

Mansitee Economic Development Strategy Preliminary Findings

City of Manistee, Michigan
May 21, 2019

Joe Borgstrom, Principal

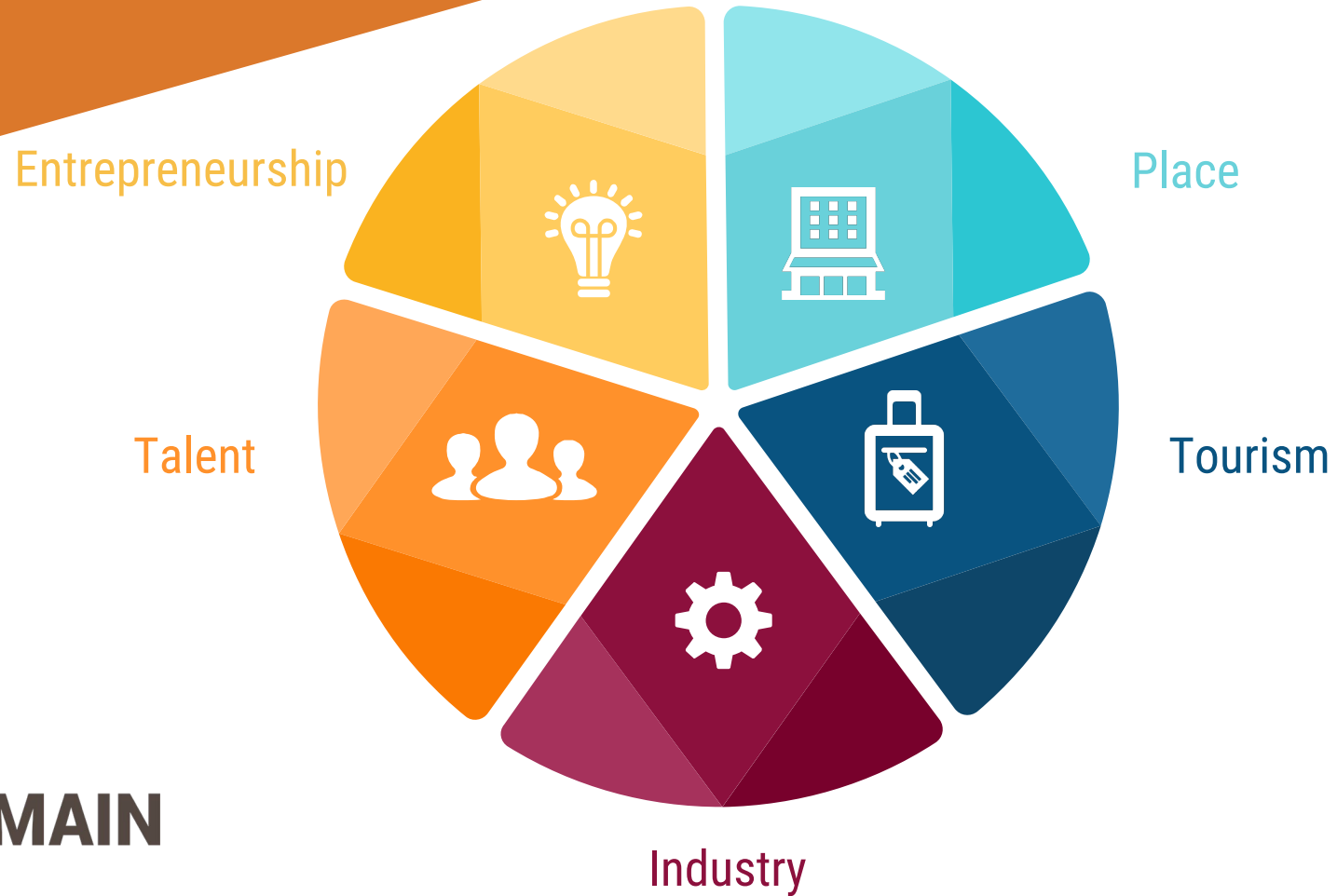


**PLACE
+MAIN**
ADVISORS

Agenda

- **Overview**
- **Market Data**
- **SWOT**
- **Organizational Responsibilities**
- **Proposed Projects**
- **Next Steps**

