506,240	\$13,221,600
Apparel & Accessories	\$1,574,584	\$1,983,600	\$2,495,500	\$3,143,300	\$3,954,720	\$4,984,320	\$6,272,390
Furniture & Home Furnishings	\$1,465,992	\$1,844,400	\$2,424,380	\$2,931,310	\$3,685,080	\$4,638,720	\$5,839,540
Eating/Drinking Places	\$3,563,175	\$4,489,200	\$5,646,960	\$7,112,630	\$8,950,550	\$11,274,240	\$14,189,610
Drugs & Proprietary	\$1,242,021	\$1,566,000	\$1,975,010	\$2,485,400	\$3,123,330	\$3,939,840	\$4,958,100
Miscellaneous Retail	\$1,941,082	\$2,449,920	\$3,080,160	\$3,881,610	\$4,883,480	\$6,151,680	\$7,744,080
Total	\$42,554,490	\$53,605,920	\$67,456,930	\$84,956,820	\$106,919,750	\$134,684,160	\$169,527,850

SOURCE: Gove Associates Inc.



Market Analysis

Service Market Analysis

The same process used to determine current and projected retail sales can also be utilized to identify projected service industry receipts. The following tables reflect the step-by-step procedure used in that determination.

This methodology for analyzing service businesses potential projects an increase in dollar sales of 325 percent, on the average, over the next 25 years. The service businesses that appear to provide the greatest "leverage" for bringing income into the City are health services, legal services, auto repair, engineering, accounting, research, management and related services and personal services.

TABLE III-10 - STEP II - DETERMINATION OF PER CAPITA SERVICE INDUSTRY RECEIPTS FOR BAY COUNTY - 1987

	Bay County Est. 1987 Population		Michigan Est. 1987 Population - 9,285,316	
	Retail Sales (\$1,000)	Per Capita Sales	Retail Sales (\$1,000)	Per Capita Sales
Hotels, Rooming Houses, Camps & Other Lodging	\$7,704	\$67	\$893,658	\$96
Personal Services	\$13,772	\$121	\$1,126,971	\$121
Business Services	\$11,781	\$103	\$5,576,244	\$601
Automotive Repair, Services & Parking	\$14,689	\$129	\$1,840,704	\$198
Misc. Repair Services	\$11,315	\$99	\$788,597	\$85
Amusement & Recreation Services including Motion Pictures & Museums	\$10,242	\$90	\$1,447,353	\$156
Health Services	\$66,371	\$581	\$6,219,908	\$670
Legal Services	\$16,565	\$145	\$17,689,856	\$191
Social Services	\$1,596	\$14	\$219,167	\$24
Engineering, Accounting, Research, Management & Related Services	\$14,636	\$128	\$3,748,258	\$404
<u>Note:</u> Data acquired from either Census questionnaires or administrative records of other federal agencies for businesses defined as of January 1, 1987.				

SOURCE: Gove Associates Inc.; 1987 Census of Service Industries; U.S. Bureau of Census.



Market Analysis

TABLE III-11 - STEP III - DETERMINATION OF CURRENT AND PROJECTED PER CAPITA SALES - SERVICE
(Expressed in Current Dollars)

	Income Index	1987	1990	1995	2000	2005	2010	2015	2020
BAY COUNTY									
Hotels, Rooming Houses, Camps & Other Lodging		\$67	\$76	\$93	\$114	\$140	\$172	\$212	\$260
Personal Services		\$121	\$137	\$168	\$207	\$254	\$312	\$383	\$470
Business Services		\$103	\$117	\$143	\$176	\$216	\$265	\$326	\$400
Automotive Repair, Services & Parking		\$129	\$146	\$179	\$220	\$270	\$332	\$408	\$501
Misc. Repair Services		\$99	\$112	\$138	\$169	\$208	\$255	\$313	\$384
Amusement & Recreation Services including Motion Pictures & Museums		\$90	\$102	\$125	\$154	\$189	\$232	\$285	\$350
Health Services		581	\$657	\$807	\$991	\$1,218	\$1,496	\$1,838	\$2,257
Legal Services		\$145	\$164	\$202	\$248	\$304	\$374	\$459	\$564
Social Services		\$14	\$16	\$19	\$24	\$29	\$36	\$44	\$54
Engineering, Accounting, Research, Management & Related Services		\$128	\$145	\$178	\$219	\$268	\$330	\$405	\$498
MARKET AREA 0.853									
Hotels, Rooming Houses, Camps & Other Lodging		\$57	\$64	\$79	\$97	\$120	\$147	\$180	\$222
Personal Services		\$103	\$117	\$143	\$176	\$216	\$265	\$326	\$400
Business Services		\$88	\$100	\$122	\$150	\$184	\$226	\$278	\$342
Automotive Repair, Services & Parking		\$110	\$124	\$153	\$188	\$231	\$283	\$348	\$428
Misc. Repair Services		\$84	\$95	\$117	\$143	\$176	\$216	\$266	\$327
Amusement & Recreation Services including Motion Pictures & Museums		\$77	\$87	\$107	\$131	\$161	\$198	\$243	\$298
Health Services		\$496	\$561	\$689	\$846	\$1,040	\$1,277	\$1,569	\$1,927
Legal Services		\$124	\$140	\$172	\$212	\$260	\$319	\$392	\$492
Social Services		\$12	\$14	\$17	\$21	\$26	\$32	\$39	\$48
Engineering, Accounting, Research, Management & Related Services		\$109	\$123	\$151	\$186	\$229	\$281	\$345	\$424

SOURCE: Gove Associates Inc.



Market Analysis

TABLE III-12 - STEP IV - DETERMINATION OF CURRENT AND PROJECTED TOTAL SERVICE INDUSTRY RECEIPTS
(Population x Per Capita Expenditures) - (Values Expressed in Current Dollars)

	1990	1995	2000	2005	2010	2015	2020
BAY COUNTY							
Population	111,723	110,866	109,532	107,246	104,580	101,756	98,703
Market Expenditures							
Hotels, Rooming Houses, Camps and Other Lodging	\$8,490,948	\$10,310,538	\$12,486,648	\$15,014,440	\$17,987,760	\$21,572,272	\$25,662,780
Personal Services	\$15,306,051	\$18,625,488	\$22,673,124	\$27,240,484	\$32,628,960	\$38,972,548	\$46,390,410
Business Services	\$13,071,591	\$15,853,838	\$19,277,632	\$23,165,136	\$27,713,700	\$33,172,456	\$39,481,200
Automotive Repair, Services and Parking	\$16,311,558	\$19,845,014	\$24,097,040	\$28,056,420	\$34,720,560	\$41,516,448	\$49,450,203
Misc. Repair Services	\$12,512,976	\$15,299,508	\$18,510,908	\$22,307,168	\$26,667,900	\$31,849,628	\$37,901,952
Amusement & Recreation Services including Motion Pictures and Museums	\$11,395,746	\$13,858,250	\$16,867,928	\$20,269,494	\$24,262,560	\$29,000,460	\$34,546,050
Health Services	\$73,402,011	\$89,468,862	\$108,546,212	\$130,625,628	\$156,451,680	\$187,027,528	\$222,772,671
Legal Services	\$18,322,572	\$22,394,932	\$27,163,936	\$32,602,784	\$39,112,920	\$46,706,004	\$55,668,492
Social Services	\$1,787,568	\$2,106,454	\$2,628,768	\$3,110,134	\$3,764,880	\$4,477,264	\$5,329,962
Engineering, Accounting, Research, Management and Related Services	\$16,199,835	\$19,734,148	\$23,987,508	\$28,741,928	\$34,511,400	\$41,211,180	\$49,154,094
Total	\$186,800,856	\$227,507,032	\$276,239,704	\$331,133,616	\$397,822,320	\$475,505,788	\$566,357,814
MARKET AREA							
Population	6,787	6,960	7,130	7,310	7,490	7,680	7,870
Market Expenditures							
Hotels, Rooming Houses, Camps and Other Lodging	\$434,368	\$549,840	\$691,610	\$877,200	\$1,101,030	\$1,382,400	\$1,747,140
Personal Services	\$794,079	\$995,280	\$1,254,880	\$1,578,960	\$1,984,850	\$2,503,680	\$3,148,000
Business Services	\$678,700	\$849,120	\$1,069,500	\$1,345,040	\$1,692,740	\$2,135,040	\$2,691,540
Automotive Repair, Services and Parking	\$841,588	\$1,064,880	\$134,440	\$1,688,610	\$2,119,670	\$2,672,640	\$3,368,360
Misc. Repair Services	\$644,765	\$814,320	\$1,019,590	\$1,286,560	\$1,617,840	\$2,042,880	\$2,573,490
Amusement & Recreation Services including Motion Pictures and Museums	\$590,469	\$744,720	\$934,030	\$1,176,910	\$1,483,020	\$1,866,240	\$2,345,260
Health Services	\$3,807,507	\$4,795,440	\$6,031,980	\$7,602,400	\$9,564,730	\$12,049,920	\$15,165,490
Legal Services	\$950,180	\$1,197,120	\$1,511,160	\$1,900,600	\$2,389,310	\$3,010,560	\$3,872,040
Social Services	\$95,018	\$118,320	\$149,730	\$190,060	\$239,680	\$299,520	\$377,760
Engineering, Accounting, Research, Management and Related Services	\$834,801	\$1,050,960	\$1,326,180	\$1,673,990	\$2,104,690	\$2,649,600	\$3,336,880
Total	\$9,671,475	\$12,180,000	\$15,329,100	\$19,320,330	\$24,297,560	\$30,612,480	\$38,547,260

SOURCE: Gove Associates Inc.



■ Market Analysis

Table III-5 depicts the "residual" household incomes available for purchases of retail goods and services within the market area. Table III-9 and III-12 indicate the value of existing and projected retail and service sales that are attributed to the market area, based upon estimated per capita sales within the County in 1990 and the market area's 1990 population. A comparison of Table III-5 with Tables III-9 and III-12 (that is, revenues vs. expenditures) indicates that a total \$52,225,965 (Table III-9 and III-12 market area total combined for 1990) in retail and service sales in 1990 were made in Bay County to a population comparable to the size of the market area's population, while \$30,811,075 was available for expenditures by market area households (Table III-5). Thus, at the most, only 59 percent ($30,811,075 \div 52,225,965$) of all retail and service expenditures in the Pinconning market area (or a market area in the County the same size as the Pinconning market area) could have been made by market area residents.

In theory, therefore, approximately 41 percent of all purchases in the market area are made by residents outside the market area (assuming all market area residents make all their expenditures within the market area). In reality, however, it is likely a good proportion of market area residents make their purchases (primarily comparison goods) outside the market area.

Table III-9 and III-12 also indicate that health services are by far the single largest expenditure for market area (and County)

residents (comprising almost 40% of all service expenditures). Legal services represent the second highest dollar amount expended, followed by automotive repair and services.

Among retail expenditures, automobile sales represent about 26 percent of all dollars paid, followed by food and general merchandise. Over the next 25 years (between 1995 and 2020), retail expenditures in the County are projected to increase by 149 percent, while retail expenditures in the market area should increase by 217 percent. At the same time, service receipts in the County will increase by 148 percent while the market area's service receipts should increase by 216 percent.





■ Consumer Activities and Attitudes ■



■ Consumer Activities and Attitudes

Consumer Shopping Characteristics and Patterns

In order to find the opinions of residents in the Pinconning market area a consumer questionnaire was distributed, collected and tabulated. The questionnaire was distributed to approximately 3,500 households through the Huron Postal Service Shoppers Guide. The results of this survey should provide area merchants with a better understanding of how people feel about their businesses, and should give some clues on how to increase business by better meeting the needs of the consumer.

The intent of the survey was to identify the demographic composition of the respondents, their shopping patterns and preferences, and their attitudes and perceptions about Pinconning's commercial district(s).

Shopping Patterns and Habits

Location - For people living in the market area, Pinconning is where people shop most frequently. The Bay City Mall (in Bangor Township) is the second most frequented area followed by downtown Bay City and discount stores in Bangor Township. The Bay City Mall, therefore, appears to be the single largest entity that attracts consumers outside the Pinconning market area.

When asked about the frequency of shopping in commercial areas, 78 percent of those who shop in Pinconning shop there

frequently (at least once a week). No other community had that high a proportion of frequency for shopping. The second most often visited retail area, the Bay City Mall, was frequently visited 28 percent of the time and occasionally visited 56 percent of the time. Of all the communities listed, Pinconning was the one shopped in most often by 53 percent of those responding to this question. Twenty-seven percent of those responding indicated they shop at the Bay City Mall most frequently.

- Respondents were asked to rate the City as excellent, average, or unsatisfactory on a number of conditions pertaining to its commercial environment. On a scale of 1 to 3, with 3 being excellent, 2 average and 1 unsatisfactory, respondents rated proximity to home and work the highest, with a mean score of 2.4. Public parking availability received the second highest rating at 2.1 (a little above average). "Shopping hours" and "ease of getting from one store to another" each received a mean rating of 1.9 (a little below average). Restaurants and prices of goods and services were each rated at 1.8. Overall, respondents gave the variety of retail stores and services available in Pinconning the lowest overall mean rating of 1.3 (a little better than unsatisfactory).
- Over half of all respondents indicated they generally shop for convenience items between 9 to 5 during the week.



■ Consumer Activities and Attitudes

The second most frequent block of time for convenience shopping is after 5 P.M. during the week. Sunday is the least frequented time for such shopping with only 2.2 percent of respondents indicating they generally shop on that day.

Relatively fewer respondents tend to shop for comparison goods (clothing, appliances, etc.) during the week (44%) or weekday evenings (21%), while weekends are a more popular time for shopping for such items, relative to shopping for convenience goods.

- When asked to identify the shopping areas most often utilized for specific types of retail and service items, Pinconning was used more frequently than any other area for: groceries, pharmaceuticals, hardware, auto parts, finance, insurance, real estate, barber, beautician, laundry, dry cleaners, auto dealers, furniture, lumber and building materials, meat and fish, fruit and vegetables, gasoline, bars/tavern, beer and wine products, heating and plumbing, electrical supplies, auto repair and funeral services. Consumers go to Bay City more than other areas for travel agents, fast food, full service restaurants, jewelry, appliances, home electronics, entertainment, tires and batteries, antiques, limited price variety goods, paint/glass/wallpaper, lawn and garden supplies, marine equipment,

photo studios, office supplies, medical supplies, dentists, doctors and lawyers.

The Bay City Mall was visited more frequently than the other commercial centers listed in the questionnaire for sporting goods, toys and hobbies, men's and women's clothing, children's clothing, apparel, department stores, mail order and shoes. Standish, Essexville, Midland and "other" (primarily Saginaw) play a minor role as competing retail centers. The "other" category, however, did attract 10 percent or more of those who responded for sporting goods, appliances, furniture, home electronics, toys and hobbies, men's and women's clothing, general merchandise apparel, marine equipment and office supplies. These results are described in terms of raw numbers and percentages in Appendix A.

- When asked about the advantages of alternate store hours, almost half (49.6%) indicated the hours businesses are currently open are adequate. One-fifth, however, said that it would be advantageous to have businesses close later, while another 18.8 percent thought businesses opening earlier and closing later would better serve their needs.
- If alternate store hours were established, the single most popular day for those changed hours would be Saturday (35.8%), while Friday was the

■ Consumer Activities and Attitudes

second most popular, with 27.6% of all responses. In effect, about 40 percent of respondents are indicating that stores staying open Friday night and during the day on Saturday would better serve their shopping needs.

- In comparison with other retail centers, Pinconning prices are generally considered to be comparable. A plurality of respondents did, however, consider prices in Pinconning to be higher than at the Bay City Mall and Midland.
- Overall, respondents believe that the variety of merchandise and services available in Pinconning is less than in each of the other competing commercial centers, particularly downtown Bay City, the Bay City Mall and Midland.
- Pinconning's businesses generally stack up favorably to the other commercial centers in showing concern for the needs of the consumer. Midland is, however, perceived as showing more concern than Pinconning, while the Bay City Mall is evenly split between respondents who perceive its concerns for the consumer to be either the same as or better than Pinconning's.
- While the largest single block of respondents indicated they would not at all be likely to consider renting an apartment in downtown Pinconning, almost 44 percent said they would be very likely or somewhat likely to

consider rental housing, if they were in need of such housing.

- The three major events held in Pinconning during the year are recognized by a majority of respondents. The Classic Car Show and the Cheese Town Run have a higher level of recognition than the Ice Festival. However, the Ice Festival has not been consistently held over the past several years, which probably contributes to its lower degree of recognition. While the majority of respondents recognized or were aware of the three events, only a minority usually attended. Almost one-half said they usually attend the Classic Car Show, while only 11 percent usually attend the Ice Festival (probably because of the limited number of times it has been held in the recent past), and 27 percent usually attend the Cheese Town Run (which primarily attracts runners).
- When respondents were asked what they liked about Pinconning that they would not want to see changed, the single most frequently mentioned item was the small town atmosphere, followed by the area's friendly people, then the Pinney Food Center. There were a wide variety of written answers to this question (which was open-ended) ranging from access to the bay to the area's churches.

■ Consumer Activities and Attitudes

- The remaining questions on the survey pertained to the demographic characteristics of the respondents and their households. The majority of those who returned questionnaires live in Pinconning Township (29.3%) and the City of Pinconning (25.8%), followed by Fraser Township at 16.9 percent, Mt. Forest Township at 12.9 percent, "other" at 7.6 percent and Garfield Township at 4.9 percent. The "other" category is fairly evenly split between Gibson and Standish townships, with Frankenmuth, Kawkawlin, Shepherd, Ogemaw, also identified. These results generally correspond to the household distribution in the market area according to the 1990 Census. The Census indicates that Pinconning Township households comprise 35 percent of the market area, the City's households make up 21 percent, Fraser Township accounts for 15 percent of market area households, Mt. Forest Township comprises 19 percent of those households, Garfield Township households are 4 percent of the market area households and Gibson and Standish townships contain a combined 4 percent of the households in the market area.

Almost 80 percent of all respondents were married, which is substantially higher than the 64 percent of all households that are married couple households in the market area according to the 1990 Census. The responses to shopping patterns and

habits, therefore, would tend to reflect those of married individuals rather than single persons who in reality comprise over a third of the market area's households.

Three-quarters of all respondents work outside of the City of Pinconning (or don't work at all). Since 18.5 percent of all respondents were over the age of 64, it is likely that about 57 percent of those who work actually work outside the City (75% minus 18%). The median household size of the respondents is 2.7, with 42.7 percent of all responding household comprised of two people. This is comparable to the 1990 Census data that indicates a market area mean household size of 2.8 persons.

The age of the respondents tended to be older than the population in general. Thirty-four percent of survey respondents were between the ages of 25 and 44, compared to 28 percent in the Census. Forty-three percent of respondents were between the ages of 45 and 69, compared to 18 percent of the market area's population in that age group while 18 percent of those responding were 65 and older, compared to 11 percent in the general market area population. When the Census data is adjusted to exclude the market area population 16 years and under, the age group distribution of the respondents resembles the Census more closely, particularly in the 25-44

■ Consumer Activities and Attitudes

age group. The adjusted Census proportions are 24 percent in the 17-24 year age group, 38 percent in the 25-44 year age group, 24 percent in the 45 to 64 year age group and 15 percent in the 65 and older age group.

The respondents' households contained an average of 1.2 children in the 1-6 year age group, and 0.3 children in each of the other age groups identified. This indicates that in 1994 the demand for retail goods (and services) is stronger for younger children (ages 1 to 6) than for older children.

On the average, each respondent household contains 1.1 full-time workers and 0.4 part-time workers. This average includes those 65 and older, who most likely are not employed. This indicates that the majority of households contain two income earners, working either full-time or part-time.

Most respondents either had a high school diploma only or had some college. These two groups combined comprised over 60 percent of all respondents. Only 14 percent had a college degree or post-graduate education. The income levels of the respondents were fairly evenly distributed, except for the \$13,441 - \$18,000 range (with only 5.4%) and the \$50,000 and over range (20% of the respondents). The median household income of respondents is

approximately \$28,000. This is higher than the 1990 median gross household income of \$24,646 identified from the Census.

However, at an average annual inflation rate of three percent, the estimated 1994 household income (based upon \$24,646 in 1989) is \$28,571.

- Finally, respondents were asked to identify the types of stores they would support in Pinconning. The largest single response was clothing, followed by discount stores, another fast food restaurant, a movie theater, a dime/variety store, a department store and other less often mentioned businesses.

These responses will provide a basis for further evaluation in later sections of this Plan pertaining to suggested businesses that may be included in a revitalized business district.





■ Merchant Activities and Attitudes ■



■ Merchant Activities and Attitudes

Introduction

The business survey was returned by 11 establishments in Pinconning. Nine of those were usable in this survey as two businesses were industrial firms. These were not incorporated in the survey results as their operations are different than retail and service businesses. This survey differs from the consumer questionnaire in that it is more of an informational base that can be used in the future to determine facts about buildings or businesses. No analysis is necessary for the basic facts of the survey, but a variety of questions were asked that dealt with merchant's opinions. While these questions are also fairly straight forward, explanations are provided in the following analysis (see Appendix B for numeric answers). Because of the low number of responses, the results of the business survey can not be identified as statistically representative of the business in the City.

Business Questionnaire Analysis

The companies that responded to the questionnaire are in business spaces ranging in size from 1,272 square feet to 11,000 square feet. The median size of these business spaces is from 144 square feet to 7,000 square feet, or a median of 1,425 square feet. These retail service areas comprise from 2 percent of total building area to 100 percent of total building area. Most respondents utilize all of their building spaces.

Responding businesses have been operating at their present locations from 1 to 50 years, with the median being 19 years. Most of these businesses have been located within Pinconning at their present location 18 years or longer. These businesses obviously are stable.

Most businesses feel their present facilities will meet their needs in the future. Those businesses that do need to expand should be contacted to determine what can be done to ensure that if they decide to grow they remain in Pinconning. Keeping existing businesses satisfied, and encouraging their growth and well-being, is as important as attracting new business to the area.

The median number of full-time employees in each business is three, while responding businesses have a median of two part-time employees. Consequently, it can be assumed the average downtown business provides some form of employment for about five people.

On the average, over 70 percent of respondents' business comes from local residents. This shows the importance of keeping the area's residents satisfied. Only a small proportion (on the average less than 5%) of business comes from tourist traffic. This low rate of tourist traffic can be partly attributed to the lack of awareness of the Pinconning Central Business District by the traveling public. Since the consumer survey indicates that most residents of the market area do much of their shopping in the Bay City area, it is important to attract existing



■ Merchant Activities and Attitudes

residents as well as visitors to Pinconning. Typically, only a small proportion of customers are senior citizens. Respondents indicate that, on the average, around 20 percent of their customers are retirees.

For the most part, about 30 percent of business activity occurs during the winter months, with responses varying from 20 percent to 60 percent. This indicates that summer tourism traffic plays an important role in the City's commercial business climate. In most cases, respondents indicate that more than 9 out of 10 consumers actually purchase items or services offered by that business.

Anywhere from 85 percent to 100 percent of respondents' customers are return customers. Since in most cases, only about 30 percent of sales occurs in the winter, this high percentage of return customers can likely be attributed to seasonal residents of the market area.

When businesses were asked to identify features of the City that have the greatest positive influence on downtown business, the three most popular responses were the Pinconning County Park, convenient and well-lighted parking and the proximity to I-75 and M-13.

When asked to identify features of the City that have the greatest negative influence on downtown business, deteriorated storefronts and interiors received the largest response, followed by a poor variety of stores and merchandise. Most consumers,

concur with that, having rated variety of retail stores and services as very low. Features identified as having the greatest negative influence on businesses in the M-13 corridor include poor variety of stores and merchandise and deteriorating storefronts and interiors. Eight of the nine respondents believe downtown Pinconning should develop a "niche" to attract additional businesses and consumers. This "niche" or concept can be used as a basis for downtown streetscape and building design and marketing/promotion campaigns. All business respondents indicated they feel attractive outdoor spaces are an important part of a successful downtown. Most also believe that pedestrian lighting is important to the downtown area, while a smaller majority think a supervised children's play space would be desirable.

The majority of respondents have significantly improved the building in which their business is located within the past five years. Only three respondents currently have plans for renovating their business.

Two-thirds of responding businesses favor more seasonal or theme retail promotions. However, only 4 out of 7 would contribute to group advertising. On the other hand, a substantial majority would contribute to specific promotional events and would be willing to incur ongoing assessments for seasonal and theme decorations. This shows a commitment to cooperative funding of programs that will benefit the City's business community.



■ Merchant Activities and Attitudes

Most of the responding businesses favor extended evening hours. Friday appears the most favored as a preferred day to extend operating hours with 8 PM and 9 PM, as well as midnight being the most often mentioned closing hours.

