# I. INTRODUCTION/BACKGROUND

On September 13, 2017 a "Market Review and Business Recruitment Analysis" technical visit was provided to the Ortonville Downtown Development Authority, and coordinated by Main Street Oakland County and the National Main Street Center, Inc. The following summary reflects an examination of new market data collected prior to the visit based on a zip code analysis of the trade area, a review of the overall business mix for downtown Ortonville, and research of the area's basic underlying economics. This examination resulted in a set of "transformation strategies" that can be used a planning framework for not only addressing the most appropriate business recruitment targets, but as a focus for the more comprehensive revitalization efforts of the Ortonville DDA.

Our recommendations on Transformation Strategies, key business recruitment targets, and other activities that might support this effort more comprehensively, are provided within the summary.

Key reminders based on the national trends relative to business recruitment:

- Rather than think about business recruitment within a vacuum, need to think more holistic.
- While the DDA can move on targets, it is imperative that the public sector align with the strategy, as policies, infrastructure, zoning, etc are critical support mechanisms for this effort.
- New businesses are not only dependent upon their own entrepreneurial strengths, but the external environment.
- Capacity and resources are scarce and need to be focused on the highest and best uses.

# II. THE NATIONAL MAIN STREET PROGRAM

Over the past 35 years, the National Main Street Center has led the development of a national network of over 2,000 historic downtowns and neighborhood commercial districts – what we refer to as Main Streets - all united by these communities' tireless dedication to create vibrant, people-centered places to live, work, and play. The people who make up the Main Street network are passionate advocates, dedicated volunteers, influential stakeholders, and community organizers who work every day to turn the tide in their communities - catalyzing reinvestment, creating jobs, and fostering pride of place.

Main Street-style transformation is a combination of art and science: communities first need to learn about the local economy, its primary drivers, and its regional context (the science), but they also need to convey that special sense of place through storytelling, preserving the older and historic structures that set it apart, broad and inclusive civic engagement, and marketing (the art). To support this powerful network, the National Main Street Center has a revitalization framework – the Main Street Approach - that helps communities leverage both the art and science of downtown revitalization to create a better quality of life for all.

The Main Street Approach is most effective in places where community residents have a strong emotional, social, and civic connection and are motivated to get involved and make a difference. This approach works where existing assets – such as older and historic buildings and local independent businesses – can be leveraged. Throughout the country, both small-city downtowns and urban neighborhoods throughout the nation are renewing their community centers with Main Street methodology.
Ultimately, the result of these community-driven efforts are places with strong social cohesion and economic opportunity; they are places that support and sustain innovation and opportunity; places where people of diverse perspectives and backgrounds come together to shape the future.

## III. The Main Street Approach

### A. Identify the Community Vision for Success

The Main Street Approach begins with creating a vision for success on Main Street. Main Street promotes a community-driven process that brings diverse stakeholders from all sectors together, inviting them to be proactive participants in the revitalization process. This essential step provides a foundation for outlining the community's own identity, expectations, and ideals while confirming real and perceived perceptions, needs and opportunities. It also ensures that the vision is a true reflection of the diversity of the community. Whatever the vision, the goal is holistic transformation of Main Street, accompanied by rigorous outcome measurement to demonstrate results.

### B. Create Community Transformation Strategies

A vision of success alone is not enough. Communities must work together to identify key strategies, known as **Community Transformation Strategies** that will provide a clear sense of priorities and direction for the revitalization efforts. Typically communities will address two to three Community Transformation Strategies that are needed to help reach a community vision. These strategies will focus on both long and short-term actions that will move a community closer to achieving its goals.

For example, if a Main Street decides that "aging in place" is a critical element of its community vision, the organization would develop a series of Community Transformation Strategies to help realize that vision. A short-term strategy could be to implement a special senior discount at cooperating businesses. A longer-term strategy could be to partner with other advocacy groups and the Department of Transportation to encourage Transit Oriented Development in the district.

Work on these strategies would align with the four key areas Main Streets have been using as a guiding framework for over 35 years: Economic Vitality, Promotion, Design, and Organization, known collectively as the Main Street Four Points.


### Economic Vitality

Revitalizing a downtown district requires focusing on the underlying Economic Vitality of the district. This work is rooted in a commitment to making the most of a community's unique sense of place and existing historic assets, harnessing local economic opportunity and creating a supportive business environment for small business owners and the growing scores of entrepreneurs, innovators, and localists alike. With the nation-wide growing interest in living downtown, supporting downtown housing is also a key element of building Economic Vitality.

### Promotion

Promoting Main Street takes many forms, but the ultimate goal is to position the downtown as the center of the community and the hub of economic activity, while creating a positive image that showcases a community's unique characteristics. This can be done through highlighting cultural traditions, celebrating and preserving important architecture and history, encouraging local businesses to market cooperatively, offering coordinated specials and sales, and hosting special events aimed at changing perceptions of the district and communicating to residents, investors, businesses, and property-owners that this place is special.

**Design**

A focus on Design supports a community's transformation by enhancing the physical elements of downtown while capitalizing on the unique assets that set the commercial district apart. Main Streets enhance their appeal to residents and visitors alike with attention to public space through the creation of pedestrian friendly streets, inclusion of public art in unexpected areas, visual merchandising, adaptive reuse of older and historic buildings, more efficiently-designed buildings, transit oriented development, and much more.

**Organization**

A strong organizational foundation is key for a sustainable Main Street revitalization effort. The focus is on ensuring that all organizational resources (partners, funding, volunteers, etc.) are mobilized to effectively implement the Community Transformative Strategies. Organization establishes consensus and cooperation by building partnerships among the various groups that have a stake in downtown. This will allow the Main Street revitalization program to provide effective, ongoing management and advocacy of the commercial district. Diverse groups from the public and private sectors (city, property owners, bankers, business owners, community leaders, and others) must work together to create and maintain a successful program.