Economic Development Sectors

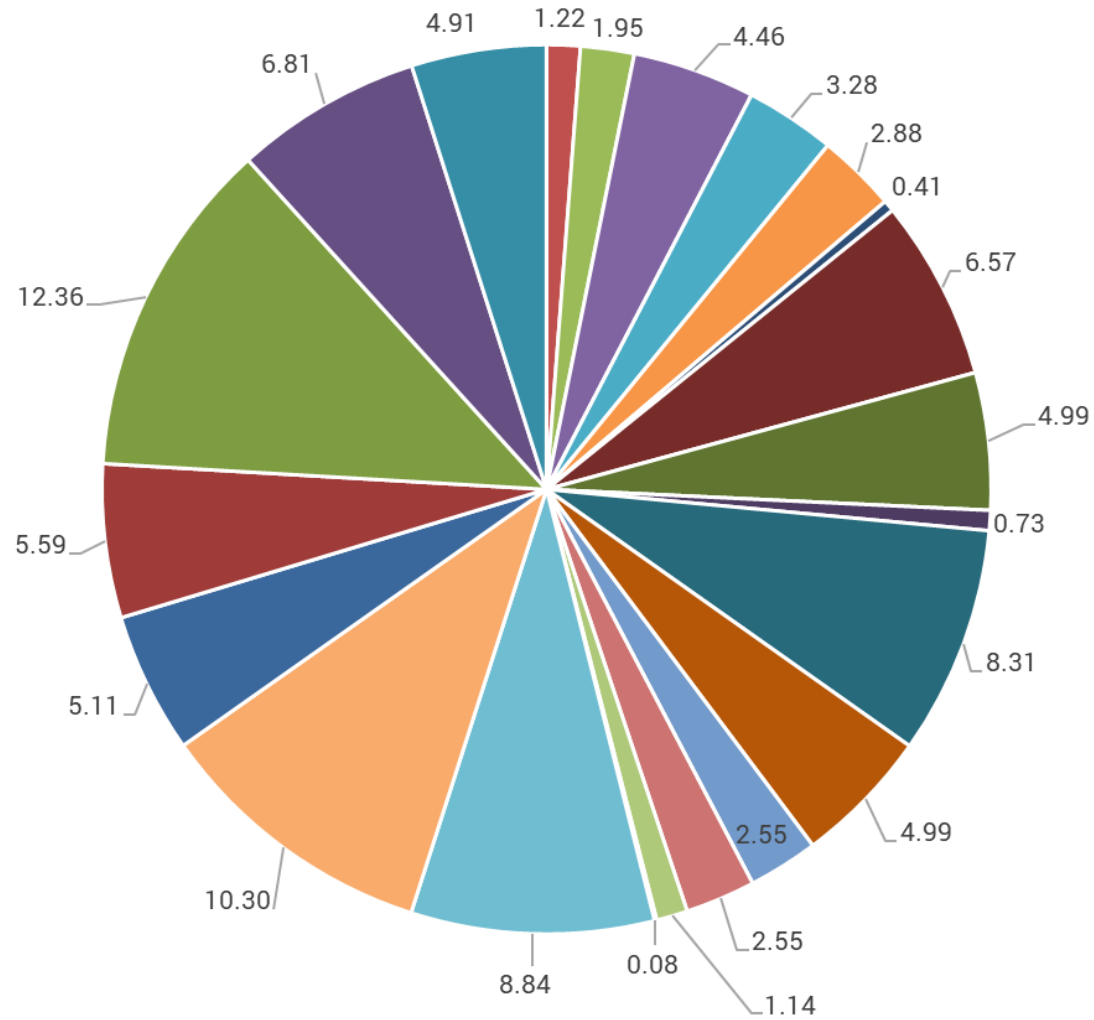


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Employment Sectors

2019 Est. Civ. Employed Pop 16+ by Occupation	%
Architecture/Engineering	1.22
Arts/Design/Entertainment/Sports/Media	1.95
Building/Grounds Cleaning/Maintenance	4.46
Business/Financial Operations	3.28
Community/Social Services	2.88
Computer/Mathematical	0.41
Construction/Extraction	6.57
Education/Training/Library	4.99
Farming/Fishing/Forestry	0.73
Food Preparation/Serving Related	8.31
Healthcare Practitioner/Technician	4.99
Healthcare Support	2.55
Installation/Maintenance/Repair	2.55
Legal	1.14
Life/Physical/Social Science	0.08
Management	8.84
Office/Administrative Support	10.30
Production	5.11
Protective Services	5.59
Sales/Related	12.36
Personal Care/Service	6.81
Transportation/Material Moving	4.91

2019 Employment by Population (%)



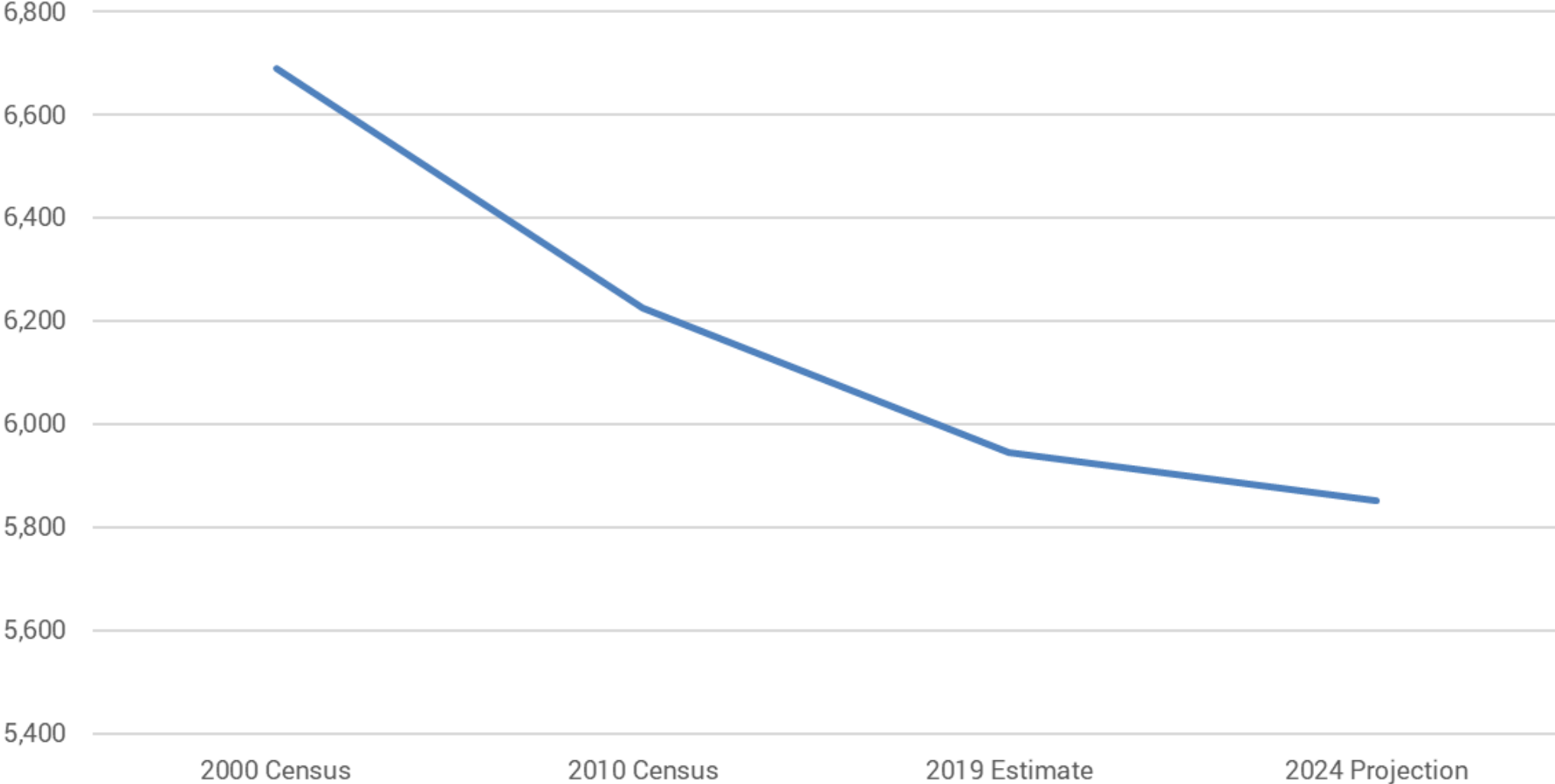
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|-----------------------------------|--|---|---------------------------------|
| ■ Architecture/Engineering | ■ Arts/Design/Entertainment/Sports/Media | ■ Building/Grounds Cleaning/Maintenance | ■ Business/Financial Operations |
| ■ Community/Social Services | ■ Computer/Mathematical | ■ Construction/Extraction | ■ Education/Training/Library |
| ■ Farming/Fishing/Forestry | ■ Food Preparation/Serving Related | ■ Healthcare Practitioner/Technician | ■ Healthcare Support |
| ■ Installation/Maintenance/Repair | ■ Legal | ■ Life/Physical/Social Science | ■ Management |
| ■ Office/Administrative Support | ■ Production | ■ Protective Services | ■ Sales/Related |
| ■ Personal Care/Service | ■ Transportation/Material Moving | | |