Respondents indicated that anywhere from 3 to 65 parking spaces are available to their employees and customers, with the median being 15. In general, respondents appear to be satisfied with the number of parking spaces available and don't believe additional spaces are necessary. Further, eight of the nine respondents don't believe parking in commercial areas should be more closely regulated. Most businesses report employee parking is available at private lots adjacent to their business.

Finally, businesses generally believe the best way to improve the Pinconning business area is to clean-up the business districts and rehabilitate storefronts, including attracting more retail businesses. Overall, the perceptions of the problems that exist in the Pinconning commercial districts are similar among consumers and businesses. Similar remedies and perceived opportunities are also shared by both groups.



■ Goals and Objectives ■



■ Goals and Objectives

Introduction

To set the direction the DDA wants to pursue in the future and clarify the end state it wants to achieve it is necessary to establish a set of goals. Setting goals on paper, in black and white where everyone can easily recognize what is expected as an end product, helps to frame the plan for redevelopment and the programs to achieve the plan. Goals are therefore very important elements of the plan and should be thought out carefully. Consequently before goals are defined, existing conditions and future potentials need to be analyzed. The following assessment of existing conditions in the Pinconning DDA planning area describes the physical, organizational and merchandising status of that area. It does so in terms of positive and negative perceptions of those conditions.

Positive

- The primary assets of downtown Pinconning are "human" oriented: friendly merchants, small town atmosphere (merchants and shoppers know each other), each business and store provides a more "personal" service to the customer than one would find in larger urban centers.
- The pace of shopping in downtown Pinconning is more leisurely (less hurried) than in larger commercial centers, such as Bay City or Saginaw.

- The full range of public utilities available will enable the commercial area to accommodate additional development.
- The proximity of the central business area to Saginaw Bay, and particularly the County Park and boat launch is a unique asset and could provide the basis for increased tourist oriented retail trade.
- The planned improvements to US-23 along the Lake Huron shoreline enhances the potential for attracting more tourists through Pinconning.
- The relocation of the Post Office to the Central Business District (Kaiser Street) and the recent opening of a County Health Department office in this area will substantially contribute to attracting more local residents into the Central Business District.

Negative

- The variety of stores and merchandise is perceived as weak. If a customer believes that a small town does not contain the variety of stores that allows him/her the selection of goods and services desired, he or she will most likely take the time to drive the extra distance to a larger retail center or a mall. This was made evident in the consumer questionnaire. The same attitude applies to product pricing. People tend to believe that larger retailers charge less for the same comparable item.



■ Goals and Objectives

- The market area's population is expected to remain relatively stable over the next 20 years, limiting commercial growth opportunities based upon increasing market area consumers.
 - There is a need to upgrade the quality and design of buildings in the Central Business District. Some properties have deteriorated to the point where they are unusable without major rehabilitation or demolition.
 - Downtown retailers and business-people have not maximized their organized efforts in promoting the Pinconning business district. The lack of uniform store hours is a good example. There has been no one group or individual who has been able to organize downtown merchants to coordinate marketing and joint promotions.
 - Existing off-street parking is not improved, organized, or well posted, contributing to inefficient use and visual "clutter."
 - The downtown area's streetscape and the M-13 business corridor have only limited landscape improvements. The existing sidewalk configuration in the Central Business District and lack of existing sidewalks do not contribute to attractive or effective pedestrian scale shopping. (Note: sidewalks are currently scheduled for the M-13 corridor).
 - The railroad right-of-way takes up a substantial amount of prime land that could otherwise be used for commercial development.
 - The location of the Central Business District four blocks east of M-13 obscures the Central Business District from the traveling public, substantially limiting the volume of consumer traffic in this district.
- The foregoing analysis of the positive and negative elements of downtown Pinconning reflect the existing problems and available opportunities in both the central business area and M-13 commercial corridor. Those problems and opportunities can be consolidated to form the following overriding project purpose statement: To develop a plan that will enhance the physical and economic conditions in both areas and, as a result, attract additional businesses and consumers into the DDA District.
- In order to enhance the physical, social and economic status of Pinconning (by addressing existing problems and opportunities), it is necessary to establish a set of goals statements that promote these essential concepts:
- 1) unifying the Central Business District and M-13 corridor within a complementary, not competitive, framework.
 - 2) improving the marketing and retailing capacity of the whole DDA District.

■ Goals and Objectives

- 3) establishing a people-oriented downtown shopping district and automobile oriented M-13 commercial district that are attractive, interesting, and fit into a unique market "niche" that reflects the resources available in the Pinconning area.

Goal Statements

The following goal statements are designed to address those three overriding concepts. Under each goal statement is one or more objectives which are more specific proposals to facilitate that goal, and under each objective is one or more policies designating a particular action or project. These are not listed in any particular order by preference.

Goal - Proficiency among store owners, retailers and service personnel in all aspects of merchandising.

Background: Pinconning merchants are considered by most consumers to be friendly and helpful. This is an asset that should be preserved and enhanced, especially in light of the increasing need for product knowledge.

Objective - Improve product knowledge among clerks and sales people.

Policy - Hold in-house training workshops on merchandise performance and quality.

Objective - A clearer understanding, among merchants, of the retail market area and the social and economic characteristics of those who live within that area.

Policy - Collect usable market area data (and analysis) that has been updated on a regular basis and distribute to all merchants.

Policy - Establish corroboration and cooperation among merchants by encouraging meetings and discussions about the market area, distributing marketing information and discussing techniques.

Objective - Continuously improve the capacity of retailers and sales personnel to provide quality personal service and courtesy toward customers.

Policy - Develop unified advertising campaigns that emphasize friendly, courteous, knowledgeable assistance and service.

Policy - Hold in-house training workshops for clerks on sales procedures and techniques.

Goal - Increased quality and variety in merchandise selection and display.



■ Goals and Objectives

Objective - A mixture of general merchandise, service and specialty retail shops in the DDA District that will serve the needs of local residents while attracting tourists and other consumers from outside the market area.

Policy - Identify, adopt and promote a market "niche" that will include an optimum mix of retail and service business that fit into that "niche."

Policy - Provide for multi-use or mixed-use retail establishments ("mini-mall").

Objective - Attractive merchandise displays in new and existing businesses.

Policy - Hold workshops for merchants in effective design and product display.

Policy - Establish competition among merchants for product display and theme decorations (including Christmas window displays, etc.).

Goal - Coordinated voluntary programs designed to enhance shopping and community activities in the downtown area.

Background: The City and participating merchants currently sponsor three major

community events that attract a relatively small proportion of market area residents. Increased cooperative efforts at community promotion and events can help to increase attendance at these (and other) events and, more importantly, provide a mechanism for consumers to become more familiar with the Pinconning business area.

Objective - Well planned and organized scheduled, as well as "special," communitywide and cultural events within the DDA District.

Policy - Establish a communitywide council of citizen volunteer to organize and promote cultural facilities, displays and programs.

Policy - Develop and establish an organizational and funding mechanism for corporate and business sponsorship of community events.

Objective - Coordinated sales promotions and store hours.

Policy - Designate a merchant committee to develop and coordinate special sales events.

Policy - Encourage merchants to mutually agree on a set time for store closing (at least one



■ Goals and Objectives

evening a week, preferably Friday) and on Saturday hours.

Objective - Cooperative efforts between the City and merchants for establishing and enhancing a positive consumer attitude about the Pinconning DDA District.

Policy - Establish Downtown Development Authority subcommittees for physical improvements, promotion and marketing.

Objective - An business environment that is conducive to, and facilitates, the attraction of new commercial and service businesses into the DDA District.

Policy - Establish a DDA sub-committee for business attraction and retention.

Objective - A business district public relations program to facilitate communication between downtown merchants and residents and visitors.

Policy - Commission periodic consumer opinion polls to determine shopper attitudes about downtown and to solicit suggestions and recommendations for improvements.

Policy - Initiate radio, television and newspaper advertisements using innovative techniques to promote the Pinconning business district (CBD and M-13 Corridor).

Goal - Enhanced storefront designs and land use patterns in the Central Business District and M-13 business corridor.

Background: Both the Central Business District and M-13 corridor have developed over time on a "piecemeal" basis, without any comprehensive plan or program for cohesive public and private development. Consequently, there is no unifying theme that ties the properties in each district together or ties one district to another. This results in a lack of a positive image of Pinconning as a commercial center.

Objective - Compatible and unified storefronts which emphasize a consistent design theme for the Pinconning Central Business District and M-13 corridor.

Policy - Establish a set of specified criteria/standards within the identified market "niche" to govern downtown design.

Policy - Assist individual store owners and merchants in site-specific storefront design in accordance with identified standards.

■ Goals and Objectives

Objective - Public improvements and commercial businesses along the M-13 corridor to complement the Central Business District.

Policy - Provide for design standards (including off-street parking) in the City's zoning ordinance for commercial properties on M-13.

Policy - Develop public improvements in accordance with the design recommendations in this Plan.

Objective - A "linkage" between the M-13 corridor and the Central Business District to make the traveling public (and market area residents) more aware of the existence of the Central Business District.

Policy - Follow a cohesive design plan for public improvements along Third Street leading into the central business area.

Policy - Develop attractive and informative signage and landscaping at the M-13/Third Street intersection.

Objective - An appropriate mix of tourist oriented businesses within the central business area and M-13 corridor.

Policy - Define the business "niche" for the City.

Policy - Identify the most appropriate businesses within that niche.

Policy - Develop programs for attraction and retention of those identified businesses.

Goal - Improved traffic flow/safety.

Background: While there are currently no significant traffic problems within the City, the revitalization of the Central Business District and growth of the M-13 business corridor may, over time, create new traffic conflicts in these areas. Any existing and potential traffic flow and safety problems should be reviewed and minimized.

Objective - Street alignment and design to facilitate safe and easy movement of traffic.

Policy - Review existing street configuration and identify areas and sites of traffic flow and safety problems.

Policy - Identify future traffic volumes and associated street capacity requirements based upon future land use traffic generation projections.

Policy - Develop a street/sidewalk/pathway plan that maximizes automobile and pedestrian



■ Goals and Objectives

movement and safety within the central business area.

Goal - Improved off-street parking facilities.

Background: Off-street parking in the City is not as well defined as it could be because of a lack of paved parking sites with clearly identified boundaries. This leads inefficient use of space and the perception of visual "chaos."

Objective - Convenient shopper oriented off-street parking within easy walking distance of businesses.

Policy - Based upon the number, type and location of existing businesses, use accepted standards to identify the optimum number of parking spaces required for both the central business area and the M-13 commercial corridor.

Policy - Based upon the proposed future land uses in the central business area and M-13 corridor, determine the projected number of parking spaces that will be required.

Policy - Design of off-street parking sites within or adjacent to the central business area and along M-13 into the DDA revitalization plan.

Policy - Incorporate aesthetic, space and access standards for off-street parking into the City's zoning ordinance.

Goal - Retain the small town, friendly atmosphere of the City.

Background: One of the strengths of the Pinconning business district is the perception among local residents and shoppers that it is an easy place in which to shop because of the friendliness and small town atmosphere. This perception must be maintained while increasing the variety of stores and merchandise.

Objective - Through defining Pinconning's commercial "niche," identify the appropriate mix of businesses that would fit into that "niche" while fostering a small town image.

Policy - Limit businesses in the Central Business District to small operations run by independent merchants/owners.

Policy - Continue to emphasize the important of "service" among business owners and employees.

Policy - Identify the maximum desirable geographic size of the central business area and the optimum commercial



■ Goals and Objectives

"holding capacity" (number and size of stores) of that area, and incorporate standards into the City's zoning ordinance to accommodate that capacity.

Policy - Provide for open spaces in easily accessible areas to accommodate community gatherings and events.

Goal - Increase the mix of businesses in the central business area.

Background: One of the major "negatives" of shopping in Pinconning, according to consumers, is the lack of variety of merchandise. The challenge is to increase that variety while retaining a small town atmosphere within the commercial districts.

Objective - Develop programs to attract and retain businesses identified as viable within the defined market "niche."

Policy - Establish an account within the DDA for promotion and retention activities and services.

Policy - Retain the services of a professional market developer or nonprofit agency to work with the City and merchants to develop business retention and attraction programs.

Policy - Encourage local businesses to talk positively to friends and acquaintances about Pinconning's business prospects (the "word of mouth" approach).

Goal - Safety and security for shoppers.

Background: The perception among consumers that the area in which they are shopping is safe is critical to the success of efforts to attract shoppers and businesses. The design of public and private spaces can impact the potential for crime, as can other nonphysical elements, such as the high profile presence of police protection.

Objective - Physical environment that promotes and provides for consumer security and safety.

Policy - Incorporate safety and security factors into the downtown revitalization design elements (e.g., adequate lighting, appropriate separation between pedestrian and vehicular traffic).

Policy - Train and encourage business owners and employees to emphasize security and safety for consumers in both public and private spaces.

Policy - Advertise and promote the Pinconning business area as a secure and safe place to shop.



■ Goals and Objectives

Goal - Improved pedestrian movement and activities.

Background: While the M-13 commercial corridor is more oriented to vehicular traffic, the Central Business District is designed to accommodate pedestrian movement. This can be provided most effectively through the use of attractive materials, easy access and landscaping.

Objective - Expand and improve the City's sidewalk system.

Policy - Identify the locations within and adjacent to the Central Business District in which sidewalk improvements would be most beneficial to pedestrian movement.

Policy - Reconfigure or improve the existing sidewalks in the business area to better accommodate pedestrian movement and/or improve the attractiveness of public and private properties.

Policy - Increase access to businesses and public spaces for disabled individuals.

Policy - Design for and encourage the use of bicycles within the central business area.

Objective - A Central Business District and M-13 corridor tied into the County Park on Saginaw Bay through pedestrian bicycle access.

Policy - Develop a trail system (along the river in the City) between the City and Pinconning County Park.

Policy - Provide direct pedestrian/bicycle access from the Central Business District and from M-13 to the riverwalk.

Policy - Encourage use of the walkway through advertising, community events and, if possible, environmental interpretation facilities and attractions.



■ Recommended Retail Mix ■



■ Recommended Retail Mix

The success of any business district is highly dependent upon the type, quality and quantity of the businesses located there. This is referred to as the retail "mix," or combination of retail and service outlets. Rehabilitating the business district without providing a viable mix of businesses will not successfully generate an increase in business. The retail mix of the business district is an integral part of, and as important as, the physical design of the downtown area and is highly integrated with the merchandising, promotion and coordinating efforts of local merchants.

A functional business mix requires retail and service establishments that complement each other and serve most or all of the convenience and some of the comparison shopping needs of the market area's residents. They should also serve the specialty shopping, recreation and entertainment needs of summer residents, vacationers and tourists. It also requires a proper amount of competitiveness among businesses, without over-saturation of the market. An optimum combination of businesses, then, will attract consumers into the Pinconning commercial area by supplying them with a wide variety and selection of services and merchandise at competitive prices and within a unique and interesting environment. The character of this mix of businesses will be defined by the market "niche" that best fits the character of Pinconning.

A market "niche" is established when the mix of businesses and the amenities and

characteristics of the business district are unique to the market area. In essence, the Pinconning business area should be structured to fill a void that exists within the market area rather than attempt to compete head-to-head with surrounding market centers, such as Standish, the Bay City Mall, Saginaw, etc.

In terms of variety and location of stores (retail/service mix), certain types of businesses complement each other. For example, specialty clothing stores are complementary to shoe stores. Variety stores offer a wide selection of merchandise that consumers are unable to find in expensive gift shops and vice-versa. A good restaurant or restaurants placed in an appropriate location helps keep shoppers in the downtown area during the day and makes downtown more attractive during the evening.

The Pinconning business area has certain strengths and weaknesses in its present mix of retail and service establishments. The existence of a supermarket, restaurants, hardware stores, auto parts stores, pharmacies and banks provide the main impetus for attracting shoppers to the Downtown Development Authority area. The location of the Post Office into the Central Business District on Kaiser Street will attract more residents into this district. As the consumer survey points out, local residents are more likely to shop in Pinconning than any other single community for groceries, pharmaceutical goods, hardware and auto parts, finance, insurance, real

■ Recommended Retail Mix

estate, barber and beauty shop services, laundry and dry cleaners, automobiles, furniture (there are no "standard" furniture stores in the DDA District), lumber and building materials, meat and fish, fruit and vegetables, gasoline, bars and taverns, beer and wine products, heating and plumbing services, electrical supplies, auto repair and funeral services. These are businesses engaged in convenience and comparison goods and services.

At the same time, local residents more frequently tend to shop in the Bay City area, particularly the Bay City Mall, for other comparison as well as some convenience goods and services. These include fast food restaurants, sporting goods, clothing, travel agents, photo studios, jewelry, appliances, home electronics, tires and batteries, antiques, lawn and garden supplies, paint and wallpaper, marine equipment, office and medical supplies, department stores, discount stores, restaurants, dentists, doctors and lawyers.

While there may not be an adequate number of consumers within the Pinconning market area to viably support all of the above commodities and activities, it is possible that opportunities may exist for some of those types of businesses to successfully locate in Pinconning, particularly if tourism is pursued as a means of attracting more consumers into the area.

The primary "niche" that will optimize the City's business opportunities should be oriented to serving the convenience and

increased comparison shopping needs of its market area residents, as well as capitalizing on the natural, small town environment of the area (including proximity to Saginaw Bay) to attract tourists and vacationers. Of course, the popularity and success of each business within the defined niche will be largely determined by the operation and management of that particular business.

There are also broad standards that exist which act as guidelines for determining square footage retail space among establishments of various types that a market area should contain. Those standards are based upon national conditions that compare average sales per square foot for each retail category with the amount of space currently available in Pinconning, and the projected retail sales volumes for each category. This comparison, as identified in Table VII-1, estimates the sales volumes that various types of businesses should realize based on the amount of gross leasable area that the business occupies. These estimates are derived by totaling the square footage which each class of business occupies and multiplying this product by the national average sales per square foot standard for each business type.¹ The results are then compared with the 1990 market area figures in Table III-9. Once this comparison is made for each category it can be determined whether the market area needs more space devoted to a particular category

¹Source: Dollars and Cents of Small Town Nonmetropolitan Shopping Center: 1990, The Urban Land Institute.

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of retail business or if there is an adequate amount already existing.

For convenience the categories are arranged with similar retail markets grouped together. The various categories are further described below: The building supplies and garden supplies category is fairly self-explanatory as to the contents of such establishments. General merchandise include stores that sell a variety of different types of merchandise (such as department stores, variety stores, general stores). The food stores category contains grocery stores as well as convenience stores. Auto sales consist of retail sales of new and used vehicles. Apparel and accessories consist of clothing stores. The furniture and home furnishings category consists of floor covering shops, upholstery shops, furniture stores, pre-recorded tape shops, etc.

The eating and drinking category consists of the various restaurants and taverns in the Pinconning commercial districts. This category appears to have an abundance of gross leasable area relative to national averages.

The drugs and proprietary category consists of the Pinconning Village Pharmacy and the final category, miscellaneous retail, consists of gift shops, antiques and jewelry.

Table VII-1 identifies expected annual sales for the major retail categories in Pinconning (based on square feet of existing retail space times national average sales per square feet). It compares the resultant anticipated expenditures to expected market area resources available for purchases in each major category from Table III-9. The result indicates either a shortage or excess of retail space currently available in Pinconning.

TABLE VII-1 - COMPARISON OF EXPECTED RETAIL SALES AND EXPECTED EXPENDITURES FOR THE PINCONNING MARKET AREA

	Sq. Ft. Existing in 1995 (1)	National Average Sales Sq. Ft.* (2)	Expected Sales for Amount of SF (\$1,000) (3)	Expected 1995 Retail Expendi- tures (\$1,000) from Table III-9 (4)	Shortage(S) or Excess(E) in Sq. Ft. (5)
Building Supplies & Garden Supplies	27,799	\$123.38	\$3,429.80	\$2,972.70	457 (E)
General Merchandise	0	\$124.45	\$0.00	\$8,993.10	72,263 (S)
Food Stores	32,839	\$358.23	\$11,763.90	\$12,759.50	996 (S)
Auto Sales	17,052	N/A	N/A	\$15,178.20	---
Gas Stations	3,182	N/A	N/A	\$4,500.30	---
Apparel and Accessories	6,825	\$169.66	\$1,157.90	\$2,134.10	5,754 (S)
Furniture and Home Furnishings	8,474	\$160.23	\$1,357.80	\$1,984.30	3,910 (S)
Eating and Drinking Places	35,934	\$148.18	\$5,324.70	\$4,829.80	3,340 (E)
Drugs and Proprietary	6,302	\$206.22	\$1,299.60	\$1,684.80	1,868 (S)
Miscellaneous Retail	8,844	\$144.07	\$1,274.20	\$2,635.80	9,451 (S)
*Projected to 1995, using 3% annual inflation rate					

SOURCE: Dollars and Cents of Shopping Centers - 1990



■ Recommended Retail Mix

The above sales per-square foot figures and resultant shortage/abundance of retail space in each category are based upon both year-round and seasonal business volumes and are useful only in identifying the general character of retail needs in the market area.

Table VII-1 indicates a shortage of retail space for most categories. Since there are no general merchandise stores in Pinconning, there is a shortage of over 72,000 square feet of that category of retail store. It also includes a shortage of almost 6,000 square feet of apparel and accessory stores, almost 1,000 square feet of food stores, about 4,000 square feet of furniture/home furnishing stores, almost 2,000 square feet of drug and proprietary stores and about 9,500 square feet of miscellaneous retail space. The only two categories that currently have excess retail space are building supplies and garden supply stores (by over 450 sq. ft.) and eating and drinking places (by 3,340 sq. ft.). These shortage and excess calculations assume that Pinconning would be the only location for these various retail outlets. In reality, however, there are likely to be sites outside the City where these businesses exist and which will impact the determination of needed retail space for each business category. Therefore, Table VII-1 should be used only as a general indicator of potential business expansion opportunities.

In addition to the "mix" or combination of retail and service establishments in the business district area, it is also important to consider the physical distribution of stores in

order to create a compatibility among establishments which in turn helps generate a larger volume of customers and sales.

The Central Business District is composed primarily of convenience type stores and services. Consequently, there is little incompatibility between adjacent activities. Public and human services activities, such as the Post Office and health clinics, are compatible with other specialty convenience services, such as barber and beauty shops and banking services. The Post Office, health care facilities, City Hall and library in the Central Business District provide a means of attracting residents to the downtown area for "business" or medical purposes. These activities create opportunities for additional retail businesses such as those mentioned above. The type of physical environment established within the downtown area along with selection and price, will go a long way toward inducing those residents who use the Post Office, medical facilities, library, etc. to shop in the Central Business District.

The businesses along M-13 are a mixture of convenience and comparison goods and services, primarily oriented to automobile traffic. These businesses currently have a greater opportunity than the Central Business District to attract the traveling public. However, certain businesses in this area, such as Pinney Food Center, banks, auto parts and building supply, do cater to the local consumer market.

■ Recommended Retail Mix

It would be desirable to distribute comparison and convenience goods stores within an optimum hierarchy of densities. In the Central Business District this would consist of a higher density configuration of businesses within the area generally bounded by Second Street on the north, the alley between Kaiser and Warren streets on the east, Fourth Street on the south and the alley adjacent to the railroad on the west. A low to medium density distribution of commercial businesses along with the City Hall and library would occur along west Manitou Street between Fourth Street and Second Street. Low density commercial businesses would also develop on both sides of Third Street between M-13 and Manitou Street.

It should also be noted that comparison goods stores typically attract people from a larger radius than convenience goods stores and locating them adjacent to convenience stores would help promote a "spin-off" effect, whereby shoppers who would come to Pinconning for more expensive comparison items would have a greater tendency to also browse or shop for convenience items.

It must be emphasized that the businesses that should be located in the commercial corridor along M-13 complement, and not compete with, the businesses in the Central Business District. At the same time, the variety of stores available to the consumer should be large enough to attract a good proportion of the market area's residents, as well as the traveling public.

Achieving a proper mix of commercial retail outlets and services will take a combined effort among merchants, property owners and the City. The physical change component of this Plan will make an important contribution to the overall program if done within the context of a comprehensive revitalization strategy. Such a strategy includes the willingness of local merchants to organize and to be willing to adapt to state-of-the-art merchandising and promotion. As in all communities, there is a diversity of management and entrepreneurial capabilities among merchants. A successful revitalization program requires that downtown property owners have a vision of what their properties can be and strive to improve them accordingly. The physical design element of this Plan is intended to provide the catalyst for that vision.

Market "Niche"

Metropolitan and urban shopping districts typically serve a large market area and consequently contain a comprehensive variety of retail and service commercial businesses. Within those larger areas, there may be centers that provide a particular market "niche" or spectrum of the market, such as ethnic foods or specialty gifts, or entertainment. These centers are known for those specialty offerings and build their marketing and promotion campaigns and physical improvements around that particular specialty or specialties. This is called a market "niche" whereby the commercial center orients its commercial development

■ Recommended Retail Mix

to serve a particular segment of the consumer market. The same principle can apply to smaller, more rural communities. There are central business areas in rural Michigan similar to Pinconning. Like Pinconning, they came into being and evolved around the concept of providing for the shopping needs of those living within a reasonable distance of the commercial core (the market area). In the case of Pinconning, lumbering provided the basic economy that created and maintained the community.