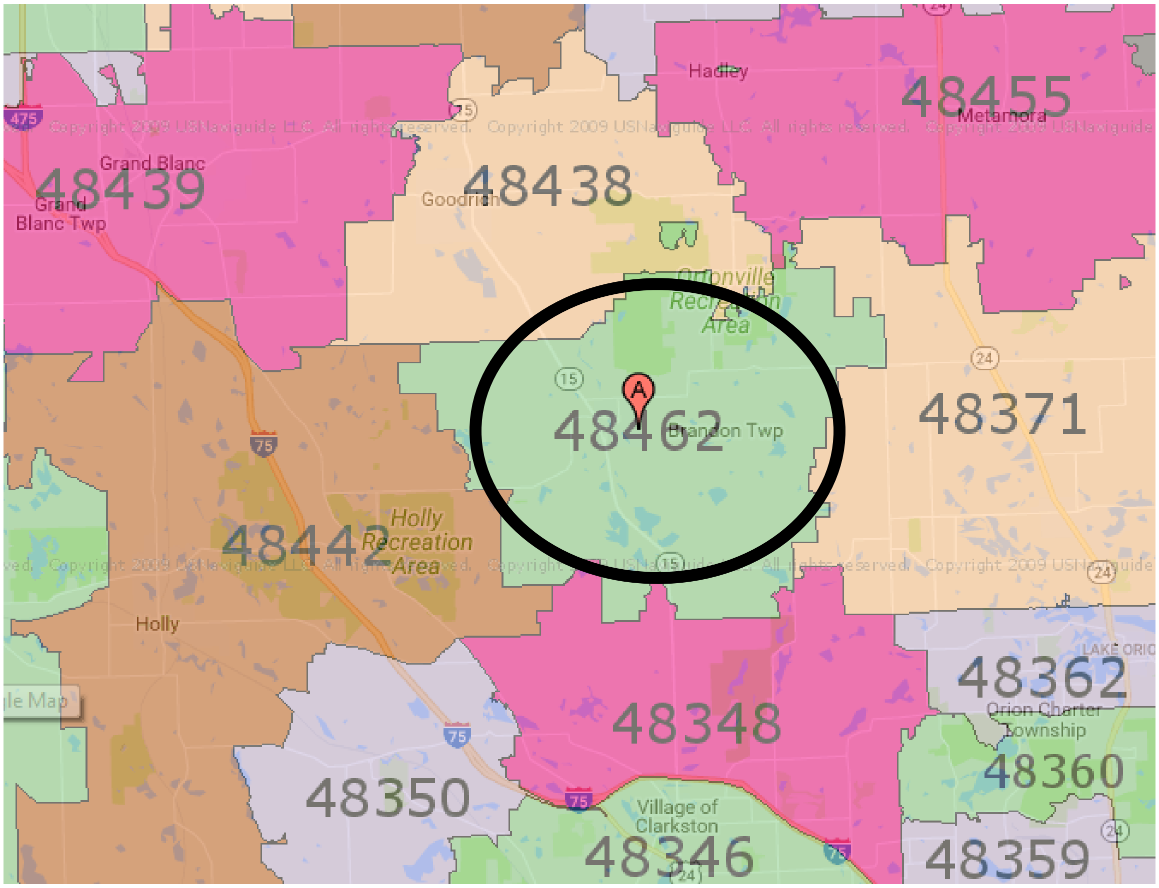
## IV. Market Analysis Review – Key Points

Trade Area Delineation – In order to assess the current market conditions, a trade area analysis was conducted over a two week period that featured zip code collections from consumers patronizing several diverse downtown Ortonville businesses. The results are demonstrated by the following map that outlines the primary and secondary trade areas:

The map outlines as the primary trade area residents living within the 48462 zip code, in which nearly 35% of the total survey responses were from this zip code. Secondary zip codes making up no more than 7 percent in total for each, where zip codes 48438, 48371, and 48348

Based on this finding, the data pulled for the purposes of analyzing the market is from the 48462 zip code.  This is not to suggest that there aren't shoppers coming from other areas however.  It only suggests that they most likely share similar characteristics to the primary shoppers but for where they reside.

TRADE AREA MAP – DOWNTOWN ORTONVILLE




*(Note – For the following, full data specs are provided as reports from ESRI and attached as standalone files)*

## Demographic Summary Points:

The Census of Population and its annual population-sampling supplement, the American Community Survey (ACS), are invaluable resources. And they are free, at census.gov. Using the Census and ACS, you can develop a rich portrait of your trade area's population. Some of the most commonly-used resources in a market analysis include:

- Population and number of households (allows you to size the market)
- Median household income and income brackets (used in calculating buying power, poverty levels, and other spending-related data)
- Median age and age brackets (a proxy for life stage, such as households in their family-building or retirement years)
- Race and ethnic composition (a reflection of different types of households in your trade area; may also highlight ethnic niche business opportunities)
- Household size (may provide insights into purchasing preferences or housing needs)

- Commuting times, distances, and destinations for the community's working residents

The following represents some key data points from Ortonville's trade are review:

- Population is less dense until 20 minutes from downtown
  2,000 (5 min) 11,000(10 min) 144,000 (20 min)
- 25% of the population greater than 65 years old
- 71% work within the county
- 88% drive alone to work
- Nearly half have a greater than 30 min commute
- High Incomes greater than $80,000 average

## Psychographic Data:

In addition to population updates, ESRI and Environics Analytics sell consumer segmentation systems called Tapestry and PRIZM, respectively. These proprietary systems, known commonly as "psychographics", cluster American households into approximately 65 "segments" with each segment sharing similar attitudes, behaviors, and spending patterns. A Tapestry or PRIZM report tells you how many households in your trade area align with each of the national segment profiles. And ESRI and Environics Analytics provide a narrative of each profile, giving you insight into each segment's lifestyle.

When studying local trade areas, it is common to observe that households fall mostly into just one or two or three segments. That's because people with similar incomes, lifestyles, political beliefs, and consumer characteristics tend to live in clusters – in cities and neighborhoods.

Psychographics are typically used by national retailers to identify locations where households fit their target customer. The Tapestry and PRIZM systems are somewhat less useful for a general market analysis of commercial districts, though they can paint a more vivid picture of household lifestyles and can provide context for the data you gathered from the ACS.

For Ortonville, the top and most significant Tapestry segments found within trade area consists of:

- Home Improvement
- Green Acres

The following represent data descriptions for each of those segments:


LifeMode Group: Family Landscapes

# Home Improvement

4B

**Households:** 2,058,000

**Average Household Size:** 2.86

**Median Age:** 37.0

**Median Household Income:** $67,000

## WHO ARE WE?

Married-couple families occupy well over half of these suburban households. Most *Home Improvement* residences are single-family homes that are owner occupied, with only one-fifth of the households occupied by renters. Education and diversity levels are similar to the US as a whole. These families spend a lot of time on the go and therefore tend to eat out regularly. When at home, weekends are consumed with home improvement and remodeling projects.

