CITY OF MANISTEE PLANNING COMMISSION
WORKSESSION AGENDA

Thursday, March 20, 2014
7:00 p.m.
Council Chambers, City Hall
70 Maple Street, Manistee, Michigan

Worksessions are scheduled to allow the Planning Commission the opportunity to discuss in a less formal manner than a regular meeting. No motions can be made during a worksession.

I Call to Order.

II Worksession Items:

Seng Dock & Trucking, Zoning Amendment Request

A Public Hearing was held on March 6, 2014 in response to a request from Seng Dock & Trucking for a Zoning Amendment that would ADD Shipping Facility as a use permitted by right in the P-D Peninsula District. The Planning Commission requested additional information from staff to continue discussion on the request.

No action will be taken this evening. This item will be placed on the April 3, 2014 Planning Commission Meeting Agenda.

III Adjourn

City of Manistee Planning & Zoning Administrator

MEMORANDUM

231.398.2805
Fax 231.723-1546
dblakeslee@manisteemi.gov
www.manisteemi.gov

TO: Planning Commissioners

FROM: Denise Blakeslee, Planning & Zoning

DATE: March 12, 2014

RE: March 20, 2014 - Planning Commission Worksession

Commissioners, the next worksession of the Planning Commission is Thursday, March 20, 2014 at 7 pm in the Council Chambers. We have one item on the agenda – Seng Dock & Trucking, Zoning Amendment Requst. Included in your packet are:

- Memo from City Engineer Shawn Middleton Dated February 5, 2014 *Impacts of Additional Commercial Truck Traffic on City Streets*
- Letter from Keith Rose, Rieth-Riley Construction Co., Inc. Dated March 10, 2014.

You have previously received a copy of the Manistee Peninsula Neighborhood Revitalization Action Plan. Please bring your copy with you since it will be included in the discussion.

Please let me know if you are unable to attend the meeting. See you Thursday!

MEMO

TO: Mitchell D. Deisch, City Manager
Denise Blakeslee, Planning and Zoning
City of Manistee, Michigan

FROM: Shawn Middleton, PE
Spicer Group Inc.

DATE: February 5, 2014

RE: Impacts of Additional Commercial Truck Traffic on City Streets

As requested we have evaluated the impacts of additional truck traffic loading on existing major and local streets resulting from potential future commercial land uses at Mr. Seng's property. This property is located on the east side of East Street north of River Street. Specifically we have evaluated the impacts of traffic loading on River Street from US-31 to East Street and on East Street immediately north of the intersection with River Street. The following is a summary of the roads needed for access to the Seng property from US 31.

- River Street - US 31 to Jones Street — Major Street — Last Resurfaced 2000
- River Street Jones Street to East Street — Major Street — Last Resurfaced 2010
- East Street - River St. to Mr. Seng's Property — Local Street — Last Resurfaced 2010

Various future uses of the property have been discussed. These uses included shipping of timber, production and shipping of fuel pellets, and shipping of raw materials and products for a steel mill.

The following estimated truck traffic loading scenarios were provided to the City and were used for this analysis.

Table 1 - Summary of Future Land Use Truck Traffic Estimates

Future Land Use	Estimated Average Trucks Per Day	Estimated Loaded Weight (Lbs)	Estimated Empty Tractor & Trailer Weight (Lbs)
Potlatch Lumber	5 +/-	142,000	37,000
CP Recycling	100 +/-	73,000	30,000
Steel Mill	7-10 +/-	70,000	30,000

To estimate the remaining service life of these streets we have determined the number of Equivalent Single Axle Loads (ESALs) the pavement is designed to handle. Without going into a lot of detailed calculations the Major Street design cross section (12" Sand Subbase, 8" Aggregate Base, and 4" of HMA) is theoretically designed to handle 250,000 ESAL's. The Local Street design cross section (12" Sand Subbase, 8" Aggregate base and 3" of HMA) is theoretically designed to handle 100,000 ESAL's. If the design number of ESAL's is not exceeded during the pavement's lifespan then the natural degradation of the surface material due to weather, exposure, etc. will dictate the life of the pavement (up to 20 years with preventive maintenance being performed as needed).

We have estimated the remaining service life of the pavement based upon the estimated number of ESAL's that have occurred on these roads to date and based upon the design ESAL's for the given roadway. The following table summarizes the estimated remaining ESAL's and estimated remaining service life for the pavement of these three streets.

Table 2 - Estimated Remaining Service Life of Access Roads to Mr. Seng's Property

	Last Resurfaced	Design Standard	Design ESAL's	Estimated ESAL's to Date	Remaining ESAL's	Estimated Remaining Service Life without Additional Truck Loading*
River Street - US-31 to Jones	2000	Major Street	250,000	56,0000	N/A	6 Years +/-
River Street - Jones to East Street	2010	Major Street	250,000	16,000	234,000	16 Years +/-
East Street @ River Street	2010	Local Street	100,000	16,000	84,000	16 Years +-

* Assumes preventive maintenance being performed as needed on pavement section

Using the estimated truck loading scenarios provided to the City, the estimated service life remaining to date and the estimated loading impacts of the future land uses, calculations were made to estimate the remaining service life of these pavement sections. The following table summarizes the remaining service life for these access road sections.

Table 3 - Estimated Remaining Service Life of Access Roads under Various Development Scenarios

	Existing Conditions	Potlatch Lumber Truck Loading with Existing ADT	CP Recycling Truck Loading with Existing ADT	Steel Mill Truck Loading with Existing ADT
Truck Trips/ Day	500 Cars, 5% Commercial	5	100	7-10
Weight (Lbs)	N/A	142,000	73,000	70,000
ESAL's/ Year	4,000	16,500	50,000	8,000
River Street - US-31 to Jones	6 Years +/-	Recommend Reconstruction	Recommend Reconstruction	Recommend Reconstruction
River Street - Jones to East Street	16 Years +/-	14 Years +/-	5 Years +/-	16 Years +/-
East Street @ River Street	16 Years +/-	5 Years +/-	2 Years +/-	11Years +/-

River Street and East Street will see an estimated decrease in remaining service life of approximately 2 years and 11 years, respectively, under the proposed Potlatch Truck Traffic Scenario. Though the number of proposed trips is small, this decrease in remaining service life is driven primarily by the proposed heavy truck loads. Once these roads have reached the end of their service life the roads will need to be fully reconstructed to accommodate the projected truck traffic loading. This will require additional excavation, a thicker sand subbase, thicker aggregate base, a thicker HMA overlay, and a replacement of curb and gutter. This reconstructed road would then be able to accommodate future traffic life and would have a 15 to 20 year design life with proper preventive maintenance.

River Street and East Street will see an estimated decrease in remaining service life of approximately 11 years and 14 years, respectively, under the proposed CP Recycling Truck Traffic Scenario. This significant decrease in remaining service life is driven primarily by the large number of projected trips. Once these roads have reached the end of their service life the roads will need to be fully reconstructed to accommodate the projected truck traffic loading. This will require additional excavation, a thicker sand subbase, thicker aggregate base, a thicker HMA overlay, and a replacement of curb and gutter. This reconstructed road would then be able to accommodate future traffic life and would have a 15 to 20 year design life with proper preventive maintenance.

River Street and East Street will see an estimated decrease in remaining service life of approximately 0 years and 5 years, respectively, under the proposed Steel Mill Truck Traffic Scenario. The projected loads and relatively low trip counts result in lower impact to River Street and East Street. Once these roads have reached the end of their service life the roads will need to be fully reconstructed to accommodate the projected truck traffic loading. This will require additional excavation, a thicker sand subbase, thicker aggregate base, a thicker HMA overlay, and a replacement of curb and gutter. This reconstructed road would then be able to accommodate future traffic life and would have a 15 to 20 year design life with proper preventive maintenance.

The current asset management plan indicates River Street between US-31 and Jones Street has not been resurfaced in 14 years. Any additional loadings to this road section will accelerate road degradation at this location and therefore it is recommended this section of road be reconstructed prior to the onset of additional truck traffic or within the first couple of years of increased truck traffic loading. This will require additional excavation, a thicker sand subbase, thicker aggregate base, a thicker HMA overlay, and a replacement of curb and gutter. This reconstructed road would then be able to accommodate future traffic life and would have a 15 to 20 year design life with proper preventive maintenance.

If you have any questions or need further information please contact me at any time.

RIETH-RILEY CONSTRUCTION CO., INC.
POST OFFICE BOX 477 • GOSHEN, INDIANA 46527-0477 • WWW.RIETHRILEY.COM
"100% Employee Owned"

March 10, 2014

Planning Commission
City of Manistee
City Hall
70 Maple Street
Manistee, MI 49660

Re: Seng Dock and Trucking - Zoning Amendment Request - PC 2014-03

Dear Members of the Planning Commission:

The purpose of this letter is to follow up on our presentation to the Planning Commission during the public hearing on the Seng request for a zoning amendment to the P-D District held March 6, 2014. Initially, we would like to thank the members of the Planning Commission for listening to our presentation. However, we have some concern that in our short presentation, we failed to make clear certain important facts which we believe should be brought to the Planning Commission's attention.

First, as you know from our prior correspondence, we have urged the City Council and the Planning Commission to consider the Memorandum of Understanding executed November 1, 2007 by and among the City, Mr. Seng and the Seng companies, and Rieth-Riley to be a legally binding agreement whose terms must be honored by all of the parties to that agreement, and whose terms are enforceable by any party to that agreement. In light of Mr. Seng's statement on March 6 to the effect that:

> "I admit that I signed the memorandum and it is an agreement. I am bound by that agreement."

Any question of whether the terms of that agreement bind Mr. Seng and the Seng companies should be put to rest. It is an acknowledged legally binding agreement.

Second, the Memorandum of Understanding dated November 1, 2007 was the product of extensive and then "good faith" negotiations between the City, Mr. Seng and the Seng companies, and Rieth-Riley, and it was intensively negotiated over a considerable period of time. As a consequence of the final agreement, each of the parties received benefits.

Unfortunately, Mr. Seng's claim now, as set forth in his application to the Planning Commission for a zoning change, is that;

> "I have been denied use of my commercial property to my financial detriment. My Business has been shipping and receiving since 1982 and this business should be grandfathered in and exempt from this ordinance. I should be able to continue to use my property for shipping and receiving of materials by the use of a deep water port as I have done for 30-plus years."

As pointed out by Rieth-Riley's associate general counsel at the March 6 meeting, no zoning change deprived Mr. Seng of the use of his commercial property. Rather, Mr. Seng entered into a contract by virtue of which he gave up the right to use his commercial property on the peninsula for shipping and receiving and for commercial purposes which would result in the stockpiling of materials on the peninsula. As a result thereof, the right to all such uses of the property ceased on September 30, 2008.

What we failed to tell you at the public hearing was that this restriction on the use of the Seng property located on the peninsula was not forced upon Mr. Seng; rather, it was self-imposed. The reason Mr. Seng was willing to impose those restrictions was that as a result of the three way agreement with the City and Rieth-Riley, Mr. Seng received many millions of dollars paid by Rieth-Riley for not only his real estate, equipment and material stockpiles that were purchased by Rieth-Riley, but also for agreeing to give up those rights on the peninsula. The zoning change on the peninsula which constitutes the present P-D district occurred after Mr. Seng voluntarily (and for compensation) sold his rights to use the peninsula property for those uses he now seeks to have reinstated.

To suggest that somehow Mr. Seng and the Seng companies are "victims" of the P-D Peninsula District zoning is ridiculous in light of the many millions of dollars which came to rest in the proverbial pockets of Mr. Seng and the Seng companies arising from the agreement where he willingly imposed those restrictions on his peninsula property both for himself, his successors and assigns.

As stated by City Manager Deisch in his memorandum to the City Council dated February 6, 2014:

> Mr. Seng knowingly and willingly entered into the development agreement with the City and he was compensated by Rieth-Riley for both his property and the sale of his aggregate business. ...Based upon the information being presented to Council, the fact that other deep water ports exist to facilitate potential new business opportunities, and the fact that Mr. Seng had not complied with the terms of the development agreement; I do not recommend amending the zoning ordinance and the development agreement based on Mr. Seng's request. (Emphasis added.)

To be clear, the present request by Mr. Seng is not a request to benefit the entire peninsula district. Rather, it is a request by Mr. Seng calculated to restore rights which he voluntarily relinquished in exchange for substantial (millions of dollars) compensation. This request is for the benefit of Mr. Seng and the Seng companies only. By making this request, Mr. Seng and the Seng companies are asking the City to reinstate his right to use the peninsula property for shipping and receiving, thereby abrogating the very restrictions which are part of the three party agreement, restrictions for which Rieth-Riley bargained and paid great compensation, and which restrictions Rieth-Riley is committed to enforcing. As clearly and correctly stated by one of the Commission members, this request puts the City squarely in between Mr. Seng who is attempting to avoid the terms of the contract he made, and Rieth-Riley who is committed to its enforcement.