Over time, some communities and business districts, such as Bay City, grew into larger retail centers and eventually attracted national and regional "chain" retailers. As a consequence, the market areas of these communities grew, capturing more consumers from the smaller surrounding communities, particularly for more expensive comparison goods. The obvious result was a relative decline in market share for those smaller communities. One option for regaining at least some of that market share loss to the larger urban centers and attracting consumers from both within and outside the Pinconning market area is the identification and establishment of an appropriate market "niche" for Pinconning merchants.

Several factors contribute to identifying that "niche": the predominant area economy, existing business mix, surrounding natural resources and amenities, social and economic composition of the market area's residents, and the characteristics of retail trade in surrounding communities.

In Pinconning, the area's economy is primarily related to recreation/tourism, manufacturing and to some extent agriculture. A number of market area residents also migrate to warmer climates during the winter. Some residents also utilize Pinconning as a "bedroom" community, living in the City or surrounding area and commuting to work in Bay City, Saginaw, Midland or some other place of employment. Consequently a number of local businesses rely heavily upon seasonal trade. The existing business mix in Pinconning is adequate enough to serve most convenience shopping needs of local residents. The opportunity for purchasing comparison goods (larger, more expensive durable items) is, however, more limited. The primary concern among consumers is the lack of competition and variety. At the same time, the small town environment and rural nature of the Pinconning area are the qualities that attract and retain many residents in the area. The area's amenities include its natural resources particularly the Saginaw Bay for fishing and boating, open space for hunting, snowmobiling and cross-country skiing. The social and economic make-up of consumers and residents is mixed, with many year-round residents on fixed incomes (senior citizens), or low and moderate incomes associated with service employment, as well as professionals with moderate to high incomes.

Seasonal residents, with summer homes in the area, tend to have more expendable incomes, as do vacationers and tourists. The merchant survey indicates that only a small

■ Recommended Retail Mix

proportion of business comes from tourist traffic while seasonal residents may play an important part in the City's summer economy.

The character of surrounding communities varies. Larger areas, such as Bay City, Saginaw and Midland, contain a wider variety of stores and merchandise. As mentioned above, these centers are a major attraction for consumers living in smaller surrounding communities including Pinconning. Other smaller communities, such as Standish, are primarily oriented to serving the daily commercial needs of their respective market areas. As most communities, they are not identified or known by any particular specialty or "niche" designed to broaden their attractiveness to consumers outside their immediate market area. By identifying these local characteristics that, when combined, make up the Pinconning area, a general identity emerges that could form the basis for defining a particular market "niche."

The Pinconning area is already recognized by those who live and vacation here as a relatively quiet and friendly location with natural recreation amenities. The businesses in the area should capitalize on that by emphasizing those qualities while offering a unique shopping experience. The positive characteristics of the Pinconning business area identified in the next section (Goals and Objectives) of this Plan define those traits in more detail. These qualities and characteristics of Pinconning point to establishing a market niche based upon:

1. retaining the small town character
2. emphasizing the area's natural/scenic amenities
3. offering a unique shopping experience that is compatible with 1. and 2.
4. serving both the market area and traveling public with the goods and services each desires.

Each of those four criteria has a set of associated components or principles. Retaining a small town atmosphere precludes substantial physical expansion of the central business area. However, it does not minimize or preclude "chain" retail outlets along the M-13 corridor, if developed at a scale that fits the rural character of Pinconning. Merchants and employees must have a good rapport with consumers and clients, including friendly and courteous service, knowledge of each customer's needs, involvement in community events, etc.

Emphasizing the area's natural and scenic amenities includes preserving and enhancing those amenities and linking them physically or perceptually to the downtown area. That could entail a walkway/trail linking the downtown and M-13 to the County Park on Saginaw Bay and providing better access and amenities at public access sites, creating opportunities for hiking, biking and snowmobiling that would link downtown to other natural recreation or scenic areas, and developing more businesses oriented to recreation and leisure.



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The physical attractiveness of the commercial district (both the Central Business District and M-13 corridor), the mix of retail and service businesses and type of community events can all contribute to a shopping experience that is compatible with Pinconning's small town character and emphasizes the area's natural and scenic amenities. A general theme should be established and promoted to create an identity or "niche" for both the downtown and M-13 corridor that will enhance their attractiveness to consumers both inside and outside the market area. Pinconning has historically been known as the "Cheese Capital" of Michigan and should continue to operate within the framework of that theme. However, the design and physical amenities of the commercial areas, particularly the Central Business District, should reflect the natural history and amenities of the area. Given the character and history of the Pinconning area as a logging/lumber mill town and its proximity to Saginaw Bay, the theme which is most compatible with the existing structure of the central business area is historic nautical/rustic. Both public spaces and private properties should evolve around that concept. This will be defined in more detail in the design concept narrative in this section.

Associated with that theme or concept, and with the goal of establishing a specific market identity or "niche," a variety of compatible businesses should be encouraged. Those include handmade arts and crafts shops, woodworking (handmade furniture), unique gift stores and similar businesses reflective of

historical or rustic/logging era and natural environments. A full line sporting good store and movie theater are examples of recreation oriented and entertainment businesses that would also fit into the overall "theme" of the Pinconning business district.

Businesses within the M-13 corridor would continue to cater to the needs of the traveling public and the automobile. This may include development of smaller full-line discount stores or general merchandise stores that would curtail the number of local consumers frequently traveling to Bay City, Saginaw, etc. to purchase competitively priced goods. At the same time, such stores should be positioned in the market so as not to directly compete with stores in the Central Business District.

The intent of these recommendations is to make the area's business mix compatible with proposed public and private design improvements to create an overall impression or environment that is easily identifiable and attractive to the consumer. Pinconning should capitalize on its small size, proximity to Bay City and proximity to Saginaw Bay. It should become known as a place where one can enjoy a unique shopping experience in conjunction with the types of specialty stores, limited price general merchandise stores and physical amenities (including public spaces and natural resources, i.e. lake and forests), as well as community events located in the City.

At the same time, the day-to-day convenience shopping requirements of local



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residents need to be fulfilled. Consequently the mix of standard convenience retail and service businesses needs to be retained and also enhanced. These include those businesses already existing in the area, such as grocery stores, pharmacies, gas station, hardware stores and other similar businesses, as well as additional convenience businesses that may fill an existing void, or provide a better selection.

The combination of specialty stores to attract consumers and tourists from outside the market area into the Central Business District and the enhancement (and expansion) of more "standard" automobile-oriented retail and service businesses on M-13 to meet the needs of local residents should provide a comprehensive shopping experience, while giving the downtown area a strong identity as a unique shopping district. Again, this should be accomplished within the context of each area (M-13 corridor and the central business area) being complementary, and not competitive.

Questionnaire Results

Cross-tabulation of certain data provided in the survey results gives more detailed information that can be useful in identifying the shopping characteristics of those living in the market area. When the results of the question "where do you live?" are cross-tabulated with the question on "how often you visit the following communities for your shopping needs," the majority of respondents in each jurisdiction indicated

they shop in Pinconning frequently. Specifically, between 64 percent and 86 percent of the respondents in each of the jurisdictions in the Pinconning market area indicate they frequently shop in Pinconning. This includes 64 percent of Garfield Township residents, 86 percent of Pinconning City residents, 74 percent of Pinconning Township residents, 72 percent of Mt. Forest Township and 75 percent of Frasier Township respondents.

The single largest income group among those respondents who shop frequently in Pinconning, earn \$40,000 or more per year. This group comprises 28 percent of all who frequently shop in Pinconning. It also represents the largest single income group that shops frequently in Bay City (46%) and the Bay City Mall (36%). Those earning less than \$13,400 per year comprise the single largest income group who frequently shop in Standish.

Most Pinconning City respondents believe existing store hours in Pinconning are adequate. Although the single largest block of respondents from Pinconning Township (28) believe that store hours are currently adequate, a substantial number (21) would prefer to see stores close later than they do now. Mt. Forest Township respondents are evenly split between closing later and being adequate now. The majority of Fraser Township respondents believe existing store hours are adequate.

Saturday is the single most preferred day for alternative (longer) store hours among



■ Recommended Retail Mix

residents of the City of Pinconning and Garfield Township. Friday is the most popular day for those hours among respondents from Pinconning Township. Friday and Saturday appear to be equally preferable as days for longer store hours among respondents from Mt. Forest and Fraser townships.



■ Downtown Redevelopment Design ■



■ Downtown Redevelopment Design

The predominant theme selected for the development and revitalization of the Pinconning business district is the emphasis upon the historic/rustic nautical character of the area, incorporating easier and more pleasant pedestrian movement, improved vehicular access and streetscape design along the M-13 corridor, recreational amenities linking the downtown area to Saginaw Bay, and improved, clearly defined linkages between the M-13 corridor and the Central Business District. The Plan proposes to revitalize the central business area through refurbishing/remodeling some buildings and demolishing and rebuilding others, without significantly altering the Central Business District's existing character and identity. This Plan also proposes to improve public rights-of-way along the M-13 corridor, provide for compatibility of design among existing commercial structures and promote a clearly defined access to the Central Business District from M-13. The overall intent of this process is to retain the small town "flavor" of the downtown area while enhancing its quality.

Several key features of the Redevelopment Plan, include building infill, expanded off-street parking, sidewalk and streetscape improvements, construction of a public park and open spaces. The identified improvements are proposed for both public and private property within the planning area.

The improvements called for in the Plan are located primarily along the M-13 corridor, Third Street, Manitou Street and Kaiser Street, with less extensive improvements

along Second Street, Fourth Street and Warren Street.

Public Improvements

The proposed improvements on M-13 encompass the entire length of the right-of-way within the City limits, a distance of approximately 5,400 feet. These improvements consist of a new sidewalk on both sides of the street (new sidewalks are scheduled for construction on both sides of the road from the south City limits to approximately 600 feet north of Glenview Court during the summer of 1995). Along with new sidewalks, the Plan calls for the placement of ornamental street lights on 14 foot high posts, placed on both sides of the street and interspersed at a distance that will provide ample lighting for both pedestrian and vehicular traffic. Street trees will be planted along the sidewalk and the ground will be "bermed" and landscaped to provide a contoured, aesthetic enhancement to the streetscape.

To establish a more controlled flow of traffic and provide a more uniform design, new ingress and egress drives to private commercial development will be constructed. These will help to minimize uncontrolled merging of traffic along M-13. New entrance (welcome) signs will be located along M-13 at the north and south entrances to the City. These will be landscaped and illuminated.



■ Downtown Redevelopment Design

Third Street is proposed to be reconfigured to become the primary route linking the Central Business District with M-13 on the west and Pinconning Road and the County Park on the east. The Plan calls for extending Third Street east of Rhodes Street to the abandoned railroad right-of-way, then running along that right-of-way in a southeast direction linking up to Pinconning Road. Pedestrian style streetlights will be placed on both sides of the street to the east City limits adjacent to the Sewage Treatment Plant. The extended Third Street (between Warren Street and Pinconning Road) would contain new sidewalks on both sides of the street. This extension would also contain street trees and bermed landscaping. Street trees would also be placed along Third Street between M-13 and Warren Street. Third Street will be widened between M-13 and Mercer Street to provide for turn lanes onto M-13. To emphasize the role of Third Street as the Primary entrance to the Central Business District, ornamental features, such as flagpoles, banners, decorative fencing, etc. could be placed at the intersection of M-13 and Third Street. These improvements would provide a visible means of attracting traffic (both automobile and pedestrian) into the central business area.

Kaiser Street will remain the primary street within the Central Business District, with improvements proposed between Second Street and Fourth Street. These consist of new street pavement, new curb and gutter, with "bumpouts" at the intersections of Kaiser and Second, Kaiser and Third and Kaiser and Fourth, as well as the midpoint of

Kaiser Street in each of the two blocks. New sidewalks will be constructed along Kaiser Street in the two block area. These sidewalks will be textured and colored to resemble a wood boardwalk. The same textured pattern will be used as crosswalks at all three intersections as well as at the midpoint of each block. Street trees, pedestrian scale street lights and street furniture will be incorporated into the Plan. Utilities will be placed underground and 48 on-street parallel parking spaces will be provided along Kaiser between Second and Fourth streets.

The public alleyway behind the building on the east side of Kaiser Street will be paved and a walkway will be constructed behind those buildings, providing pedestrian access to the rear of businesses. This alleyway will also serve as a loading/unloading area. Two new off-street parking facilities will be located along Warren Street to serve the businesses along the east side of Kaiser Street and those businesses on Second Street. These parking lots will be paved and improved with curbing, gutter, lighting landscaping and signage. They will accommodate a total of 78 vehicles including four handicap spaces. Development of these lots will also require the removal of two existing structures.

New off-street parking will also be developed between the railroad right-of-way and the commercial buildings on the west side of Kaiser Street between Second Street and Fourth Street. These improvements will consist of new paving, curbing, gutter, lighting and landscaping and signage. This

■ Downtown Redevelopment Design

two block parking area will contain 65 spaces, including four barrier-free spaces. A pedestrian walkway will run the length of the two blocks behind the businesses, providing rear access to those businesses. A loading/unloading area will also be located in each block adjacent to the rear sidewalks.

Improvements along Manitou Street between Second Street and Third Street include the placement of landscaping (street trees, plantings) adjacent to the existing sidewalk on the west side of the street, the construction of a sidewalk and pedestrian street lights on the east side of the street, and the placement of a bus stop shelter building on the southeast corner of the intersection of Third and Manitou streets.

The entire block bounded by Third Street, Van Etten Street, Second Street and the City Hall/Fire Department complex will be redeveloped into a municipal park/plaza. This area would include a large plaza for public gatherings and activities, a children's play area, walks, benches, lighting, signage, landscaping, a gazebo/band shell and picnic facilities. The existing railroad spur will either remain in its present alignment or be removed during the planning period. A third option is to abandon the railroad right-of-way, but leave the track in place and use one or two flatbed rail cars as a stage for performances. Parking for users of the park will be available on Van Etten Street, with 15 angle parking spaces, including one handicap space. Access to the park will also be available from the existing off-street parking lot adjacent to City Hall, with entrances off

Third Street. Two on-street spaces will also be located adjacent to the park on Second Street.

Reconfiguration of curb and gutter will occur on Second Street between Manitou Street and Warren Street, with parallel parking and street trees. Pedestrian scale lighting will also be located on both sides of Second Street between Van Etten Street and Warren Street. Curb "bumpouts," landscaping and parallel on-street parking spaces will also be located on Fourth Street, between the alleyway behind the hardware store and Warren Street. Finally, a pedestrian walkway and landscaping will be placed along Manitou Street, to connect the Central Business District with the "riverwalk" proposed to connect Pinconning with the County Park on Saginaw Bay.

Private Development

This Redevelopment Plan calls for a number of private property improvements to complement and coordinate with the proposed public streetscape improvements.

Within the M-13 corridor, major private improvements include the renovation of building facades, within the "mansard" roof/nautical theme, parking lot improvements (including curbing, paving and striping), and landscaping. New private commercial "infill" development and redevelopment of existing properties will also be an important component of private property revitalization. As identified in the

■ Downtown Redevelopment Design

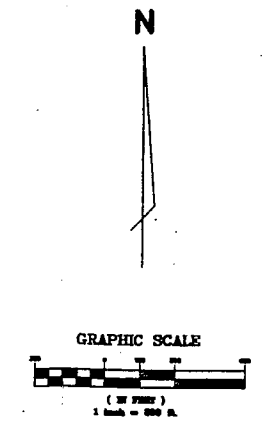
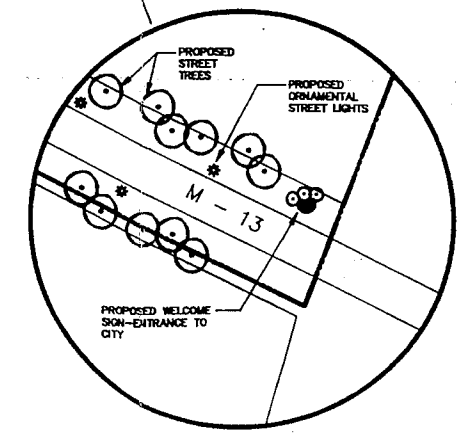
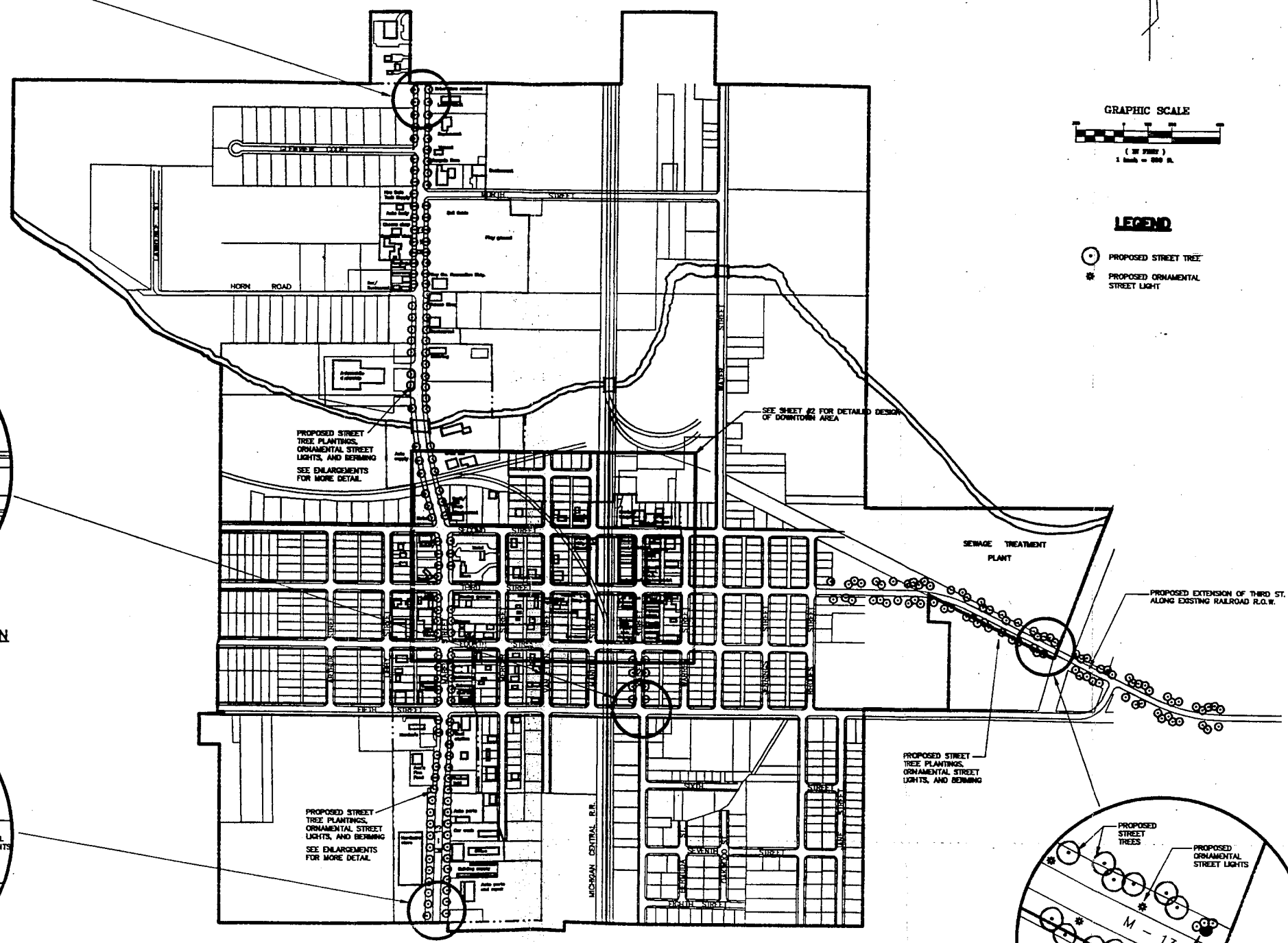
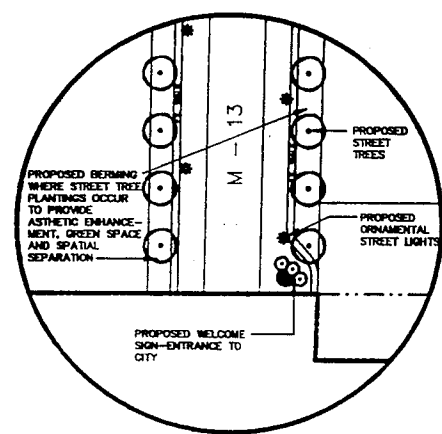
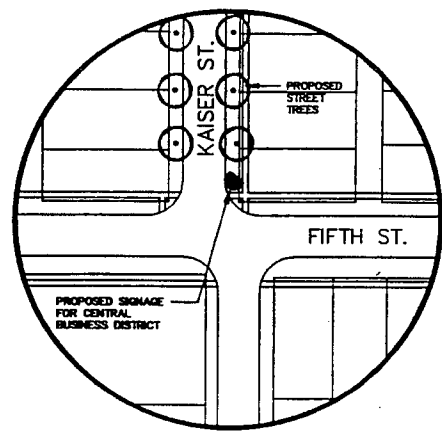
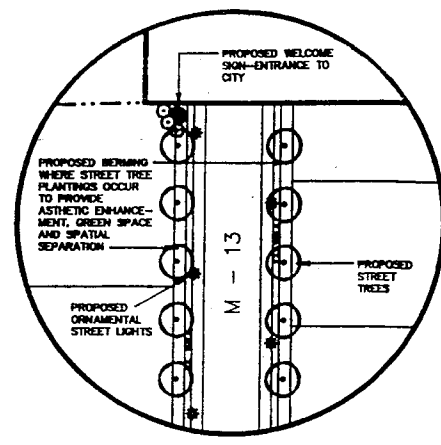
description of public improvements, the intersection of M-13 and Third Street is intended as a focal point to attract traffic into the Central Business District. An important element in this area is the proposed redevelopment of the properties on the northeast and southeast corners of the M-13/Third Street intersection. The Plan proposes new commercial buildings in both these locations, "wrapping" around the corner and creating an entranceway into Third Street. To supplement the entranceway effect, landscaping, ornamental directional signage, ornamental fencing and sidewalks using the same textured boardwalk pattern as the Central Business District are proposed. Private (or public) off-street parking containing a total of 176 spaces (including 7 handicap accessible spaces) is proposed behind the new commercial development, with access from M-13 and from Mercer Street. As a connector between M-13 and the Central Business District, Third Street is proposed as a "transition" corridor. The properties along Third Street between Mercer Street and Van Etten Street would be converted from residential to commercial or office development. Infill commercial development and redevelopment would also occur on the south side of Third Street between Van Etten Street and Manitou Street.

Within the Plan, the Central Business District will also undergo substantial private property improvements. That includes the demolition or renovation of dilapidated/deteriorated buildings on Kaiser Street, between Second Street and Third Street, as well as building

facade improvements in this block. New infill commercial development is proposed on both sides of Kaiser Street between Third Street and Fourth Street. This will result in an increase in the density and bulk of buildings in this block, providing a more defined image of the downtown business district. Building facades and rear entrances in this block will also be remodeled. The building facade changes in both blocks on Kaiser Street will be compatible with the "mansard" roof/nautical image that defines the basic downtown revitalization theme.

The public and private improvements identified in this Plan are intended to complement each other to achieve a unified theme and comprehensive revitalization of the entire Downtown Development Authority District. This needs to be done within a coordinated framework to optimize the City's commercial opportunities into the 20th Century.

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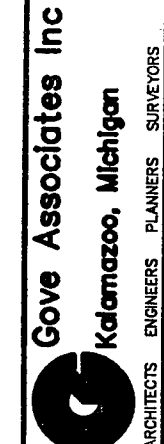
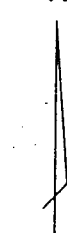
- LEGEND**
- PROPOSED STREET TREE
 - ✱ PROPOSED ORNAMENTAL STREET LIGHT

Gove Associates Inc
Kalamazoo, Michigan
ARCHITECTS ENGINEERS PLANNERS SURVEYORS

REDEVELOPMENT PLAN FOR:
**DOWNTOWN DEVELOPMENT DIST.
CITY OF PINCONNING**
BAY COUNTY
PINCONNING, MICHIGAN

E14120-8
DATE 03/06/95
DRAWN K/LK
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sheet 1
of 2



REDEVELOPMENT PLAN FOR: **DOWNTOWN DEVELOPMENT DIST.**
CITY OF PINCONNING
BAY COUNTY
PINCONNING, MICHIGAN

Job # **E14120-8**

DATE **03/03/95**

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sheet **2**

of **2**



■ Administration/Marketing Plan ■



■ Administrative/Marketing Plan

Up to this point, this Plan has reviewed the characteristics of the Pinconning retail market area, including consumer impressions of downtown Pinconning, set forth goals and objectives for future development and defined a proposed master site plan for the Central Business District and M-13 Corridor. All of these elements contain information that, within a combined and coordinated framework, will establish the basis for future action. The intent of this section is to outline those items necessary to make this Redevelopment Plan a reality.