## OUR NEIGHBORHOOD

- These are low density suburban neighborhoods.
- Eight of every 10 homes are traditional single-family dwellings, owner occupied.
- Majority of the homes were built between 1970 and 2000.
- More than half of the households consist of married-couple families; another 12% include single-parent families.

## SOCIOECONOMIC TRAITS

- Higher participation in the labor force and lower unemployment than US levels; most households have 2+ workers.
- Cautious consumers that do their research before buying, they protect their investments.
- Typically spend 4–7 hours per week commuting, and, therefore, spend significant amounts on car maintenance (performed at a department store or auto repair chain store).
- They are paying off student loans and second mortgages on homes.
- They spend heavily on eating out, at both fast-food and family restaurants.
- They like to work from home, when possible.

TAPESTRY SEGMENTATION
esri.com/tapestry

Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100.
Consumer preferences are estimated from data by GfK MRI.

4B LifeMode Group: Family Landscapes

Home Improvement

TAPESTRY SEGMENTATION
esri.com/tapestry

## MARKET PROFILE (Consumer preferences are estimated from data by GfK MRI)

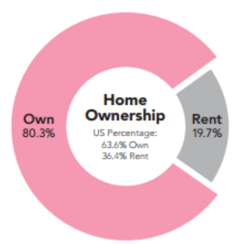
- Enjoy working on home improvement projects and watching DIY networks.
- Make frequent trips to warehouse/club and home improvement stores in their minivan or SUV.
- Own a giant screen TV with fiber-optic connection and premium cable; rent DVDs from Redbox or Netflix.
- Very comfortable with new technology; embrace the convenience of completing tasks on a mobile device.
- Enjoy dining at Chili's, Chick-fil-A, and Panera Bread.
- Frequently buy children's clothes and toys.

## HOUSING

Median home value is displayed for markets that are primarily owner occupied; average rent is shown for renter-occupied markets. Tenure and home value are estimated by Esri. Housing type and average rent are from the Census Bureau's American Community Survey.

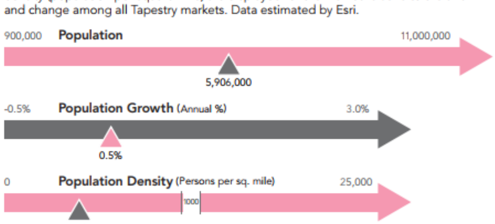
**Typical Housing:**
Single Family

**Median Value:**
$174,000
US Median: $177,000



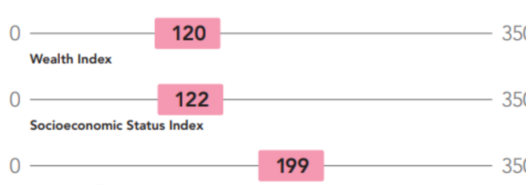

## POPULATION CHARACTERISTICS

Total population, average annual population change since Census 2010, and average density (population per square mile) are displayed for the market relative to the size and change among all Tapestry markets. Data estimated by Esri.




## ESRI INDEXES

Esri developed three indexes to display average household wealth, socioeconomic status, and housing affordability for the market relative to US standards.



LifeMode Group: Cozy Country Living

# Green Acres

6A

**Households:** 3,794,000

**Average Household Size:** 2.69

**Median Age:** 43.0

**Median Household Income:** $72,000

## WHO ARE WE?

The *Green Acres* lifestyle features country living and self-reliance. They are avid do-it-yourselfers, maintaining and remodeling their homes, with all the necessary power tools to accomplish the jobs. Gardening, especially growing vegetables, is also a priority, again with the right tools, tillers, tractors, and riding mowers. Outdoor living also features a variety of sports: hunting and fishing, motorcycling, hiking and camping, and even golf. Self-described conservatives, residents of *Green Acres* remain pessimistic about the near future yet are heavily invested in it.

## OUR NEIGHBORHOOD

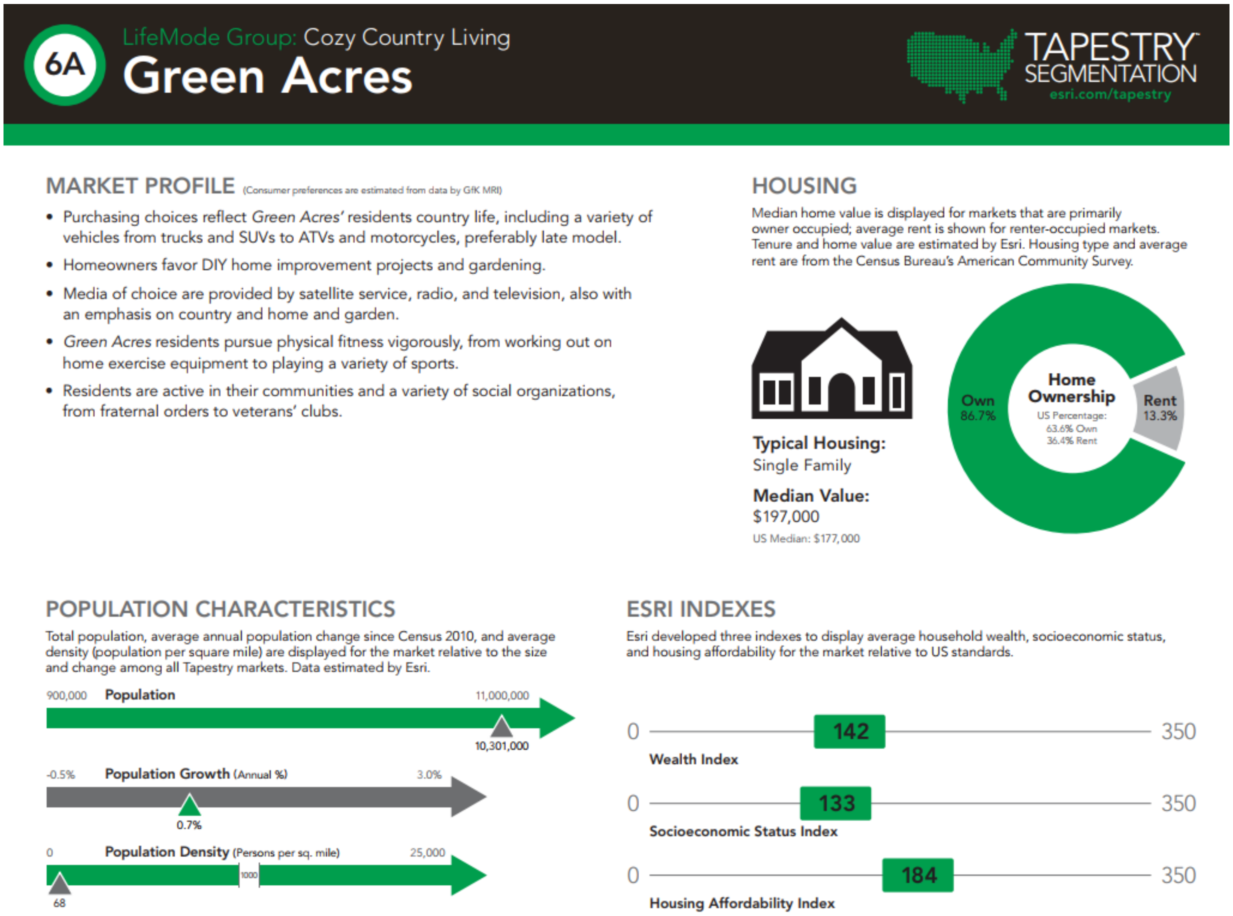
- Rural enclaves in metropolitan areas, primarily (not exclusively) older homes with acreage; new housing growth in the past 10 years.
- Single-family, owner-occupied housing, with a median value of $197,000.
- An older market, primarily married couples, most with no children.