Population

Population

2000 Census	6,691
2010 Census	6,226
2019 Estimate	5,945
2024 Projection	5,853

City Population 2000-2024

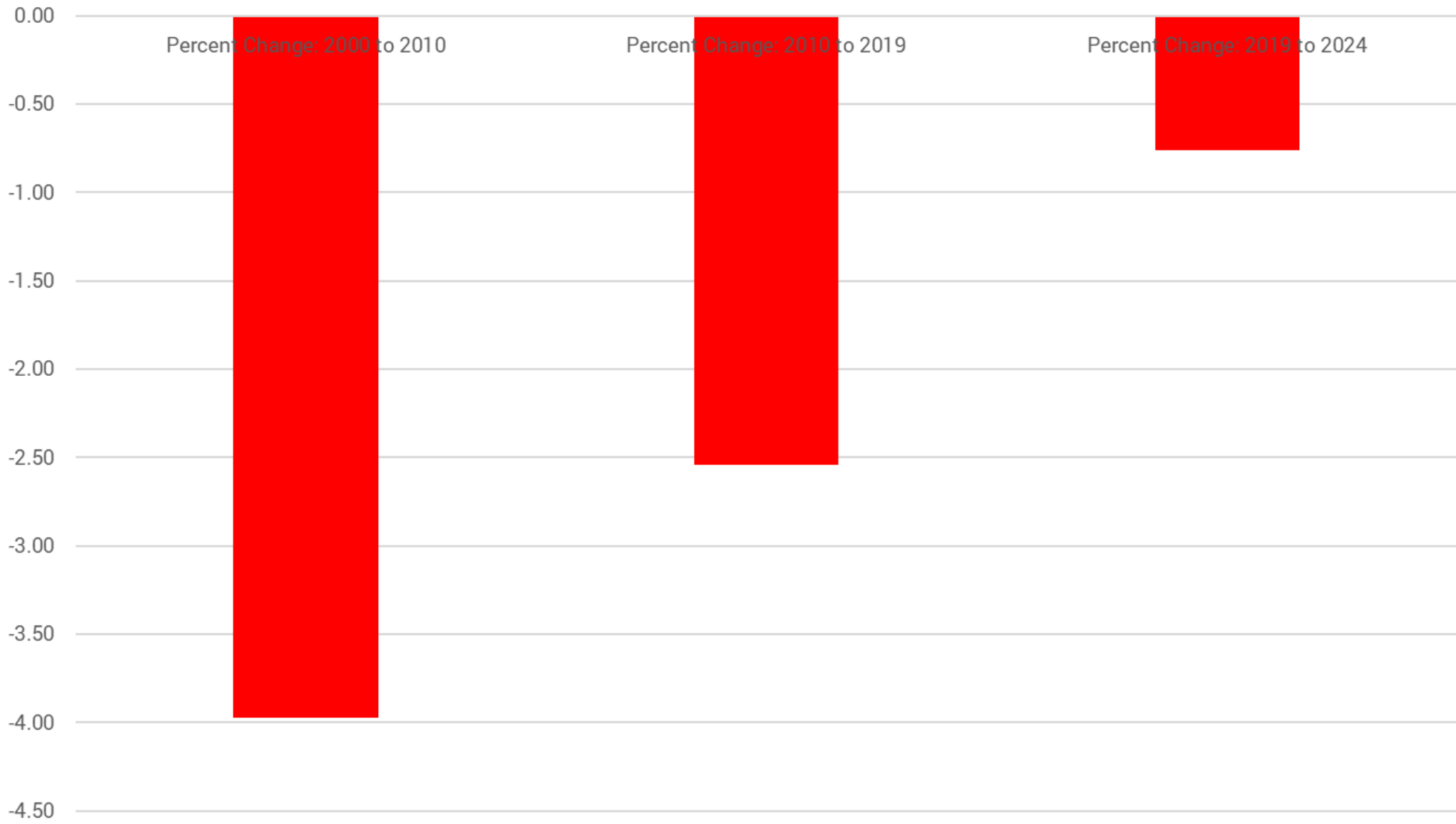


Household Growth

Household Growth

Percent Change: 2000 to 2010	-3.97
Percent Change: 2010 to 2019	-2.54
Percent Change: 2019 to 2024	-0.76

Household Growth

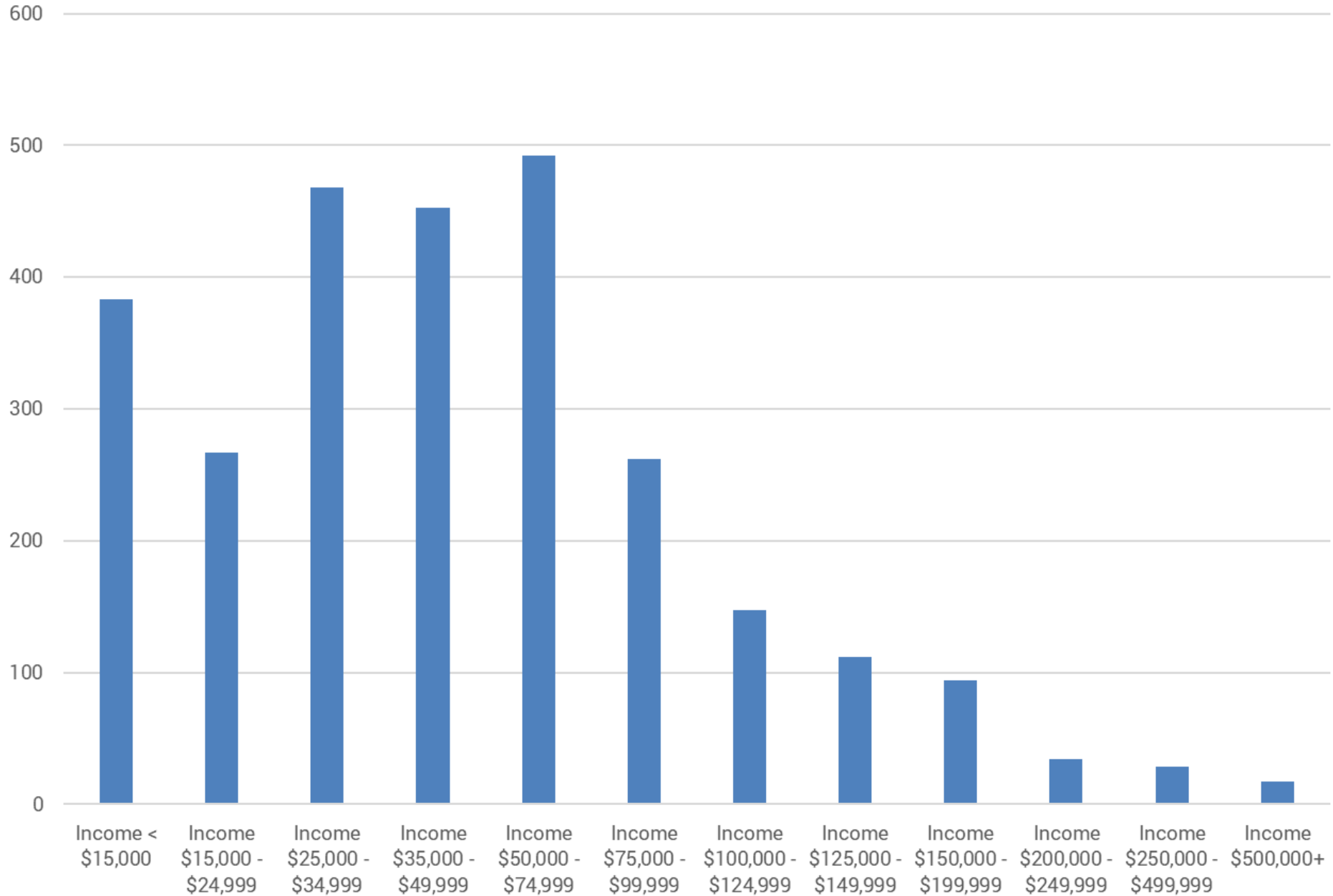


Market Data

2019 Est. Households by HH Income

Income < \$15,000	383	13.89
Income \$15,000 - \$24,999	267	9.68
Income \$25,000 - \$34,999	468	16.97
Income \$35,000 - \$49,999	453	16.43
Income \$50,000 - \$74,999	492	17.84
Income \$75,000 - \$99,999	262	9.50
Income \$100,000 - \$124,999	147	5.33
Income \$125,000 - \$149,999	112	4.06
Income \$150,000 - \$199,999	94	3.41
Income \$200,000 - \$249,999	34	1.23
Income \$250,000 - \$499,999	29	1.05
Income \$500,000+	17	0.62

Households by Income (2019)