This section recommends organizations and procedures that local merchants, in conjunction with the City, should establish in order to improve business activity within the planning area. The key factor here is a working agreement or partnership between the City, the Downtown Development Authority (DDA) and the merchants to facilitate organization and implementation. This cooperation will help ensure coordination and continuity, as well as assist in the financing necessary to complete proposed redevelopment projects. Techniques and practices to improve marketing and retail sales are also addressed in this section of the Plan.

Administration/Organization

In order to effectively carry out the proposals called for in this Plan, it is necessary to specify as clearly as possible the responsibilities of individuals and organizations designated as participants in the imple-

mentation of the Plan. Future development of Pinconning's commercial areas calls for a partnership among various parties, especially the City (including the DDA), merchants and developers/ investors. The following outline proposes a basic structure of each and the role that each can adopt in implementing the projects proposed in this Plan.

The City's Role - Pinconning, through state enabling legislation, has a variety of "tools" it can use to generate redevelopment, both in the public and private sectors. In that regard, municipal government plays a key role in this whole process. The City in conjunction with the DDA has already taken the first step by commissioning this Plan. Now it must facilitate coordinating actions among itself, local merchants and the DDA and establish a system for project financing. This includes encouraging and assisting private investment as well as financing associated public improvements. By becoming involved in these predevelopment activities, the City is committing itself to an active role in a public/private partnership for downtown revitalization.

The Revitalization Plan calls for three major components that require implementation: Rehabilitation of existing stores, new commercial development through "infill," and public streetscape, recreation and parking improvements. In conjunction with the DDA, the City should: a) issue general obligation bonds for specified public improvements; b) promote additional innovative financing programs emphasizing leveraging of public monies and public/

■ Administrative/Marketing Plan

private partnerships; c) work with the DDA to establish a fund for maintaining facilities and promoting the Pinconning business areas; d) apply, on behalf of the Downtown Development Authority, for federal and state funds that can be used for commercial and industrial development (i.e. Community Development Block Grants); and e) adopt a Downtown Development Tax Increment Finance program or special assessment if acceptable to local merchants (Tax Increment Financing will be explained in detail later in this section).

The DDA's Role - The Pinconning DDA has the capacity to take a lead role in developing and implementing this Plan. Under state enabling legislation, the DDA has the authority to plan, implement plans, and acquire and improve properties within the District. More specifically, Public Act 197 of 1975, the Downtown Development Authority Act, empowers the DDA Board to prepare an analysis of economic changes occurring in the district, study the impact of metropolitan growth upon the district; plan and propose the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction of a public facility, existing building or multi-family dwelling unit; plan, propose and implement an improvement to a public facility in the development area to comply with barrier-free design requirements; develop long-range plans in cooperation with the Planning Commission, to halt deterioration of property values and promote economic growth in the downtown district; implement any

downtown development plan; make and enter into contracts necessary or incidental to the exercise of the powers and duties of the DDA; acquire, own, convey, dispose of, or lease land and other real and personal property; improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair and operate any building, including multi-family dwellings within the downtown district; fix, charge, and collect fees, rents and charges for the use of any building or property under its control, accept grants and donations of property, labor, or other things of value; and acquire and construct public facilities.

These are broad powers and consequently the general development and rehabilitation opportunities available to the DDA are limited primarily by the financial resources available to it. The Authority may finance its operations and purchases from: donations, a tax levy of up to 2 mils on real and personal property within the district, borrowing money, revenues from property owned, leased, licensed or operated by the Authority, proceeds from a tax increment finance program, proceeds from a special assessment district, and money obtained from other sources approved by the City Council. The establishment of a Tax Increment Finance program requires the approval of the City Council, as does the levy of a tax of up to 2 mils. The 2 mil levy also requires the approval of a majority of the property owners within the DDA District.

■ Administrative/Marketing Plan

In effect, it is not only important, but in some cases it is necessary, that the DDA and City Council work close together to identify and secure financing for public improvements. The DDA should develop and establish a long-range investment and financial growth plan to enable it to maximize its available resources.

The Pinconning City Council, City Manager and DDA Board have been the catalyst behind the development of this Plan and are committed to carrying out the associated implementation programs.

In the absence of a full-time director, it is important that the members of the Board familiarize themselves with the details of this Plan and commit to investing time to the implementation phase of the project. The Board must also work in close association with the City Manager and merchants to ensure a coordinated, efficient approach to the redevelopment of the downtown area. This Plan should be used consistently as a guide by the DDA Board, City Manager, City Council and merchants in the day-to-day decision making processes related to revitalization of the downtown area.

The Merchant's Role - While the City Council's, City Manager's and DDA's primary involvement in the downtown redevelopment process is initiating this program, establishing organizational structures and promoting financial resources, the private sector (of which merchants and developers are primary actors) plays a major role in improving the physical and economic

status of downtown. Organization and cooperation are the essence of merchant efforts to revitalize the City's commercial activities.

The Downtown Development Authority Act is the most potent implementation mechanism available to Pinconning for redevelopment and enhancement of its central business area. It provides a direct line of communication between the City and downtown merchants and provides a vehicle for merchant organization.

Merchants, while naturally competing for consumer dollars, have also occasionally worked together to support the image of the entire Pinconning business area. That includes not only working toward physical improvements such as parking, but cooperatively promoting a number of downtown businesses. It is important to realize that the primary competition for the merchant in downtown Pinconning is not other downtown merchants, but rather other business districts, especially those which offer the consumer a wider selection of merchandise at varying price ranges.

The role of the merchant, therefore, is to support the City and the Downtown Development Authority, as well as other merchants in efforts to carry through on creating the recommended retail "niche" for the business area. Merchants should also continuously upgrade the business area by making physical improvements to their properties, encouraging new and expanded promotion programs and initiating coop-

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erative maintenance and security programs. While the DDA must communicate consistently with its constituent businesses, it is ultimately the individual merchant's and property owner's responsibility to keep abreast of the activities of the DDA. Business owners and managers must be willing to express opinions on matters that will affect individual as well as collective business operations.

One way to facilitate the active involvement of members of the business community and to achieve a workable organizational structure is to establish a number of task forces under the umbrella of the DDA. These task forces would be responsible for specific categories of projects related to development and promotion of the downtown. It is recommended that four such task forces be formed to address the following: public improvements, tenant search, private improvements and management and promotion. The following briefly describes the proposed function of each of those task forces.

Public Improvements - The mission of this task force is to recommend to the Planning Commission and City Council specific public projects and financing mechanisms which would enhance downtown's physical design, improve the business climate, encourage private investment and increase usage of the downtown area. The Public Improvements Task Force should develop basic policy recommendations on suitable public improvements and projects, work with the

Planning Commission to assure that downtown development is consistent with an updated comprehensive plan, and investigate federal and state grant programs. If tax increment financing is agreed upon as a viable means of contributing to the financing of public improvements, this task force should, with the City Council and Planning Commission, become familiar with the adopted TIF plan and assist the DDA in implementing the TIF program. Membership on the task force should be limited to six or eight persons, including a City Council representative, the City Manager, a Downtown Development Authority Board member, a Planning and Zoning Commission member, one merchant from the M-13 corridor and one merchant from the Central Business District

Tenant Search - The mission of this task force is to increase, on a long-term basis, the selection of goods and services in downtown by identifying and processing commercial leads. This committee should target those businesses that are within the scope of the identified market "niche" the DDA wishes to create - the "cheese town" theme with the subtle "nautical" landscape. The formation of this committee would be an excellent opportunity to recruit new members for this specific work assignment and to train a few of the downtown's less active members in the downtown organization's active committee work. Bank officials are particularly good prospects for this kind of committee work: they not only travel extensively and have opportunities to see other markets, they also have direct

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stakes in downtown as a result of the location of their office facilities and downtown mortgages and investments.

One class of occupants for additional floor space are businesses which may be in need of expansion space. The revitalization of downtown business is also in part a function of the ability of both the downtown district and M-13 to serve as a breeding ground for new commercial enterprises. One way to plan for this type of commercial growth is to encourage and facilitate the expansion of existing businesses, and perhaps some kind of "incubator," which not only promotes the growth of established firms but opens up smaller commercial spaces for new start-up businesses. The potential barrier of transitions of this sort, such as the prospect of having to pay a higher rent or having to make substantial interior and perhaps exterior improvements to an available building, may be overcome with the direct assistance of this committee. For example, the committee can assist in promoting negotiations between building owners and prospective downtown "relocatees" or new tenants. It can also develop proposals which would include provisions for building improvements and for linking increased rental income to the growth in sales realized by the new or relocating business.

Another source of potential tenants for local commercial space is established independent operations currently located in cities and towns near the market area, such as the Bay City Mall, downtown Bay City, the Euclid Avenue commercial corridor, Midland and

Saginaw. Many established independents may have found that they have grown to the limits of their market at their present location. Establishing an additional location in downtown Pinconning can be presented as an advantageous means of expanding their businesses. A business search committee can begin the process of targeting potential branch operations for downtown by making exploratory trips to surrounding towns and cities with an eye to spotting healthy small businesses of the types not currently represented in downtown Pinconning. The close proximity of I-75, as well as the existence of M-13, help the City's location make a viable asset in efforts to attract new businesses. The proposed theme for both the Central Business District and the M-13 commercial corridor can accommodate those types of businesses that the vacation and recreation traveler is seeking. The DDA and local merchants should establish a unified promotional campaign designed in part to sell Pinconning as a unique experience that is different from, yet complementary to, other experiences available along the "Sunrise Side" of the State.

The search committee could also serve an important function as a clearinghouse for information on business opportunities in the Pinconning area. The committee could handle inquiries of all sorts, but would particularly be helpful as a group to which inquiries from prospective new business operators could be directed. Businesspeople should be encouraged to keep any negative opinions they may have to themselves and to direct inquiries instead to

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the search committee. The committee should poll local business operators frequently to gather information on inquiries or expressions of interest which they may have had from friends, business associates in other towns, or information on potential new business operators who might be contacted as prospective downtown occupants.

Within the central business area, there are buildings that have second floors which could be used for apartments, storage or businesses. Physical improvements in second floor spaces for housing, offices or retail businesses can increase the amount of activity occurring in that area. The search committee should work to ensure that second floor spaces are being utilized for their best and highest uses.

Summary of Strategies:

- Building owners and the DDA should work together to fill available store vacancies.
- The search committee can take considerable initiative in finding desirable occupants for available commercial space in both the downtown area and M-13 corridor. The potential occupants should fit in with the proposed business mix in each area.
- The DDA and City should encourage the expansion of existing business to not only promote the growth of established businesses, but to open up smaller existing commercial spaces for new businesses.
- A search committee could serve an important function as a clearinghouse for information on business opportunities in Pinconning.
- Key business leaders and building owners must be involved together in rebuilding all aspects of the Central Business District and the M-13 corridor.

The tenant search committee should be composed of persons who are key businesspeople in Pinconning.

Private Improvements - The mission of this task force is to work with local store owners to make repairs and/or modifications to exterior facades and interior spaces and to assist in locating appropriate financing for those improvements. The Private Improvements Task Force should take a leadership role in initiating and coordinating necessary physical improvements among store owners in the Central Business District and the M-13 corridor. This can include a variety of projects, such as an annual paint-up/fix-up campaign, a sign control ordinance administered voluntarily by local merchants, education and assistance in effective window displays, improvements to front and rear facades, and development of maintenance standards to deter or eliminate blight. This task force would also be responsible for keeping a current record of available financing, including Small Business Administration loans, revolving funds and CDBG funds, and integrating job training with improvement projects for expansion and business start-up. An important function



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of the Private Improvements Task Force would be as an advisory body to the City Council, City Manager and Planning Commission in recommending public policies and programs promoting public/private partnerships and affecting the financing of private retail developments and improvements. Coordination with the Public Improvements Task Force is also necessary to ensure consistency and harmony with the proposed public improvements identified in this Plan.

The Private Improvement Task Force should consist of a representative of the DDA, two local businesspeople (e.g. a banker, or realtor) and a member of the City Council or Planning and Zoning Commission.

Management and Promotion - The mission of this task force is to improve the image and efficiency of Pinconning as a viable place for comparison shopping by fostering improved internal store operations, improving maintenance of public areas and coordinating and improving marketing/retailing efforts of local businesses. The Management and Promotion Task Force should evaluate and recommend an internal store management/retailing education and assistance program, including workshops on retail management. It should also develop and coordinate marketing programs for the downtown area, promote special events and coordinated store hours and develop a downtown directory/information assistance program.

The efforts of this task force are critical to the success of the central business area. The existence, or absence, of a successful promotion and overall retail management program will impact the success or failure of the entire downtown redevelopment program. Just improving the streetscape in the Central Business District or along M-13, will not automatically ensure increased consumer activity.

The Management and Promotion task force should, following the concepts recommended in this Plan, develop specific strategies for marketing and promoting Pinconning within the Saginaw Bay area as a unique and interesting experience for recreationists and tourists. Over time, as additional activities are added to the central business area, such as specialty stores, bed and breakfasts, etc., as well as automobile oriented businesses along M-13, this task force would modify its marketing program to reflect those activities. Emphasis should be given to coordinating the various recreational, shopping and entertainment components of Pinconning into a comprehensive, overall management and promotion program designed to attract visitors from throughout the region. This should be done within the context of complementing, not competing with, Bay City or other nearby communities. As a matter of fact, Pinconning's management and promotion approach should not compete with surrounding retail and service centers. Rather, it should complement those centers by offering unique shopping, recreation and entertainment experiences.

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Another function of this task force is to make shopping as easy as possible for consumers once they are in Pinconning's commercial districts. This requires that stores be easy to find, adequate parking be available, and extra services exist to help consumers to make their experience as pleasant as possible.

This task force should be made up of two DDA representatives and several local businesspeople.

These four task forces comprise the basic organizational framework that will assist the DDA in implementing this Plan. It is important that each commit itself to becoming proficient in its area of responsibility and that all four coordinate their efforts to ensure overall efficiency and progress.

Marketing

One of the major functions of any group organized to promote downtown development is to establish a strategy for marketing both business areas in a coordinated fashion. Marketing encompasses a wide variety of activities designed to increase consumer shopping.

There are two basic methods of marketing downtown - through organized special events and the use of media advertising. Just as important, is not more critical, proper design and layout of shopping areas and desirable variety and quality of stores and merchandise can also be marketing "tools" in

their own right. The following outlines techniques for marketing Pinconning.

Research and Analysis

The emphasis upon recreation and entertainment is the basis for attracting people into the Pinconning business areas. Once they are there, however, the goal is to transform them into consumers. That requires that businesses offer the right mix of merchandise and services. Before Pinconning merchants can effectively market what they have to sell, they must be sure that what they sell is in demand by the public. In other words, merchandising is an ever-changing component of American business and it is necessary for merchants to stay abreast of trends in the market place and the affects those trends have on advertising and special events. National and regional trends must then be modified, if necessary, to fit the local market. In order to know what the consumer wants, the merchant must continuously be in touch with the changing purchasing habits as well as the demographic composition of the residents of the Pinconning market area and others who visit that area. That is, the population characteristics outlined in this Plan should be updated periodically to determine the current age/sex makeup of the local population, and lifestyles should be monitored to determine the appropriate goods and services that best accommodate those lifestyles, particularly relative to recreation, entertainment and specialty shopping. The following comparisons between traditional sociological and

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population characteristics and current forces or changes in the market place indicate the types of lifestyle factors that affect purchasing habits. Consequently, these should be considered in marketing programs.¹

¹Market Forces - Changing The Way We Do Business In The 90s by Nicholas and Company.



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Traditional Concepts

VS

Current Market Forces

Social

Mass Markets
General Merchandising
Orientation Toward "Things"
Liberal Use of Credit
Increased Quantity of Possessions
Industrialization
National Economy
Centralization
Regulation
Emphasis on Conformity

Social

Segmented Markets
Working Women Specialty Merchandising
Orientation Toward "Experiences" and "Self"
Greater Caution
Increased Quality of Life and of Possessions/Services Life Simplification
Information/Service/High Technology Society
World Economy
De-Centralization
De-Regulation
Emphasis on Individuality

Population

Family of Four (Typical) (Father working; mother and two children at home)
One Income Family
Women at Home
Married Couples
Two Parents
Young Parents
Young Population
Baby Boom
Population Growth
Less Leisure Time

Population

7% of Total U.S. Household (1990)
Two Income Couples
Working Women
Singles
Single Parents
Older Population
Baby Decline
Zero Population Growth to 309 million (Year 2050)
Average Age 41
More Leisure Time



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The list below cites examples of the types of changes that have occurred in the market place for particular goods and services. This list is provided to clarify the nature of the

changes that do occur in various markets and the need for maintaining an up-to-date program for monitoring such changes.

Accounting	Computer Tech Interactive Systems	Labor Unions	Service Economy Increase White-Collar Force
Advertising	Qualitative Creative Information Segmentation Specialization	Land Development	Joint Venture Strategy (Developer-Finance Partnerships) Mixed-Use Re-Use
Auto Industry	World Industry Consumer Movement	Magazines	Specialization Segmentation
Architecture	Qualitative Analysis Re-Use Mixed-Use Segmented Marketing	Medical	Older Population 24-Hour Medical Centers Home Health Care Holistic Health
Business	Automation Interactive Systems Networking High Tech Self-Employment Small Business Growth	Movies	Home Videos Cable T.V. Satellite T.V.
Banking	Electronic Banking Financial Planning 24-Hour Services Working Women	Newspapers	Working Women Video Tech Radio-Television Segmentation Direct Response
Conventions	Teleconferencing Regional Meeting Trends	Office Buildings	Service Society Working Women Video Tech Networking
Dealerships (Auto)	Shopping Center Dealerships Working Women Quality Service	Publishing/Printing	Video Tech Computer Tech Word Processing
Credit Cards	Cashless Society World Wide Use Working Women	Real Estate	Qualitative Analysis Re-Use Mixed-Use Segmented Marketing
Drugs	Older Population Increased Health Services	Recreation	Leisure Time Physical Fitness Attitudes

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Entertainment	Leisure Time Discretionary Income Television	Retailing Downtown Retail Centers Neighborhood Retail Centers Regional Shopping Centers Department Stores Mass Merchandisers Special Shops	Specialty Merchandising Theme Strategy Specialization Segmentation De-Centralization Off-Price Retailing Manufacturer Outlet Retailing Catalog Retailing Direct-Response Retailing (Mail Order/phone/cable TV)
Education	Self-Help Video Tech Personal Computers (Home Study)	Research	Qualitative Analysis (Psychographic/lifestyle)
Finance	Creative Planning Qualitative Planning Marketing Strategy	Service Stations (Auto)	Self-Serve Gas No Service
Food	Specialization, Segmentation Quality Standards Qualitative Marketing	Social Services	Older Population
Government	De-Centralization Information Revolution Consumer Movement Older Population	Supermarkets	Working Women Dining-Out Attitudes Specialization (Health Food Stores) Boutique Marketing
Housing (Single-Family)	Fewer Traditional Families Condominiums Town Houses, Apartments Cluster Housing	Tourism	Leisure Time Discretionary Income Regional Trends
Industry	Automation Consumer Movement High Tech Service Society Networking Interaction	Television	Cable Systems Local Programming Radio Interactive Systems
Hotels	Teleconferencing Regional Meeting Trends	Training	Quality Circle Concepts Teleconferencing Video Tech
Health	Leisure Time Self-Improvement Physical Fitness Attitudes	Spectator Sports	Leisure Time Discretionary Income
Information	Networking (People talking to each other, sharing information, ideas, resources. Linkage between people and clusters of people) Video Tech Data Processing Interactive Systems Teleconferencing	Transportation	Cluster Linkage People Movers
Insurance	Fewer Families Working Women		



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It is very important for downtown merchants as a group to realize the advantages of coordinating their efforts to market Pinconning. The primary competition for consumer dollars comes from nearby retail centers, such as the Bay City Mall, downtown Bay City, the Euclid Avenue commercial corridor, Midland and Saginaw. As inferred earlier, the most realistic approach to marketing Pinconning is the organizing of merchants to essentially "sell" both the downtown and M-13 corridor as an entity and to complement, rather than compete with, the establishments and facilities in those other centers.

Both will require a concerted effort among merchants. Since most businesses do not have the time or professional marketing expertise to research and analyze changing market forces, much less put together a coordinated program designed to respond to those changing forces, it is suggested one organization, the DDA (especially the management and promotion task force), be responsible for a coordinated market research, analysis and implementation program to be made available to all downtown merchants. Establishing a format for downtown businesses which will promote complementary rather than competitive operations may require altering the current mix of businesses or changing the selection merchandise of existing businesses. A detailed review of the forces that shape the buying habits of the market area's consumers (as part of the research and analysis mentioned above) should be made prior to a determination of the mix of

businesses and merchandise that would enable Pinconning to complement other retail centers. Repositioning Pinconning as a "complementary" center requires that a number of businesses be unique or specialty operations, such as gift shops, specialty clothing stores, unique restaurants. Such a repositioning or change in status should be coordinated with the recommended "cheese town"/specialty market "niche" and the physical redevelopment theme of both the Central Business District and M-13 corridor. The objective is to get people to come to Pinconning because of the attractions, public and private amenities and types of stores and merchandise available (stores and merchandise somewhat unique to the area), thereby experiencing a pleasant, consumer oriented environment once they arrive.

The following are suggested special events that might be adopted by merchants to attract consumers to Pinconning. They do not cover the full spectrum of events and activities that could be established but suggest what might be pursued further by the Management and Promotion Task Force.

Music - Ranging from evening band concerts (initially in the City's park on M-13 and later in the proposed community part in the Central Business District) to rock groups, folk singer, troubadours, or bagpipes during the noon hours. Live or recorded music (Christmas Carols), planned, impromptu, in any form and as often as possible should be encouraged. Speakers, outlets and

■ Administrative/Marketing Plan

microphones would have to be installed for these events.

Drama - Shakespeare festivals, puppet shows, mime troupes, vaudeville - professional and amateur, public or private, in conjunction with dinner theater(s).

Sidewalk Sales - Once or twice a year.

Public Dances - Similar to street dances. Also displays of folk, western, modern, popular, or classical dances and dance contests.

Street Festivals - Celebrating special occasions, of local or national importance. Centennials, Independence Day, St. Patrick's Day, Classic Car Show, etc.

Flower Shows - Sponsored by floral societies or garden clubs.

Art Show - With paintings, sculpture, music crafts, annual or semi-annual.

Carnival-Like Activities - Rides, games, shooting galleries, etc.

Portrait Artists

Sidewalk Chalk Artists

Storytelling Contests

Trailer or Camper Displays

Boat Shows

Snowmobile Safaris

Fashion Shows

Bazaars - True sidewalk bazaars, monthly, weekly, or daily, as large and varied as space will allow.

Flea Market - Similar to above.

Local Product Display - Items manufactured in the community.

Bicycle Races/Tours

Many of these activities are closely tied to the proposed design plan. That is, the attempt to "pedestrianize" the central business area with improved streetscape and store access and the addition of more retail/service businesses should facilitate those suggested programs. Again, the intent is to create an atmosphere where shoppers can come to relax, enjoy performances and participate in special events as well as find unique shops for purchasing creative and unusual items, in addition to the more "traditional" retail and service businesses. Those special activities that are more oriented toward automobile traffic and need larger spaces, such as trailer/camper displays, carnivals, boat shows, etc., would fit in well within the M-13 corridor.

Advertising - Another component of marketing Pinconning is advertising. Attempts to attract people to both



■ Administrative/Marketing Plan

commercial areas through the media should be coordinated and should promote both the Central Business District and M-13 corridor as an entity along with individual businesses. As with special events, advertising campaigns should focus on the image of downtown. That is, the revised environment of both areas resulting from renovations should be marketed as an attraction itself. Individual businesses could then be promoted in accordance with the newly adopted image of the downtown as a unique recreation/leisure shopping area and the M-13 district as a convenient automobile oriented shopping area. Coordinated or combined advertising should also be unique and imaginative in content. Although traditional media (newspapers and radio, as well as some T.V.) may be used, a series of unusual, interesting and attractive advertisements could be developed, focusing on several key elements of Pinconning and the area's surrounding natural resources. Again, the intent is to "merchandise" the activities and quality of a revitalized downtown area as well as the specific businesses located here. These campaigns should use the results of the periodic research and analysis of market area consumers through surveys as discussed earlier in this section.