Third, Rieth-Riley does not dispute the City's right to review the zoning of the entire peninsula district. The question of whether that zoning continues to make sense or whether it should be changed is a question whose discussion lies squarely within the jurisdiction of the City's elected and appointed officials. However, the question of what might be the best use or appropriate changes in zoning for the peninsula district is not the question presented by the Seng request. The Seng request is a request to, as Mr. Seng sees it, the reinstatement of the right to use his property in a fashion that he had previously contracted away. That issue should not get confused with the overall issue of appropriate zoning or changes in the zoning for the Peninsula District.

It is also important to remember that the City is a party to the agreement which imposed those restrictions and the City Council has already voted in favor of upholding that agreement by refusing to authorize amendments to that agreement. We continue to urge that the Seng request should be dealt with as a separate matter from an overall review of the P-D zoning, should be dealt with in light of the agreements entered into involving Rieth-Riley, the City, Seng and the Seng companies, and this request should be denied.

Finally, when the three-party negotiations were completed, everyone involved, including Mr. Seng, was benefitted. Unfortunately, throughout the history of the existence of the agreement, while Rieth-Riley and the City have lived up to the requirements of the agreement, Mr. Seng has failed to do so in a number of ways. First, the portion of this property that was to be dedicated for a river walk was sold to Consumers Power without providing for the easement as required by the very first item of the agreement. Furthermore, the value of this property sold to Consumers was enhanced for the benefit of Mr. Seng, by the City agreeing to create a Neighborhood Enterprise Zone for this parcel, along with the City agreeing to include this parcel in a future development and reimbursement agreement including Tax Increment Financing ("TIF"). Second, Mr. Seng failed to remove his landscape material stockpiles in a timely fashion from the peninsula. Third, it seems that Mr. Seng has continued doing business as he sees fit without regard to the agreement. Now, to add insult to injury, Mr. Seng is asking the City to waive one of the most significant terms of the agreement for which the City and Rieth-Riley intensively and extensively bargained. The City sought the changes for the Seng property

and the peninsula to augment its plans for the Peninsula District. As part of the negotiations, Rieth-Riley committed to making truck route improvements which were completed. Rieth-Riley contributed $185,000 toward those improvements. Additionally, Rieth-Riley committed to performing up to $200,000 of repaving work on behalf of the City (as outlined in the Memorandum of Understanding) to be performed at the direction of the City. Like the City, Rieth-Riley had a vital interest in those restrictions provided for in the agreement, received benefits from the City by way of its Brownfield and Renaissance Zone agreement, while Mr. Seng received many millions of dollars for his agreement including imposing restrictions on his Peninsula property. The benefits were to all three parties and were not slanted in favor of one over the other. Now, after receiving those benefits, while already not fulfilling a number of his contractual obligations under the agreement, Mr. Seng seeks to convince the City and Rieth-Riley to waive one of the most significant terms of the agreement for his personal benefit to the detriment of the other parties. To be clear, this is a request that Rieth-Riley has no interest whatsoever in entertaining. What we ask for now is that the Planning Commission uphold the spirit of those agreements and deal with the Seng rezoning request by recommending its denial.

CONCLUSION

Seng Dock and Trucking and Mr. Seng have presented a request both to the City Council (which was denied) and to this Commission for action which would relieve them (at least in Mr. Seng's mind) from contracted for obligations for which he willingly accepted money. As stated by City Manager Deisch in his February 6 memorandum to members of the City Council:

> "Mr. Seng knowingly and willingly entered into the development agreement with the City and he was compensated by Rieth--Riley for both his property and sale of his aggregate business. As previously discussed, Mr. Seng has never honored all of the conditions of this agreement, including removal of landscape materials and delivery of a 20 foot easement along the river channel. ...Based upon the information being presented to the Council, the fact that other deep water ports exist to facilitate potential new business opportunities, and the fact that Mr. Seng has not complied with the terms of the development agreement, I do not recommend amending the zoning ordinance and the development agreement based on Mr. Seng's request."

Similarly, the City's Planning and Zoning Administrator, in her memorandum to the Planning Commission which was included in the Planning Commissioner's packets for March 6 stated as follows:

> "The rezoning of the P-D Peninsula District to ADD a shipping facility will not apply to Mr. Seng's property, based upon the existing development agreement...." The Planning and Zoning Administrator also noted that the Seng proposal is not consistent with the Master Plan (Chapter 8, *Future Land Uses*).

Through this entire matter, Mr. Seng has never once approached Rieth-Riley with respect to his plans or the requests made of the City Council and the City Planning Commission. He is well aware that he is bound by the terms and provisions of the Memorandum of Understanding and the development agreements, all of which provided for the restrictions on his use of the peninsula property. Rather than forthrightly acknowledge that he sold those rights for a great deal of money, he put in his application that his problems were "due to a change in the zoning ordinance [which] denied use of my commercial property to my financial detriment." He does not happen to mention that he received millions and entered into a contract which resulted in the zoning change, i.e., it wasn't the ordinance that denied use of his commercial property, it was his own willful acceptance of the funds which purchased those rights.

Rieth-Riley is committed to the enforcement of the development agreements, including Mr. Seng's agreement to discontinue shipping operation on the peninsula. Rieth-Riley and the City continue to live up to their end of the bargain and we ask that you not change that by authorizing the zoning amendment requested by Mr. Seng which he would no doubt use to attempt to justify his reneging on the Memorandum of Understanding and his development agreement.

Very truly yours,

RIETH-RILEY CONSTRUCTION CO., INC.

A. Keith Rose
President/CEO

AKR/pkf

cc: Denise Blakeslee, Planning/Zoning Administrator
Mitch Deisch, City Manager

APPENDIX

From the Development Agreement:

"Beginning September 30, 2008, Seng shall restrict the future use of the Peninsula Property to prohibit any industrial use, and any commercial use that would result in stockpiles...."

Excerpts from Jon Rose memo dated November 15, 2012 in response to Seng letter of October 30, 2012:

"The City subsequently amended the zoning for the peninsula to protect the investments they have made in the neighborhood's future. The amended ordinance specifically removes shipping facility from the uses allowed in the district. ...The City has made a large investment in both dollars and time to insure the revitalization of the east end of River Street and complementary anchor to the downtown."

Memorandum dated January 14, 2014:

"Mr. Seng is currently in violation of the development agreement/MOU by moving the Landscaping Operation to parcel 51-448-735-01."

"Mr. Seng violated the development agreement/MOU by entering into a contract with Potlatch for the shipping of logs."

"The development agreement required Mr. Seng to convey an easement for the extension of the river walk over parcel 51-448-700-00. Mr. Seng sold the property in question. The City will now be required to obtain the easement to convey from the new property owner."

"The zoning of the property is moot as long as the development agreement is in place."

Neighborhood Revitalization Action Plan

Manistee Peninsula

City of Manistee

COOLCITY Neighborhood

7/14/08

Neighborhood Revitalization Action Plan

Manistee Peninsula

Prepared by:
City of Manistee, Michigan
Community Assistance Team - Michigan State Housing Development Authority

With the assistance of:
Jacobs Carter Burgess
The Chesapeake Group, Inc.

Table of Contents

Table of Contents…….. i

Executive Summary……ii

1. Introduction……1

2. Vision and Goals…….…….. .6

3. Existing Conditions and Analysis……...……8

4. Residential and Retail Market Summary……... 12

5. Neighborhood Revitalization Strategy..…… 14

6. Stewardship and Implementation…….. 15

Appendix:
Residential & Retail Market Assessment

Maps Follows Page
Map 1: Existing Land Use…… 8
Map 2: Exterior Appearance Survey – Residential Dwelling …….....9
Map 3: Neighborhood Revitalization Strategy..……..…14

Executive Summary

"Re-vitalize: to impart new life or vigor; to restore to a vigorous active state."

Introduction

Over the course of the past twelve months, the development of the Neighborhood Revitalization Action Plan for the Manistee Peninsula neighborhood has been the subject of hard work by neighborhood residents, community stakeholders and City of Manistee Officials and staff.

The Manistee Peninsula neighborhood is a place where people connect with one another. Being part of a community where neighbors know each other and help each other out not only contributes to an individual's health and happiness, but also makes it easier for people to organize around issues of public concerns and neighborhood benefit.

The Manistee City Council wants this neighborhood to continue its strong role in community problem solving and in ensuring quality public services. The Council reviewed and discussed some of the issues that are taking place in the Manistee Peninsula neighborhood, and how revitalization efforts could help sustain a high quality of life in this neighborhood. To assist in this revitalization efforts, the City of Manistee was a successful recipient of the 2005 Cool Cities Blueprint for Michigan Neighborhoods program. As part of this program and following the completion of this Neighborhood Revitalization Action Plan the City is eligible up to $400,000 in Community Development Block grant funds to assist in the implementation of initial Manistee Peninsula neighborhood's strategies identified in this Action Plan.

Project Area

The Manistee Peninsula lies in the center of the City's urban area, west of Downtown on the south side of the Manistee River. This area has a traditional neighborhood design with a grid street pattern with its peripheries that accommodates industrial and marina development along the waterfront with no public access, which is typical of historical City development that occurred in the Mid-West.

One challenge for the Peninsula will be maintaining an attractive, healthy and viable residential neighborhood and integrate the neighborhood with planned mixed use developments along the edges of the Peninsula. Current office and service establishments in the area are integrated with the neighborhood. Most of these structures are of similar age to the housing and are architecturally compatible with the homes in the area. Some have been successfully renovated to preserve its historical integrity. Industrial and marine uses along the waters edge have various outdoor storage of materials and boats, their sites spans several large parcels and are minimally buffered from residential neighborhoods. Additionally, truck/deliver traffic, noise, and odor impacts the immediate neighborhood. The vacant Iron Work building on the north side of the Peninsula also provides no transition between it and the residential neighborhood. This heavy industrial two story structure is an icon for the Peninsula and the Downtown. The City, community stakeholders have discussed adaptive re-use of the Iron Works Building, which could be a pilot project for the continued revitalization of the Peninsula.

Most of the interior residential streets are narrow with two lanes. Some streets do have a curb and gutter system with lawn areas and large tree canopies that shade the pavement and sidewalks. Other streets do not have a curb and gutters. On these streets, residents, business and customers park on paved shoulders between the roadway and sidewalks, leaving an unattractive appearance along the street.

An active railroad runs in a north/south direction through the center of the Peninsula, even though trains are running at a slow speed, there still is a noise and vibration issue that is not favored by residents and businesses. There have been on going discussions amongst the City and others to reroute the railroad to the south side of Manistee Lake. A Railroad Relocation Study was recently completed and is being reviewed. The railroad in its present location through the Peninsula is not a hindrance/obstruction to the planned redevelopment, improvements and enhancements to the Manistee Peninsula. Development and redevelopment will occur if the railroad is there or not. The City should work closely with the railroad owners to ensure planned utility, infrastructure, and circulation improvements are coordinated with future plans of the rail lines.

While people moved from traditional neighborhoods to outlying rural areas during the last half of the 20th century, many people are now seeking out these older neighborhoods for their sense of community, physical attractiveness and convenience. Manistee Peninsula is ripe for revitalization……a "neighborhood of choice" with a compact urban form accompanied by planned parks and open space along the water and a mixed use development with uses that encourage, further residential development, pedestrian activity and a sense of neighborhood. Promoting the characteristics of traditional neighborhood design that exist in the Manistee Peninsula is key to the revitalization of this neighborhood.

The Retail & Residential Market

Based on either the demand forecasting or comparative assessment or both methodologies, the following activity is particularly marketable in the study area.

Residential Opportunities

- The study area could absorb 95 additional market rate housing units over the next three to ten years. In addition to the 95 units, 25 "assisted living" units oriented toward seniors could be absorbed over the same time frame.

Retail Opportunities

- A potential market, focused on fresh fish, produce, meats, coupled with a waterfront oriented restaurant. The market would likely have a general merchandise component as well. It could be seasonally open air or indoors. The facility would be in the range of 10,000 to 20,000 square feet of space.

- One or two smaller restaurants, each ranging from 1,500 to 2,500 square feet of space.

- One larger waterfront food service establishment, having potentially 3,000 to 7,500 square feet of space.

- The comparative assessment identified the potential following gaps that could be filled in an enhanced study area:

    - Nursery, Garden Center, and Farm Supply Stores

    - Baked Goods Stores and Retail Bakeries, potentially independent of or part of a larger conglomerate, with wholesale as well as retail functions.

    - Surveying and Mapping Services

    - Custom Computer Programming Services

    - Computer and software operations

- A small hardware operation or expansion of marine facilities that would add or include traditional hardware lines, if additional housing and other activity are added to the area.