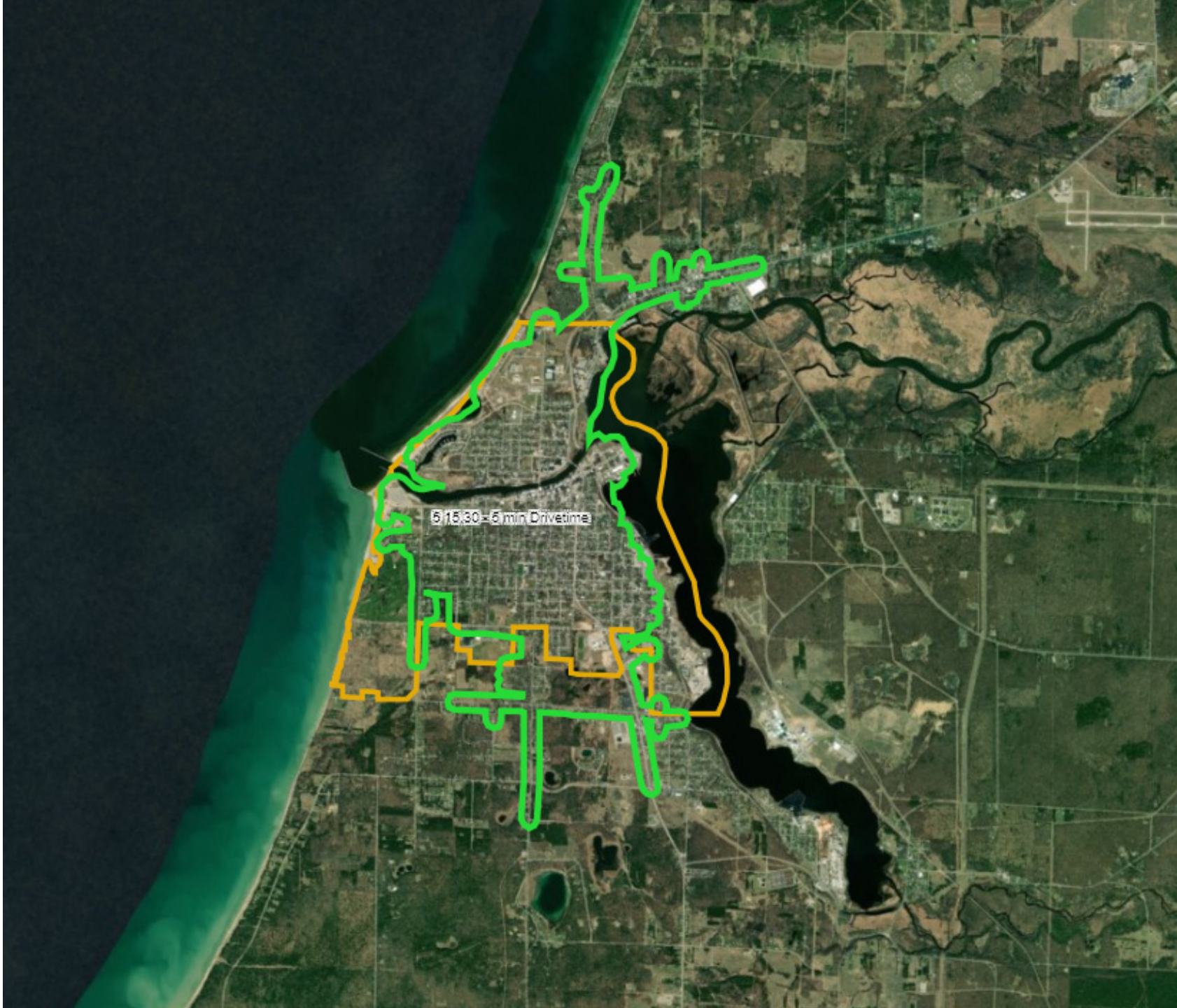
Market Data

- **Data Challenges:**
 - **Lower Household Income**
 - **Population Decline**
 - **Impacts:**
 - **Business Interest**
 - **Bank Financing**
 - **Housing**