An important component of merchandising Pinconning and its businesses is the use of the "cheese town" logo as a descriptive image for the area. A directory, giving the location of businesses and community facilities on a map of downtown and the M-13 corridor and the types of merchandise or service available through each business,

could be developed and distributed to shoppers. These activities should come under the jurisdiction of the Management and Promotion Task Force.





■ Implementation Program ■



■ Implementation Program

Introduction

In order to make the transition from this Plan to actual "brick and mortar" construction, it is necessary to specify recommended improvements, their costs and suggested methods of financing those improvements. To help accomplish that, this section will specify capital improvements called for in this Plan, identify the estimated costs in 1995 dollars, set forth a time schedule for undertaking those improvements, describe various means of financing, and present an "implementation matrix" that identifies specific actions that are recommended to fully implement the plan.

Downtown Improvement District

The area designated for public and private improvements as specified in this Plan encompasses an area of approximately 36 acres. This downtown improvement area can generally be described as including all the properties with boundaries defined by the M-13 on the west, the properties on the north side of Second Street on the north, Warren Street on the east and Fourth Street on the south, as well as properties on both sides of M-13 between the north and south City limits.

Cost Estimates

The cost estimates defined in Table X-1 reflect recommended specific public improvements within a block by block

description of the Downtown Design Plan. These costs are in 1995 dollars and consist of materials, labor and contingencies (at 25%) such as legal, architectural and engineering fees. These figures are not intended to be specific or unquestionably accurate at this level of detail; they are, however, estimated at or above what the actual costs might be, so that the costs of financing these projects are not underestimated.

Project Phasing

The success of this Plan depends not only upon organization and financing, but also upon putting the following individual projects listed in the right sequence and completing each within the appropriate time frame. Three factors must be considered in establishing the sequence and timing of those projects: the amount of financing available, the impact of the project upon the Downtown Redevelopment Program, and the technical difficulties or logistics involved in the particular project. Applying those factors to Pinconning, initial projects should be financially feasible, have an immediate visual impact noticeable to the general public and not be too disruptive to the general flow of commercial activity. To help minimize disruption, it is desirable to concentrate improvements in one geographic area at a time, rather than work on a specific component (such as sidewalk replacement) throughout the entire downtown and M-13 area. Proceeding on a component by component basis would prolong interruption



■ Implementation Program

of activities throughout both areas. Also, initially undertaking projects that have a positive visual impact, enhances the potential

of obtaining community-wide backing for further projects.

TABLE X-1 - CITY OF PINCONNING REDEVELOPMENT PROGRAM

Area and Improvement		Cost Estimate
AREA 1 - M-13 Corridor		
<u>Public</u> Street Trees, Ornamental Trees, Shrubs, Topsoil/Seeding, Street Lights, Entrance Signs		\$487,000
	Contingency (25%)	<u>121,750</u>
	Subtotal	\$608,750
<u>Private</u> New Commercial Development/Renovation		\$3,000,000
AREA 2 - Kaiser - Fifth Street Intersection		
<u>Public</u> Entrance Sign, Landscaping		\$2,000
	Contingency (25%)	<u>500</u>
	Subtotal	\$2,500
AREA 3 - Third Street Extension		
<u>Public</u> Street Trees, Ornamental Trees, Ornamental Lights, Welcome Sign, Shrubs, Landscape Berms, New Road		\$550,600
	Contingency (25%)	<u>137,600</u>
	Subtotal	\$688,200
<u>Private</u> Potential Commercial/Office Development		\$1,000,000
AREA 4 - New Commercial Development (N.E. Corner - Intersection M-13 and Third Street)		
<u>Public</u> Concrete Walks, Curb and Gutter, Flag Poles, Sign		\$27,800
	Contingency (25%)	<u>6,900</u>
	Subtotal	\$34,700
<u>Private</u> Building Demolition, New Building, Site Development		\$1,600,000



Implementation Program

Area and Improvement		Cost Estimate
AREA 5 - New Commercial Development (S.E. Corner - Intersection of M-13 and Third Street)		
<u>Public</u> Sidewalks, Flag Poles, Curb and Gutter, Sign		\$24,400
	Contingency (25%)	<u>6,100</u>
	Subtotal	\$30,500
<u>Private</u> Building Demolition, New Building, Site Improvement		\$1,600,000
AREA 6 - Third Street (Between M-13 and Warren Street)		
<u>Public</u> Cold Mill Bituminous Pavement, Remove and Replace Concrete Walks, New Pavement, Street Trees, Pedestrian Street Lights, Curb and Gutter, Landscaping		\$273,700
	Contingency (25%)	<u>68,400</u>
	Subtotal	\$342,100
AREA 7 - Van Etten Street		
<u>Public</u> Cold Mill and Replace Bituminous Pavement, Remove and Replace Concrete Walks, Curb and Gutter, Street Trees, Parking Striping		\$47,500
	Contingency (25%)	<u>11,900</u>
	Subtotal	\$59,400
AREA 8 - City Park		
<u>Public</u> Property Purchase, Building Demolition, Concrete Walks, Benches, Play Area, Play Structure, Ornamental Lighting, Sign, Trees, Shrubs, Gazebo		\$433,000
	Contingency (25%)	<u>108,200</u>
	Subtotal	\$541,200
AREA 9 - Manitou Street		
<u>Public</u> Cold Mill and Remove Bituminous Paving, Construct Curb and Gutter and Sidewalk, Place Pedestrian Decorative Lights, Street Trees and Bus Shelter		\$117,000
	Contingency (25%)	<u>29,250</u>
	Subtotal	\$146,250



Implementation Program

Area and Improvement	Cost Estimate
AREA 10 - Kaiser Street	
<u>Public</u> Cold Mill and Remove Pavement, Construct Textured Sidewalks, Curb and Gutter, Place Decorative Lights, Street Trees, Landscaping Contingency (25%) Subtotal Remove Utility Poles and Overhead Lines (by Utility Company)	\$241,000 <u>60,250</u> \$301,250
<u>Private</u> Construct Three New Buildings (@ \$70/Sq. Ft.)	\$1,260,000
AREA 11 - Behind Buildings, West of Kaiser Street	
<u>Public</u> Remove Topsoil and Concrete, Construct Concrete Walks, Curb and Gutter, Bituminous Paving, Place Ornamental and Shade Trees, Decorative Lights, Shrubs Contingency (25%) Subtotal	\$91,400 <u>22,850</u> \$114,250
AREA 12 - Behind Buildings, East of Kaiser Street	
<u>Public</u> Remove and Cold Mill Asphalt, Demolish Building, Pave Alley and Parking Lots, Construct Sidewalks and Curb and Gutter, Place Decorative Lighting, Street Trees, Purchase Property Contingency (25%)* Subtotal	\$175,400 <u>28,850</u> \$204,250
AREA 13 - Fourth Street Parking	
<u>Public</u> Cold Mill Pavement, Remove Concrete Walk, Construct Curb and Gutter, Sidewalk, Pavement, Place Street Trees Contingency (25%) Subtotal	\$ 9,300 <u>2,330</u> \$11,630



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Area and Improvement		Cost Estimate
AREA 14 - Second Street		
<u>Public</u> Remove and Cold Mill Asphalt, Remove Concrete, Repave, Construct Sidewalks and Curb and Gutter, Place Pedestrian Decorative Lighting and Street Trees		\$70,700
Contingency (25%)		17,700
Subtotal		\$88,400
AREA 15 - Pedestrian Path to Pinconning River		
<u>Public</u> Remove Concrete, Topsoil, Construct Concrete Walk, Place Shade and Ornamental Trees and Sign		\$37,700
Contingency (25%)		9,400
Subtotal		\$47,100
GRAND TOTAL (Public)		\$3,160,500**
GRAND TOTAL (Private)		\$8,460,000
*Excluding property purchase. **Rounded to nearest \$500.		

SOURCE: Gove Associates Inc.

At this time the improvements outlined in this Plan are proposed to occur over a maximum 20 year period, with federal grants and local assessments as the primary sources of revenue. The following sequence of public projects, their timetables and annual costs are set forth in Table X-2.

It must be emphasized that this sequence of projects and the time frame for their completion is only a proposal. Conditions, events and available financing will certainly affect the ability of the City and the

Downtown Development Authority to adhere to this schedule. The sequence of projects may change to accommodate immediate needs and available financing may accelerate or set back these proposed construction dates. The primary value of Table X-2 is that it functions as a guide for implementing the public improvements called for in this Plan over the next 20 years, or longer.



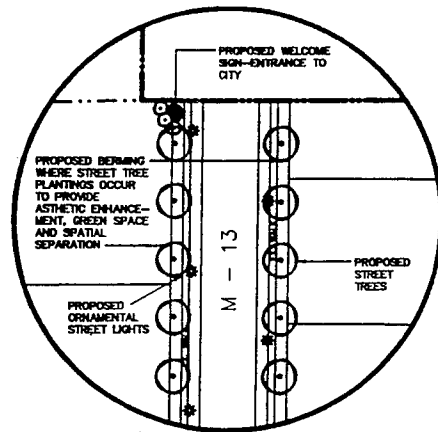
■ Implementation Program

TABLE X-2 - PROJECT SEQUENCE AND YEAR OF CONSTRUCTION
(PUBLIC IMPROVEMENTS)

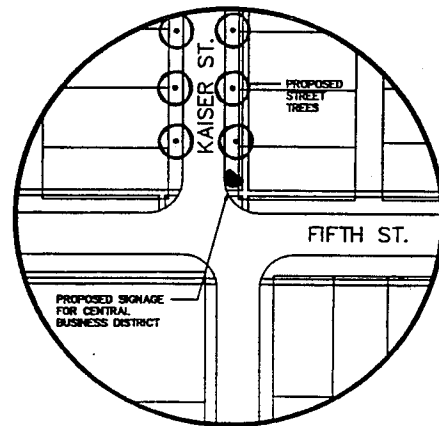
Project	Year	Annual Cost
Area 10 - Kaiser Street (North Block)	1996	\$155,000
Kaiser Street (South Block)	1997	\$159,800
Area 11 - Parking Area West of Kaiser Street	1998	\$124,800
Area 12 - Parking/Sidewalk East of Kaiser Street (North Block)	1999	\$114,900
Parking/Sidewalk East of Kaiser Street (South Block)	2000	\$118,400
Area 4 - Northeast Corner of M-13 and Third Street	2001	\$41,400
Area 5 - Southeast Corner of M-13 and Third Street	2001	\$36,400
Area 17 - Walkway to River	2001	\$56,200
Area 1 - M-13 Corridor	2002	\$187,200
	2003	\$192,800
	2004	\$198,600
	2005	\$204,500
Area 6 - Third Street between M-13 and Warren Street	2006	\$157,800
	2007	\$162,600
	2008	\$167,500
Area 3 - Third Street Extension	2009	\$347,000
	2010	\$357,400
	2011	\$368,100
Area 2 - Kaiser/Fifth Street Intersection	2012	\$4,100
Area 9 - Manitou Street	2012	\$234,700
Area 8 - City Park	2013	\$303,100
	2014	\$316,300
	2015	\$325,800
Area 14 - Second Street	2016	\$164,500
Area 7 - Van Etten Street	2017	\$117,200
Area 13 - Fourth Street Parking	2017	\$22,300
TOTAL ESTIMATED PROJECT COST (in Future Dollars)		\$4,638,400

SOURCE: Gove Associates Inc.

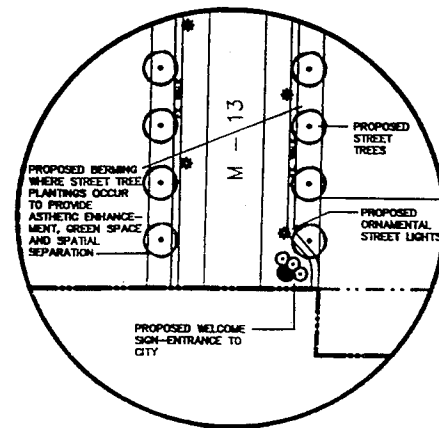




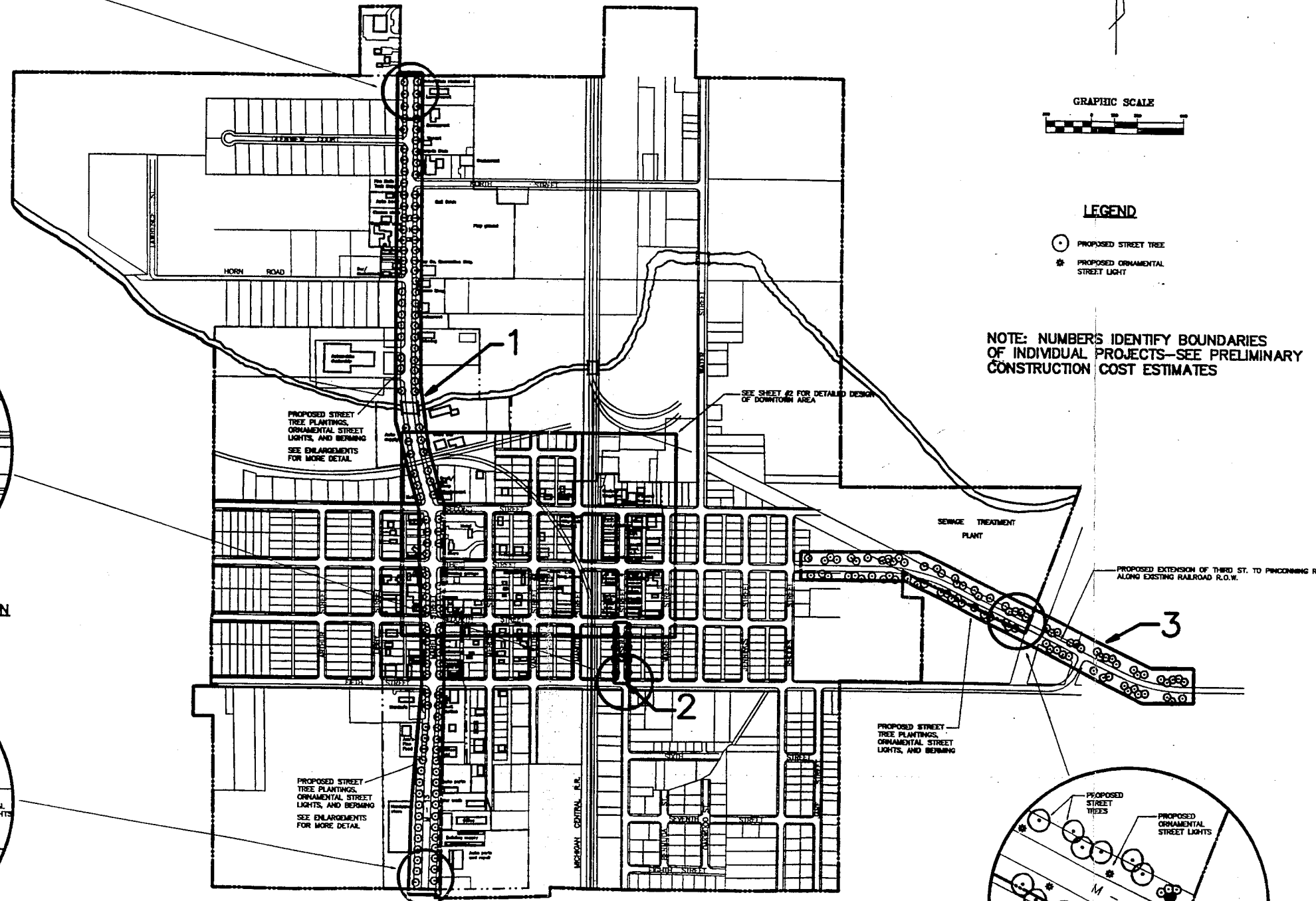
NORTH ENTRANCE TO CITY
SCALE: 1"=60'



KAISER AND FIFTH ST. INTERSECTION
SCALE: 1"=60'



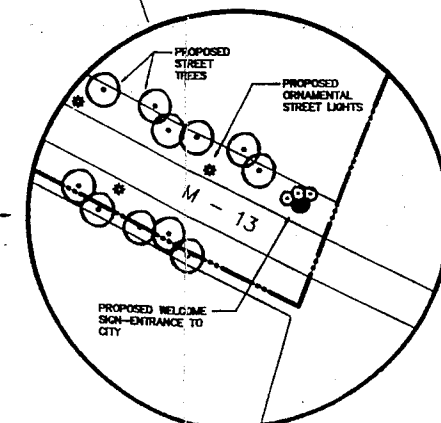
SOUTH ENTRANCE TO CITY
SCALE: 1"=60'



NOTE: NUMBERS IDENTIFY BOUNDARIES OF INDIVIDUAL PROJECTS-SEE PRELIMINARY CONSTRUCTION COST ESTIMATES

LEGEND

- PROPOSED STREET TREE
- ★ PROPOSED ORNAMENTAL STREET LIGHT



EAST ENTRANCE TO CITY
SCALE: 1"=60'

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Gove Associates Inc
Kalamazoo, Michigan
ARCHITECTS ENGINEERS PLANNERS SURVEYORS

COST ESTIMATE BOUNDARY MAP FOR:
DOWNTOWN DEVELOPMENT DIST.
CITY OF PINCONNING
BAY COUNTY
PINCONNING, MICHIGAN

Job E14120-8
DATE 03/30/95
DRAWN KK/AC
CHECKED _____
sheet 1
of 2





**COST ESTIMATE BOUNDARY MAP PLAN FOR:
DOWNTOWN DEVELOPMENT DIST.
CITY OF PINCONNING**

COST ESTIMATE BOUNDARY MAP PLAN FOR:

DATE 03/30/95
DRAWN KK/AC
CHECKED

sheet 2
of 2



■ Implementation Program

Project Financing

The most complex task in implementing this Plan is packaging financing programs that will enable both the City, downtown property owners and merchants to undertake the proposed improvements. There are a number of financing options available and the sources vary. In simple terms, however, there are four categories of sources that can provide financing - the City, the local private sector, the state or federal governments and nonprofit organizations. The optimum strategy is to use all four in a combined and coordinated effort. In its purest form, this is referred to as a public/private partnership and requires the cooperation and flexibility of each of the entities involved.

No one source will provide the total amount of financing required to complete the entire project. That makes the public/private partnership approach even more applicable as a means of generating revenue and ensuring that the business community as well as the City is satisfied with the final product.

This section of the Plan will describe the various funding sources (municipal, state/federal, private and nonprofit) that are currently available and applicable to implement the revitalization of both the business district and M-13 corridor. Following that general description is an outline of the recommended strategies for applying those revenue sources toward commercial redevelopment.

- Local Funding Sources

The essential power accorded to cities and villages for operations and capital improvements is the power of taxation. Although limited by law, taxation of real and personal property has been the primary source of revenue for municipalities. At different times in the past, state enabling legislation has attempted to liberalize the use of property taxation as a tool for development. Specifically, programs such as tax increment financing, the Commercial Redevelopment Act and the Industrial Redevelopment Act were all designed to promote development and redevelopment of commercial and industrial areas. The Commercial Redevelopment Act has subsequently been sunsetted and the application of tax increment financing has become substantially more restricted. As a result these programs do not generate optimum tax revenues for the City and the Downtown Development Authority. However, they can provide some contribution to the revenue base for implementation.

1. Tax Increment Financing (TIF)

The theory behind tax increment financing is that developing an area within a municipality will give all taxing jurisdictions greater tax revenues from that area than would otherwise occur if no special development were undertaken. Therefore it is logical to earmark a portion of those increased tax revenues to pay for the cost of development or redevelopment in that area.

■ Implementation Program

Tax increment revenues are based upon the concept of "captured assessed value" which simply means the increase in assessed valuation of the project area in any given year over the valuation of that area at the time the development plan was adopted. In other words, equalized property valuations are "frozen" at the beginning of the TIF program and all increases in assessments due to property improvements are either pledged for bonds or used directly for making further improvements in the TIF District on a "pay as you go" basis.

In transforming this concept to reality the Downtown Development Authority Act treats all increases in valuation as resulting from a development plan, whether in fact these increases bear any relation to the development or not.

Table A (see Appendix C) reflects the potential revenues that could be captured by the City under the application of a tax increment financing program scheduled to end by the year 2025. It is a computer generated "scenario" containing state equalized valuations (SEVs), millage rates, SEV growth rates, a discount or present worth rate and the SEV of private sector capital improvements within the DDA District that are proposed in this Plan. Table A reflects the TIF program using 1995 as a base year. Under tax increment financing, the tax increment financing program is applied to all properties within the district. Changes to Tax Increment Financing legislation in 1994 eliminates the use of school millage revenues and allows other

taxing jurisdictions to opt out of participating in the Tax Increment Finance program is they choose to do so.

Table A is divided into two parts. Part I indicates the total amount of taxes that can be captured for public improvements. By the year 2025, if all the proposed private capital improvements are constructed, the cumulative tax captured for public improvements in the district is \$3,605,209. That is equivalent to \$2,459,592 in 1995 dollars (discounted at an annual rate of 3.0%).

Column 1 identifies the year in which the various tax increment financing operations take place.

Column 2 identifies the total State Equalized Value (SEV) of all property within the Tax Increment Finance District in 1995 and every year thereafter (to the year 2025) at a presumed three percent annual increase in SEV.

Column 3 indicates the value of the improvements to private properties within the Tax Increment Finance District which are scheduled according to this Plan and identified on the first page of Table A. The initial capital investment is \$649,000 in improvements (\$324,500 in SEV). The \$324,500 is added to the 1997 SEV in Column 2, along with the annual increase in SEV to arrive at the 1998 SEV in Column 2. This same process continues throughout the life of the TIF program, whenever private improvements are scheduled.



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Column 4 is the total millage rate paid by all taxpayers within the District. This rate is assumed to be constant through the life of the TIF.

Column 5 shows the taxes levied on those properties within the TIF District and is calculated by multiplying the millage rate (Column 4) by the SEV of all property in the Tax Increment Finance District.

Column 6 indicates the tax dollars that are captured as a result of increased SEV in the District for use in implementing the Plan. These figures are the difference between the levied taxes for that particular year (Column 5) and the base year 1995, when the SEV for properties in the TIF District is frozen.

Column 7 is simply the accumulated value of taxes captured under the TIF program at any point during the 30 year period. It is calculated by adding the captured taxes in Column 6 for any chosen year to the cumulative captured tax in Column 7 for the preceding year. For example, in Table A the captured taxes for the year 2000 (\$21,777 in Column 6) are added to the cumulative captured taxes for the year 1999 (\$46,254 in Column 7) to arrive at a cumulative captured tax value in the year 2000 of \$68,032 (rounded to the nearest dollar).

Finally, Column 8 represents the present worth of the cumulative captured tax in Column 7 at a discounted rate of 4.0 percent. That is, the value of the cumulative captured tax at any time in the future is discounted at an annual rate of 4.0 percent

to arrive at a future value of cumulative captured taxes in terms of the present (1995) worth or value of the dollar. For example, while the cumulative captured taxes collected from the TIF program total \$3,605,210 by the year 2025, that amount is actually worth only \$2,459,592 in 1995 dollars.

Table B (see Appendix C) points out that the TIF program will have a relatively small impact upon the City's total revenue base (up to \$229,804 in the year 2025, or 8.37% of the City's total revenue for that year). The City of Pinconning would, over the 30 year TIF program period, have to forego an increasingly larger portion of its tax revenues up to 9.82 percent of its total revenue base in the year 2006. Then the revenue difference as a result of the TIF would decrease to 8.37 percent by the year 2025. The City would forego 8.2 percent of its total revenue base during the life of the TIF program.

Column 1 in Table B indicates the year in which the TIF operation takes place. Columns 2 and 3 represents the projected SEV at a specified growth rate for the taxing authority. These growth rates were obtained from contact with the City to determine the City's existing SEV and reasonable projections for future annual increases. Column 2 depicts what the normal increase would be if a TIF program was not initiated. Column 3 shows what the SEV would be if the City continues its TIF program in the district.



■ Implementation Program

The projected SEV revenues with TIF increase at a slower rate than they would without TIF over the 30 year period because in the calculations the SEV that would normally be generated in the Downtown Development district (at a 3% annual increase) is subtracted from the City's total SEV and attributed to the DDA District instead. That is, the District's SEV is frozen at its 1995 value and that value is applied throughout the life of the TIF program. For example, for the year 2000, the SEV for the City is projected to be \$26,138,222 without the application of a TIF program. With a TIF program in effect, the SEV (\$5,771,181) for the District for that year is subtracted from the City's total SEV and the District's 1995 "frozen" SEV (\$4,319,350) is applied instead. The result ($\$26,138,222 - \$5,771,181 + \$4,319,356 = \$24,686,390$) is the year 2000 projected SEV for the City with TIF (Column 3). These projected SEVs with the TIF are calculated in this manner to show the difference in revenues between a program with TIF and the normal growth that would occur in SEV (without TIF).

Column 4 shows the millage rate assessed by the City. It is assumed this rate will be consistent throughout the program period.