- A "Medicine Shoppe" size pharmacy in the future, if additional housing and other activity are added to the area.

Vision & Goals

This Action Plan describes a new vision for the future of the Manistee Peninsula neighborhood.

A vital and vibrant mixed use "neighborhood of choice" for future generations. That vision is created by a sense of place, strong businesses, vital neighborhoods, and abundant cultural and recreational opportunities

The following list of goals has been developed to help achieve the vision and governing principles of the Manistee Peninsula neighborhood.

- Maintain the long term vitality and attractiveness of the Peninsula as a quality mixed use environment
- Enhance the potential for prosperous commerce
- Improve public facilities, infrastructure and services to maintain a high quality of life and to encourage infill development/redevelopment. Provide a safe, efficient, pedestrian friendly, and cost effective circulation system

Revitalization Strategy

The revitalization strategy is focused on building upon the positive physical and natural assets of the Peninsula and initiating strategic efforts to make the Manistee Peninsula neighborhood a stable, health and desirable in the next ten to fifteen years.

The Neighborhood Revitalization Strategy is a plan of a healthy "neighborhood of choice" for the Peninsula. The Peninsula becomes an ideal location where it makes economic and emotional sense for people to invest their time, money, energy and successfully manage area related issues and change.

Outcomes are a way to describe how the Peninsula looks and behaves when it is healthy. Revitalization strategies/recommendations that seek to create healthy neighborhoods such as the Manistee Peninsula are focused on achieving four important outcomes.

Image. The Manistee Peninsula will have a positive image that attracts investment—from homebuyers, homeowners, businesses, and government. People will be confident in the future of the Peninsula.

Market. The residential and retail market will reflect this confidence. The neighborhood will make economic sense for key investors—homebuyers, homeowners, landlords, businesses, and government—because property values will be steadily increasing. This will enable homeowners, homebuyers, and landlords to carry out improvements and build assets. It will enable businesses to remain or locate in an improving area, and it will enable government to see the property value base stabilize. At the same time, the Peninsula will offer housing options for, and be attractive to, a variety of income groups. It will help neighbors who want to stay and benefit from revitalization.

Physical Conditions. Physical conditions, whether residential, mixed use, commercial, office/services, will reflect pride of ownership and a high standard of maintenance. Public infrastructure will be maintained and improved to a standard similar to neighborhoods currently viewed as better.

Neighborhood Management. Collective action by the Peninsula Task Force will ensure the Peninsula will compete well with other neighborhoods for resources. Residents as part of the Peninsula Task Force will have the capacity to manage the day-to-day activities on their blocks. Neighbors will feel comfortable being "neighborly" - looking out for each other, getting together to work on problems, taking action to reinforce positive standards and actions, etc. Neighbors will feel safe in the neighborhood.

Strategies & Next Steps

Neighborhood revitalization strategies identified in the Action Plan have been developed to achieve the vision and goals noted above. Strategies are considered to be realistic and achievable, assuming neighborhood involvement in the revitalization process continues, adequate public and private funding is identified and secured, and Manistee Peninsula neighborhood revitalization remains a high priority.

While clearly complete revitalization of the Manistee Peninsula neighborhood is a multi-year undertaking, positive change can immediately begin to occur following the adoption of the Action Plan as the City and the neighborhood undertake implementation.

The City and the community should focus their attention initially on the following implementation recommendations, with the goal of completing them by the end of 2008.

1. Approve and adopt the Manistee Peninsula Neighborhood Revitalization Action Plan.
2. Form the Manistee Peninsula Task Force.
3. Prepare a Request for Proposal for a Capital Improvement Plan.
4. Prepare Zoning Ordinance amendments or Design Guidelines for Peninsula building facades and streetscapes.
5. Prepare a condition assessment of the Ironworks Building.
6. Market the Action Plan to the City, County and other community stakeholders. If they are expected to implement the Plan, they must be informed of the Plan's recommendations and told precisely what is expected from them. This process involves numerous meetings with groups and well as one-on-one.
7. Continue to assemble parcels of land in key locations by engaging its property owners and develop a developer recruitment program.
8. Determine infrastructure project(s) using Community Development Block Grant monies (approx. $400,000) as part of Cool Cities Blueprint for Michigan Neighborhoods program. Following is an initial list of suggested infrastructure projects for the Manistee Peninsula Neighborhood.

   - Prepare a Capital Improvement Plan.
   - Install needed utility and infrastructure improvements in the Peninsula including, sewer separation, water mains, information technology upgrades, etc.

It is the belief of the City, community stakeholders and neighborhood residents that the future vision for the neighborhood is worth working towards and that hard work, personal commitment, and funding availability, the dream can be made reality.

1 Introduction

What is a Neighborhood Revitalization Action Plan?

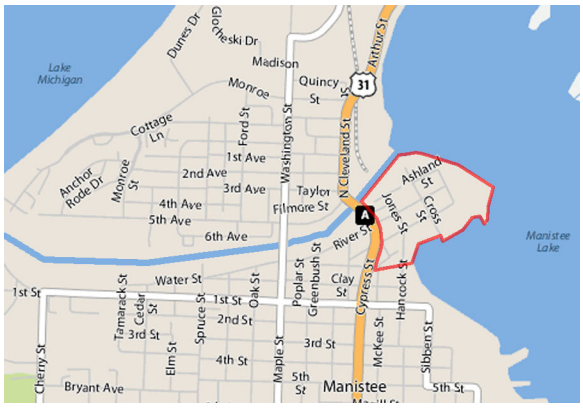
A Neighborhood Revitalization Action Plan for the Manistee Peninsula is an Action Plan aimed at influencing future choices:

- Build confidence and, thereby, influencing investment behaviors, using residential and retail market data and assessment to develop strategies that respond to the variety of needs, population, existing development conditions and captures the beauty of water and natural features that surrounds the Manistee Peninsula, and;

- Work with residents, commercial and industrial property owners, community stakeholders and City and County departments and agencies to change the perceptions and creating a vision and implementation activities that will achieve desired outcomes.

Project Area

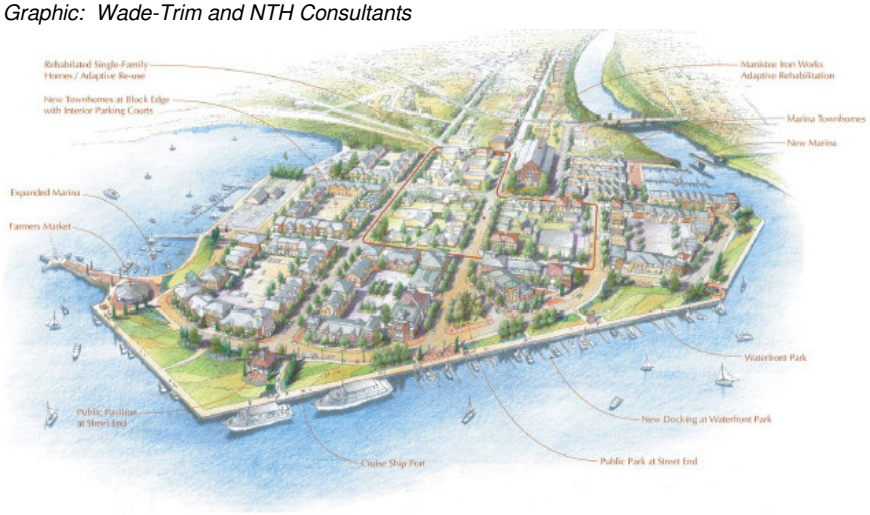
The Manistee Peninsula is part of the early urban fabric of the City. The 70 acre Peninsula is bounded by Manistee Lake and Manistee River to the north, east, and south and US-31 to the west. Owing to the history of development along water and railroad corridors, much of its remaining residential core is bound by industrial development and water related uses. Additionally, with close proximity to the Downtown, development/redevelopment of office/services uses have occurred on the Peninsula. The history of the Peninsula, its traditional urban character and renewed community interest make it ideal for revitalization and improved connections to the Downtown.



Cool Cities Blueprint for Michigan Neighborhoods

Recognition for excellence as a great Northwest Michigan City is a main reason for this Neighborhood Revitalization Action Plan. Years of progressive Downtown, neighborhood and infrastructure programs and facilities has spurred private investment throughout these neighborhoods and commercial districts. In addition, this forward thinking community identified the Manistee Peninsula as a great place to build upon its inherited strengths, develop/redevelop a new neighborhood from the area's heritage, and its perfect location adjacent to the Downtown and surrounding water of Manistee Lake and Manistee River. In 2005 the City developed a Framework Plan with the assistance of US EPA Brownfield Assessment Grant, which identified land use recommendations for future investment and development/redevelopment of mixed uses, marina services and an emerald necklace of programmed parks, open space, promenades and view corridors along the edges of the Peninsula. To further advance and implement the Framework Plan, the City also used the Brownfield Assessment Grant to prepare an Infrastructure Needs Assessment for the Manistee Peninsula. The assessment takes the next step in determining the adequacy of current infrastructure systems and planning the infrastructure needs based on the Peninsula's Framework Plan.

Graphic: Wade-Trim and NTH Consultants



Graphic: Wade-Trim and NTH Consultants

To further continue this success, the City of Manistee was a successful recipient of the 2005 Cool Cities Blueprint for Michigan Neighborhoods Program for the Manistee Peninsula. The program assists the stakeholders within the neighborhood adjacent to the downtown to create a Neighborhood Revitalization Action Plan that is market driven. The program understands that successful revitalization is more than the sum of discreet projects. Rather, it is a carefully thought out initiative that assesses the economic development, and the retail and residential market to strengthen the Peninsula as a "neighborhood of choice"……

A place where people are willing and able to invest themselves and their resources in homes, businesses, and in the Peninsula.

The City of Manistee and the Michigan State Housing Development Authority, which administers the Cool Cities Blueprint for Michigan Neighborhoods Program has the philosophy that strong neighborhoods linked closely with commercial districts, are key to keeping Downtown Manistee vibrant. Following the completion of this Neighborhood Revitalization Action Plan the community will be eligible for Community Development Block Grant funds to assist in the implementation of the Manistee Peninsula's strategies identified in this Action Plan.

This Action Plan describes a vision for the future of the Manistee Peninsula. This Neighborhood Revitalization Action Plan serves as a blueprint for the development and revitalization activities on the Peninsula. Implementation of this Plan will help ensure that the Manistee Peninsula becomes a new and highly desirable neighborhood in which to live, work, play, and visit. This can be accomplished by preserving and enhancing the qualities of the Peninsula, sensitively redevelop underutilized properties and enhance open space that the residents, businesses, and property owners consider important.

This vision of the Manistee Peninsula future looks out 10 to 15 years to provide guidance on development, redevelopment and enhancement-related decisions that must be made on a day-to-day basis. Some of the Plan's recommendations will occur only when market conditions are right or when necessary funding becomes available. Given the current limited availability of public funds, the Plan is an essential tool in ensuring that Manistee makes the best use of these scarce financial resources in preventing the City from pursuing policies or supporting projects that work at cross-purposes.

Principles for Creating a "Neighborhood of Choice" through Revitalization

The Manistee Peninsula is defined primarily by those who live, work and/or own property there. The definition is fluid and varies by the different groups in the Peninsula.

> ***Revitalization is to acknowledge the variety of groups and defined boundaries, and to develop strategies that respond to those residents, business and property owners and geographic areas.***

The conditions of the Manistee Peninsula is the sum of past and current choices

> ***Neighborhood revitalization is to influence future choices.***

The Manistee Peninsula needs to compete for public resources, private investment, and political influence, but most of all, the Peninsula competes for choices of households to live and invest in a particular area.

The work of neighborhood revitalization is to make the Peninsula more competitive at all levels, but especially in attracting and/or retaining households with choices among many neighborhoods and investment behaviors.

The Manistee Peninsula is healthy enough to attract positive investment choices by residents, homebuyers, property owners, developers, financial institutions and others has a market where property value appreciate in a way that supports such economic choices.

> ***The work of neighborhood revitalization is to define a property appreciation outcome appropriate to the local market, to design strategies that support that outcome, and to create an environment where it makes sense to invest time, money and energy in the Peninsula.***

The health of the Manistee Peninsula is determined in part by the degree of confidence neighbors and others have in the future of the neighborhood. Confidence is reflected in the range of social, financial, civic and time investments people make, regardless of income level.

> ***The work of neighborhood revitalization is directly aimed at building and, thereby, influencing investment behaviors.***

The process of change in the Peninsula (i.e., what people mean when they talk about their neighborhood getting "better" or "worse") is set by how people "read" who's moving in and who's moving out.

> ***The work of neighborhood revitalization is recognize this pattern and to address current and potential investment and disinvestment.***

A successful neighborhood revitalization approach represents more than just the sum of individual projects. Revitalization won't happen with only a project focus and can actually be undermined by such an approach.