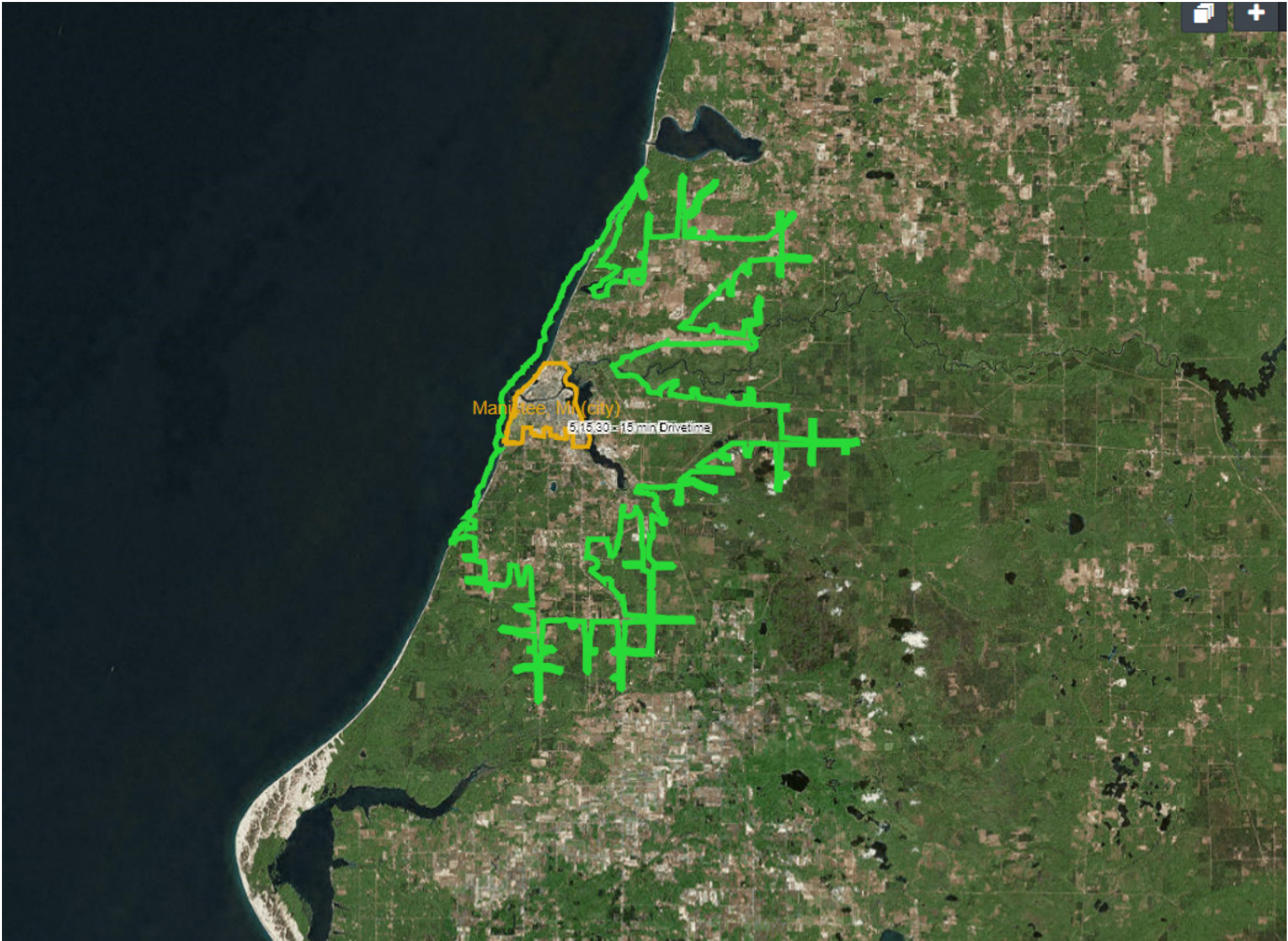
Market Data

- **Drive Times**
 - 5-Minute
 - 15-Minute
 - 30-Minute

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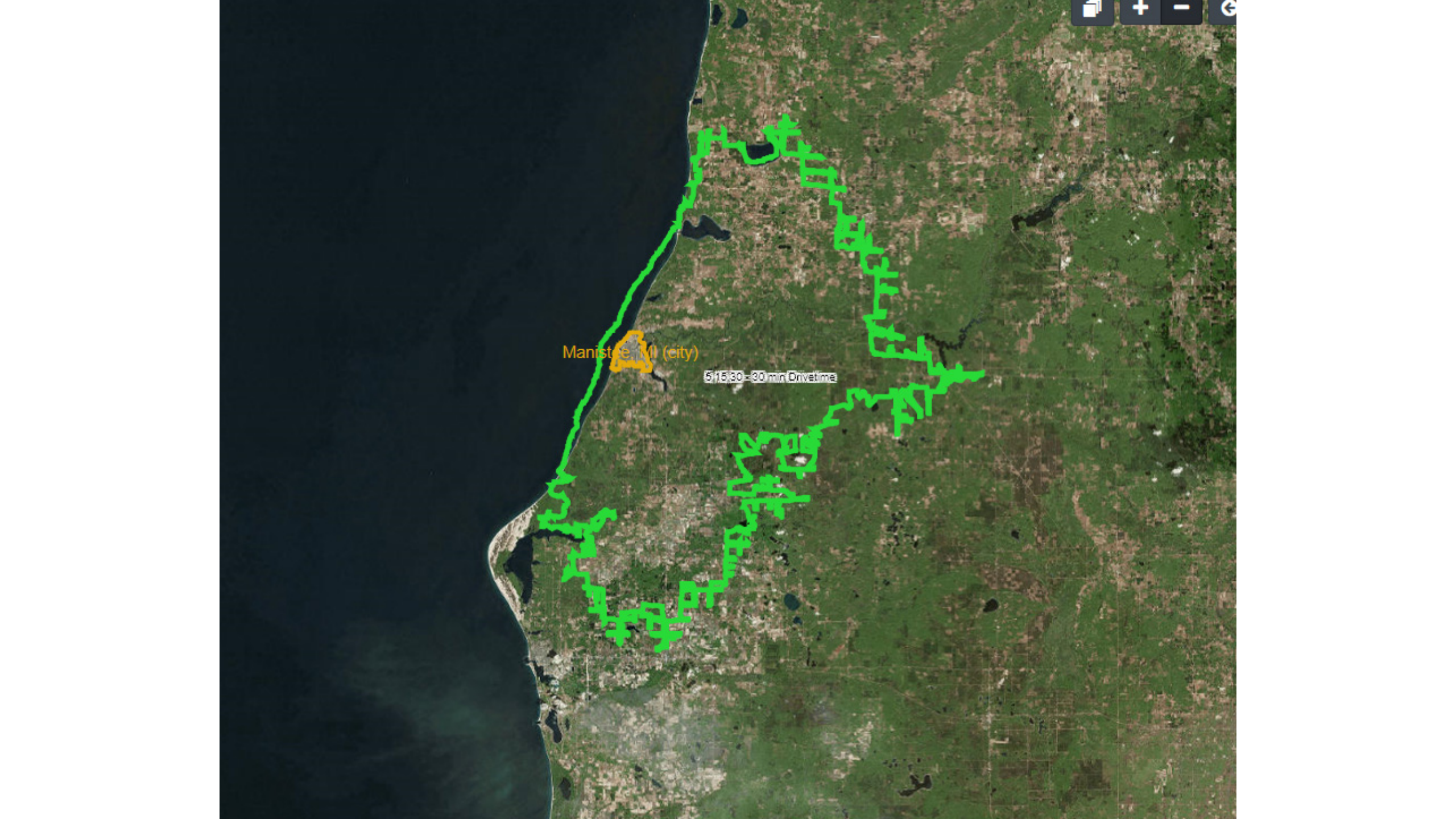


6,15:30-5 min Drivetime



Manistee, MI (city)

5.15:00 - 15 min Drivetime



Manistee, MI (city)

5/15/30 - 30 min Drivetime

Market Data

Retail Leakage:

$$\frac{\text{Supply} - \text{Demand}}{\text{Gap}}$$

$\text{Demand} > \text{Supply} =$
Opportunity

$\text{Supply} > \text{Demand} =$ Excess

Retail Supply + Demand (5-Minute Radius)

	2019 Demand (\$)	2019 Supply (\$)	Opportunity Gap/Surplus (\$)
Totals			
Total retail trade including food and drink (NAICS 44, 45 and 722)	108,801,520	131,934,967	-23,133,446
Total retail trade (NAICS 44 and 45)	98,540,316	116,259,696	-17,719,380

Largest Leakage (5-Minute Radius)

	2019 Demand (\$)	2019 Supply (\$)	Opportunity Gap/Surplus (\$)
Clothing and Clothing Accessories Stores			
Clothing and clothing accessories stores (NAICS 448)	3,637,302	3,765,107	-127,805
Clothing stores (NAICS 4481)	2,719,128	121,190	2,597,939
Men's clothing stores (NAICS 44811)	134,031	36	133,995
Women's clothing stores (NAICS 44812)	530,302	32	530,270
Children's and infants' clothing stores (NAICS 44813)	142,465	34,989	107,476
Family clothing stores (NAICS 44814)	1,586,884	86,064	1,500,820
Clothing accessories stores (NAICS 44815)	129,446	65	129,381
Other clothing stores (NAICS 44819)	196,000	3	195,997
Shoe stores (NAICS 4482)	555,782	2,558,921	-2,003,139
Jewelry, luggage, and leather goods stores (NAICS 4483)	362,392	1,084,996	-722,604
Jewelry stores (NAICS 44831)	316,094	963,166	-647,072
Luggage and leather goods stores (NAICS 44832)	46,298	121,830	-75,531

Retail Supply + Demand (15-Minute Radius)

	2019 Demand (\$)	2019 Supply (\$)	Opportunity Gap/Surplus (\$)
Totals			
Total retail trade including food and drink (NAICS 44, 45 and 722)	218,919,678	210,895,424	8,024,255
Total retail trade (NAICS 44 and 45)	198,566,053	186,738,673	11,827,380

Largest Leakage (15-Minute Radius)

	2019 Demand (\$)	2019 Supply (\$)	Opportunity Gap/Surplus (\$)
Furniture and Home Furnishings Stores			
Furniture and home furnishings stores (NAICS 442)	3,983,332	1,943,058	2,040,274
Furniture stores (NAICS 4421)	1,775,958	55	1,775,902
Home furnishings stores (NAICS 4422)	2,207,374	1,943,003	264,372
Floor covering stores (NAICS 44221)	1,111,034	1,331,959	-220,925
Other home furnishings stores (NAICS 44229)	1,096,341	611,044	485,297
Window treatment stores (NAICS 442291)	52,540	367,236	-314,696
All other home furnishings stores (NAICS 442299)	1,043,801	243,808	799,993