Column 5 indicates the revenues received by the City from sources other than property tax, such as revenue sharing, fees, etc. and the annual growth rates for those revenues (the City's 1995 nonproperty tax revenues) are projected based upon the average annual rate of growth over the past five years.

Columns 6 and 7 depict the projected tax revenue generated within the City with and without the application of a TIF program. These revenue figures are obtained by multiplying the millage rate in Column 4 by the projected SEV in Columns 1 and 2 respectively. Total revenues received for the City with and without tax increment financing are obtained by adding Column 5 to Column 6 (without TIF) and to Column 7 (with TIF). The results are displayed in Columns 8 and 9.

Column 10 displays the total difference for each year of the program between revenues received under a Tax Increment Finance program and revenues which would normally accrue to the City if a TIF program is not applied.

In essence, more dollars would be collected each year by the City if a TIF program was not instituted and the SEV was not frozen at the base year 1995. Column 11 depicts the percentage difference in revenues received with and without a TIF program.

The advantage of TIF, however is that the revenues captured during that 30 year period (or whatever length of time the TIF is in effect) can be used specifically for the improvements called for in the Plan. At the end of the TIF, the increased value of properties in the District will result in increased revenues for the City. It must be emphasized that property tax increases will occur only as a result of property improvements or inflation. There is no



■ Implementation Program

increase in the millage rate for property owners as a result of this program.

Because of TIF's potential to capture revenues, with or without bonding by the municipality (the City could fund those proposed projects on an "as you go" basis), this Plan suggests that TIF be included as a source of revenue to implement public improvements.

2. Local Bonding Options

The City, under state enabling legislation, may issue general obligation, revenue and special assessment bonds to raise money for public capital improvements. General obligation bonds are backed by the full faith and credit of the City. In most cases, a general obligation bond issue requires approval by the voters of the City. Under the City's Charter, the debt incurred through general obligation bonds cannot exceed 10 percent in the City's current SEV. Since the City's 1995 SEV is \$19,532,000, the maximum amount of bonded debt that can be entered into at any one time is \$1,953,200.

Revenue bonds do not require voter approval, as the principle and interest of the bond is paid back through the revenue received from the project after it is completed. This type of bond is usually issued to construct or improve revenue-producing public projects such as water and sewer utilities, industrial parks, toll bridges, golf courses, etc.

Special assessment bonds are used to pay for specific improvements to designated properties and the properties benefiting from the improvement are assessed to pay off the bond. A public hearing is required before a special assessment can be approved and as with revenue bonds, the debt financed by special assessment is not subject to debt limitations.

Tax Increment Financing, under P.A. 197 (the Downtown Development Authority Act) may be instituted using a revenue bond. The captured tax increment received as a result of private capital improvements in the TIF District can be used as revenue to retire the bond issue. Because revenue bonds are used, the bond debt limitation is not affected and it is not necessary for the City to back the bonds with its full faith and credit, although it may choose to do so. These revenue bonds are issued by the Downtown Development Authority itself and must mature within 30 years or less.

The City can also issue general obligation bonds, subject to the debt limitations mentioned above. These bonds also must mature within 30 years and be subject to Public Act 202 of 1943. No more than 80 percent of the estimated revenue to be received from a development area for a given year may be pledged for annual debt retirement and, according to P.A. 197 ".....the total aggregate amount of borrowing shall not exceed an amount which 80 percent of the estimated tax increment will service as to annual principal and interest requirements." Therefore the maximum



■ Implementation Program

amount the City could bond for under this program is \$2,884,168 (80% of \$3,605,210). This represents approximately 114 percent of the Plan's estimated public improvement costs of \$3,160,500, in 1995 dollars and 78 percent of the total public improvement costs of \$4,638,400, in future dollars.

Approximately 6.5 months should be allowed for the bonding process to occur. That is the amount of time usually required for posting and holding a public hearing, passing a resolution to order the project, preparing the project plans, advertising for and collecting construction bids, awarding contracts, passing a resolution to sell the bonds, preparing an official bond statement, completing the legal opinion, printing the bonds, selecting the payment agent and receiving the money.

Bond issues can be an important part of implementing this Plan, as they are an integral component of a Tax Increment Financing Plan. The City, however, may choose to implement these projects on a "pay-as-you-go" basis, and not issue bonds. That, however, would limit the number of public improvements that should initially be made, as increased tax revenues would not be immediately available and revenues from the City's general fund would be insufficient. It is recommended that the City undertake a detailed evaluation of the advantages and disadvantages of financing these proposed improvements on a pay-as-you-go basis vs. bonding. Then, if bonding is deemed more beneficial, further analysis should determine

whether general obligation bonds should be used.

Public Act 157 of 1984 allows for a form of municipal bond which is similar to an adjustable rate mortgage, and which allows the municipality rather than the bank to periodically adjust the interest rates on the bonds to the current short-term market rate. The rate can change weekly, monthly, semi-monthly, annually, bi-annually, etc. This could allow the City to borrow money at a lower rate than would be available under a long-term fixed rate bond issue.

3. Local Revenue Sources

Additional local public sources of financing, or at least encouraging, commercial development include land write-downs, private co-development, loan pools, assessment and zoning. Under land write-downs, the City would provide utilities and make other improvements to property it owns and proposes to develop commercially. After making those improvements (or even without improving the site) the City would sell the parcel to a developer at a price below market. The intent is that the City would encourage development of that site by making it more financially attractive while controlling the type of development by approving the sale upon guarantee that the property would be developed according to stipulations set forth by the City. Currently, the City does not own large plots of developable land available for commercial development.



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Public/private co-development is another tool to induce commercial growth. One form of co-development is ground leasing, whereby the City or DDA leases land or buildings it acquires to a developer or business for a minimum base payment plus a percentage of the income generated by the project or business. Alternative arrangements may be made to accomplish the same end. There are several advantages to ground leasing as a means of public/private partnership in commercial development. If the project is successful, the City or DDA can recover all of its costs plus additional revenues. Ground leases can be subordinated - the City or DDA can mortgage its interest in the property as security for a development loan to the business or developer. The smaller capital investment required for leasing a space will give a developer a better return on his or her investment. Leasing also allows the City or DDA control over the way property is developed or used, and offers flexibility by structuring payments to meet the needs of the project's requirements for cash flow.

Loan pools established by the City and/or local banks to assist local commercial development are helpful in that they can be used to subsidize interest rates on public and private sector loans made to the developer or business. Such a pool set up by the City would be a revolving fund, with the loan payments it receives going back into the pool for further distribution. These funds can also be used to "leverage" money from public grant and loan programs, such as SBA "503," as well as from private lending sources.

The City can establish an Economic Development Corporation which, under state and federal law, can permit the sale of tax-free industrial revenue bonds for the development or expansion of businesses within Pinconning. The intent of the legislation establishing EDCs is to create employment through business placement or expansion. The City does not put its full faith and credit behind the bonds and therefore does not incur liability. The borrower is responsible for paying the principle and interest on the loan. Most EDCs are passive organizations and have not used the full authority given them under state legislation to actively promote and attract business into the community. A City EDC could be used by prospective and existing businesses for commercial and industrial development expansion. In those instances where the EDC is to be used by a business for commercial development in the downtown area, the City's DDA and EDC could coordinate review of the project. As an alternative to forming an EDC the City could establish a Building Authority to issue revenue bonds for construction of public improvements. Those bonds could be financed over time through tax increment financing and other special assessments.

Special assessment taxes are another means of financing public improvements downtown which, in turn, can lead to further private development. Special assessment districts (in this case, M-13, the 3rd Street corridor and central business area) require the approval of the majority of the property owners in the proposed district. Since this is



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in essence a self-imposed tax, there is little likelihood of approval of a downtown assessment district unless the projects it is intended to fund are regarded by those property owners as necessary or desirable. Such a district is beneficial if the improvements lead to increased businesses downtown, and it is established only for a specified period of time. It could also be approved by the property owners as an ongoing assessment, as is the case of an annual assessment for downtown promotion. The taxes that can be levied by a Downtown Development Authority (up to 2 mills) is a form of special assessment.

Zoning is another tool that can be used by the City to facilitate and encourage commercial development. Innovative and flexible zoning that permits mixed uses and creative design will better meet the needs of today's developers and retailers than the traditional ordinance which requires that certain standards be adhered to which do not meet the needs or criteria of modern retailing practices. By encouraging unusual store designs and space distribution through flexibility in zoning, the City is more likely to achieve a unique commercial area consistent with the overall concept of this plan.

Associated with zoning and the physical distribution and design of buildings in the downtown area, architectural design ordinances and sign ordinances are tools that will enable the merchants and the City to encourage building aesthetics downtown. At the same time these regulations should be structured to deter or eliminate dilapidation

and deterioration of commercial buildings by providing penalties for failing to adhere to the standards set forth in those ordinances.

4. Private Developers

The Pinconning Downtown Revitalization Plan calls for additional commercial development on existing vacant parcels, or municipal parking lots, within the City, as well as renovation of existing commercial buildings and conversion of residential properties to commercial use. Traditionally, if and when the market warranted it, a property owner and/or developer would construct a commercial building and sell or lease the building to one or more businesses. The local government's only involvement was through the issuance of building and zoning permits. This is still the most common procedure used in most communities for facilitating commercial development. This system essentially relies on the supply and demand pressures of the free market, with the municipal government designating the areas for development and then waiting for a developer to come along to put the investment and construction package together.

This process works in many if not most instances and is a desirable method in that it minimizes public involvement and investment in private sector operations. If there is interest in new commercial development in Pinconning, the free market/free enterprise system should prevail. However, there are instances where it might be more beneficial to the



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community to initiate a project and work closely with the developer of that project throughout the development process (the proposed commercial buildings on the existing municipal parking lot on Kaiser Street is an example). This approach is desirable when the cost of conventional financing prohibits investment or the City desires greater control of the overall design and timing of the project.

While this Plan does not specify particular businesses that should occur in Pinconning, it does suggest possibilities for types of commercial development that should be further studied as a result of the market analysis.

Private developers should be encouraged to work as closely as possible with the City so that the design of any commercial structure being built, as well as parking and open space facilities, are in accord with the desires of the City and the framework of this Plan. This may require a design review mechanism as part of the City's zoning ordinance. While it is the developer's primary objective to maximize the financial return on his or her investment, the City's objective should be a close and amicable working relationship between the City and the developer. Consequently, it is the developer's role to react responsibly to the City's stated development policies by entering into negotiation with the City to assure that the City's needs, as well as the developer's, are being met. One method to facilitate such a relationship is to retain a

lender or developer on the Downtown Development Authority Board.

Developers seriously contemplating a project within the Pinconning DDA District should undertake a detailed feasibility study for that specific project. The feasibility study has three basic roles. First, it minimizes investment risk by thoroughly analyzing the type and amount of each facility proposed. Second, it determines the financial feasibility of the project given the developer's investment needs. Third, it gives the developer a tool by which to obtain pre-lease agreements from prospective business(es). With these pre-lease agreements in hand, the developer is in a much better position to negotiate workable loan terms.

To a certain extent, front money is sometimes needed even before the feasibility study is done. Major tenants especially are likely to want to see preliminary plans and architectural sketches before they commit themselves to locate there.

Once the feasibility study is completed by the developer, he or she should work to identify potential lessees. In a multi-use or multi-tenant project, major or well-known tenants should first be sought because they will serve to interest other small tenants. In analyzing the profitability of the project, potential investors will look at the financial backgrounds not only of the developers but also of the tenants who pay the rent.



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Once the key tenants are selected, smaller tenants should be sought (unless, of course, the key tenant fills the whole building). When approaching a local tenant, the developer should carefully consider that potential tenant's background and history.

The first pre-lease agreement in a larger project is the most important because it is the standard by which following leases are negotiated. Major tenants often try to negotiate their leases so that they dictate layout, policy and operation of the entire project. If this happens, the developer can continue to experience trouble in future years.

Permanent financing needs to be arranged immediately after the initial layout of the project is completed and some leasing accomplished. Financing land acquisition and construction can be accomplished through a variety of sources, including banks, foundations, credit pools and joint ventures with experienced developers.

5. Banks and Lending Institutions

Banks typically require high credit standards, but forward looking lending institutions do accept marginal risks because increased local trade and prosperity mean more depositors as well as more loan business. Furthermore, banks may have a large number of outstanding loans to area businesses and have a vested interest in helping to create an improved business climate to protect those loans.

The DDA can work with the local bank(s) to lower interest rates while protecting the needs of the financial community. Lower rates can help make the difference between a developer or property owner investing or not investing in property improvements within the District.

6. Foundations

One good way to lower an effective interest rate which is largely free of federal regulations and independent of the grant process is to establish a low interest loan pool with foundation money supplementing special set aside bank dollars. Under such a program, each project developer would receive two loans: one from the bank at a competitive rate and the other from the foundation at zero (or very low) interest. The blended rate would therefore be perhaps two-thirds of the "going rate," while foundation money that is repaid would be recycled for other loans.

7. Credit Pools

Using a credit pool, a group of individuals and businesses can create the collateral with which a DDA can obtain loans or can guarantee loans to businesses in the DDA area. This pool of money is established by the DDA recruiting key individuals, businesses (including industry) and foundations to commit themselves (perhaps for 10 or more years) to provide a specific amount of collateral. This commitment is typically in the form of a guarantee agreement between the DDA and a bank.



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The guarantee delineates the term of years, amount committed and the bank's rights pending default.

State Legislation and Funding Sources

Michigan, as other states, has historically developed legislation and programs to assist and encourage local community development. These laws and programs have attempted to promote such development through innovative property tax programs, such as those cited above, or through direct funding of programs and facilities. As the federal government has transferred much of the responsibility for funding domestic programs to state and local governments, the states have been allowed more flexibility in deciding the types of projects that should be funded. Currently, Michigan is allocating its share of federal Community Development Block Grant dollars to public improvement projects that will ensure viable industrial start-up or expansion. Consequently, grant funds are not available for downtown or commercial revitalization projects. However, as determined development and economic needs change in the future, funding may again be oriented toward community development needs, including downtown redevelopment.

The following are three state and federal programs that might be applied to the implementation of this Plan in financing public improvements. These programs provide the best opportunity for financing

public improvements within the DDA District.

1. Community Development Block Grant (CDBG) - Small Cities Program

The Community Development Block Grant is actually a federal program under the jurisdiction of the Department of Housing and Urban Development, but it is mentioned here because it is administered in Michigan to non-entitlement communities (small cities) by the Michigan Department of Commerce, in conjunction with the Michigan State Housing Development Authority (MSHDA). The Michigan Department of Commerce administers those projects that are concerned with economic development and public works while MSHDA awards grants for housing construction and rehabilitation projects.

The CDBG Small Cities program functions as a competitive process where communities (counties, cities, Citys, townships) apply for specific projects. The primary criteria for economic development grants is the number of jobs that the project will directly or indirectly generate. The same general evaluation criteria apply to a lesser degree to a proposed public works project. The grant is a match grant - that is, the match for downtown revitalization projects varies, but is typically \$2 or \$3 of local public and private funds to each \$1 of CDBG grant funds.



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2. Michigan Natural Resources Trust Fund

This grant program was created under a state constitutional amendment in 1984 and is capitalized by oil, gas and mineral leases and royalties on state land. The program has five goals including water access, community recreation and economic development, and would most aptly apply to the proposed community park on Van Etten Street, as well as other community recreation projects in the District. Natural Resource Trust Fund grants range from \$15,000 to \$375,000, with a required local match amount of 25 percent of the project cost.

3. Michigan Transportation Enhancement Fund Program

As part of the federal Intermodal Surface Transportation Efficiency Act (ISTEA), Michigan has initiated a grant program that provides funds for a variety of nonmotorized, transportation aesthetics, highway runoff and historic preservation programs. Landscaping and beautification are eligible activities within the transportation aesthetics program and would apply to landscape and streetscape improvements in downtown areas. A minimum cash match of 20 percent is required, with no maximum grant amount set.

The following state and federal programs may be used to finance improvements to private properties within the DDA District.

1. Michigan Strategic Fund

- a. BIDCOs - Business and Industrial Development Corporation (BIDCOs) are types of private financial institutions designed to fill the moderate risk/moderate return gap between the banks and the venture capitalists. They have substantial flexibility in the types of financing tools that can be used, e.g., subordinate loans with equity features, royalty financing for product development, equity investments and guaranteed loans under the Small Business Administration program.
- b. Seed Capital Companies - MSF (Michigan Strategic Fund) has provided matching funds for several seed capital companies that offer start-up funds or "pre-venture" capital for businesses that meet their investment objectives. Equity and debt financing is possible.
- c. Capital Access - Participating banks throughout Michigan offer this MSF sponsored program directly to companies that need credit enhancement. Similar to a loan loss reserve fund, the bank, company and MSF place a small percentage of the loan into a reserve that makes it possible for these companies to receive fixed asset and working capital financing.

2. State Employees Retirement Fund

Business expansion can be funded through investments by the Michigan State



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Employees Retirement Fund. Considerable funds are available to employment generating private, industrial and commercial investments located within the State of Michigan.

3. State-Wide Certified Development Corporation (CDC)

A CDC provides a vehicle to secure long-term favorable rate financing of fixed assets through the use of subordinate Small Business Administration second mortgage financing via 100 percent guaranteed debentures.

4. Michigan Single Business Tax Act 228 of 1975

While the Single Business Tax provides no direct financial help to a business or to a local economic development group, its features lend some clear advantages to certain businesses operating in this state, rather than in other states with different tax structures. A working knowledge of Single Business Tax features will be useful to community development groups actively seeking businesses from out-of-state.

The Single Business Tax Act repealed all local property taxes on inventory, and it consolidated a variety of former taxes levied only on businesses in certain categories into a single state tax levied "upon the privilege of doing business and not upon income."

The base for the single business tax is 50 percent of gross receipts, with current rate

of taxation at 2.35 percent of this base. Exclusions are offered within the law for certain types of businesses and certain special business activities. These exclusions include: 1) an immediate, 100 percent write-off of new capital investments against gross receipts, reducing the tax base by the full value of capital improvements; 2) small businesses may qualify for specific dollar exemptions of up to \$34,000; 3) direct labor expenses in excess of 65 percent of the tax base may be deducted from gross receipts; 4) publishers, research and development organizations, and other businesses that receive royalties on the sale of licensed products may deduct these payments from gross receipts; and 5) special exemptions are provided for real estate companies, food retailers, security guard services, and transportation companies.

Most firms will calculate their tax base by adding compensation paid, depreciation, royalties paid and interest paid to their federal taxable income and subtracting interest received, royalties received, and investments during the year.

While the Single Business Tax likely will be amended many times to adjust inequities and windfalls provided to certain kinds of businesses, the essential structure of the tax law tends to favor large manufacturers, small retailers, and wholesalers. Professionals, large retailers, and some small manufacturers tend to pay more in taxes than under the former Michigan business tax system.



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5. **Small Business Administration (SBA)** **Local Development Companies** **Section (504) Program**

The Small Business Administration (SBA) has several different programs that can help city governments stimulate downtown commercial revitalization. The following discusses SBA programs that may apply to existing and future businesses in Pinconning.

The SBA 504 loan program offers healthy small and medium businesses long-term, fixed rate financing for the acquisition or construction of fixed assets. Projects are financed through a partnership between the local banker and the state or local 504 lender called a Certified Development Corporation (CDC). The typical financing structure involves the private lender financing 50 percent of the project, a CDC financing 40 percent and the business investing at least 10 percent of the project costs. By taking a subordinate collateral position, the CDC provides a "collateral cushion" for the banker and reduces the amount of equity normally required of the borrower.

SBA 504 loans are also long-term loans, either 10 or 20 years depending on the type of assets financed. The bank's portion of the loan must be for at least seven years. The CDC loan carries an attractive fixed interest rate determined monthly. The bank loan can be at rates that are either floating or fixed. Projects as small as \$150,000 are eligible, with the CDC loan limited to \$1,000,000.

There are certain eligibility and credit standards that must be met in order to qualify for a CDC loan.

6. **Small Business Administration** **Section 7(a) Guaranteed Loan**

SBA 7(a) loans have some conditions similar to 504 loans and are made to small businesses by banks and are guaranteed by the Small Business Administration for up to 90 percent, with a maximum of \$500,000 exposure. For example, on a maximum total loan of \$750,000, SBA would guarantee \$500,000 or 66.7 percent. The minimum loan is \$50,000 and the maximum is \$750,000.

Eligible purposes include construction, expansion, or conversion of buildings, purchase of buildings, equipment or materials, and working capital.

SBA defines a small business as independently owned and operated and not dominant in its field. Size standards are currently set by SBA for the following types of business, based on average annual sales receipts for the past three years, or the number of people employed during the past 12 months. Exceptions are common and generous as noted.

Retail:	\$3.5 million with exceptions to \$13.5 million
Construction:	\$7.0 million with exceptions to \$17.0 million
Service:	\$2.5 million with exceptions to \$14.5 million



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Manufacturing: 500 employees with exceptions to 1,000

Wholesale: 100 employees or fewer

Term limitations are 7 years for working capital loans and 15 years for fixed assets. There are no specified requirements for job creation or retention. Collateral requirements can involve a second or third mortgage.

The following program pertains to providing technical management assistance to small businesses to ensure financial viability.

Management Assistance to Small Business Program - This program provides advisory services and counseling, training and dissemination of technical information to prospective and existing small businessmen to improve their skills in managing and operating a business.

Assistance includes: 1) workshops for prospective small business owners, 2) management counseling for nonborrowers, including assistance from SCORE (Service Corps of Retired Executives), and ACE (Active Corps of Executives), graduate and undergraduate students of business management schools participating in the Small Business Administration and the Veterans Administration with special business ownership training available to eligible veterans. Actual and potential small businessmen and, in some cases, members of community groups are eligible.

Implementation Schedule

Table X-3 identifies the implementation program called for in this Plan. This table is formatted to provide a comprehensive overview of the important elements of the program, within a strategic framework. The objectives and policies defined in the section titled "Goals and Objectives" are again listed in the first column, along with more detailed action statements corresponding to a particular strategy. The objectives are identified with roman numerals, designated alphabetically, and the strategies are identified numerically under the policies. The next three columns contain letters or numbers that correspond to the key on page X-30. The second column identifies the specific organization(s) and institution(s) assigned the responsibility for carrying out the specific strategy and associated actions. The third column describes the year(s) within which the particular action is to occur or be completed. The last column refers to the best source(s) of funding the particular action. By referring to this table, those responsible for overseeing and implementing this Plan will be able to understand their particular assignments, as well as the responsibilities of other participants, and follow through on them within the identified time frame. This format not only establishes direction for implementing the plan, but also provides a mechanism for monitoring the progress of implementation activities. If a particular action is not successfully undertaken by the recommended time frame, those involved should meet to identify



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alternative policies or actions to achieve the desired objective.

This implementation program is essentially designed to be a guide for action. It is intended to follow a rational process to

achieve desired ends. However, since unforeseen circumstances can alter the Plan's desirable objectives, this schedule is also intended to be as flexible as necessary to ensure the Plan is referred to and useable.