> ***The work of neighborhood revitalization is to read the way people perceive and make decisions about***

the Peninsula and their roles in it and deliver strategies to address that logic-as opposed to only seeing a few potential tax-credit deals.

Description is everything in revitalization. How you describe the Peninsula will have an enormous impact on investment you engender.

The work of neighborhood revitalization is to be conscious and vigilant about describing the Peninsula and to work only in ways that inspire confidence and investment.

Money follows the vision. When there is a compelling vision for real change, the resources will follow. Many people will pay for a more expensive strategy if it is a compelling strategy that clearly deals with outcomes rather than activities.

The work of neighborhood revitalization is about discontinuing self-limiting beliefs, creating the vision and strategy that will accomplish revitalization outcomes, and seek funding from sources that support that vision and strategy.

Purpose and Process

The purpose of the Manistee Peninsula Neighborhood Revitalization Action Plan is to mobilize the community residents, organizations, property owners, businesses, and the City into a shared effort to a transform the Manistee Peninsula into a desired place to live, work, play and visit. The constituents and participants in this process want to make the Manistee Peninsula a place of choice for businesses and residents.

It is not assumed that strategies in the Action Plan will by themselves completely solve the issues; moreover, the priorities addressed in the Action Plan are not exhaustive. Numerous activities and issues outside of this document also influence the future of the Peninsula.

The key to the successful realization of the Manistee Peninsula Neighborhood Revitalization Action Plan is purposeful and coordinated enactment of the strategies set forth in it. Working together with the same goals in mind, all of the partners involved must be committed to the vitality of the area and the enrichment of the lives of those living, working and investing there. New and stronger partnerships between neighbors, the City of Manistee and resources throughout the community will become the “champion” that will help reach their goals for the Peninsula.

Additionally, the purpose of the Manistee Peninsula Neighborhood Revitalization Action Plan is to complete a summary of existing conditions and a residential and retail market assessment to create an accurate picture of the Peninsula’s current circumstances. The culmination of this review and public participation process is a strategy for revitalization of the Manistee Peninsula that includes:

- Identification of key parcels for redevelopment and recommendations for uses of those parcels
- Recommendations for appropriate types of housing development
- Approaches to economic revitalization in the Peninsula including recommendations for strategies to enhance/revitalize the Peninsula’s existing residential and select business sites/blocks.
- Transportation, infrastructure, safety and parks/open space improvements needed to support the proposed revitalization strategies

Actively involving The Peninsula’s residents, businesses and property owners, and other Peninsula and community stakeholders in developing of the Manistee Peninsula Neighborhood Revitalization Action Plan was

an important part of the planning process. Mayor and City Council strongly believed public participation helps to ensure that the resulting Action Plan accurately reflects the vision, goals and values of the Peninsula. To that end, the Mayor and City Council endorsed a participation program designed to foster public participation including one-on-one interviews, focus group discussions, a telephone survey of over 200 City and Manistee County residents, a public vision session and open discussions on preliminary findings, recommendations and strategies.

Next Steps

Now that the Action Plan is completed, it is likely that the City and community stakeholders are asking, "What are the next steps?" Over the next six months what are the most effective ways to begin implementing the Action Plan?

The Stewardship and Implementation chapter contains numerous recommendations, all of which are important, but far more than can be implemented by the existing staff, City officials, business and property owners, residents and volunteers, many of whom are already over-extended in terms of their commitments. Consequently, we suggest that the City and the community focus their attention initially on the following implementation recommendations, with the goal of completing them by the end of 2008.

1. Approve and adopt the Manistee Peninsula Neighborhood Revitalization Action Plan.
2. Form the Manistee Peninsula Task Force.
3. Prepare Request for Proposal for a Capital Improvements Plan.
4. Prepare Zoning Ordinance amendments or Design Guidelines for Peninsula building facades and streetscapes.
5. Prepare a condition assessment of the Ironworks Building.
6. Market the Action Plan to the City, County and other community stakeholders. If they are expected to implement the Plan, they must be informed of the Plan's recommendations and told precisely what is expected from them. This process involves numerous meetings with groups and well as one-on-one.
7. Continue to assemble parcels of land in key locations by engaging its property owners and develop a developer recruitment program.
8. Determine infrastructure project(s) using Community Development Block Grant monies (approx. $400,000) as part of Cool Cities Blueprint for Michigan Neighborhoods program. Following is an initial list of suggested infrastructure projects for the Manistee Peninsula Neighborhood.
    - Prepare a Capital Improvements Plan.
    - Install needed utility and infrastructure improvements in the Peninsula including, sewer separation, water mains, information technology upgrades, etc.

2 Vision and Goals

The Manistee Peninsula Vision……

A vital and vibrant mixed use "neighborhood of choice" for future generations. That vision is created by a sense of place, strong businesses, vital neighborhoods, and abundant cultural and recreational opportunities.

Based on input heard throughout the process, an analysis of existing conditions, and discussions with the Peninsula's residents, organizations, property owners, businesses, and the City, the following list of goals has been developed to help achieve the vision and governing principles of the Manistee Peninsula. Recommendations/strategies that provide more specific direction to accomplish the Peninsula's vision are included in the Stewardship and Implementation chapter of this Action Plan.

Real Estate Development
Goal: Maintain the long term vitality and attractiveness of the Peninsula as a quality mixed use environment.
Objectives

- Target and consolidate redevelopment in locations ripe for mixed-use redevelopment
- Improve the housing stock in the Peninsula by working with public and private agencies
- Assemble parcels of land in key locations by engaging its property owners
- Incorporate limited office space into mixed use projects
- Provide incentives for property owners to maintain and enhance their property
- Target key opportunity sites for higher density residential redevelopment
- Encourage development of senior housing affiliated with faith based organizations
- Target a hospitality/attraction opportunity

Marketing and Tenant Mix Enhancements
Goal: Enhance the potential for prosperous commerce
Objectives

- Encourage a brand/theme for business signs
- Encourage façade improvements
- Enhance marketing and image of the peninsula
- Develop a recruitment strategy for both existing and new tenants
- Consolidate redevelopment plans and determine a "destination" factor, recruit shoppers goods and entertainment oriented tenants that are unaffected by local demographic and economic conditions
- Adaptive re-use and rehabilitate the Iron Works Building
- Enhance marketing efforts, including outreach which highlights opportunities for non-conventional uses such as medical offices, educational institutions and tenants seeking flexspace
- Promote stronger connections to the Downtown, Manistee River and Manistee Lake
- Create policies to encourage residential development to developers
- Cultivate the dual markets of business and leisure tourism

Infrastructure

Goal: Improve public facilities, infrastructure and services to maintain a high quality of life and to encourage infill development/redevelopment. Provide a safe, efficient, pedestrian friendly, and a cost effective circulation system.

Objectives

- Assess existing traffic patterns and pursue transportation that will increase traveling convenience and accommodate planned development/redevelopment
- Enhance the appearance of the River Street corridor
- Work with Michigan Department of Transportation on the US-31/River Street intersection
- Redesign and install a new US-31/River Street gateway sign
- Extend sidewalks where needed into areas beyond the Peninsula, to provide strong connections to adjacent neighborhoods and the Downtown
- Prepare a waterfront Promenade/Parks Master Plan, ensuring public access along the waterfront and encourage the use of these features when negotiating private sector development plans
- Incorporate safety/security design techniques for all public places
- Prepare a capital improvements program for infrastructure improvements in the Peninsula

3 Existing Conditions And Analysis

EXISTING CONDITIONS AND ANALYSIS

This section of the Action Plan addresses the following elements:

- Neighborhood Design
- Residential Development
- Infrastructure

The Neighborhood Design element looks at the physical design features and land use patterns in the Manistee Peninsula. Residential Development describes existing housing conditions. The Infrastructure element evaluates transportation and utility systems. Finally, the Quality of Life element addresses recreational opportunities, natural resources and community development. Each element contains information about current conditions and issues. A generalized demographic and socio economic profile of the Peninsula and City is contained in the Residential and Retail Market Assessment chapter of this Action Plan.

Neighborhood Design

The Manistee Peninsula lies in the center of the City's urban area, west of Downtown on the south side of the Manistee River. This area has a traditional neighborhood design with a grid street pattern with its peripheries that accommodates industrial and marina development along the waterfront with no public access, which is typical of historical City development that occurred in the Mid-West. See the following Map 1: Existing Land Use. One challenge for the Peninsula will be maintaining an attractive, healthy and viable residential neighborhood and integrate the neighborhood with planned mixed use developments along the edges of the Peninsula. Current office and service establishments in the area are integrated with the neighborhood. Most of these structures are of similar age to the housing and are architecturally compatible with the homes in the area. Some have been successfully renovated to preserve its historical integrity. Industrial and marine uses along the waters edge have various outdoor storage of materials and boats, their sites spans several large parcels and are minimally buffered from residential neighborhoods. Additionally, truck/deliver traffic, noise, and odor impacts the immediate neighborhood. The vacant Iron Work building on the north side of the Peninsula also provides no transition between it and the residential neighborhood. This heavy industrial two story structure is an icon for the Peninsula and the Downtown. The City, community stakeholders have discussed adaptive re-use of the Iron Works Building, which could be a pilot project for the continued revitalization of the Peninsula

Most of the interior residential streets are narrow with two lanes. Some streets do have a curb and gutter system with lawn areas and large tree canopies that shade the pavement and sidewalks. Other streets do not have a curb and gutters. On these streets, residents, business and customers park on paved shoulders between the roadway and sidewalks, leaving an unattractive appearance along the street. An active railroad runs in a north/south direction through the center of the Peninsula, even though trains are running at a slow speed, there still is a noise and vibration issue that is not favored by residents and businesses. There have been on going discussions amongst the City and others to reroute the railroad to the south side of Manistee Lake. A Railroad Relocation Study was recently completed and is being reviewed.

COMMERCIAL / SERVICE /OFFICE
SINGLE - FAMILY RESIDENTIAL
PUBLIC
PARKS
INDUSTRIAL / WAREHOUSE
MULTI - FAMILY RESIDENTIAL
SEMI - PUBLIC
VACANT BUILDING AND / OR SITE

MAP 1: EXISTING LAND USE

MANISTEE PENINSULA NEIGHBORHOOD REVITALIZATION ACTION
MANISTEE, MI

JACOBS Carter Burgess
The Chesapeake Group, Inc.
Building A Foundation For The Future

N
N.T.S.
5-19-08

The owners of the railroad are exploring federal and other funding sources for the $10.5 million dollar relocation effort. In our opinion, the railroad in its present location through the Peninsula is not a hindrance/obstruction to the planned redevelopment, improvements and enhancements to the Manistee Peninsula. Development and redevelopment will occur if the railroad is there or not. The City should work closely with the railroad owners to ensure planned utility, infrastructure, and circulation improvements are coordinated with future plans of the rail lines.

While people moved from traditional neighborhoods to outlying rural areas during the last half of the 20th century, many people are now seeking out these older neighborhoods for their sense of community, physical attractiveness and convenience. Manistee Peninsula is ripe for revitalization……a "neighborhood of choice" with a compact urban form accompanied by planned parks and open space along the water and a mixed use development with uses that encourage, further residential development, pedestrian activity and a sense of neighborhood. Promoting the characteristics of traditional neighborhood design that exist in the Manistee Peninsula is key to the revitalization of this neighborhood and other neighborhoods throughout the City.

Residential Development

Some housing in the area has deteriorated and building code enforcement inspectors routinely work in the neighborhood in response to substandard conditions and poor maintenance. Most of the residential dwellings in this neighborhood were built as single family units in the early 20th century. While the older housing stock lends a sense of character and history to the neighborhood, it also requires greater care and maintenance with time. Declining maintenance and a lower rate of owner occupancy has contributed to a certain amount of blight and deterioration, which has been cited as a concern by the residents and neighborhood stakeholders at public meetings and interviews. In addition, existing outdoor storage of materials, the marina and associated traffic, the vacant Iron Works Building, the active railroad and increase of office/service uses all have a bearing on the physical and social impacts on the dwelling units and residents, respectively.

An exterior appearance survey was completed for each dwelling unit. Each unit rating was averaged into a frontage block and noted as either excellent, minor rehabilitation, major rehabilitation and dilapidated. The ratings are defined as follows:

- Excellent: A dwelling unit that is new or well maintained and structurally intact (no visible deficiencies). Foundation appears structurally undamaged, and rooflines are straight. Windows, doors and siding are in good repair. Exterior paint is in good condition.

- Minor Rehabilitation: A dwelling unit that shows signs of multiple deferred maintenance or that requires the repair of one major component i.e., foundation, roof, siding, and windows/doors.

- Major Rehabilitation: A dwelling unit that requires multiple repairs and the replacement of a major component i.e., foundation, roof, siding, and windows/doors.