	2019 Demand (\$)	2019 Supply (\$)	Opportunity Gap/Surplus (\$)
Building Material and Garden Equipment and Supplies Dealers			
Building material and garden equipment and supplies dealers (NAICS 444)	14,633,523	10,726,862	3,906,661
Building material and supplies dealers (NAICS 4441)	12,564,513	10,366,505	2,198,008
Home centers (NAICS 44411)	6,985,567	5,184,724	1,800,843
Paint and wallpaper stores (NAICS 44412)	321,405	0	321,404
Hardware stores (NAICS 44413)	1,060,830	887,891	172,940
Other building material dealers (NAICS 44419)	4,196,711	4,293,890	-97,179
Lawn and garden equipment and supplies stores (NAICS 4442)	2,069,010	360,357	1,708,653
Outdoor power equipment stores (NAICS 44421)	301,499	172	301,327
Nursery, garden center, and farm supply stores (NAICS 44422)	1,767,511	360,185	1,407,326

Largest Leakage (15-Minute Radius)

	2019 Demand (\$)	2019 Supply (\$)	Opportunity Gap/Surplus (\$)
Building Material and Garden Equipment and Supplies Dealers			
Building material and garden equipment and supplies dealers (NAICS 4441)	14,633,523	10,726,862	3,906,661
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Largest Leakage (15-Minute Radius)

	2019 Demand (\$)	2019 Supply (\$)	Opportunity Gap/Surplus (\$)
Clothing and Clothing Accessories Stores			
Clothing and clothing accessories stores (NAICS 448)	7,239,945	4,036,911	3,203,034
Clothing stores (NAICS 4481)	5,426,812	170,672	5,256,140
Men's clothing stores (NAICS 44811)	267,738	42	267,695
Women's clothing stores (NAICS 44812)	1,057,576	391	1,057,185
Children's and infants' clothing stores (NAICS 44813)	283,487	41,344	242,144
Family clothing stores (NAICS 44814)	3,169,092	128,815	3,040,277
Clothing accessories stores (NAICS 44815)	257,737	76	257,661
Other clothing stores (NAICS 44819)	391,181	4	391,178
Shoe stores (NAICS 4482)	1,099,881	2,564,174	-1,464,292
Jewelry, luggage, and leather goods stores (NAICS 4483)	713,252	1,302,065	-588,813
Jewelry stores (NAICS 44831)	621,136	1,156,543	-535,407
Luggage and leather goods stores (NAICS 44832)	92,116	145,522	-53,407

Largest Leakage (15-Minute Radius)

	2019 Demand (\$)	2019 Supply (\$)	Opportunity Gap/Surplus (\$)
Miscellaneous Store Retailers			
Miscellaneous store retailers (NAICS 453)	4,887,748	4,777,693	110,056
Florists (NAICS 4531)	239,070	295,325	-56,255
Office supplies, stationery, and gift stores (NAICS 4532)	750,947	638,049	112,898
Office supplies and stationery stores (NAICS 45321)	341,210	0	341,210
Gift, novelty, and souvenir stores (NAICS 45322)	409,736	638,049	-228,312
Used merchandise stores (NAICS 4533)	574,619	3,041,332	-2,466,713
Other miscellaneous store retailers (NAICS 4539)	3,323,112	802,986	2,520,125
Pet and pet supplies stores (NAICS 45391)	1,497,367	0	1,497,366
Art dealers (NAICS 45392)	202,998	0	202,998
Manufactured (mobile) home dealers (NAICS 45393)	190,679	0	190,679
All other miscellaneous store retailers (NAICS 45399)	1,432,068	802,986	629,082
Tobacco stores (NAICS 453991)	738,816	393,685	345,131
All other miscellaneous store retailers (except tobacco stores) (NAICS 4	693,252	409,301	283,951

Largest Leakage (15-Minute Radius)

	2019 Demand (\$)	2019 Supply (\$)	Opportunity Gap/Surplus (\$)
Food Services and Drinking Places			
Food services and drinking places (NAICS 722)	20,353,625	24,156,750	-3,803,125
Special food services (NAICS 7223)	1,743,284	112,509	1,630,775
Food service contractors (NAICS 72231)	1,422,689	112,163	1,310,526
Caterers (NAICS 72232)	294,298	180	294,118
Mobile food services (NAICS 72233)	26,297	167	26,130
Drinking places (alcoholic beverages) (NAICS 7224)	786,910	1,523,141	-736,231
Restaurants and other eating places (NAICS 7225)	17,823,431	22,521,100	-4,697,669
Full-service restaurants (NAICS 722511)	8,919,889	10,336,662	-1,416,774
Limited-service restaurants (NAICS 722513)	7,354,352	11,297,452	-3,943,100
Cafeterias, grill buffets, and buffets (NAICS 722514)	274,256	106,048	168,208
Snack and non-alcoholic beverage bars (NAICS 722515)	1,274,935	780,938	493,997
Ice cream, soft serve and frozen yogurt shops (NAICS 7225151C + 7225151D)	196,124	273,146	-77,022
Doughnut shops (NAICS 7225153)	200,761	120,868	79,894
Bagel shops (NAICS 7225154)	57,829	118,204	-60,375
Coffee shops (NAICS 7225155)	544,713	113,761	430,951
Cookie shops (NAICS 7225156)	8,779	39,328	-30,549
Other snack and non-alcoholic beverage bars (NAICS 7225157)	266,729	115,630	151,099

Retail Supply + Demand (30-Minute Radius)

	2019 Demand (\$)	2019 Supply (\$)	Opportunity Gap/Surplus (\$)
Totals			
Total retail trade including food and drink (NAICS 44, 45 and 722)	405,572,366	310,785,854	94,786,512
Total retail trade (NAICS 44 and 45)	367,439,848	279,373,126	88,066,722

Largest Leakage (30-Minute Radius)

	2019 Demand (\$)	2019 Supply (\$)	Opportunity Gap/Surplus (\$)
Furniture and Home Furnishings Stores			
Furniture and home furnishings stores (NAICS 442)	7,563,243	2,115,400	5,447,843
Furniture stores (NAICS 4421)	3,387,128	33,289	3,353,839
Home furnishings stores (NAICS 4422)	4,176,114	2,082,110	2,094,004
Floor covering stores (NAICS 44221)	2,084,307	1,451,206	633,101
Other home furnishings stores (NAICS 44229)	2,091,807	630,904	1,460,903
Window treatment stores (NAICS 442291)	102,032	367,238	-265,206
All other home furnishings stores (NAICS 442299)	1,989,775	263,666	1,726,109

Largest Leakage (30-Minute Radius)

	2019 Demand (\$)	2019 Supply (\$)	Opportunity Gap/Surplus (\$)
Building Material and Garden Equipment and Supplies Dealers			
Building material and garden equipment and supplies dealers (NAICS 4441)	27,876,063	24,121,901	3,754,161
Building material and supplies dealers (NAICS 4441)	23,948,743	17,249,635	6,699,108
Home centers (NAICS 44411)	13,299,020	8,469,948	4,829,073
Paint and wallpaper stores (NAICS 44412)	614,583	2	614,582
Hardware stores (NAICS 44413)	2,019,773	2,967,239	-947,466
Other building material dealers (NAICS 44419)	8,015,367	5,812,447	2,202,920
Lawn and garden equipment and supplies stores (NAICS 4442)	3,927,319	6,872,266	-2,944,947
Outdoor power equipment stores (NAICS 44421)	575,244	172	575,072
Nursery, garden center, and farm supply stores (NAICS 44422)	3,352,075	6,872,094	-3,520,019