## SOCIOECONOMIC TRAITS

- Education: 60% are college educated.
- Unemployment is low at 6% (Index 70); labor force participation rate is high at 67.4% (Index 108).
- Income is derived not only from wages and salaries but also from self-employment (more than 15% of households), investments (30% of households), and increasingly, from retirement.
- They are cautious consumers with a focus on quality and durability.
- Comfortable with technology, more as a tool than a trend: banking or paying bills online is convenient; but the Internet is not viewed as entertainment.
- Economic outlook is professed as pessimistic, but consumers are comfortable with debt, primarily as home and auto loans, and investments.

Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by GfK MRI.

TAPESTRY™ SEGMENTATION
esri.com/tapestry




## Sales Gap Analysis

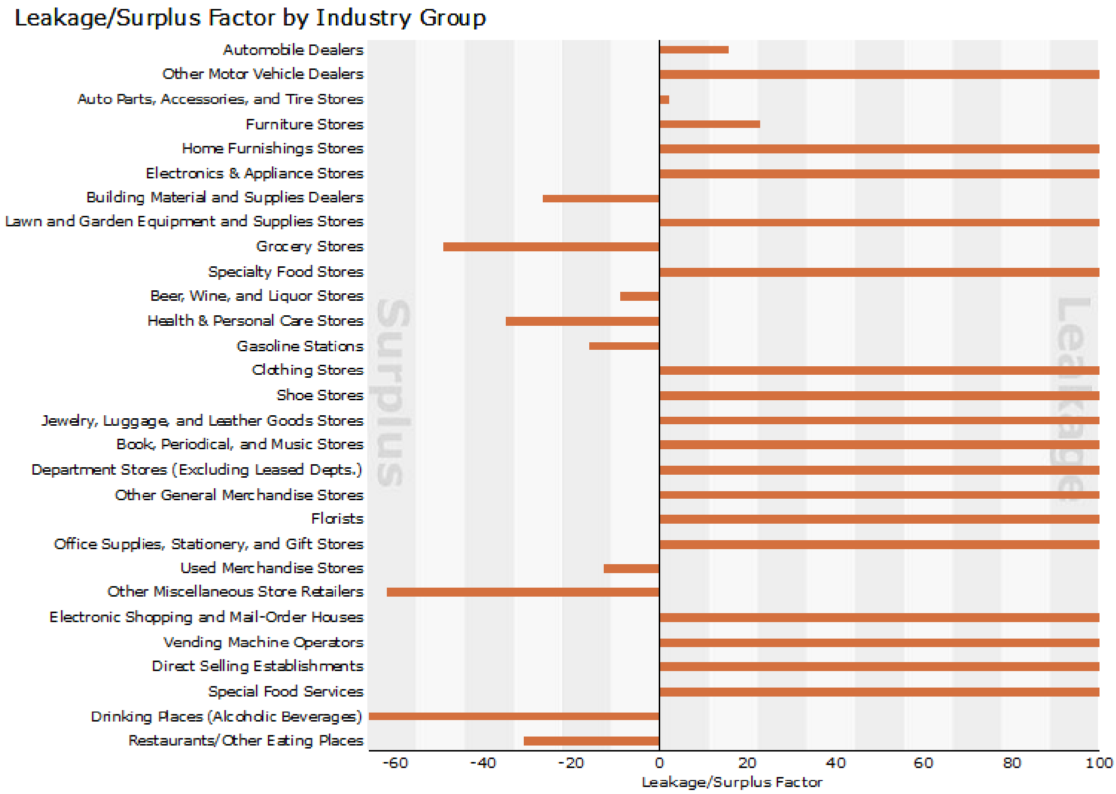
Sales gap (also called “sales void”, “retail gap”, and “sales leakage”) represents the amount of available consumer spending captured within a given trade area. Traditionally, the concept of sales leakage has been applied to purchases that had a relationship to where people live versus where they shop. So, malls and big-box stores considered the amount of household spending they could capture within a given radius. Sales gap analyses have been used in traditional commercial districts, as well – particularly when analyzing convenience-type purchases, the things people tend to buy close to home or work. (Sales leakages are less relevant for unique business types or destination purchases. For example, a customer might travel a significant distance to buy a musical instrument or a bicycle – or even to go to a special-occasion restaurant or an entertainment venue. As the trade area becomes quite large, the concept of “leakage” becomes less useful.)

The problem is, the very concept of sales leakage is losing meaning. Items that were once tied to a region (like the mall that sold apparel to households in the surrounding city or county) no longer require proximity between seller and buyer. Even the most basic purchases, like groceries, are shifting to online delivery services.