- Dilapidated: A dwelling unit that suffers from excessive neglect, appears structurally unsound and not safe for human habitation, and may not be feasible to rehabilitate.

As illustrated on the following Map 2: Exterior Appearance Survey-Residential Dwelling, there are approximately 40 residential dwelling units that exist in the Peninsula, and what units remain are some what impacted by nearby non-residential uses; 48% of the dwelling units were rated as excellent with the remaining 52% is in need of minor or major rehabilitation/repair.

EXCELLENT | MINOR REHABILITATION | MAJOR REHABILITATION | DILAPIDATED

MAP 2: EXTERIOR APPEARANCE SURVEY - RESIDENTIAL DWELLING

MANISTEE PENINSULA NEIGHBORHOOD REVITALIZATION ACTION PLAN
MANISTEE, MI

JACOBS Carter Burgess
The Chesapeake Group, Inc.
Building A Foundation For The Future

N
N.T.S.
5-19-08

The appearance of the neighborhood could be improved when new homeowners move in. Increased homeownership brings residual benefits, such as better maintenance of properties, improved aesthetics, and economic stability. This Action Plan and other plans/reports all have a common goal to strengthen and improve the residential neighborhood, foster initiatives that would bring about improved change, increased ownership and value and reclaim the waterfront along the Peninsula.

Infrastructure

Planned as a traditional mid-west City, the street network on this small Peninsula is still designed in a grid pattern. River Street is the major street and primary access to the Peninsula, which runs east/west through the center of the Peninsula to East Street. The signalized intersection of River Street and US-31 is the gateway to the Downtown and the Peninsula. River Street continues to run westerly through the Downtown and is also known as the Downtown's "Main Street". Also indirect routes to the Peninsula can be obtained along Filer Street and Mason Street. All of these roadways provide access to industrial and marina uses along the peripheries of the neighborhood.

While most of the neighborhood's sidewalks are adequate, some sidewalks are in need of repair or are missing in between stretches of well maintained sidewalks. As a result, some streets are not as conducive to pedestrian traffic as they could be. Sidewalk improvements should be installed on streets that have the greatest pedestrian traffic and those that can be linked to existing sidewalks. Recent streetscape improvements along a couple of blocks of River Street, east of US-31, does provide an inviting "sense of place" to the Peninsula and gives the impression that the Downtown does extend into the Peninsula. Streetscape improvements are critical to the continued success of the Peninsula and should be planned and implemented along all streets in the Peninsula.

In addition to improvements to the residual right-of-way, (i.e., sidewalks, streetscapes, lawn areas and curb and gutter system improvements), several streets would benefit from traffic calming measures as redevelopment takes place on the Peninsula such as, River Street, Lake Street, Mason Street and East Street. Improvements for these streets would address the following goals:

- Improve overall livability along the street
- Improve pedestrian safety
- Minimize disruption of the existing neighborhood
- Reduce speed-at least 85% of the traffic should travel at 25 mph
- Retain capacity to handle current and future volumes, while not inducing more traffic

Traffic calming measures can respond to these goals. Following are some potential streetscape/traffic calming tools that may be used:

- Plant large canopy trees on both sides of the street
- On street parking
- Install curb extensions at intersections to reduce crossing distance for pedestrians and define on street parking lanes
- Identify pedestrian crossings with painted markings

There is very little bicycle traffic in the area. However that will be changing with the planned promenades, parks and open space along the waterfront. The City's Proposed Bike Route Plan prepared by the Non-Motorized Transportation Commission shows River Street, Jones Street and Hancock Street planned as a planned bike route. These bikeway system improvements should be planned into roadway improvements for these streets and other roadways in the Peninsula. The City should continue to ensure a complete non-motorized system is planned for the Peninsula and other areas of the City that will complement existing bike route facilities and improvements.

The Peninsula is well served with street lights at intersections throughout most of the neighborhood. There does appear some mid block areas that are fairly dark, which could use additional street lights that could illuminate these areas and some street lights that do not illuminate brightly enough. The City should investigate and where necessary increase wattage of street lights.

Much of the existing water and sewer system dates back to the initial development of this neighborhood and is available throughout the area. The City has been proactive in addressing any issues and maintaining and improving an aging system. Recently, the City completed an Infrastructure Needs Assessment of the Peninsula examining the multitude of infrastructure systems that exists in the Peninsula including roads, sewer, water, electric, telephone, cable and gas service. The Assessment and its recommendations suggest a full reconstruction of the infrastructure on the Peninsula, including roads and associated streetscape improvements, storm and sanitary sewer and the water main system. The City is reviewing this assessment and it cost estimates to achieve the desired results of a revitalized Peninsula.

Quality of Life

Being a peninsula, waterfront access possibilities stretch for miles, and public access should be actively planned the entire length of the Peninsula. Programmed promenades, parks and open space are essential elements in the improved quality of life for those who live, work, play and visit the Peninsula. The history of this peninsula has been industrial in nature providing deep water access to ships hauling materials produced in the region. The peninsula was previously used during the lumber era; currently the Peninsula waterfront supports an aggregate business and a private marina. The deep water access along the waterfront could support many “blue” economic development opportunities. Opening up the waterfront for public access is key to strengthening the Peninsula as a vital destination that is part of Downtown Manistee.

4 Residential and Retail Market Summary

Introduction

The following represents a market assessment of the opportunities for marketable, market rate development for the study area in Manistee.

The analysis that follows is based on primary and secondary information. This included but was not limited to:

- A telephone survey of Manistee area residents.
- A review of sections of the draft Master Plan for Manistee County.
- A review of previous analyses of the City of Manistee and Manistee County.
- A review of public sector area population and household estimates and projections.

The analysis tends to employ assumptions that reduce estimates of supportable space for commercial whenever possible in order to avoid suggestions for new activity that would be marginally marketable or theoretically negatively impact others. The residential growth estimates are considered very conservative as well, based on minimal assumptions with regard to household growth. Many of these assumptions are noted throughout the analysis.

Two analyses methodologies were employed in performing the work and are presented in the text in appropriate form. These are a comparative assessment and demand forecasting.

The estimates and suggested activity represent only the Team's opinions based on the presented information and experience. The suggestions for development of the study area made from those estimates are based only on "marketability". No consideration is given to the "holding capacity" of the peninsula area which could be less than or exceed the identified opportunities. Furthermore, success of any individual or collective effort is dependent upon many other factors as well as marketability. These include, but are not limited to timing, marketing practices, financial feasibility, and management practices.

Furthermore, specific businesses may be mentioned by name at various points in the text. It is noted that this should neither be construed as an endorsement by the Team of those businesses, nor an endorsement, interest, or willingness to participate in any activity by the businesses on any site.

Potential opportunities associated with the study area include:

- Additional housing associated with either infill and new development or rehabilitation of existing structures.
- Additional retail and office activity that could take advantage of the waterfront amenities and potential environment in the area.

Study Area Suggestions
Based on either the demand forecasting or comparative assessment or both methodologies, the following activity is particularly marketable in the study area. It is noted that no attempt has been made in the market assessment component of the plan to determine whether or not such activity can be accommodated or how to accommodate it. Furthermore, there are a number of uses and activity that were neither identified as being under-represented or for which demand was not evaluated. These particularly include additional educational institution, medical facilities and marina slips and related activity.

- The study area could absorb 95 additional market rate housing units over the next three to ten years. In addition to the 95 units, 25 "assisted living" units oriented toward seniors could be absorbed over the same time frame.

- The comparative assessment identified the potential following gaps that could be filled in an enhanced study area:

  - Nursery, Garden Center, and Farm Supply Stores

  - Baked Goods Stores and Retail Bakeries, potentially independent of or part of a larger conglomerate, with wholesale as well as retail functions.

  - Surveying and Mapping Services

  - Custom Computer Programming Services

  - Computer and software operations

- A potential market, focused on fresh fish, produce, meats, coupled with a waterfront oriented restaurant. The market would likely have a general merchandise component as well. It could be seasonally open air or indoors. The facility would be in the range of 10,000 to 20,000 square feet of space.

- One or two smaller restaurants, each ranging from 1,500 to 2,500 square feet of space.

- One larger waterfront food service establishment, having potentially 3,000 to 7,500 square feet of space.

- A small hardware operation or expansion of marine facilities that would add or include traditional hardware lines, if additional housing and other activity are added to the area.

- A "Medicine Shoppe" size pharmacy in the future, if additional housing and other activity are added to the area.

5 Neighborhood Revitalization Strategy

The revitalization strategy is focused on building upon the positive physical and natural assets of the Peninsula and initiating strategic efforts to make the Manistee Peninsula neighborhood a stable, healthy and desirable in the next ten to fifteen years. This will require significant effort from the City leadership and departments, residents, organizations, businesses, private developers, state and federal parties and future residents and business owners.

As shown on the following Map 3: Neighborhood Revitalization Strategy is an illustrative concept plan of a healthy "neighborhood of choice" for the Peninsula. The Peninsula becomes an ideal location where it makes economic and emotional sense for people to invest their time, money, energy and successfully manage area related issues and change.

"Neighborhood of Choice" Outcomes

Outcomes are a way to describe how the Peninsula looks and behaves when it is healthy. Revitalization strategies/recommendations that seek to create healthy neighborhoods such as the Manistee Peninsula are focused on achieving four important outcomes.

Image
The Manistee Peninsula will have a positive image that attracts investment—from homebuyers, homeowners, businesses, and government. People will be confident in the future of the Peninsula.

Market
The residential and retail market will reflect this confidence. The neighborhood will make economic sense for key investors—homebuyers, homeowners, landlords, businesses, and government—because property values will be steadily increasing. This will enable homeowners, homebuyers, and landlords to carry out improvements and build assets. It will enable businesses to remain or locate in an improving area, and it will enable government to see the property value base stabilize. At the same time, the Peninsula will offer housing options for, and be attractive to, a variety of income groups. It will help neighbors who want to stay and benefit from revitalization.

Physical Conditions
Physical conditions, whether residential, mixed use, commercial, office/services, will reflect pride of ownership and a high standard of maintenance. Public infrastructure will be maintained and improved to a standard similar to neighborhoods currently viewed as better.

Neighborhood Management
Collective action by the Peninsula Task Force will ensure the Peninsula will compete well with other neighborhoods for resources. Residents as part of the Peninsula Task Force will have the capacity to manage the day-to-day activities on their blocks. Neighbors will feel comfortable being "neighborly" - looking out for each other, getting together to work on problems, taking action to reinforce positive standards and actions, etc. Neighbors will feel safe in the neighborhood.

MAP 3: NEIGHBORHOOD REVITALIZATION STRATEGY

MANISTEE PENINSULA NEIGHBORHOOD REVITALIZATION ACTION PLAN
MANISTEE, MI

JACOBS Carter Burgess
The Chesapeake Group, Inc.
Building A Foundation For The Future

N

N.T.S.
5-19-08

6 Stewardship and Implementation

Introduction

Implementation is the most important part of the planning process because it is the point at which the Manistee Peninsula Neighborhood Revitalization Action Plan transitions from principles/goals into practice. Implementation is when general concepts identified during the course of the Action Plan development process take shape and are developed into actual projects and programs. Goals, objectives, and recommended actions that are visionary in the Plan are transformed into detailed regulations, programs, capital improvements, agreements, studies, incentives, and other types of implementation activity.

Action Plans that are effective in achieving their goals and objectives include an implementation framework that outlines the general strategies, directions, and priorities of the Peninsula. The purpose of this Action Plan is to identify a course of policy direction for the Peninsula, which is then used to make specific decisions as to the actions that must be taken, the department or agency responsible for the initiatives, the actual process and timeframe for completion, and the source of funds necessary to implement the recommendation. Therefore, the role of the Action Plan is to form the framework by which specific decisions may be made. Without strategic direction and an organizational approach, well-intentioned Action Plans are commonly unsuccessful in seeing their vision become reality. To avoid this outcome, this Stewardship and Implementation chapter includes an overall strategy that will evolve as the Action Plan matures over the course of time.

Tenets of Successful Implementation

Neighborhoods such as the Manistee Peninsula that are successful in implementing their Action Plans and achieving the vision are those who are able to secure the following:

Commitment. The most important aspect of this implementation program is the commitment of the City's leadership. This involves those who are elected to serve the community, such as: the Mayor and City Council; those appointed to positions of influence in neighborhood development, like the Planning Commission and Zoning Board of Appeals; and those who are in positions to guide the decisions being made, such as the City's department directors and staff. Commitment reaches beyond these individuals, however, to include those who have a vested interest in how the Peninsula develops, namely, residents, landowners and developers, business owners and managers, civic clubs and organizations, and other key stakeholders. These are the groups and individuals who will contribute the resources necessary to achieve the short-range objectives and long-term visions of the Action Plan. This constituency of "champions" must be maintained and empowered to implement the Action Plan on an on-going basis.