Largest Leakage (30-Minute Radius)

	2019 Demand (\$)	2019 Supply (\$)	Opportunity Gap/Surplus (\$)
Clothing and Clothing Accessories Stores			
Clothing and clothing accessories stores (NAICS 448)	13,540,350	4,539,392	9,000,958
Clothing stores (NAICS 4481)	10,139,022	504,913	9,634,109
Men's clothing stores (NAICS 44811)	494,616	80	494,536
Women's clothing stores (NAICS 44812)	1,982,563	3,948	1,978,614
Children's and infants' clothing stores (NAICS 44813)	529,353	79,712	449,641
Family clothing stores (NAICS 44814)	5,914,983	421,024	5,493,960
Clothing accessories stores (NAICS 44815)	484,875	106	484,770
Other clothing stores (NAICS 44819)	732,631	43	732,588
Shoe stores (NAICS 4482)	2,017,867	2,572,485	-554,617
Jewelry, luggage, and leather goods stores (NAICS 4483)	1,383,461	1,461,994	-78,534
Jewelry stores (NAICS 44831)	1,212,951	1,296,906	-83,955
Luggage and leather goods stores (NAICS 44832)	170,510	165,088	5,422

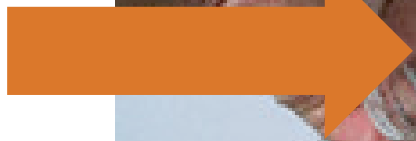
Largest Leakage (30-Minute Radius)

	2019 Demand (\$)	2019 Supply (\$)	Opportunity Gap/Surplus (\$)
Food Services and Drinking Places			
Food services and drinking places (NAICS 722)	38,132,518	31,412,728	6,719,790
Special food services (NAICS 7223)	3,260,011	199,451	3,060,560
Food service contractors (NAICS 72231)	2,660,284	198,794	2,461,490
Caterers (NAICS 72232)	550,559	344	550,215
Mobile food services (NAICS 72233)	49,168	313	48,855
Drinking places (alcoholic beverages) (NAICS 7224)	1,495,280	2,819,765	-1,324,485
Restaurants and other eating places (NAICS 7225)	33,377,227	28,393,513	4,983,715
Full-service restaurants (NAICS 722511)	16,729,159	12,937,193	3,791,965
Limited-service restaurants (NAICS 722513)	13,751,912	14,033,621	-281,709
Cafeterias, grill buffets, and buffets (NAICS 722514)	512,844	143,417	369,426
Snack and non-alcoholic beverage bars (NAICS 722515)	2,383,313	1,279,281	1,104,032
Ice cream, soft serve and frozen yogurt shops (NAICS 7225151C + 7225152)	366,554	391,360	-24,806
Doughnut shops (NAICS 7225153)	375,278	206,802	168,477
Bagel shops (NAICS 7225154)	108,112	202,249	-94,137
Coffee shops (NAICS 7225155)	1,018,246	202,733	815,514
Cookie shops (NAICS 7225156)	16,413	70,073	-53,660
Other snack and non-alcoholic beverage bars (NAICS 7225157)	498,709	206,064	292,645

Regional Cooperation: Economic Base vs Retail

- Economic Base Activities add to local economy
- Retail either helps keeps dollars local or drains economy
 - Locally owned vs chain

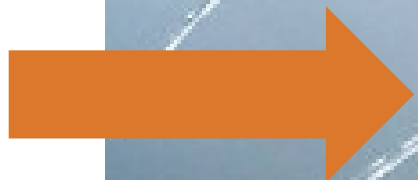
**Economic Base
Activities**
Manufacturing
Tourism



**Locally-Owned
Retail**



**Retail
Chain
Online**



SWOT

- **Public Meeting**
 - Strengths
 - Weaknesses
 - Opportunities
 - Threats

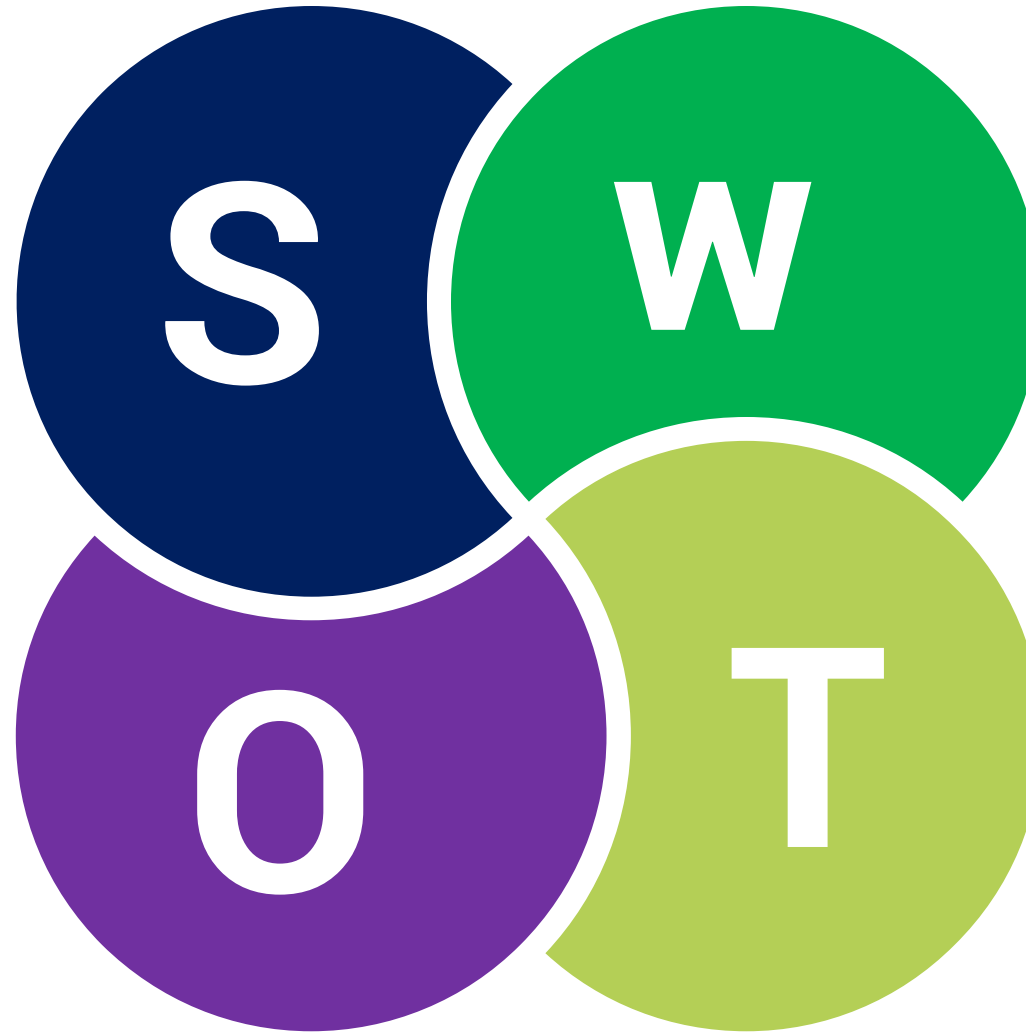
PLACE + MAIN

Strengths

- Natural Resources (106)
- Ramsdell Theater (38)
- Vogue Theater (30)
- Airport/Commercial Services (25)
- Historic Downtown (21)
- Riverwalk (20)