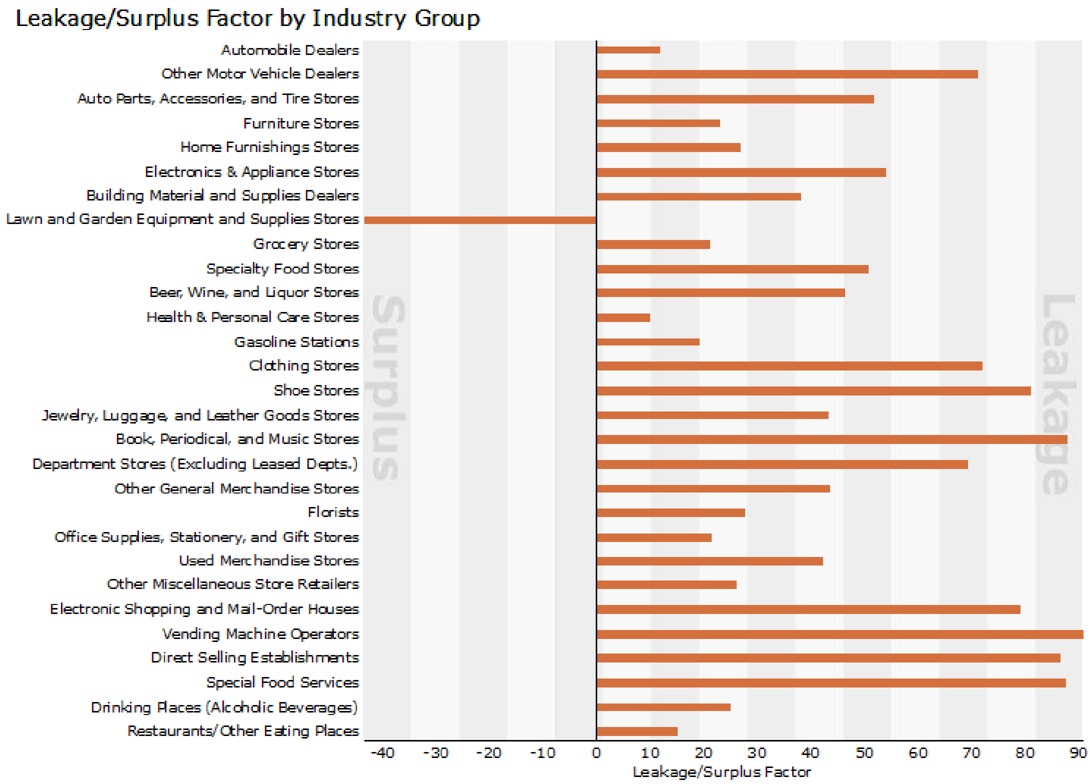
This is all to say that interpreting sales void information requires a critical (and even skeptical) eye.

The following demonstrate sales gap divisions at the 5 min drive time and 20 min drive times from downtown Ortonville:

## 5 MIN



## 20 MIN




In summary, Downtown Ortonville has been able to garner some excess spending for the trade area that is immediately surrounding downtown, with primary emphasis in the Restaurant/Drinking categories, grocery and health and personal care. As you move beyond downtown, it his **highly** apparent that the market moves to other shopping locations.

## Spending Potential Index

The spending potential index represents another touch point to gauge the spending habits of residents within a given trade area. The following data sets represent the spending on particular goods or services in comparison to national norms (which are identified as 100 on the index). Thus segments/categories below demonstrate lower potential and those above greater interest. In terms of analysis, those that are about 120 would be characterized as "significant" and thus should be looked at as part of Transformation Strategy development.

# Retail Goods and Services Expenditures

Ortonville, MI
401-431 Mill St, Ortonville, Michigan, 48462
Drive Time: 10 minute radius

Prepared by Esri
Latitude: 42.85229
Longitude: -83.44465

| Top Tapestry Segments | Perce | Demographic Summary | 2017 | 2022 |
|---|---|---|---|---|
| Green Acres (6A) | 51.8% | Population | 12,919 | 13,260 |
| Savvy Suburbanites (1D) | 23.4% | Households | 4,599 | 4,735 |
| Home Improvement (4B) | 15.1% | Families | 3,644 | 3,734 |
| Soccer Moms (4A) | 8.3% | Median Age | 43.4 | 45.3 |
| Middleburg (4C) | 0.7% | Median Household Income | $82,696 | $89,387 |

| | Spending Potential Index | Average Amount Spent | Total |
|---|---|---|---|
| **Apparel and Services** | 120 | $2,587.62 | $11,900,484 |
| Men's | 121 | $511.57 | $2,352,722 |
| Women's | 120 | $886.99 | $4,079,279 |
| Children's | 115 | $386.22 | $1,776,232 |
| Footwear | 120 | $553.38 | $2,545,005 |
| Watches & Jewelry | 124 | $147.45 | $678,145 |
| Apparel Products and Services (1) | 125 | $102.00 | $469,100 |
| **Computer** | | | |
| Computers and Hardware for Home Use | 119 | $205.88 | $946,825 |
| Portable Memory | 115 | $6.12 | $28,140 |
| Computer Software | 117 | $13.46 | $61,885 |
| Computer Accessories | 122 | $22.02 | $101,281 |
| **Entertainment & Recreation** | 121 | $3,772.80 | $17,351,096 |
| Fees and Admissions | 130 | $828.37 | $3,809,665 |
| Membership Fees for Clubs (2) | 132 | $277.23 | $1,274,960 |
| Fees for Participant Sports, excl. Trips | 133 | $131.71 | $605,753 |
| Tickets to Theatre/Operas/Concerts | 129 | $76.75 | $352,993 |
| Tickets to Movies/Museums/Parks | 118 | $90.99 | $418,451 |
| Admission to Sporting Events, excl. Trips | 135 | $75.28 | $346,199 |
| Fees for Recreational Lessons | 132 | $175.61 | $807,611 |
| Dating Services | 99 | $0.80 | $3,696 |
| TV/Video/Audio | 113 | $1,455.09 | $6,691,958 |
| Cable and Satellite Television Services | 113 | $1,073.98 | $4,939,245 |
| Televisions | 116 | $138.54 | $637,129 |
| Satellite Dishes | 120 | $1.74 | $7,994 |
| VCRs, Video Cameras, and DVD Players | 110 | $7.19 | $33,081 |
| Miscellaneous Video Equipment | 125 | $12.04 | $55,364 |
| Video Cassettes and DVDs | 109 | $16.56 | $76,176 |
| Video Game Hardware/Accessories | 109 | $31.70 | $145,775 |
| Video Game Software | 104 | $16.17 | $74,358 |
| Streaming/Downloaded Video | 111 | $28.26 | $129,956 |
| Rental of Video Cassettes and DVDs | 108 | $16.47 | $75,729 |
| Installation of Televisions | 149 | $1.33 | $6,103 |
| Audio (3) | 120 | $107.24 | $493,178 |
| Rental and Repair of TV/Radio/Sound Equipment | 96 | $3.89 | $17,869 |
| Pets | 122 | $727.56 | $3,346,036 |
| Toys/Games/Crafts/Hobbies (4) | 120 | $145.06 | $667,119 |
| Recreational Vehicles and Fees (5) | 136 | $138.50 | $636,948 |
| Sports/Recreation/Exercise Equipment (6) | 125 | $213.44 | $981,622 |
| Photo Equipment and Supplies (7) | 123 | $68.17 | $313,536 |
| Reading (8) | 122 | $153.00 | $703,659 |
| Catered Affairs (9) | 143 | $43.61 | $200,555 |
| **Food** | 116 | $9,738.37 | $44,786,773 |
| Food at Home | 115 | $5,790.94 | $26,632,521 |
| Bakery and Cereal Products | 115 | $765.05 | $3,518,479 |
| Meats, Poultry, Fish, and Eggs | 114 | $1,304.04 | $5,997,263 |
| Dairy Products | 115 | $614.16 | $2,824,534 |
| Fruits and Vegetables | 115 | $1,123.95 | $5,169,062 |
| Snacks and Other Food at Home (10) | 115 | $1,983.73 | $9,123,182 |
| Food Away from Home | 118 | $3,947.43 | $18,154,252 |
| Alcoholic Beverages | 122 | $676.49 | $3,111,177 |