Credit. It is important for the Action Plan to be cited for its role in decision-making and credited for its success. To ensure successful implementation, all City departments must embrace the Action Plan and incorporate its recommended actions in their annual budgets and work programs. For example, the Department of Public Works must contribute to its implementation with infrastructure, such as streets, and storm and sanitary improvements and create a system of parks, trails, promenades, and open space that are consistent with the Plan's policies and

recommendations. Each department, staff person, board, and commission of the City has an obligation to use this Action Plan in guiding their decisions and priorities.

Involvement. Residents, property and business owners were the cornerstone of the Action Plan development process. Their involvement is even more essential to ensure success of the Action Plan. After all, they are the ultimate beneficiaries of the Action Plan's success. For the Action Plan to be successfully implemented, it must continue to enjoy the support and understanding of the community at large and, specifically, the civic leaders. Therefore, leaders must pledge their support to maintain public involvement, awareness, and a commitment to uphold the values and policies of the Action Plan.

Effective Guidance. This Action Plan is designed for use on a daily basis to guide sustainable practices, economic development/redevelopment, improvement and enhancement of the Manistee peninsula. It is intended to guide staff in their efforts to manage their individual departments, annual work programs, and capital improvement projects. In addition to its use by the City, it is also designed for use by the private sector as they make investment decisions in the Peninsula. The Action Plan offers the Peninsula's commitment for its future, which must, in turn, offer residents, businesses and property owners' sufficient confidence in their decisions. The Plan should be a definitive source of information and act as a valuable resource for both the public and private sectors. The Manistee Peninsula Neighborhood Revitalization Action Plan and its components must be utilized in reviewing development project proposals, as well as investing in the Peninsula's infrastructure and provision of municipal services. The overall Peninsula vision, principles, goals, objectives and strategies/recommendation articulated in this Action Plan should be referenced in other related studies and projects to ensure consideration of the Action Plan in all essential functions and operations of City government.

Integrative Planning. Opportunities for integrating the Action Plan's recommendations into other business practices and programs of the City, County, and other government entities are a vital element toward widespread recognition of the Action Plan as a decision-making tool. For instance, the recommendations should be widely used in decisions pertaining to: infrastructure improvements; proposed new development and redevelopment; expansion of public facilities, planned waterfront improvements, services and programs; and the annual capital budgeting process. The Plan should be referenced often to maintain its relevance to local decisions and to support the decisions that are being made.

Regionalism. The City is in the position to coordinate the implementation tasks associated with this Action Plan. However, since the decisions that are made will impact the City and the region, implementation of the Plan should not rest solely on the City. Instead, the vast array of stakeholders that will play a role in the future of the neighborhood should all participate in its implementation. Entities such as the City of Manistee, Manistee County, Northwest Michigan Council of Government, and the State of Michigan should all be involved in varying capacities toward the implementation of the Action Plan's initiatives. Their involvement may be through funding participation, planning coordination, project management and administration, regulation and enforcement, or shared provision of facilities and services, among other actions. In addition to the cooperation that currently occurs, a renewed commitment by each entity to form regional alliances and partnerships must be formed and sustained to maximize the benefits of regionalism.

Evaluation and Monitoring. This Action Plan will require periodic review and amendment to ensure that the goals, objectives, and recommendations reflect the Peninsula's changing needs and attitudes. In and of itself, the Action Plan is capable of accomplishing very little. Rather, community

leaders, residents, property and business owners must assume ownership in the Action Plan to see that it is successfully implemented. Great care must be taken to ensure that the recommended actions of this Action Plan are viable and realistic as they relate to the City's adopted and approved Plans, policies, programs, and budget.

Success. A strategy used by successful organizations is to seek results early in the implementation process. By doing so, residents, property and business owners and other Peninsula stakeholders are able to see the benefits of their involvement. Momentum is a result, which naturally solicits more involvement by persons desiring to be involved in a successful program. In this Stewardship and Implementation chapter, there are various recommendations that do not bear significant budgetary obligation. These programs and activities provide an immediate opportunity to make an impact on the Peninsula and, thus, on the successful implementation of this Action Plan. Success is a powerful tool and should, therefore, be given consideration to ensure that successes are consistent throughout the implementation process. Several "hit the ground running" initiatives that would show the Peninsula and the community "you mean business" are to:

- Organize and establish the Peninsula Task Force
- Conduct a condition assessment and program development programs for the Iron Works Building
- Utilizing the Community Development Block Grant funds designated for the Peninsula through MSHDA to:
    - Construct water, sewer and road improvements
- Prepare a waterfront promenade/parks master plan

Organizational Structure

The City has made an investment in the preparation of this Neighborhood Revitalization Action Plan. This investment signals its foresight and preparedness to find creative solutions to the issues identified through this process and to proactively manage its future development, redevelopment, improvement and enhancement in a wise and fiscally responsible manner.

This Action Plan was developed over the course of ten months. The planning process was designed to involve the Peninsula and community stakeholders to decide their preferred future and make commitments to support the Action Plan's recommendations and initiatives. With the level of resources committed by the City and the amount of effort devoted to the process by residents, and property and business owners there is a high expectation for its implementation. The Action Plan is expected to guide each decision about the physical and economic development/redevelopment of the Peninsula and must, therefore, establish its presence as a "neighborhood of choice" of Manistee.

Roles of the Mayor and City Council. The Mayor and City Council will be the central focus of the Action Plan's implementation program. Mayor and City Council will direct the administration to make recommendations to establish the priorities and timeframes by which each action will be initiated and completed. City administration will consider funding commitments that will require Mayor and City Council approval to realize the Peninsula's vision, whether it involves capital improvements, new facilities and expanded services, staffing, more studies, or programmatic changes such as the City's codes, Zoning Ordinance and procedures.

Teams

The Mayor and City Council will also play a significant role in the ability of entities to carry out regulatory, programmatic, and capital improvements cited in the Action Plan. In many cases, the Mayor and City Council will be offering final approval of projects and their costs during the budget process. The ability to provide resources for many of the tasks required to implement the Action Plan will rest largely with the Mayor and City Council.

Many of the tasks presented as action statements will require the participation of various City departments and outside partners. The Mayor and City Council can ensure that departments continue to follow the spirit and policies of the Action Plan and implement the needed actions. Active support of the Mayor and City Council will also be a strong signal to potential private and public partners that the elected officials believe in the merits of this Action Plan.

Planning Commission as Facilitators. The momentum during this process must not be allowed to falter once the Action Plan has been adopted. Concurrent with the approval of the Action Plan, the Mayor and City Council should clearly state their expectations for the role of the Planning Commission in the management and oversight of the Action Plan's implementation program. As the appointed commission responsible for the Peninsula's sustainability and development, they must be given the charge to oversee implementation and empowered to make ongoing decisions without necessitating Mayor and City Council review at every decision point. Rather, an annual program of implementing actions must be established by the Mayor and City Council, upon recommendation of the Planning Commission, with adequate resources and direction to successfully accomplish the program tasks.

The Planning Commission should prepare an **Annual Report of Progress** for submittal and presentation to the Mayor and City Council. The status of implementation for each programmed task of the Manistee Peninsula Neighborhood Revitalization Action Plan must be central to this report. Significant actions and accomplishments during the past year should be recognized and recommendations should be made for needed actions, programs, and procedures to be developed and implemented in the coming year. The annual report should be coordinated with the annual budgeting process to allow recommendations to be available early in the budgeting process and requests for capital improvements and major programs to be reviewed.

Formation of a Peninsula Task Force. Successful implementation of the Manistee Peninsula Neighborhood Revitalization Action Plan should involve a Task Force, a group of "champions" that is solely dedicated to carrying out the programs and activities. While the Planning Commission will play an important role as an intermediary, it does not have sufficient time to devote to an effort that will require 100% attention. Therefore, a Task Force should be appointed by the Mayor and City Council, who will be the day-to-day managers of the implementation program. The Peninsula Task Force will report directly to the Planning Commission, who will consider their requests and make recommendations to the Mayor and City Council. They will also directly interact with Department Directors, the Downtown Development Authority and other boards and commissions who will provide the necessary input and guidance for the program tasks and activities. The role of the Peninsula Task Force is to refine, prioritize and initiate action.

Under the umbrella of the Peninsula Task Force should be a series of technical teams comprised of various City Department directors and staff, who provide technical competence in the following areas:

- **Governance.** This team will be responsible for the necessary coordination with the Mayor and City Council on tasks requiring their direct involvement and decisions. They will also communicate with the technical staff of the County, and other local, regional, statewide, or federal agencies and organizations. Their primary role will be intergovernmental coordination to ensure projects are consistent with the objectives and missions of other agencies and to negotiate amenable terms and agreements, as necessary. They will also be charged with identifying opportunities to collaborate on projects that may be jointly funded, constructed, or operated.

- **Infrastructure** – Any improvement or project dealing with infrastructure will require the attention and effort of this team. The members of the team will require technical knowledge and expertise with utility and other infrastructure systems, as well as with their means and methods of funding. They will work closely with each of the other technical teams to coordinate needed infrastructure improvements.

- **Economic Development.** This technical team will play an active role in pursuing projects that contribute to the Peninsula's economic development. Their role will be to coordinate the tasks of the other technical teams in a manner that will benefit existing business and new investors in the Peninsula.

- **Planning.** This technical team will be a working arm of the Planning Commission, assuming the responsibility for implementing their projects and initiatives. They will coordinate closely with the Peninsula Task Force and maintain a line of communication to monitor shifting priorities and needs. For instance, this would be the team that would facilitate the code redrafting process, acting in a role to gauge the Peninsula's acceptance of new requirements and restrictions.

- **Livability.** This is the technical team that will be responsible for taking on the implementation initiatives for such projects and improvements as parks and public open space, trails and bikeways, gateways and street enhancement, and overall neighborhood appearance.

While the Stewardship and Implementation chapter is a beginning, the Peninsula Task Force will be charged with the role of honing specific actions beyond the information provided in this Action Plan. The Peninsula Task Force will determine methods or programs to be used to implement the proposed actions, specifically identifying which agencies and/or departments will be responsible for their implementation, estimating costs, identifying proposed sources of funding, and establishing timeframes in which the recommended actions will be accomplished.

An Ongoing Role for Peninsula stakeholders. Residents, property and business owners and other stakeholders of the Peninsula contributed ideas and comments during the Action Plan's development process were incorporated and shaped the resulting proposals and recommendations.

Residents and other Peninsula stakeholders should continue to be involved in implementation and maintenance of the Action Plan. The Planning Commission and Peninsula Task Force meetings and community workshops, public forums, newsletters, web site updates, media releases, and public notices are all mediums that should be utilized to inform and involve residents, property and business owners, and other Peninsula stakeholders in the ongoing process. Actual methods and activities for public participation should be carefully chosen and structured to yield meaningful and effective involvement.

Accountability is Essential

In order for the Action Plan to sustain its level of influence in the Peninsula's decision-making processes, there must be an implementation structure that requires accountability. Without a system of accountability, it will be difficult to evaluate and monitor the status of individual initiatives, as well as the overall success of the implementation program. A means of regular reporting will be necessary to maintain constant communication between each of the implementing bodies. Regular and periodic status reports will allow continuous monitoring and, thus, modifications to account for unforeseen circumstances.

A good plan is one that continues to reflect the current conditions and character of the

Peninsula. As new issues arise, the Manistee Peninsula Neighborhood Revitalization Action Plan will require modifications and refinements to remain relevant and resourceful. Over time, some action statements will be found impracticable or outdated, while other plausible solutions will emerge. Refinements and changes should occur consistently, but with minor changes occurring annually and more significant modifications taking place every five years. In some cases, simple changes to action statements may be necessary. In others, entire goals may need to be modified. Even the overall vision of the Action Plan should be consistently scrutinized to ensure that it is reflective of the hopes and needs of the Manistee Peninsula.

Annual Plan Evaluations will provide the opportunity for regular review and preparation of minor Plan updates and revisions, such as changes to future land use and development initiatives, implementation of actions, and review of Action Plan consistency with ordinances and regulations. Plan evaluations should be prepared and distributed in the form of an appraisal report, with recommendations for necessary amendments to the Manistee Peninsula Neighborhood Revitalization Action Plan. Identification of potential Action Plan amendments should be an ongoing process by the Planning Commission, the Peninsula Task Force, as well as City staff, throughout the year. Proposed Action Plan amendments resulting from an evaluation report should be reviewed and approved by the Planning Commission and adopted in a manner similar to the Action Plan itself. This process includes public hearings and consideration of action by the Planning Commission and City Council.

An Evaluation and Appraisal Report should be prepared every five years, which follows the state's Municipal Planning Act. Each report will ensure renewal and continued use of the Action Plan by the Planning Commission, Mayor, City Council, and staff. Annual evaluations and resulting Action Plan amendments from the previous four years should be incorporated into the next Action Plan update. The result of the evaluation and appraisal report will be a revised Manistee Peninsula Neighborhood Revitalization Action Plan for the City, including identification of new or revised information that may result in an updated vision, principles, goals, objectives, and strategies/recommendations.