TABLE X-3 - IMPLEMENTATION PROGRAM

OBJECTIVES/POLICIES/STRATEGIES	LOCAL PARTICIPANTS	SCHEDULE YEAR	FUNDING SOURCE
I. Improved Product Knowledge			
A. Hold in-house training workshops on merchandise			
1. Identify interest among local merchants in holding workshops	B-4,E	2	k
2. Identify and contact professional marketer/merchandiser for technical assistance	B-4,E	2	k
3. Hold quarterly or semi-annual workshops	B-4,E	2 thru 20	k
II. Understanding of Market Area Characteristics			
A. Obtain usable market area data			
1. Subscribe to local market research publications	B,E	2	k,i
2. Hire market analyst to conduct study and make recommendations at least every five years	B,E	2-20	k,i
B. Establish corroboration and cooperation among merchants			
1. Hold monthly "coffee claches" to discuss issues	E,B	1	k,i
2. Encourage local businesses to establish uniform hours of operation	E,B-4	1	k,i
III. Improve Personal Service and Courtesy			
A. Develop advertising emphasizing friendly/ knowledgeable service			
1. Develop outline of advertising campaign and distribute to businesses for review and input	B-4,E	2	k,i
2. Finalize campaign and initiate through local media	B-4,E	2	k,i
3. Periodically review, campaign and adjust as necessary	B-4,E	2-20	k,i
B. Hold in-house training workshops for clerks on sales procedures and techniques			
1. Promote workshop among local businesses	B-4,E	3-20	k,i
2. Hire professional marketer or register clerks for professional seminars when available	B,E	3-20	k,i



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OBJECTIVES/POLICIES/STRATEGIES	LOCAL PARTICIPANTS	SCHEDULE YEAR	FUNDING SOURCE
IV. Optimum Mixture of Stores in the Central Business District			
A. Identify and promote market "niche"			
1. Continue to pursue the "cheesetown/limited nautical theme" identified in this plan	B	1-20	k,b,c
2. Work with local businesses to acquaint them with market "niche" and promote support for "niche" concept	B,E,C	1-20	k,b,c
B. Establish multi- or mixed use businesses			
1. Promote the development of a new commercial mini-mall on State Street	B-2,B-3,C	5-10	b,c,e,j,k
V. Attractive Merchandise Displays			
A. Hold workshops in interior design and product display	B,E	3-20	k
1. Encourage the combining of resources to fund workshops in the commercial district	B,E	3-10-15-20	k
B. Promote annual competition among merchants for the best window display(s)	B,E	2-20	k
1. Develop categories of competition and award prizes for best displays (sponsored by Chamber of Commerce)	B,E	20-20	k
VI. Well-Planned/Organized Community Events			
A. Establish community-wide Council to promote cultural facilities & programs			
1. Contact Arts Councils and other cultural organizations in other communities to identify programs, operating criteria and funding sources	A,B,	3-5	i,k,e
2. Solicit local businesses and residents to determine interest in starting Arts Council or other cultural group(s)	A,B,E	3-5	a,k
3. Organize and develop projects	A,B,E	5-20	a,d,i,k
B. Develop and establish an organizational and funding mechanism			
1. Contact local corporations and businesses to establish a financial base for funding community cultural events	B-4	3-20	e,i,k
2. Establish fund-raisers and solicit private donations, and apply for foundation grants for cultural facilities and activities	B-4	3-20	e,i,k
VII. Coordinated Sales Promotions and Store Hours			
A. Designate merchant committees to develop and coordinate special sales events for Pinconning as an entity			
1. Request involvement and representation from each commercial business	B-4,E	3-20	k,i
2. Review promotions held in other communities and identify those most successful and most conducive to Pinconning	B-4,E	3-20	k,i
3. Institute promotions using the most effective media options	B-4,E	3-5	k,i
4. Monitor and modify as necessary	B-4,E	3-20	k,i



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OBJECTIVES/POLICIES/STRATEGIES	LOCAL PARTICIPANTS	SCHEDULE YEAR	FUNDING SOURCE
B. Encourage merchants to mutually agree on store closing hours			
1. Poll merchants to determine if interest exists in consistent closing times and, if so, which closing hours are most preferred	B-4,E	2-5-10-15-20	b
2. Establish recommended closing hours and encourage businesses to voluntarily adhere to the recommended hours	B-4,E	2,5,10,15,20	b
3. Monitor success of new hours by periodically asking consumers and merchants if they are satisfied; change only when determined necessary	B-4,E	2,5,10,15,20	b
VIII. A Cooperative Effort to Enhance Positive Attitudes Towards Shopping Downtown			
A. Establish DDA subcommittees for physical improvements, promotion, marketing			
1. Review the goals, objectives and programs outlined in this plan and establish recommended committees within the DDA to implement this plan	B	1	b
2. Solicit merchants and residents to sit on committees	B	1	b
IX. A Business Environment That Attracts New Commercial and Service Businesses into the District			
A. Establish a subcommittee for business attraction and retention			
1. Identify those businesses and individuals that are most adept at attracting and retaining businesses and request their membership on this subcommittee	B	2	b,k
2. Develop an attraction and retention program that fits into the identified market "niche" and pursue a "targeted" business attraction approach	B-2	3	B
X. A Public Relation Program to Facilitate Communication			
A. Commission periodic consumer opinion polls			
1. Authorize the Management and Promotion Committee of the DDA to develop, solicit, tabulate and analyze consumer surveys at least once every two years	B-4	5-20	b,k,i
B. Initiate radio, television and newspaper advertisements			
1. Utilize local contributions to develop short "spots" in media to promote the Central Business District as a unit	B-4,E	3-20	k,i
2. Use a professional advertiser to develop commercials	B-4,E	3-20	k,i
XI. Compatible and Unified Storefronts			
A. Establish a set of specified design criteria			
1. Develop broad design parameters for private improvements based upon the mansard roof/nautical theme	B-3,C,E	5	b,k
2. Collect design standards from other communities and utilize those that would best apply to Pinconning	B-3,C,E	5	b,k
3. Hold meetings among merchants to review and discuss standards and informally adopt such standards (it is recommended standards be voluntary and not mandatory)	B-3,C,E	6	b,k



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OBJECTIVES/POLICIES/STRATEGIES	LOCAL PARTICIPANTS	SCHEDULE YEAR	FUNDING SOURCE
B. Assist individual store owners and merchants in site-specific storefront design			
1. Establish a program to connect individual store owners with design professionals to develop specific building design recommendations with the context of the adopted theme	B-3,E	6	e,k,j,h,l
XII. Improvement Along the M-13 Corridor to Complement the Central Business District			
A. Establish design standards for M-13 commercial properties			
1. Develop a set of standards for the architectural and site design for buildings along the M-13 corridor	B-3,C,E,F	2	a
2. Incorporate those standards into a draft amendment to the City's zoning ordinance, hold a public hearing and adopt amended changes	A,F	3	a
B. Develop public improvements on M-13 in accordance with this Plan			
1. Provide public improvements along M-13 (sidewalks, landscaping, lighting, etc.), in a phased approach, according to the design proposed in this Plan.	A,B-1,G	1-10	a,b,c,d,g
XIII. A Linkage Between the M-13 Corridor and Central Business District			
A. Follow the design plan proposed for Third Street			
1. Provide funding for the phased improvements of public streetscape along Third Street between M-13 and the central business area	A,B-1,G	11-13	a,b,c,d,g
2. Amend the City's zoning ordinance as necessary to allow for, and promote, the redevelopment of existing residential properties and development of vacant properties along Third Street in accordance with this Plan	A,B-3,C,D,F	14-15	a,d,k
B. Develop signage and landscaping at the M-13 - Third Street intersection			
1. Commission the design of information signs (or initiate a community-wide design contest) that conforms to the streetscape theme proposed in this Plan	B-1,E	7	a,b,k
2. Estimate cost of selected design and incorporate into Capital Improvements Program	B-1,A	7	a
3. Provide for landscaping and beautification of the public spaces at this intersection	B-1,G	7	a,b
XIV. Appropriate Mix of Tourist-Oriented Businesses			
A. Define the business "niche" for the City (see IV.A)	B	12	a,k,
B. Identify most appropriate businesses within that niche (see IV.B)	B-2	12	a,k
C. Develop programs for attraction and retention			
1. Continuously update and expand on market study in this Plan	B-2,E	1-20	k,i
2. Develop a "target" marketing program that focuses on specific identified businesses that would be best suited for Pinconning; contact businesses using a coordinated, professional approach to promote relocation or expansion within the central business area	B-2,E	3-20	a,k,i



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OBJECTIVES/POLICIES/STRATEGIES	LOCAL PARTICIPANTS	SCHEDULE YEAR	FUNDING SOURCE
3. Research activities that have been successfully used in other communities to retain businesses and adopt or modify those that best fit into the Pinconning market area; create innovative retention programs and judiciously apply to a long-term retention program	B-2,E	3-20	h,k,i
4. Request feedback from businesses that have been pursued to identify strengths and weaknesses of the retention and attraction programs and modify accordingly	B-2,E	3-20	h,k,i
XV. Improved Street Alignment and Design			
A. Review existing street configuration and identify traffic flow and safety problems			
1. Obtain traffic accident records and identify locations within the City where accidents most frequently occur	F,B-1,H	2	a
2. Develop street design/alignment options to reduce the number of accidents and increase safety	F,B-1	3-5	a,g
3. Select the most efficient and aesthetic design option for street configuration	F,B-1	3-5	a,g
B. Identify future traffic volumes and associated street capacity requirements			
1. Collect data on current volumes of traffic generated by each type of land use	F,B-1,H	3-20	a,g
2. Develop traffic flow model that reflects projected land uses and associated traffic volumes	F,H	3-5	a,g
3. Identify required capacity and suggested improvements/expansions based upon model	F,H	3-5 16-20	a,g
C. Develop a street/sidewalk/pathway plan			
1. Use results of model and street design process to identify street improvements	F,B-1	3-5	a,g
2. Analyze pedestrian movement patterns and identify most likely pedestrian linkages based upon projected land use patterns	F,B-1	3-5	a,g
3. Develop sidewalk design based upon identified patterns/linkages	F,B-1	3-5	a,g
4. Work with Pinconning Township and the County to identify trail system needs within the Pinconning area			
5. Identify locations within public rights-of-way in the City that will best accommodate pedestrian/bicycle trail users	F,B-1	3-5	a,g
6. Utilize all the information collected, safety improvement recommendations and traffic flow model to develop a comprehensive, coordinated transportation plan for the City	F,B-1	6-10	a,g
7. Estimate costs and develop phasing schedule and incorporate into City CIP program (in conjunction with XII A&B)	A,F,B-1,G	6-10	a,g



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OBJECTIVES/POLICIES/STRATEGIES	LOCAL PARTICIPANTS	SCHEDULE YEAR	FUNDING SOURCE
XVI. Convenient, Shopper Oriented Off-Street Parking			
A. Identify number of spaces required for existing businesses			
1. Utilize accepted parking standards to identify required number of parking spaces and compare to existing available parking spaces	B-1,F	2	a
2. Compare required number of spaces with existing spaces to determine excess or shortfall	B-1,F	2	a
3. If shortfall, identify best locations for additional parking	B-1,F	3-5	a
B. Identify optimum number of required future parking spaces			
1. Utilize projected land use patterns to identify anticipated future business and associated traffic volumes	B-1,F	3-5	a
2. Apply accepted parking standards to each type of projected land use to identify total number of future required parking spaces	B-1,F	3-5	a
C. Adhere to the downtown revitalization plan for off-street parking sites within or adjacent to the Central Business District	B-1,F	3-5	a
XVII. Identify Appropriate Mix of Businesses While Fostering a Small Town Image			
A. Limit businesses to small operations run by independent merchants/owners			
1. Identify "small" businesses according to locally defined standards	B-2,E	2	a,k,i
2. Limit target marketing study results in XIV C.2 to small businesses	B-2,E	3-20	a,k,i
3. Contact targeted businesses and emphasize City's desire to concentrate on promoting small businesses run by independent owners/operators	B-2,E	3-20	a,k,i
B. Provide or encourage seminars on improved merchandising and service			
1. Contact merchants to identify, using a questionnaire, the merchandising and service operations currently used	B-4,E	3-5 6-10 13-15 16-20	a,k,i
2. Analyze results to provide direction for the types of merchandising seminars that would be most beneficial	B-4,E	3-5 6-10 11-15 16-20	a,k,i
3. Contact businesses/organizations that conduct merchandising/retail management seminars and arrange for local merchants to attend at most convenient location	B-4,E	3-5 6-10 11-15 16-20	a,k,i
4. Provide a newsletter and (quarterly or semiannually) containing articles or references on current merchandising and service standards and distribute to local businesses	B-4,E	1-20	i,k
C. Identify maximum desirable area for Central Business District and optimum "holding capacity" and incorporate standards into City Zoning Ordinance			
1. Identify the preferred Central Business District "boundary" (the portions of the City that should ultimately develop commercially)	B	2	a
2. Develop a model land use pattern within the defined boundary, identifying preferred building densities	B	3-5	a



Implementation Program

OBJECTIVES/POLICIES/STRATEGIES	LOCAL PARTICIPANTS	SCHEDULE YEAR	FUNDING SOURCE
3. Identify the ultimate holding capacity (sq. ft. of commercial space) of the central business area as a result of 1. and 2. above	B	3-5	a
4. Revise the City's existing zoning ordinance to accommodate the identified holding capacity and the types of land uses proposed in this Plan	B,F	3-5	a
D. Provide open spaces for community gatherings/events			
1. Discuss informally with property owners in the block surrounded by Van Etten, Second and Third streets, and City Hall the prospect of purchasing their properties for a municipal park	B-1,A,F	17	a,b
2. Solicit contributions for land purchase and park development from local businesses, corporations, individuals and foundations	B-1,A,E	17-20	e,i,k
3. Based on the park design concept identified in this Plan, submit an application to the DNR for property purchase and removal of buildings	A,B	18	a,b,f
4. After the property is acquired and buildings removed, submit an application to the DNR for park development	A,B	19	a,b,e,f,i,k
5. Construct the park and maintain through the general fund, special assessment, and/or event fees	A,B	20	a,b,e,f,i,k
XVIII. Develop Programs to Attract and Retain Businesses Identified as Viable Within the Market Niche			
A. Establish account within DDA for promotion and retention			
1. Solicit funds from local businesses as start-up for a downtown-wide fund promotion campaign	B-4,E	2	i,k
2. Conduct periodic fund raisers for downtown-wide promotion	B-4,E	3-20	i,k
B. Retain services of a professional market developer to work with City to develop business retention and attraction activities			
1. Contact the Michigan Chamber of Commerce to identify professional marketing resources	B-2	3-5	a,k
2. Discuss options for financing services with professional marketers, including initial contingency contract	B,B-2,E	3-5	e,i,k
3. Encourage local businesses to establish and contribute to a fund for retaining long-term retention of a professional marketer	B,E	3-20	e,i,k
4. Retain services of selected marketer and evaluate periodically, change to fee basis when revenues become available	B,E	3-20	e,i,k
C. Encourage local businesspeople to impart a positive image of Pinconning's business prospects			
1. Hold periodic meetings or "coffee clatches" among local businesses to encourage a positive "team spirit"	B-4	1-20	i,k
2. Encourage businesspeople, and customers, to "talk up" Pinconning to neighbors and friends	B-4	1-20	i,k



Implementation Program

OBJECTIVES/POLICIES/STRATEGIES	LOCAL PARTICIPANTS	SCHEDULE YEAR	FUNDING SOURCE
XIX. Create a Physical Environment that Provides for Consumer Safety			
A. Incorporate safety and security into downtown revitalization design			
1. Ensure adopted revitalization design plan contains adequate lighting, pedestrian separation from vehicular movement and handicap access	B,B-1,C	1	i,k
B. Train and encourage business owners and employees to emphasize security and safety for consumers			
1. Contact security agency and set up meeting with local business owners to identify security measure and how they can be implemented	B,C,E	2	i
2. Send periodic news articles and associated security information to local business people to keep them abreast of state-of-the-art equipment and practices	B-B-3,E,C	3-20	a,k
C. Advertise and promote the Pinconning business area as a secure and safe place to shop			
1. Incorporate short publicity pieces in newspaper and radio advertisements for the Pinconning business district as a whole	B,B-4,E	3-20	k,i
2. Consistently mention safety and security in logos, etc. for the downtown area	B,B-4,E	3-20	a,k
XX. Expand and Improve the City's Sidewalk System			
A. Identify locations in which sidewalk improvements would be most beneficial to pedestrians			
1. Identify business access points and design sidewalks and walkways to efficiently accommodate those access points, including the rear of stores in the Central Business District	B-1,B-3	2	a
B. Improve existing sidewalks in the business area to better accommodate pedestrian movement			
1. Construct new sidewalk according to this Plan, including a new walkway on the east side of Manitou Street to service the proposed covered bus stop	B	1	a,c,g
2. Encourage aesthetics in sidewalk design with brick pavers	B	1	a,c,g
C. Increase access to businesses and public spaces for disabled individuals			
1. Identify locations on public rights-of-way where handicapped access ramps and facilities would be most effective	B-1	2	a
2. Inventory businesses where handicap access needs to be located or improved and work with those businesses to assist in developing and implementing handicap access facilities	B-3	3-5	a,k,i,g
D. Design for, and encourage, the use of pedestrian and bicycle traffic within the central business area			
1. Tie the Central Business District into the Pinconning trail walk using designated walking/biking lanes	A,F,B	3-5	a,g,c
2. Provide bicycle stands within the central business area	A,B,C,E	3-5	g,k,i



■ Implementation Program

OBJECTIVES/POLICIES/STRATEGIES	LOCAL PARTICIPANTS	SCHEDULE YEAR	FUNDING SOURCE
XXI. A Business Corridor Tied into the County Park through Pedestrian/Bicycle Access			
A. Develop a trail system			
1. Work with Pinconning Township and the Northern Bay Community Foundation to design and construct a trail system connecting the City's business area to the County Park on Saginaw Bay	B	1-5	a,f
2. Identify funding and financing sources for construction and maintenance of the walkway	B	1-2	a,f
B. Provide pedestrian/bicycle access from the Central Business District and M-13 to the riverwalk.			
1. Identify the most efficient linkage between the Central Business District and M-13 and the proposed sidewalk	B,F	1-2	a,f
2. Develop a specific alignment for the linkage	B,F	1-2	a,f
3. Define bike or walkway lanes and/or construct separate paths within the identified rights-of-way	B,F	2-3	a,b,f
C. Encourage walkway use through advertising, community events, etc.			
1. Design the walkway with amenities to attract tourism and increase usage	B,F	1-2	a,b,f
2. Develop a community-wide advertising and promotion campaign that includes the riverwalk	B-4,C,E	1-2	a,b,f,k
3. Design local events and attractions to capitalize, as much as feasible, on the riverwalk	B-4,E	3-20	a,i,k



■ Implementation Program

KEY TO IMPLEMENTATION PROGRAM

IMPLEMENTING BODIES AND PARTICIPANTS	
<p> A - City Council B - DDA B-1 - DDA - Public Improvements Committee B-2 - DDA - Tenant Search Committee B-3 - DDA - Private Improvements Committee B-4 - DDA - Management and Promotion Committee C - Downtown Property Owners D - Developers E - Merchants F - Planning Commission G - Utility Companies </p>	
SCHEDULE	FUNDING SOURCES
<p> 1 - One Year 2 - Two Years 3-5 - Three through Five Years 6-10 - Six through Ten Years 11-15 - Eleven through Fifteen Years 16-20 - Sixteen through Twenty Years </p>	<p> a - General Revenue (City) b - Tax Increment Finance c - Community Development Block Grant d - Special Assessment e - Local Financial Institutions f - Michigan Department of Natural Resources Natural Resources Trust Fund Land and Water Conservation Fund Coastal Zone Management Program g - Michigan Department of Transportation Transportation Enhancement Grant Act 51 h - Small Business Administration i - Foundations/Private Contributors j - Credit Pools k - Private Businesses l - Michigan Strategic Fund </p>





APPENDIX A

Consumer Questionnaire Results



PINCONNING AREA CONSUMER QUESTIONNAIRE

The Pinconning Downtown Development Authority (DDA) is undertaking a very important project that has significant implications for the overall economic good of the community. We are putting together a plan to encourage and provide for the revitalization of the downtown area. An important part of that process is identifying the demographic make-up of consumers living in the City's retail market area along with consumer shopping patterns and preferences. To obtain that information, we are asking you to take a few minutes to fill out the following survey and mail it or hand deliver it to us by September 30th at the address on the back page.

If you return the survey by mail please fold it in half and staple or tape it together. Please keep in mind we are not asking you to identify yourself, so all responses are anonymous. You, as the consumer, will ultimately benefit from this program as the DDA is committed to providing you with the goods and services you want while making your shopping experience enjoyable.

Thank you in advance for your contribution to our efforts, and watch us as we improve. We think you'll like the change.

1. Please tell us how often you visit the following communities for your shopping needs (frequently - once a week or more; occasionally - once or twice a month; seldom - 2 or 3 times per year).

	Frequently	Occasionally	Seldom	Never
(a) Pinconning	(1) <u>178</u>	(2) <u>40</u>	(3) <u>11</u>	(4) <u>0</u>
(b) Bay City (Downtown)	(1) <u>30</u>	(2) <u>77</u>	(3) <u>88</u>	(4) <u>23</u>
(c) Bay City Mall	(1) <u>63</u>	(2) <u>127</u>	(3) <u>33</u>	(4) <u>4</u>
(d) Standish	(1) <u>39</u>	(2) <u>89</u>	(3) <u>71</u>	(4) <u>20</u>
(e) Essexville	(1) <u>3</u>	(2) <u>25</u>	(3) <u>83</u>	(4) <u>99</u>
(f) Midland	(1) <u>9</u>	(2) <u>54</u>	(3) <u>73</u>	(4) <u>76</u>
(g) Other (Specify) _____	(1) <u>44</u>	(2) <u>34</u>	(3) <u>18</u>	(4) <u>21</u>

- 1a. Now please go back and circle the letter in front of the community you shop in most often.

2. Please rate the City of Pinconning on each of the following conditions using the following 3 point scale.

3 = Excellent

2 = Average

1 = Unsatisfactory

- | | |
|--|---|
| (a) <u>2.1</u> Public parking availability | (f) <u>1.8</u> Restaurants |
| (b) <u>1.3</u> Variety of retail stores/services | (g) <u>1.4</u> Public benches and other amenities present |
| (c) <u>1.8</u> Prices of goods and services | (h) <u>1.9</u> Ease of getting from one store to another |
| (d) <u>1.5</u> Selection of goods | (i) <u>1.9</u> Shopping Hours |
| (e) <u> </u> Storefronts | (j) <u>2.3</u> Proximity to home/work |

3. On what days of the week do you generally shop at or use the services of convenience stores (such as grocery stores, drug stores, hardware stores, dry cleaners, etc.)?

- | | |
|---|------------------------|
| (1) <u>117</u> Weekdays between 9 AM and 5 PM | (3) <u>36</u> Saturday |
| (2) <u>74</u> Weekdays after 5 PM | (4) <u>5</u> Sunday |

4. On what days of the week do you generally shop at or use the services of comparison goods stores (such as clothing stores, appliance stores, jewelers, shoe stores, etc.)?

- | | |
|--|------------------------|
| (1) <u>98</u> Weekdays between 9 AM and 5 PM | (3) <u>64</u> Saturday |
| (2) <u>48</u> Weekdays after 5 PM | (4) <u>14</u> Sunday |

5. Which of the seven shopping areas from question #1 do you visit most often for each of the following commodities/activities. Place one of the following letters in the blank next to each item.

(a) Pinconning (b) Bay City (Downtown) (c) Bay City Mall (d) Standish (e) Essexville (f) Midland

- | | | |
|--|--|--|
| (1) <u>a</u> Groceries | (19) <u>a</u> Furniture | (37) <u>a</u> Electrical Supplies |
| (2) <u>a</u> Pharmacy/Drug Store | (20) <u>b</u> Home Electronics | (38) <u>b</u> Paint/Glass/Wallpaper |
| (3) <u>a</u> Hardware Items | (21) <u>c</u> Toys and Hobbies | (39) <u> </u> Gasoline |
| (4) <u>a</u> Auto Parts | (22) <u>a</u> Lumber and Building Supplies | (40) <u>a</u> Auto Repair |
| (5) <u>a</u> Finance | (23) <u>b</u> Entertainment Facilities | (41) <u>b</u> Lawn/Garden |
| (6) <u>a</u> Insurance | (24) <u>a</u> Meat/Fish | (42) <u>c</u> Apparel/Accessories |
| (7) <u>a</u> Real Estate | (25) <u>a</u> Fruits/Vegetables | (43) <u>c</u> Department Stores |
| (8) <u>a</u> Barber | (26) <u>b</u> Tires/Batteries | (44) <u>c</u> Mail Order Outlet |
| (9) <u>a</u> Beautician | (27) <u>a</u> Gasoline | (45) <u>b</u> Marine Equipment |
| (10) <u>b</u> Travel Agent | (28) <u>c</u> Men's Clothing | (46) <u>c</u> Shoe/Footware |
| (11) <u>a</u> Coin Operated Laundry | (29) <u>c</u> Women's Clothing | (47) <u>a</u> Funeral Home |
| (12) <u>a</u> Dry Cleaners | (30) <u>c</u> Children's Clothing | (48) <u>b</u> Photo Studio |
| (13) <u>b</u> Fast Food Restaurant | (31) <u>a</u> Drinking Places | (49) <u>b</u> Office Supplies |
| (14) <u>b</u> Full Service Restaurant | (32) <u>a</u> Beer/Wine/Liquor | (50) <u>b</u> Medical Supplies/Devices |
| (15) <u>a</u> Automobile Dealer (new/used) | (33) <u>b</u> Antiques | (51) <u>b</u> Dentists |
| (16) <u>b</u> Jewelry | (34) <u>b</u> Limited Price Variety Goods | (52) <u>b</u> Doctors |
| (17) <u>c</u> Sporting Goods | (35) <u>a</u> Heating and Plumbing | (53) <u>b</u> Lawyers |
| (18) <u>b</u> Appliances | (36) <u>b</u> General Merchandise | |

6. Would it serve your shopping needs better if Pinconning stores were to open for alternate hours?

(1) 8 Open earlier (2) 62 Close later (3) 42 Both (4) 111 Hours currently adequate

7. If the answer to question #6 was yes, what single day of the week would you like to see alternate store hours? Please choose only one day

(1) 7 Monday (2) 3 Tuesday (3) 11 Wednesday (4) 9 Thursday
(5) 34 Friday (6) 44 Saturday (7) 15 Sunday

8. How do you feel Pinconning stores compare with other retail areas in terms of prices?

Pinconning's prices are:	Lower than	Same as	Higher than
Bay City (Downtown)	(1) 35	(2) 85	(3) 80
Bay City Mall	(1) 40	(2) 82	(3) 87
Standish	(1) 24	(2) 113	(3) 53
Essexville	(1) 15	(2) 75	(3) 56
Midland	(1) 38	(2) 62	(3) 64

9. How do you feel Pinconning stores compare with other retail areas in terms of the variety of merchandise or services available?