**Data Note:** The Spending Potential Index (SPI) is household-based, and represents the amount spent for a product or service relative to a national average of 100. Detail may not sum to totals due to rounding. This report is not a comprehensive list of all consumer spending variables therefore the variables in each section may not sum to totals.
**Source:** Esri forecasts for 2017 and 2022; Consumer Spending data are derived from the 2014 and 2015 Consumer Expenditure Surveys, Bureau of Labor Statistics.

# Retail Goods and Services Expenditures

Ortonville, MI | Prepared by Esri
401-431 Mill St, Ortonville, Michigan, 48462 | Latitude: 42.85229
Drive Time: 10 minute radius | Longitude: -83.44465

| | Spending Potential Index | Average Amount Spent | Total |
|---|---|---|---|
| **Financial** | | | |
| Value of Stocks/Bonds/Mutual Funds | 141 | $8,767.12 | $40,319,980 |
| Value of Retirement Plans | 143 | $34,712.75 | $159,643,954 |
| Value of Other Financial Assets | 131 | $1,697.15 | $7,805,189 |
| Vehicle Loan Amount excluding Interest | 115 | $3,140.68 | $14,443,979 |
| Value of Credit Card Debt | 125 | $730.42 | $3,359,200 |
| **Health** | | | |
| Nonprescription Drugs | 118 | $150.59 | $692,575 |
| Prescription Drugs | 119 | $463.33 | $2,130,839 |
| Eyeglasses and Contact Lenses | 125 | $117.76 | $541,565 |
| **Home** | | | |
| Mortgage Payment and Basics (11) | 139 | $11,997.94 | $55,178,543 |
| Maintenance and Remodeling Services | 139 | $2,693.09 | $12,385,517 |
| Maintenance and Remodeling Materials (12) | 134 | $542.26 | $2,493,833 |
| Utilities, Fuel, and Public Services | 116 | $5,862.06 | $26,959,617 |
| **Household Furnishings and Equipment** | | | |
| Household Textiles (13) | 120 | $114.96 | $528,694 |
| Furniture | 120 | $688.40 | $3,165,941 |
| Rugs | 131 | $30.54 | $140,439 |
| Major Appliances (14) | 125 | $401.93 | $1,848,456 |
| Housewares (15) | 122 | $116.07 | $533,799 |
| Small Appliances | 116 | $56.21 | $258,490 |
| Luggage | 127 | $15.07 | $69,292 |
| Telephones and Accessories | 118 | $81.64 | $375,478 |
| **Household Operations** | | | |
| Child Care | 122 | $583.34 | $2,682,798 |
| Lawn and Garden (16) | 131 | $550.07 | $2,529,756 |
| Moving/Storage/Freight Express | 105 | $67.16 | $308,854 |
| Housekeeping Supplies (17) | 119 | $846.23 | $3,891,821 |
| **Insurance** | | | |
| Owners and Renters Insurance | 131 | $678.97 | $3,122,606 |
| Vehicle Insurance | 116 | $1,369.07 | $6,296,337 |
| Life/Other Insurance | 135 | $576.95 | $2,653,409 |
| Health Insurance | 122 | $4,468.96 | $20,552,735 |
| Personal Care Products (18) | 119 | $558.33 | $2,567,750 |
| School Books and Supplies (19) | 119 | $184.00 | $846,206 |
| Smoking Products | 102 | $425.00 | $1,954,559 |
| **Transportation** | | | |
| Payments on Vehicles excluding Leases | 119 | $2,665.46 | $12,258,459 |
| Gasoline and Motor Oil | 114 | $3,170.00 | $14,578,849 |
| Vehicle Maintenance and Repairs | 119 | $1,281.18 | $5,892,166 |
| **Travel** | | | |
| Airline Fares | 127 | $646.88 | $2,974,989 |
| Lodging on Trips | 131 | $687.59 | $3,162,207 |
| Auto/Truck Rental on Trips | 127 | $33.40 | $153,584 |
| Food and Drink on Trips | 129 | $635.98 | $2,924,894 |

## Market Data Summary

In thinking of this as a large puzzle with many pieces of data, the follow represents some key summary points taken from the learnings of each of the data segments as well as a review of the current business mix:

- Current Downtown Retail Mix is Limited but shows some key traffic generators – Thompson's Hardware, Hamilton's Animal Feed Store, and Mabelena Quilting Supplies

- Psychographic Segments show spending habits in the areas of:
    - Home Improvement Projects - Gardening
    - Dining Out
    - Recreation – Physical Fitness

- Sales Gap Analysis shows limited surpluses in Building/Gardening, but largely leakages in nearly every category

- Spending Potential Index shows higher spending levels (+120) in the following:
    - Home Accessories/Decor
    - Sports/Recreation
    - Apparel and Services