Action Agenda

The Action Agenda outlined below includes strategies/recommendations that are to be accomplished within the next ten to fifteen years. The priorities are established by the identified timeframe. To ensure accountability, a lead agency is identified, who may coordinate with other agencies to accomplish the task, but who is ultimately responsible for its timely and successful implementation. A primary implementation mechanism is also identified, which may be matched with other state and funds grants, dedications, and in-kind services.

Strategies/Recommendation	Implementation Mechanism *	Primary Responsibility **	Short Term (1-3 years) / Long Term (3-5 years) Priority
Real Estate Development			
Target and consolidate redevelopment in locations ripe for mixed-use redevelopment Such clustering helps to congregate retail consumers and enables them to shop for various items on one trip. This also creates "destinations" allowing for larger and more visible development. Tenants in consolidated facilities also create more financial stability, and will be incentivized to improve storefronts, merchandise, etc. Clustering mixed use development will also contribute to the peninsula's "identity".	DDA ULA CIP	CD	Short Term
Assemble parcels of land in key locations by engaging its property owners. Property owners may choose to sell their parcels, relinquish the development rights but retain a stake in its future appreciation, etc. Land assembly is crucial to implementing and packaging various parcels together makes it attractive for a developer to acquire and undertake new development.	ULA BRA	CD BRA	Short Term
Incorporate limited office space into mixed-use projects. Office space can be better supported in clustered sites where different uses complement each other (e.g. retail amenities for employees, office space on second floor and retail on ground floor, etc.). Mixed-use, consolidated sites are generally more visible, more accessible (benefiting from being a "destination"), and offer more on-site amenities than scattered office sites.	Zoning Ordinance DDA	CD PC	Long Term

Strategies/Recommendation	Implementation Mechanism *	Primary Responsibility **	Short Term (1-3 years) / Long Term (3-5 years) Priority
Provide incentives for property owners to maintain and enhance their property. Provide low interest loans to property owners for property improvements and promote property maintenance education. Provide tool rental vouchers to homeowners to help offset the costs of do-it-yourself home improvement projects and provide loans to elderly homeowners to help them manage repairs and improvements to their homes.	MSHDA	PW	Short Term
Target key opportunity sites for higher density residential redevelopment. The City should look into key areas to consolidate and develop plans to channel development into these areas, which may involve rezoning for higher density residential.	BRA NEZ ULA Zoning Ordinance	PC ZBA MCC	Short Term
Encourage development of senior housing affiliated with faith based organizations. The potential to offer an opportunity to realize reduced housing costs and attract more members to their immediate market area may align with the missions of these organizations.	CIP	CD	Long Term
Target a hospitality/attraction opportunity. The relatively little hotel competition in the area and untapped market/growth may suggest sufficient demand for additional lodging facilities.	CIP DDA	CD DDA	Long Term
Marketing and Tenant Mix Enhancement			
Encourage a "brand/theme" for business signs. Design guidelines that promote business signs of a specific character should be developed to provide parameters which will present a clean, uncluttered appearance and make it easier for customers to find stores they are looking for.	Zoning Ordinance DDA	PC CD DDA	Short Term
Encourage façade improvements. In cases where property enhancements are more appropriate than redevelopment, façade improvements can do a great deal to create a more attractive entranceway for customers and employees.	DDA	DDA	Short Term

Strategies/Recommendation	Implementation Mechanism *	Primary Responsibility **	Short Term (1-3 years) / Long Term (3-5 years) Priority
Establish a Peninsula Task Force. The Task Force should be viewed as one of the primary vehicles to carry the Peninsula forward in achieving its revitalization goals. The association can provide important organizational, financial, and advocacy resources to advance the redevelopment agenda.	CIP	MCC	Short Term
Enhance marketing and image of the Peninsula. This may require a coordinated effort among retail establishments, brokers, and public entities. Such efforts can include festivals or events that highlight the uniqueness of the Peninsula. (e.g. Munch in Manistee, Artwalk, etc.)	DDA PSD	DDA MCC	Short Term
Develop a recruitment strategy for both existing and new tenants. This strategy should be realistic and flexible to attract unique, non credit independent tenants to existing and planned retail space varying in type and size. Overall tenant selection should focus on tenants who offer high value in cultivating an "identity" for the Peninsula, which helps cement the Peninsula as a destination for shoppers. The recruitment strategy should address potential synergies between existing and new businesses in the Peninsula.	CIP DDA	CD DDA	Short Term
Consolidated redevelopment plans and a "destination" factor, recruit shoppers goods and entertainment oriented tenants that are unaffected by local demographic and economic conditions. The tenants may be able to draw more people that are affluent and experiencing faster population growth. This may enable landowners' ability to raise rates and serve to enhance property values.	CIP DDA	CD DDA	Short Term

Strategies/Recommendation	Implementation Mechanism *	Primary Responsibility **	Short Term (1-3 years) / Long Term (3-5 years) Priority
Adaptive re-use and facilitate subdivision of the Iron Works Building. Given the current configuration of the facility, subdividing this large space will cater to the need of small scale tenants seeking lower rents in smaller spaces and likely increase occupancy rates, particularly in this vacant manufacturing/warehouse facility.	BRA CIP	MCC CD	Short Term
Enhance marketing efforts, including outreach which highlights opportunities for non-conventional uses such as medical offices, educational institutions and tenants seeking flexspace. The area's demographics may be attractive to non-conventional office users that serve area residents (e.g. academies, institutes, vo-tech programs, social services, etc.) The City and County Department of Planning, Economic and Workforce Development, and brokers should work together in soliciting interest and facilitating the dialogue between property owners and end users. Recruit Medical Office tenants/medical complex. Medical office space generally has 20%-30% higher lease rates/SF than traditional office space and could be interested in building flexspace.	DDA	DDA MCC CD	Long Term
Promote stronger connections to the Downtown and the Manistee River and Lake. River Street needs to become a continuous enhanced corridor that will connect the Downtown to the Peninsula's development and the water. By making transitions between adjacent districts more seamless, it can promote more connectivity for residents. It will also enhance the accessibility of the Peninsula and its destinations to attract regional shoppers, which is crucial to the viability of mixed-use developments.	CDBG EEBG TEDF	MCC DDA	Short Term
Create policies to encourage residential development to developers, such as strengthening homeownership programs, tax increment financing, upgrading infrastructure, and offering financial incentives such as limited-term property tax abatement.	NEZ MSHDA CDBG Zoning Ordinance	MCC PC CD	Long Term

Strategies/Recommendation	Implementation Mechanism *	Primary Responsibility **	Short Term (1-3 years) / Long Term (3-5 years) Priority
Cultivate the dual markets of business and leisure tourism. The adjacent interstate access from US-31 may be attractive to business tourists, and the growing niche hotel market may be attractive to leisure tourists. In addition, strong demand in both markets offer potential weekly and year round demand for lodging.	CIP DDA	MCC DDA	Long Term
Encourage recruitment of businesses that employ local residents	CIP	MCC DDA	Long Term
Infrastructure			
Assess existing traffic patterns and pursue transportation improvements that will increase traveling convenience and accommodate planned development/redevelopment. Improve efficiency, safety and access to the Peninsula. The improvements to existing and planned roadways should improve the balance and accommodate all motorists, pedestrians and bicyclists. Investigate connecting the pedestrian and bike facilities in the Peninsula to existing and planned parks and open space and the regional trail systems.	CDBG	MCC CD	Short Term
Enhance the appearance of the River Street corridor. Provide an attractive commercial streetscape through improved sidewalks, site furnishings, crosswalks, landscape improvements, also install historic/decorative street lights and banners in the River Street corridor. Match these initiatives with similar existing streetscape improvements on River Street in the Downtown to visually link the Peninsula with the Downtown.	CDBG EEBG	MCC CD	Long Term
Work with Michigan Department of Transportation on the US-31/River Street intersection. Coordinate with MDOT to improve access to River Street.	CDBG	MCC CD	Long Term

Strategies/Recommendation	Implementation Mechanism *	Primary Responsibility **	Short Term (1-3 years) / Long Term (3-5 years) Priority
US-31/River Street gateway sign. With the high visibility of the Downtown, the Peninsula and Manistee River and the need to announce/promote the Downtown and the Peninsula to the passing motorists along US-31. The City should work with the MDOT and adjacent property owners to construct a gateway "themed" sign and associated improvements that will be visible landmark from US-31.	CDBG DDA	MCC DDA	Short Term
Extend sidewalks where needed into areas beyond the Peninsula, to provide strong connections to adjacent neighborhoods and the Downtown. The City should improve and construct barrier free sidewalks where missing along all local and collector streets to ensure safe and walkable access	CDBG SAFETEA-LU	MCC CD	Long Term
Prepare a Waterfront Promenade/Parks Master Plan, ensure public access along the waterfront and encourage the use of these features when negotiating private sector development plans. A new waterfront promenade/park is critical to improving the quality of life for the entire community. Coordinate efforts to investigate program requirements with City, County and State agencies.	MNRTF LWCF MPG	MCC	Short Term
Incorporate safety/security design techniques for all public places. To ensure continued success of all parks, open space and streets in the area, any improvement plans need to incorporate lighting, defensible design and programmed events for various user groups.	MNRTF LWCF	MCC DDA	Long Term
Prepare a capital improvements program for infrastructure improvements in the Peninsula. Develop a phasing program and seek alternative funding sources for sewer and water improvements within the Peninsula. As the program is being developed consider information technology upgrades.	CIP	MCC	Short Term

* **Implementation Mechanisms:**
BRA - Brownfield Redevelopment Authority
PSD - Principal Shopping District
CDBG - Community Development Block Grant
NEZ - Neighborhood Enterprise Zone
CIP - Capital Improvements Plan
DDA - Downtown Development Authority
MNRTF - Michigan Natural Resources Trust Fund
LWCF - Land and Water Conservation Fund
MPG - Michigan Natural Resources Tree Planting Grants
MSHDA - Michigan State Housing Development Authority
ULA - Urban Land Assembly Program

TEDF - Transportation Economic Development Fund
EEBG – Energy and Environment Block Grant
SAFETEA-LU - Safe, Accountable, Flexible, Efficient
Transportation Equity Act: A Legacy for Users

**** Department/Agency Abbreviations:**
PW – Public Works
CD - Community Department
**** Commission, Corporation and Authority Abbreviations:**
MCC - Mayor & City Council
PC - Planning Commission
ZBA - Zoning Board of Appeals
DDA - Downtown Development Authority
BRA – Brownfield Redevelopment Authority

Implementation Mechanisms

The following provides a detailed description of recruitment processes and creating an apprenticeship for young entrepreneurs.

Developer Recruitment. There are some fundamental considerations associated with a recruitment process. These include fiscal and human resource availability. Yet, in some ways, much of the success with the proposed strategy is dependent upon recruitment. Therefore, a recruitment program should be developed. Some of that proposed differs in philosophy, form and application from current public efforts in Manistee. The following are preliminary steps to establish a successful recruitment effort.

- Decide who will administer and provide staff support for the recruitment effort in general
- Decide if assistance will be needed from outside to accomplish the objectives in a reasonable time frame
- Develop marketing materials oriented toward the types of entities to be solicited. It is suggested that an RFQ be enclosed in the initial process. Qualifications sought are similar experience and financial capacity.
- Assure the ability to reproduce the materials on demand via internal computer capabilities to the extent possible
- Develop lists of those to be solicited, pre-qualifying interests. Pre-qualifications are based on identifiable experience through research.
- Develop a set schedule for phasing of the recruitment process
- Establish funding to insure that the effort is not stalled

The marketing activity associated with recruitment would include:

- Distribution of developed materials via direct mail; posting information on web sites; and advertising in select professional journals, if affordable
- Follow-up contact via telephone, internet and visits to answer questions, gauge interest, etc.
- Un-biased review and evaluation of the responses, and establishment of the relationship (such as between the development interest and the private property owner) could also be part of the recruitment process
- Selection of one or two interest to either work with or request formal proposals
- Request formal proposals and implement premised upon a mutually agreed course of action
- Continued follow-up, acting as an “ombudsman” for the process

Commercial Recruitment. The previous recruitment process and activities associated with the developer recruitment process are also applicable for commercial, although “cold call, door-knocking” is also an essential form of outreach. The need for and level of “pre-screening” or “pre-qualifying” potential contacts for recruitment is a fundamental issue in the commercial recruitment process as well. Consideration must be given to:

- Available data bases
- The cost effectiveness of the “pre-screening” methods
- The likelihood of success with obtaining accurate information for a “pre-screening” process

The following is noted with respect to retail recruitment lists:

- This list can be developed and duplicated in the future by obtaining files from several publishers in the country. Generally such data bases are about 80% to 90% accurate by the time of publication. The data bases will

include specific contact information. Non-print computer data bases cost roughly $1,200 to $1,300, and one is sufficient. Print versions are in the $300 to $400 range, but take a greater labor to extract information.