Pinconning's variety is:	Better than	Same as	Worse than
(b) Bay City (Downtown)	(1) 25	(2) 47	(3) 129
(c) Bay City Mall	(1) 37	(2) 36	(3) 137
(d) Standish	(1) 22	(2) 81	(3) 92
(e) Essexville	(1) 15	(2) 59	(3) 85
(f) Midland	(1) 22	(2) 39	(3) 119

10. How do you feel Pinconning's stores compare with other retail areas in terms of showing concern for the needs of the consumer?

Pinconning meets consumer needs:	Better than	Same as	Worse than
(b) Bay City (Downtown)	(1) 42	(2) 87	(3) 73
(c) Bay City Mall	(1) 48	(2) 77	(3) 77
(d) Standish	(1) 34	(2) 97	(3) 60
(e) Essexville	(1) 30	(2) 72	(3) 57
(f) Midland	(1) 34	(2) 67	(3) 72

11. If you were in need of rental housing, how likely would you be to consider apartments in downtown Pinconning?

(1) 37 Very likely (2) 56 Somewhat likely (3) 37 Somewhat unlikely (4) 82 Not at all likely

12. What do you particularly like about Pinconning that you would not want to see changed?

13. Below are a number of events that are held in Pinconning during the year. Please tell us how aware you are of each of them by checking the appropriate space.

	Aware of it	Not Aware of it	Usually Attend	Do Not Attend
(a) Classic Car Show	(1) <u>187</u>	(2) <u>11</u>	(1) <u>70</u>	(1) <u>74</u>
(b) Ice Festival	(1) <u>124</u>	(2) <u>53</u>	(1) <u>17</u>	(1) <u>133</u>
(c) Cheese Town Run	(1) <u>164</u>	(2) <u>20</u>	(1) <u>38</u>	(1) <u>102</u>

14. In what city, township do you live? (Please check one)

(a) 58 City of Pinconning (d) 11 Garfield Township
(b) 66 Pinconning Township (e) 44 Fraser Township
(c) 29 Mt. Forest Township (f) 17 Other (Please identify _____)

15. What is your marital status? (1) 178 Married (2) 17 Single (3) 11 Divorced (4) 19 Widowed

16. Do you work in the City of Pinconning? (1) 55 Yes (2) 166 No

17. Including yourself, how many live in your household? (Please check one)

(a) 23 1 (c) 45 3 (e) 14 5 (g) 3 7 and above
(b) 96 2 (d) 37 4 (f) 7 6

18. What is your age? (a) 1 Under 18 (c) 31 25-34 (e) 59 45-54 (g) 41 64-84
(b) 8 18-24 (d) 46 35-44 (f) 39 55-64 (h) 1 85+

19. How many children in the following age groups are currently living in your household?

(a) 1.2 1-6 years old (b) 0.3 7-12 years old (c) 0.4 13-17 years old (d) 0.3 18 and over

20. How many persons in your household are currently employed? (1) 1.1 Full-time (2) 0.4 Part-time

21. What is your education level?

(1) 18	Non-High School Graduate	(5) 18	Graduated Four-Year College
(2) 71	High School Graduate	(6) 14	Post Graduate College
(3) 66	Some College	(7) 17	Trade/Vocational/Military School
(4) 20	Graduated Junior College		

22. What is your income level? Please check one.

(a) <u>20</u> less than \$10,800	(d) <u>33</u> \$18,000 - \$28,000	(g) <u>26</u> \$40,000 - \$50,000
(b) <u>24</u> \$10,881 - \$13,400	(e) <u>26</u> \$28,001 - \$35,000	(h) <u>41</u> Above \$50,000
(c) <u>11</u> \$13,441 - \$18,000	(f) <u>22</u> \$35,000 - \$40,000	

APPENDIX B

Merchant Questionnaire Results



PINCONNING AREA BUSINESS SURVEY RESPONSES

Section A: General Information

1. Name of business _____
2. Address _____
3. What is the total square footage of your business space? 600 SF - 38,048 SF; Median 3,000 SF
4. Of that, how much is devoted to total retail/service area (square feet) 300 SF - 37,000 SF; Median 1,100 SF
5. How much is total unused area (square feet) Primarily 0
6. How long have you been in business at this location? 1 - 54 years Average 13.4; Median 5
7. Was your business in a different location prior to the present building?

2	Yes	6	No
---	-----	---	----
8. Do you feel your present building will adequately meet your needs over the next 5 years?

7	Yes	1	No
---	-----	---	----
9. How many employees, including owners, do you have?

1-3	Full-Time	1-6	Part-Time
Median 1.5		Median 1.5	
10. Does your store have a rear entrance for patrons?

3	Yes	6	No
---	-----	---	----
11. What percentage of your customers or clients are local residents? 20 - 90 % Median 55%
12. Approximately what percent of your customers are vacationers/tourists? 0 - 60 % Median 12.5%
13. Approximately what percentage of your customers are retirees? 0 - 50 % Median 17.5%
14. Approximately what percentage of your annual sales or business volume occurs during winter months? 0 - 40 % Median 30%
15. What is the average time spent in your place of business by a customer/shopper? 10 - 150 minutes Median 30 minutes
16. What percentage of shoppers in your place of business actually purchase items/services? 10 - 100 % Median 92.5%
17. What percentage of your customers are return clients/shoppers? 50-98 % Median 90%
18. Check four existing features of Pinconning that you feel have the greatest positive influence on the City's business in the downtown business district.

2	Plenty of convenient well-lighted parking	6	Stores open convenient hours
2	Variety of stores/merchandise	1	Attractive storefront and interiors
6	Location/accessibility of shops	5	Pinconning County Park
2	Proximity to I-75/M-13	5	Pinconning Area School
2	Variety of restaurants	2	Other - small town, lake related activities

19. Check four existing features of Pinconning that you feel have the greatest positive influence on the City's business in the M-13 business area.

5	Plenty of convenient well-lighted parking	3	Stores open convenient hours
2	Variety of stores/merchandise	2	Attractive storefront and interiors
5	Location/accessibility of shops	2	Pinconning County Park
6	Proximity to I-75/M-13	4	Pinconning Area School
4	Variety of restaurants		Other (specify)

20. Check four features of Pinconning that you feel have the greatest negative influence on the City's businesses in the downtown business district.

2	Inadequate parking	2	Stores hours do not match customers' needs
8	Poor variety of stores/merchandise	9	Deteriorating storefronts and interior
1	Location/inaccessibility of shops	3	Lack of public amenities
5	Lack of non-retail services		Other (specify)
5	Poor variety of restaurants		

21. Check four features of Pinconning that you feel have the greatest negative influence on the City's businesses in the M-13 business area.

3	Inadequate parking	2	Stores hours do not match customers' needs
5	Poor variety of stores/merchandise	4	Deteriorating storefronts and interior
2	Location/inaccessibility of shops	1	Lack of public amenities
3	Lack of non-retail services		Other (specify)
3	Poor variety of restaurants		

22. Some communities, such as Frankenmuth, have developed a central "concept" or "niche" around which businesses and activities focus. Do you think downtown Pinconning should develop a "concept" or "niche" to attract additional businesses and consumers?

8	Yes	1	No
---	-----	---	----

If yes, do you have any suggestions? Cheese Museum, restaurant, Native Indian Museum, specialty gifts/crafts, historic downtown, strict junk ordinance, cheese festival

23. Do you feel attractive outdoor spaces are an important part of a successful downtown?

9	Yes	0	No
---	-----	---	----

24. Would a supervised play space for the children of shoppers/employees be desirable in the downtown area?

5	Yes	2	No
---	-----	---	----

25. Is pedestrian scale lighting important to the downtown area?

8	Yes	1	No
---	-----	---	----

Section B: Renovation and Restoration

1. Within the past 5 years have you significantly improved your building?

5	Yes	4	No
---	-----	---	----

2. Do you have plans for renovation or restoration of your building?

3	Yes	4	No
---	-----	---	----

Section C: Coordination and Promotion

1. Do you participate in downtown-wide promotions?

1	Yes	8	No
---	-----	---	----

2. Please identify which of the following media you use for advertising/promotion:

6	Newspaper	1	Television	9	Word of mouth
7	Shoppers Guide	3	Billboards		Other
4	Radio	5	Brochures/Flyers		

3. Do you feel more "seasonal" or "theme" retail promotions are needed?

6	Yes	3	No
---	-----	---	----

4. Would you contribute specific amounts for group advertising?

4	Yes	3	No
---	-----	---	----

5. Would you contribute for specific events? (i.e. Chamber money certificates, cash drawings, etc.)

5	Yes	2	No
---	-----	---	----

6. Would you favor an ongoing assessment for the purchase of "seasonal" and "theme" decorations? (i.e. sidewalk planters, flags, Christmas decorations, etc.)

7	Yes	2	No
---	-----	---	----

7. Are you in favor of evening hours?

5	Yes	3	No
---	-----	---	----

If yes, check the appropriate day(s) you would prefer

1	Monday	1	Tuesday	1	Wednesday	2	Thursday	4	Friday
---	--------	---	---------	---	-----------	---	----------	---	--------

8. Until what hour would you be willing to stay open? 6, 8 (2), 9 (2), 10, 12 (2)

Section D: Parking

1. How many parking spaces are currently available for your business? 3 - 65 Median 15

2. How many parking spaces do you feel would provide adequate parking for your customers? 3 - 65 Median 16.5

3. Should parking be more closely regulated in the commercial areas?

1	Yes	8	No
---	-----	---	----

4. Where do you and your employees frequently park?

2	At spaces in front of business	3	Other - City lot; in back of building
6	At private lots adjacent to business		

Section E: Additional Information

1. Please classify your business. (see #2 below for clarification)

1	Hardware	2	Eating and/or Drinking Place
	General Merchandise	1	Drug and Proprietary Store
1	Food Store		Miscellaneous Retail Store
	Automotive Dealer		Real Estate
	General Service Station		Bank/Credit Union/Savings & Loan
	Apparel and Accessories	1	Insurance Services
	Furniture and Home Furnishings	3	Other - funeral home, telecommunications, auto parts & electronics

2. Specify merchandise or services offered.

a. Hardware

	Lumber and other building materials	1	Electrical supplies
1	Heating and plumbing equipment	1	Hardware and farm equipment
1	Paint, glass and wallpaper	1	Other - firearms

b. General Merchandise

	Department store		Merchandise vending machine operators
	Mail order house		Direct selling organization
	Limited price variety store		Other retail trade (specific)

c. Food Stores

	Groceries (with or without meat)	1	Other - cheese store; specialty foods
1	Meats and Fish		

d. Automotive

	Motor vehicles, retail		Marine craft and accessories
	Tires, batteries and accessories		Automotive repair
	Gasoline service stations	1	Other retail store (specify)

e. Apparel and Accessories

	Men's clothing and accessories		Shoes
	Women's clothing and accessories		Other retail trade (specify)
	Children's clothing and accessories		

f. Furniture and Home Furnishings

	Furniture, home furnishings and equipment		Radios, televisions and music supplies
	Household appliances		Other (specify)

g. Eating and/or Drinking Place

1	Full service menu	1	Other - pizza/sandwiches
1	Drinking places		

h. Drug and Proprietary Store

1	Pharmacy		Other (specify)
1	Medical Supplies		

i. Miscellaneous Retail Store

Liquor-retail	Laundry, dry cleaners
Antique and secondhand	Photographic studio
Book and stationery, retail	Barber, beauty shop
Sporting goods and bicycles	Shoe repair
Jewelry, retail	Funeral service
Fuel and Ice	Business services
Motels, rooming houses, camps	Other (specify)

Section F: Comments

What types of improvements would you propose for the Pinconning Business Area?

<u>Rehab store fronts - 11</u>	Greenbelt/small children's park in downtown
<u>Festival/event</u>	More retail businesses - 11
<u>Clean-up/fix-up (start with City ordinance)</u>	Create more mall-type atmosphere
<u>Improve streets/sidewalks - 11</u>	Capitalize on tourist trade and County Park (need reason to spend more time in town)
<u>Additional parking</u>	
<u>Purchase/demolish Horn's Hardware building</u>	

TABLE A

GOVE ASSOCIATES INC.
TAX INCREMENT FINANCING PROGRAM
CAPTURING INFLATION

CITY OF PINCONNING DOWNTOWN REDEVELOPMENT PROGRAM

STARTING YEAR OF TIF PROGRAM	1995
NUMBER OF YEARS FOR TIF PROGRAM	30
MILLAGE RATE FOR TIF PROGRAM	15.0000
INFLATION AND APPRECIATION RATE	3.00
PRESENT WORTH INTEREST RATE	4.00
INITIAL SEV OF TIF AREA	\$ 4319350.00

CAPITAL IMPROVEMENTS

YEAR OF IMPROVEMENT	SEV OF IMPROVEMENT	NAME OF IMPROVEMENT
1996	\$ 324500.00	NEW BUILDING
1997	\$ 334200.00	NEW BUILDING
1998	\$ 16000.00	BUILDING RENOVATION
1999	\$ 16000.00	BUILDING RENOVATION
2000	\$ 16000.00	BUILDING RENOVATION
2001	\$ 1910000.00	NEW BUILDINGS
2002	\$ 461000.00	NEW BUILDINGS/RENOVATIONS
2003	\$ 475000.00	NEW BUILDINGS/RENOVATIONS
2004	\$ 489000.00	NEW BUILDINGS/RENOVATIONS
2005	\$ 504000.00	NEW BUILDINGS/RENOVATIONS
	\$ 4545700.00	TOTAL SEV OF INVESTMENTS



1. YEAR	2. SEV	3. CAPITAL INVESTMENT IN SEV	4. MILLS	5. STATE TAXES	6. LOCAL TAXES	7. TOTAL TAXES	8. PRESENT VALUE OF TAXES AT 4.00%	9. TOTAL TAXES	10. PRESENT VALUE OF TAXES AT 4.00%
1995	\$ 4319350.00	\$.00	15.0000	\$ 64790.25	\$.00	\$.00	\$.00	\$.00	\$.00
1996	\$ 4448930.50	\$ 324500.00	15.0000	\$ 66733.96	\$ 1943.71	\$ 1943.71	\$ 1868.95	\$ 1943.71	\$ 1868.95
1997	\$ 4916633.42	\$ 334200.00	15.0000	\$ 73749.50	\$ 8959.25	\$ 10902.76	\$ 10411.73	\$ 10902.76	\$ 10411.73
1998	\$ 5408358.42	\$ 16000.00	15.0000	\$ 81125.38	\$ 16335.13	\$ 27238.08	\$ 25718.13	\$ 27238.08	\$ 25718.13
1999	\$ 5587089.17	\$ 16000.00	15.0000	\$ 83806.34	\$ 19016.09	\$ 46254.17	\$ 43613.07	\$ 46254.17	\$ 43613.07
2000	\$ 5771181.85	\$ 16000.00	15.0000	\$ 86567.73	\$ 21777.48	\$ 69031.65	\$ 62299.18	\$ 69031.65	\$ 62299.18
2001	\$ 5960797.30	\$ 1910000.00	15.0000	\$ 89411.96	\$ 24621.71	\$ 92653.36	\$ 83577.78	\$ 92653.36	\$ 83577.78
2002	\$ 8106921.22	\$ 461000.00	15.0000	\$ 121603.82	\$ 56813.57	\$ 149466.93	\$ 134991.69	\$ 149466.93	\$ 134991.69
2003	\$ 8824958.86	\$ 475000.00	15.0000	\$ 132374.38	\$ 67584.13	\$ 217051.06	\$ 194784.44	\$ 217051.06	\$ 194784.44
2004	\$ 9578957.62	\$ 489000.00	15.0000	\$ 143684.36	\$ 78894.11	\$ 295945.18	\$ 263152.45	\$ 295945.18	\$ 263152.45
2005	\$ 10369996.35	\$ 504000.00	15.0000	\$ 155549.95	\$ 90759.70	\$ 386704.87	\$ 340300.14	\$ 386704.87	\$ 340300.14
2006	\$ 11200216.24	\$.00	15.0000	\$ 168003.24	\$ 103212.99	\$ 439917.86	\$ 426454.94	\$ 439917.86	\$ 426454.94
2007	\$ 11536222.73	\$.00	15.0000	\$ 173043.34	\$ 108253.09	\$ 598170.95	\$ 514142.34	\$ 598170.95	\$ 514142.34
2008	\$ 11882309.41	\$.00	15.0000	\$ 178233.64	\$ 113444.39	\$ 711615.35	\$ 603448.78	\$ 711615.35	\$ 603448.78
2009	\$ 12238778.69	\$.00	15.0000	\$ 183581.68	\$ 118791.43	\$ 830406.78	\$ 694461.74	\$ 830406.78	\$ 694461.74
2010	\$ 12605942.05	\$.00	15.0000	\$ 189089.13	\$ 124299.88	\$ 954705.66	\$ 787269.83	\$ 954705.66	\$ 787269.83
2011	\$ 12984120.31	\$.00	15.0000	\$ 194761.80	\$ 129971.55	\$ 1084677.21	\$ 881562.87	\$ 1084677.21	\$ 881562.87
2012	\$ 13373643.92	\$.00	15.0000	\$ 200604.66	\$ 135814.41	\$ 1220491.62	\$ 978631.99	\$ 1220491.62	\$ 978631.99
2013	\$ 13774853.24	\$.00	15.0000	\$ 206622.80	\$ 141832.55	\$ 1362324.17	\$ 1077369.75	\$ 1362324.17	\$ 1077369.75
2014	\$ 14188098.84	\$.00	15.0000	\$ 212821.48	\$ 148031.23	\$ 1510355.40	\$ 1174270.18	\$ 1510355.40	\$ 1174270.18
2015	\$ 14613741.80	\$.00	15.0000	\$ 219206.13	\$ 154415.88	\$ 1664771.28	\$ 1281426.90	\$ 1664771.28	\$ 1281426.90
2016	\$ 15052154.06	\$.00	15.0000	\$ 225782.31	\$ 160592.06	\$ 1825763.34	\$ 1386943.23	\$ 1825763.34	\$ 1386943.23
2017	\$ 15503718.68	\$.00	15.0000	\$ 232355.78	\$ 167765.53	\$ 1993528.87	\$ 1494912.27	\$ 1993528.87	\$ 1494912.27
2018	\$ 15968830.24	\$.00	15.0000	\$ 239532.45	\$ 174742.20	\$ 2168271.07	\$ 1605436.99	\$ 2168271.07	\$ 1605436.99
2019	\$ 16447895.15	\$.00	15.0000	\$ 246718.43	\$ 181928.18	\$ 2350199.25	\$ 1718620.36	\$ 2350199.25	\$ 1718620.36
2020	\$ 16941332.00	\$.00	15.0000	\$ 254119.98	\$ 189329.73	\$ 2539528.98	\$ 1834567.39	\$ 2539528.98	\$ 1834567.39
2021	\$ 17449571.96	\$.00	15.0000	\$ 261743.58	\$ 196953.33	\$ 2736482.31	\$ 1953385.31	\$ 2736482.31	\$ 1953385.31
2022	\$ 17973059.12	\$.00	15.0000	\$ 269595.89	\$ 204805.64	\$ 2941287.95	\$ 2071183.60	\$ 2941287.95	\$ 2071183.60
2023	\$ 18512250.89	\$.00	15.0000	\$ 277683.76	\$ 212893.51	\$ 3154181.46	\$ 2200074.15	\$ 3154181.46	\$ 2200074.15
2024	\$ 19067618.42	\$.00	15.0000	\$ 286014.28	\$ 221224.03	\$ 3375405.49	\$ 232171.32	\$ 3375405.49	\$ 232171.32
2025	\$ 19639646.97	\$.00	15.0000	\$ 294594.70	\$ 229804.45	\$ 3605209.94	\$ 2452592.09	\$ 3605209.94	\$ 2452592.09



TABLE B

GOVE ASSOCIATES INC.
TAX INCREMENT FINANCING PROGRAM
CAPTURING INFLATION
PART 2

CITY OF PINCKNEY DOWNTOWN REDEVELOPMENT PROGRAM

STARTING YEAR OF TIF PROGRAM	1995
NUMBER OF YEARS OF TIF PROGRAM	30
MILLAGE RATE FOR TAXING JURISDICTION	15.0000
INITIAL NON-PROPERTY TAX REVENUE	\$ 317919.00
GROWTH RATE OF NON-PROPERTY TAX REVENUE	4.10
INITIAL SEV OF TAXING JURISDICTION AREA	\$ 19532000.00

IMPACT

1. YEAR	2. PROJECTED REV AT 6.00% GROWTH WITHOUT TIF	3. PROJECTED REV AT 6.00% GROWTH WITH TIF	4. MILLAGE	5. NON- PROPERTY TAX REVENUE AT 4.10%	6. PROJECTED TAX REVENUE WITHOUT TIF	7. PROJECTED TAX REVENUE WITH TIF	8. TOTAL REVENUE WITHOUT TIF	9. TOTAL REVENUE WITH TIF	10. REVENUE DIFFERENCE DOLLARS	11. PERCENT
1995	19532000.	19532000.	15.0000	317919.	292980.	292980.	610899.	610899.	0.	.00
1996	20703920.	20574340.	15.0000	330954.	310559.	308615.	641512.	639569.	1944.	.30
1997	21946155.	21348872.	15.0000	344523.	329192.	320233.	673715.	664756.	8959.	1.33
1998	23262925.	22173916.	15.0000	358648.	348944.	332609.	707592.	691257.	16335.	2.31
1999	24658700.	23390961.	15.0000	373353.	369880.	350864.	743233.	724217.	19016.	2.56
2000	26138222.	24686390.	15.0000	388660.	392073.	370296.	780734.	758956.	21777.	2.79
2001	27706515.	26065068.	15.0000	404595.	415598.	390976.	820193.	795571.	24622.	3.00
2002	29368906.	25581335.	15.0000	421184.	440534.	383720.	861717.	804904.	56914.	6.59
2003	31131041.	26625432.	15.0000	438452.	466966.	399381.	905418.	837834.	67584.	7.46
2004	32998903.	27732925.	15.0000	456429.	494984.	416089.	951412.	872518.	78894.	8.29
2005	34978837.	28928191.	15.0000	475142.	524683.	433923.	999825.	909065.	90760.	9.08
2006	37077567.	30196701.	15.0000	494623.	556164.	452951.	1050787.	947574.	103213.	9.82
2007	39302221.	32085349.	15.0000	514903.	589533.	481280.	1104436.	996183.	108253.	9.80
2008	41660355.	34097395.	15.0000	536014.	624905.	511461.	1160919.	1047475.	113444.	9.77
2009	44159976.	36240547.	15.0000	557990.	662400.	543608.	1220390.	1101599.	118791.	9.73
2010	46809575.	38522983.	15.0000	580868.	702144.	577845.	1283012.	1158713.	124299.	9.69
2011	49618149.	40953379.	15.0000	604684.	744272.	614301.	1348956.	1218984.	129972.	9.63
2012	52595238.	43540944.	15.0000	629476.	788929.	653114.	1418404.	1282590.	135814.	9.58
2013	55750952.	46295449.	15.0000	655284.	836264.	694432.	1491548.	1349716.	141833.	9.51
2014	59096009.	49227261.	15.0000	682151.	886440.	738409.	1568591.	1420560.	148031.	9.44
2015	62641770.	52347378.	15.0000	710119.	939627.	785211.	1649745.	1495330.	154416.	9.36
2016	66400276.	55667472.	15.0000	739234.	996004.	835012.	1735238.	1574246.	160992.	9.28
2017	70384293.	59199924.	15.0000	769542.	1055764.	887999.	1825307.	1657541.	167766.	9.19
2018	74607350.	62957870.	15.0000	801094.	1119110.	944368.	1920204.	1745462.	174742.	9.10
2019	79083791.	66955246.	15.0000	833938.	1186257.	1004329.	2020195.	1838267.	181928.	9.01
2020	83828819.	71206837.	15.0000	868130.	1257432.	1068103.	2125562.	1936232.	189330.	8.91
2021	88585548.	75728326.	15.0000	903723.	1332878.	1135925.	2236601.	2039648.	196953.	8.81
2022	94190061.	80536352.	15.0000	940776.	1412851.	1208045.	2353627.	2148821.	204806.	8.70
2023	98841465.	85648564.	15.0000	979348.	1497622.	1284728.	2476970.	2264076.	212894.	8.59
2024	105831952.	91083684.	15.0000	1019501.	1587479.	1366255.	2606980.	2385756.	221224.	8.49
2025	112181870.	96861573.	15.0000	1061301.	1682728.	1452924.	2744029.	2514224.	229804.	8.37

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