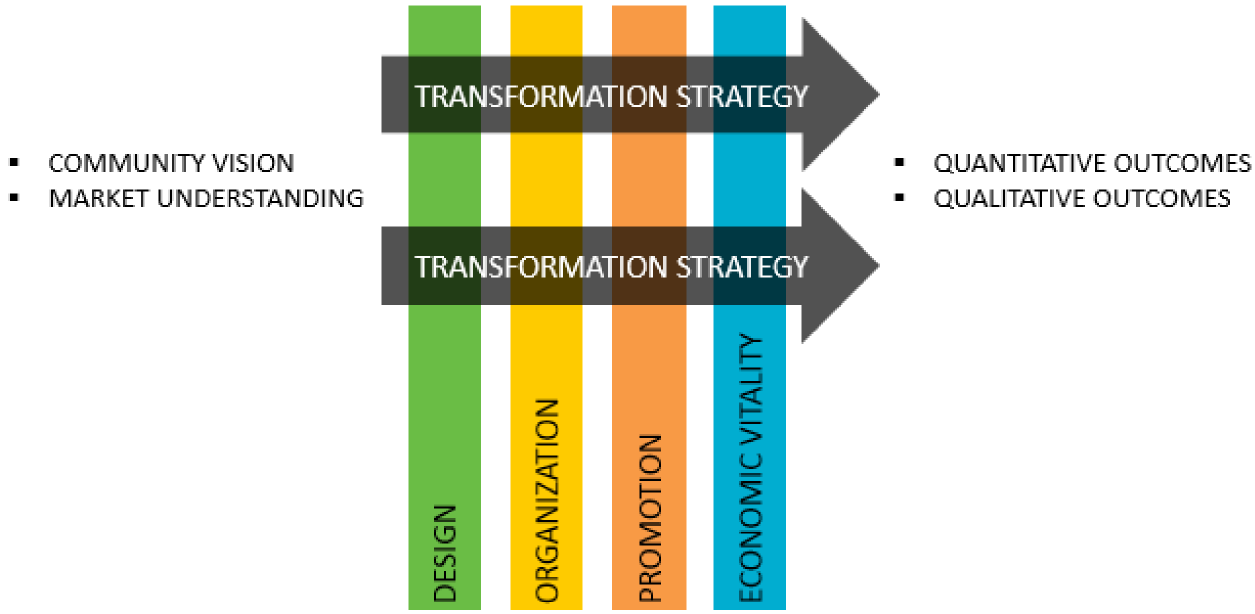
# V. Transformational Strategies

For Ortonville, we identified three primary transformation strategies that we felt bring about positive change for future development of downtown. These strategies represent an overarching, market-based tool for aligning Ortonville's DDA work program that is reflective of both the market analysis and strengths of the downtown business mix and current consumer markets. Please note that each strategy is outlined in further detail within the report.

Transformation Strategy #1: <u>Recreation -</u> <u>Health and Wellness</u>: A downtown that focuses on businesses and consumers that have a lifestyle reflective of sustainable products, and goods and services that increase their personal health and vitality.

Transformation Strategy #2: <u>Home Improvement and Décor:</u> A downtown that focuses on a of retail, service, and professional businesses related to the home, including interiors, furniture and housewares, floors and finishes, garden and outdoors, design and construction services, and other businesses related to home life.

Transformation Strategy #3: <u>Convenience:</u> A downtown that focuses on a cluster of retail and retail-service businesses that fulfill day-to-day needs of nearby shoppers. This typically includes grocery purchases, laundry and dry cleaning, drug store purchases, flowers, hardware, and similar items that people tend to buy close to home or work.




Each strategy will require cooperation and overlapping work by developing detailed work plans to guide your work with oversight and review by the Board of Directors.


IMPLEMENTATION + OUTCOMES:

- ACTIVITIES
- RESPONSIBILITY
- BUDGET
- FUNDING
- TIMELINE
- METRICS

## Transformation Strategy #1: Recreation - Health and Wellness

CURRENT MARKET AND DOWNTOWN ASSETS:

- Holly Recreation Area
- Ortonville Recreation Area
- Papa Bella's Pizza
- Village Pub
- In Motion Fitness
- Creekfest Event
- Moon Body Works

BUSINESS RECRUITMENT TARGETS:

- Apparel (casual/athletic)
- Bicycle store w rentals
- Boating/kayak/sailing/canoe sales/rentals
- Camping and outdoor gear and equipment
- Fishing equipment w rentals
- Hunting equipment/sales
- Locally produced products (food or gifts)
- Lodging: inns, B&Bs, AirBNB
- Recreational vehicle rental (off-highway vehicles, snowmobiles, motorcycles)
- Restaurants (informal)
- Shoes
- Ski equipment sales/rental
- Taxidermy
- Café – Coffee – Bakery
- Brewery/Tasting Room

TARGETED PROGRAMMING:

- Shark Tank Event (Downtown Grand Forks Shark Tank) http://myemail.constantcontact.com/Chamber-2016-Shark-Tank---Go-Into-the-Shark-Tank-.html?soid=1108611279395&aid=jseddWpaXJg


- Pop-Up Retail
  Great resource for developing a sound process and structuring deals with property owners is Miles our of New York City. http://www.miles.city/

- Start-up – Idea Competition (Wytheville, VA) "Start-up Wytheville" has been wildly successful in helping to bring new businesses to the downtown. Last year alone there were 3 new businesses launched as a result of this partnership with the Joint Industrial Development Authority. In addition, winners received a mentor to help with further growth and development. This partnership has also proved valuable on a number of other fronts involving downtown economic vitality.


- Walking/Running Path Designated around Downtown (Shelby NC) – has a 3 mile marked loop around downtown.

- Develop a Brand Identity around this Strategy that promotes downtown as a great place for these kind of businesses (Starkville, MS) Great example of a comprehensive brand strategy based on a food based market. http://www.starkville.org/visit/savor-starkville/


- Host a bike and/or running event
- Targeted Incentives – Rental Subsidy to offset restaurant rent drag (Taylor Main Street, Texas) http://www.ci.taylor.tx.us/DocumentCenter/View/5190
- Review findings from Lake Orion, Michigan to serve as an advocacy piece for trail connection needs.

MEASURING PROGRESS:

The following quantitative and qualitative tools can be used to track your success in implementing the strategy and in measuring its impact on the commercial district as a whole:

- Conduct on-street surveys when you implement this strategy – then, conduct surveys one year, three years, and five years later, asking the same questions. Are you attracting more people who visit sports and recreation sites to come downtown?

- Ask the owners or managers of a representative sample of strategy-related businesses to keep an informal tally of foot traffic, average transaction amount, and gross sales. Interview the owners and managers at regular intervals and hold an annual focus group with them. For businesses that sell or rent recreational equipment, what are the trends in their sales and rentals?