Opportunities

- Affordable Housing/ Multi Family (53)
- Small Business Development (38)
- New Industries (27)
- County Trail System (21)
- Business Incubator/Commercial Kitchen (18)



Weaknesses

- Lack of Community Collaboration (47)
- Vacant Storefronts (34)
- Lack of Vision (28)
- Lack of Low Income Housing (25)
- Tax Structure (24)

Threats

- Negativity (46)
- Lack of Affordable Housing (41)
- Drugs (30)
- Declining Population (29)

Economic Development Strategy

- Talent
- Industry
- Place
- Entrepreneurship
- Tourism

PLACE + MAIN

Proposed Projects: Talent

Population Recruitment

- Quality of Life
- Available Jobs
- Cost of Living
- Manistee needs more full-time residents
 - Employers
 - Hospital
 - Retail
 - Housing

Proposed Projects: Industry

Retention + Expansion

- Annual visits to major employers
 - Identify barriers
- Industry round tables
 - Share best practices
 - HR/Talent

Proposed Projects: Industry

Attraction

- Proactive marketing of available industrial property
 - Web/PDF
 - RRC/MEDC
- Vertical attraction strategy
 - Major Employers
Suppliers/Customers

Proposed Projects: Place

Downtown

- College downtown location
- Facades
- Real estate development assistance
- Business improvement trainings
- Business recruitment
- Entrepreneurship trainings

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Proposed Projects: Place

Housing

- Upper Floor (Downtown)
- Apartments
- Single Family

Proposed Projects: Entrepreneurship

Entrepreneurship

- Small Business Development Center Trainings
- Pop-Up Retail

Proposed Projects: Tourism

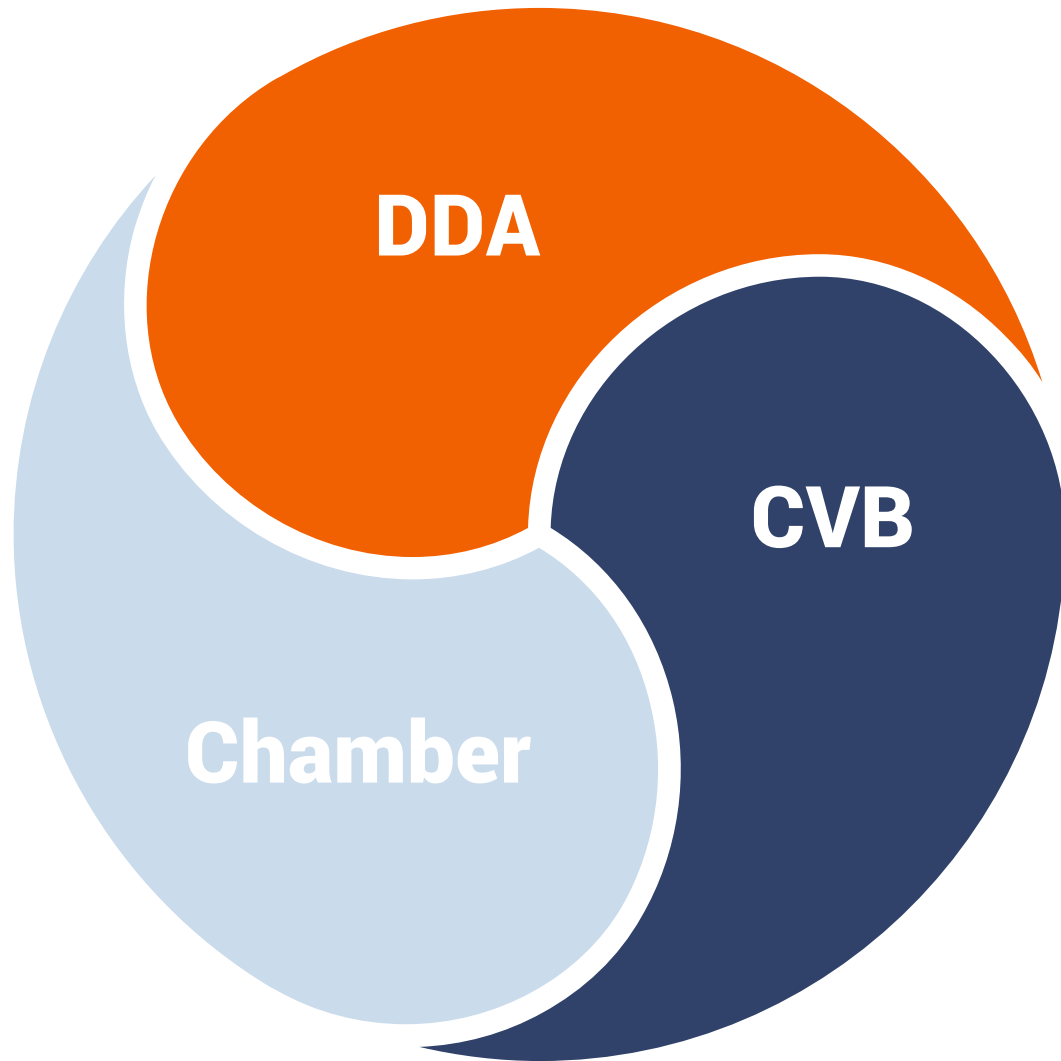
Tourism

- **3-Year Marketing Plan**
 - Focus on mid-week summer during peak season (Sun-Wed) and shoulder seasons
 - Expand upon the Historic Sites Program

TEAM MANISTEE

- City of Manistee
- Manistee County
- Manistee Area Chamber of Commerce
- Manistee Downtown Development Authority
- Manistee Area Convention & Visitors Bureau

PLACE + MAIN



1

Chamber

CORE STRENGTHS:
Industry Relationships;
Business Sector Leader;
Business Education;
Traditional Economic
Development

2

CVB

CORE STRENGTHS:
Tourism;
Marketing Experts

3

DDA

CORE STRENGTHS:
Placemaking;
Festivals + Events;
Downtown Retail



1

Chamber

LEAD: Industry Retention + Recruitment;
Entrepreneurship; Population Attraction
SUPPORT: Placemaking, Real Estate
Development

2

DDA

LEAD: Placemaking
SUPPORT: Entrepreneurship;
Tourism; Population Attraction

3

CVB

LEAD: Tourism Marketing
SUPPORT: Population Attraction

Concerns

- **Organizational lack of trust**
- **Chamber capacity**
 - Additional staffing needed
 - 1-2 positions
 - Additional funding
- **DDA capacity**
 - Full time director
 - Additional technical resources

Addressing Concerns

- **Monthly leadership meetings**
 - Economic Development Steering Committee becomes “Team Manistee”
- **Chamber develops:**
 - Detailed business plan for economic development work
 - Fee-for-service agreements
 - Adds appropriate staff (1-2 new)
- **DDA**
 - Adds full time director
 - Fee-for-service with Chamber for real estate development assistance

Next Steps

- **Feedback**
- **Strategy Finalized**
- **Document Created**
- **Implementation Plan**
- **Adopted**
 - **City Planning, City Council, DDA Board, Chamber Board, County Board**

Questions + Answers



THANK YOU!

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