- Survey business owners annually about sales trends. The survey should include questions like:

  - Have you added any new product lines in response to the Sports and Recreation strategy?
  - Have you added any new sales channels in response to the strategy?
  - On a scale of 1 to 10, has the Sports and Recreation strategy positively impacted your business?

## Transformation Strategy #2: Home Improvement and Decor

CURRENT MARKET AND DOWNTOWN ASSETS:

- Thompson's Hardware
- Hamilton's Animal Feed Store
- Mabelena Quilting Supplies
- Skeleton Key
- For The Love of Local
- South Street Consignment
- Country Counter Tops
- Psychographics
- Spending Potential Index
- Sales Gap – Surplus in Building Supplies and Gardening. Demonstrates higher likelihood of recapture in other adjacent Home related categories


BUSINESS RECRUITMENT TARGETS:

- Antiques and vintage
- Appliances
- Building materials
- Contractors
- Designers and architects
- Fireplace, wood stove, hearth, and grilling retailers
- Furniture (new, used, and/or for rent)
- Garden center (plants, not cut flowers)
- Hardware

- HVAC contractors (including alternative energy installations, e.g., solar, geothermal)

- Kitchen equipment and housewares
- Kitchen and bath remodelers
- Lighting
- Mattress store
- Paints and wallcoverings
- Rugs and carpet
- Textiles for bed and bath
- Tile stores (floor and wall)
- Upholsterers
- Used furniture and home furnishings
- Window treatments
- Wood and laminate flooring

TARGETED PROGRAMMING:

- Provide a description of the Home Furnishings strategy along profiles of target customers to all of the district's businesses.
- Open a café within a furniture or home furnishings store.
- Offer façade improvement grants specifically to home furnishings businesses.
- Working with local design professionals, offer home decorating workshops for target customer segments, such as designing for small-apartment living, or designing a new kitchen.
- Paint some old wooden chairs bright colors (or build "pallet chairs") and place them throughout the public space to create informal places for people to sit. Encourage people to move or reposition the chairs around the district and then track the movement of the chairs.


- Develop a special event during the Spring – special sales for things around the home, that connects home furnishings to the district.

- Stage live window displays, with volunteers living out everyday life in a furniture store's window display (e.g., having a family dinner, or watching a movie on television).

MEASURING PROGRESS:

The following tools can be used to track your success in implementing the strategy and in measuring its impact on the commercial district as a whole:

- Conduct on-street surveys when you implement this strategy – then, conduct surveys one year, three years, and five years later, asking the same questions. Are more people patronizing the district for its home furnishings businesses? Are their impressions and perceptions of the district improving?

  Your surveys should include questions in four specific categories:
    - Attitudes and perceptions about the district
    - Current shopping habits
    - Additional products and services shoppers would like to be able to buy within the district
    - Demographic characteristics of those participating in the survey, including home zip code

- Track trends in the number of square feet of retail space devoted to home furnishings.

- Ask the owners or managers of a representative sample of home furnishings businesses to keep an informal tally of foot traffic, average transaction amount, and gross sales. Interview the owners and managers at regular intervals and hold an annual focus group with them. Are the numbers increasing?

- Track the number of changes (in service offerings or product mix) that businesses have made to serve the home furnishings market.

- Choose several intersections or entry points in the district and count the number of people who walk by during 30 minute intervals. Do this at two or three key points in the day (e.g., morning, noon, and evening). Repeat the pedestrian counts at least twice a year, at the same times of day. Are the numbers increasing?

## Transformation Strategy #3: Convenience

CURRENT MARKET AND DOWNTOWN ASSETS:

- Ease of Access - Transportation
- Thompson's Hardware
- Clairmont Cleaners
- Oxford Bank
- Something Different Hair Salon
- Tom's Market
- Halloween in the Village
- Christmas in the Village

BUSINESS RECRUITMENT TARGETS:

- Auto repair
- Banks and credit unions
- Barbers and hair salons
- Bars
- Convenience store (e.g., 7-Eleven)
- Dollar stores
- Dry cleaners
- Fast food and so-called "fast casual" restaurants
- Gas stations
- Hardware store
- Laundromats
- Office supplies stores
- Phone stores
- Pizza
- Prepared food stores
- Printing and shipping
- Restaurants (esp. moderate-price point and family-oriented)
- Supermarket / grocery store
- Tailors
- Take-out restaurants

TARGETED PROGRAMMING:

- Identify specific products or services that businesses could add to their offerings that would help make the district's convenience offerings more comprehensive.
- Help local businesses to add locally-produced products to their assortment


- Bike Racks

## VI. Recruiting Businesses

There are two fundamental tactics to attracting new businesses to downtown Ortonville. The first involves an active recruitment process for targeted businesses. The second involves having a robust entrepreneurship ecosystem that creates a strong place based market for attracting and growing new ventures.

For Existing Businesses:

1. Take "Business Wish List" and explore within 1 hour drive time, existing businesses as quality targets. Use google searches and other social media outlets to gauge "top rated" prospects that already have good following and respect within the market. i.e. search "Top Running Stores in Detroit region."
2. Create Market Sheets (1-2 pages) that list out your assets; key market data; locations; incentives (Graphically enhanced to reflect market branding/niche) Place on your website and distribute through local entrepreneurship resource providers. Here is an example from Downtown Lansing, MI - http://www.downtownlansing.org/publicDocuments/MarketingFactSheet5-16-12x.pdf
3. Go to their location, take notes of quality attributes
4. Leave letter and market sheets (letter should speak to those quality attributes)
5. Follow-up (7 no's rule). What this simply means is that things can change. So keep in touch. If they say no or express only limited interest the first time, ask if you can follow-up in 6 months to check in again.

For Entrepreneurs:

- Partner with Oakland County Main Street and it's complementary programs in Small Business Development.
- Meet with area Technical Assistance groups and present your "Business Wish List"
- Ask to present to any Technical Assistance workshops/classes in which new entrepreneurs are building their business plans.
- Hold Entrepreneurship Programming/Events
- Work with your existing businesses to see if they know of other entrepreneurs
- Analysis and build up your entrepreneurship ecosystem. See attached Resource Guide.

# VII. Summary

In conclusion, downtown Ortonville has a number of opportunities despite its compact size and limited storefronts for new retail operations.  They key is making the most of these limitations, demonstrating early successes and then working in cooperation with City officials to address policy decisions that could potentially accelerated additional value-added growth within the downtown. In particular this would consist of evaluating bike trail linkages that create a trailhead in downtown Ortonville and link the two other recreation park areas, as well as sewer extensions that would allow for additional restaurant activity.