- These and other lists should be supplemented by site visitations for non-chains and "cold calling" for the non-chains to determine their potential for current or future desire for expansion or relocation within defined merchandise or product/business types identified through the demand forecasts.

The expenditure on retail recruitment in the future should focus on the purchase of print data base and site reconnaissance for non-chains.

Professional/Service Recruitment. With regard to the recruitment of additional professional and service activity, the primary information can be generated from three reliable sources. These are:

- Professional associations
- Chamber of Commerce membership
- State of Michigan regulatory agencies

It is not cost effective to dissect, pre-qualify or pre-select the professional associations. Mass mailings, even over time, will inevitably have greater cost effectiveness than any pre-qualifying effort.

Creating an Apprenticeship Program for Entrepreneurs. Creating new ownership for existing and new businesses through entrepreneurship is both an adjunct and an alternative to recruiting new activity. It is also one of significant issues that must be addressed in the strategy related to creating greater economic opportunity for youth that also involves the education system and retention of younger residents in the area. An entrepreneurship program with an apprenticeship component serves dual purposes of potentially leading to replacement of current aging owners in the larger community as they retire and increasing business development opportunities for existing residents. It can be effectuated through the community college, technical oriented higher education schools, the Michigan university system and other colleges in the larger multi-county area. Relationships with the institutions could be established on a one-to-one basis or collectively through one catalytic institution to pursue the delivery of entrepreneurial training.

Through the institution or institutions:

Students can be identified with potentially entrepreneurship profiles and interests. A "training" process could be developed that would include:

- Certain business curricula courses.
- An internship with introduction and at least part-time work practicum while attending school or training.
- An apprenticeship of 1 to 3 years working and learning in the businesses.
- Purchase, with previous ownership staying on in some capacity for 1 to 2 years, where applicable and possible.

It is noted that current owners of operations in Downtown or elsewhere could also identify current employees with potential.

Business scholarships to attend business management courses, acquire specific industry skills, or acquire entrepreneurship skills could be arranged through cooperative partnerships. These partners could sponsor student apprenticeships, assist with financial planning, assist with housing, sharing of needed equipment through incubator activity if appropriate, and procure resources for the purchase and financing of businesses if dealing with existing operations and change of ownership.

The strengthening of relationships with one or more higher education institutions could also enhance the prospect for future development of higher or adult education institutions in the peninsula as part of the development scheme.

Appendix - Residential and Retail Market Assessment

Introduction

The following represents a market assessment of the opportunities for marketable, market rate development for the Manistee Peninsula in the City of Manistee.

The analysis that follows is based on primary and secondary information. This included but was not limited to:

- A telephone survey of Manistee area residents.
- A review of sections of the draft Master Plan for Manistee County.
- A review of previous analyses of the City of Manistee and Manistee County.
- A review of public sector area population and household estimates and projections.

The analysis tends to employ assumptions that reduce estimates of supportable space for commercial whenever possible in order to avoid suggestions for new activity that would be marginally marketable or theoretically negatively impact others. The residential growth estimates are considered very conservative as well, based on minimal assumptions with regard to household growth. Many of these assumptions are noted throughout the analysis.
Two analyses methodologies were employed in performing the work and are presented in the text in appropriate form. These are a comparative assessment and demand forecasting.

The estimates and suggested activity represent only the Team's opinions based on the presented information and experience. The suggestions for development of the study area made from those estimates are based only on "marketability". No consideration is given to the "holding capacity" of the peninsula area which could be less than or exceed the identified opportunities. Furthermore, success of any individual or collective effort is dependent upon many other factors as well as marketability. These include, but are not limited to timing, marketing practices, financial feasibility, and management practices.

Furthermore, specific businesses may be mentioned by name at various points in the text. It is noted that this should neither be construed as an endorsement by the Team of those businesses, nor an endorsement, interest, or willingness to participate in any activity by the businesses on any site.

Potential opportunities associated with the study area include:

- Additional housing associated with either infill and new development or rehabilitation of existing structures.
- Additional retail and office activity that could take advantage of the waterfront amenities and potential environment in the area.

Telephone Survey
A telephone survey of Manistee area residents was conducted as a means to obtain new data on housing opportunities as well as commercial utilization and spending patterns critical to this analysis. Several hundred households residing within Zip Code Tabulation Area 49660, which encompasses the City as well as nearby communities, were contacted and surveyed as part of this survey. The following is a synopsis of the survey's findings.

Housing Related Information
Important demographic, lifestyle, and spending information was obtained which impacts the housing needs and preferences of area households. This information includes:

- Information on the household income earners, whether that income is related to employment, retirement, or other sources. As detailed in Table 1, 11% of the primary income earners are younger than 35 years of age while 23% are 65 years or older. The average reported age of the primary income earners is almost 55 years.

Table 1 – Age, Primary Income Earner*

Age	%
25 To 34	11
35 To 44	24
45 To 54	23
55 To 64	19
65 or Over	23
Total	100

*Developed by The Chesapeake Group, Inc., 2007.

- As shown on Table 2, households with income earners younger than age 55, household size information reveals that: 42% of the households surveyed contain two people; 11% consist of one person; and the remainder contains three or more members. The average surveyed household consists of 2.64 members. (The size of households is an important factor influencing all types of spending, including food, transportation, and housing.)

Table 2 - Number of Household Members*

Number	%
1	11
2	42
3	27
4	14
5	4
6 Or More	2
Total	100

*Developed by The Chesapeake Group, Inc., 2007.

Households Under 55
These same households were then presented with a series of housing related questions. As shown in the following Table 3, nearly three-quarters of these households reported that they owned rather than rented their homes.

Table 3 – Whether Household Owns or Rents*

Own/Rent	%
Own	72
Rent	28
Total	100

*Developed by The Chesapeake Group, Inc., 2007.

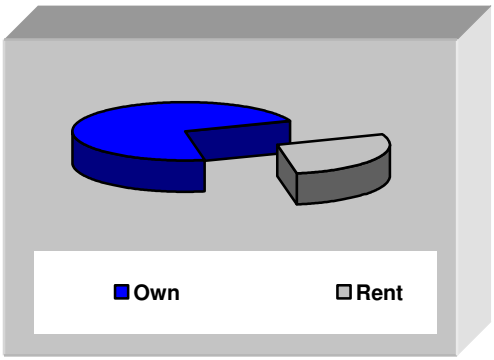


Table 4 notes that the households reported residing at their current address for periods of time ranging from less than four years to more than twenty. Fifteen percent (15%) have lived at the same address for twenty years or more; and almost one-half (48%) have resided at the same location for ten years or more. (It is noted that telephone surveys have a tendency to understate those living at a current address for less than two years due to the length of time it takes to list the number in directories.) It is estimated that the households in this age group have resided at their current address for almost 11 years.

Table 4 – Number of Years Living at the Address*

Number of Years	%
Four Or Less	21
5 To 9	31
10 To 19	33
20 Or More	15
Total	100

*Developed by The Chesapeake Group, Inc., 2007.

About two-thirds of the households (69%) reported that they currently reside in single-family detached dwelling units. A total of 19% reported living in either garden style or mid-rise apartments or condos, as shown on Table 5.

Table 5 – Type of Current Housing Unit*

Type of Unit	%
Single-Family Detached	69
Duplex, Side By Side or Other	27
Mobile or Manufactured Home	4
Total	100

*Developed by The Chesapeake Group, Inc., 2007.

On Table 6, 10% of the households do not have a monthly mortgage or rent payment. For those households that do have monthly payments, including those who commented that their current payments were second mortgages or home equity loans; the average monthly household monthly rent or mortgage payment is estimated to be roughly $835.

Table 6 – Amount Spent on Rent or Mortgage Per Month*

Rent/Mortgage	%
None	10
Less Than $250	6
$250 To $399	9
$400 To $499	11
$500 To $749	18
$750 To $999	16
$1,000 To $1,249	11
$1,250 To $1,499	10
$1,500 Or More	9
Total	100

*Developed by The Chesapeake Group, Inc., 2007.

The households' needs or desires for different housing in the future was also defined, if there was a likelihood of seeking different housing within the next five to ten years. This potential move could be engendered by changes in rental or housing conditions, family size, employment and income conditions, physical conditions, age, etc. Importantly, four in ten (40%) saw a potential for a change in housing within the next five to ten years as shown on Table 7.

Table 7 – Whether Households Will Seek Different Housing*

Seek Different Housing	%
Yes	40
No	60
Total	100

*Developed by The Chesapeake Group, Inc., 2007.

Table 8 – Likely To Move Outside of the Manistee Area*

Move Outside of Area	%
Yes	30
No	40
Uncertain	30
Total	100

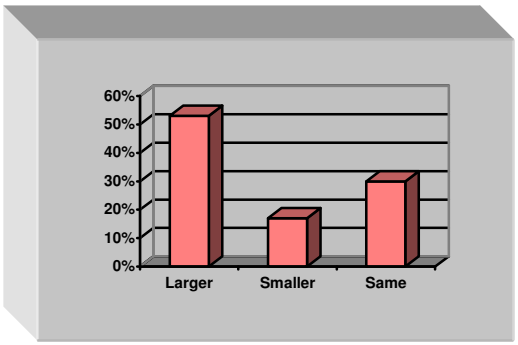
*Developed by The Chesapeake Group, Inc., 2007.

Table 8 illustrates that 30% of those reporting a possible move would likely relocate to an area other than Manistee. Additionally, two-thirds, 66%, of those households that anticipated a move to outside of the area anticipated moving to a different state.

Table 9 shows about one-half (53%) of the households anticipating a change in housing some time in the future defined an interest in a unit that is larger than their current housing.

Table 9 – Size of New Dwelling Unit*

New Unit	%
Larger	53
Smaller	17
Same	30
Total	100



Amenities associated with a future new dwelling unit included interior and exterior characteristics detailed on Table 10. There was considerable interest in affordable and efficient dwellings. A number of respondents indicated that they were interested in different housing in closer proximity to job opportunities.

Those households with primary income earners 55 years of age or younger were asked if they had any close family members, like parents, living that they have no or would likely have some responsibility for in the future.

Table 10 – Housing Characteristics Desired*

Characteristics	%
More Than One Full Bath	33
Three or More Bedrooms	28
Garage Or Carport	27
Large Comfortable Rooms	26
Nice Front, Back Yard	23
Den Or Family Room	21
Eat In Kitchen	21
Good Schools	20
Ample Closet and Storage Space	19
Fireplace	16
Laundry Room	14

*Developed by The Chesapeake Group, Inc., 2007.

As shown below on Table 11, 38% did have such members while 62% did not. The majority (80%) of those family members for which they will likely have some responsibility, reside in Michigan.

Eight out of ten (81%) of these family members own their residence.

Table 11 – Whether Have Parents / Family Members Age 55+*

Parents / Family Members	%
Larger	38
Smaller	62
Total	100

*Developed by The Chesapeake Group, Inc., 2007.

On Table 12, about four in ten (38%) of these family members have lived at the same address for more than twenty years; and over two-thirds (69%)

Table 12 – Number of Years Living at the Address*

Number of Years	%
Four Or Less	9
5 To 9	22
10 To 19	31
20 Or More	38
Total	100

*Developed by The Chesapeake Group, Inc., 2007.

have resided at the same location for ten years or more. Conservatively estimated, these households have resided at their current address, on average, for slightly longer than fourteen years. Thus, there is likely to be equity in the units.

A significant majority of these family members resided in single-family detached housing units.

For the senior housing members needing or desiring a change in housing in the coming five to ten years, three in ten (31%) indicated that they felt that the family member(s) would seek different living arrangements, as shown on Table 13.

Table 13 – Whether Households Will Seek Different Housing*

Seek Different Housing	%
Yes	31
No	49
Uncertain	20
Total	100

*Developed by The Chesapeake Group, Inc., 2007.

Table 14 – Likely To Nearby*

Move Nearby	%
Yes	44
No	50
Uncertain	6
Total	100

*Developed by The Chesapeake Group, Inc., 2007.

On Table 14, 44% felt that should a move would be made it would likely be nearby them.

On Table 15, about one-half of the households with parents likely to move (47%) expressed uncertainty as to whether or not their relatives' current or future physical or mental conditions would cause them to seek an independent adult community or possibly an assisted living facility. The primary factor associated with the uncertainty was finances.

Table 15 – Potential Housing*

Housing	%
Independent	31
Assisted	22
Uncertain	47
Total	100

*Developed by The Chesapeake Group, Inc., 2007.

In addition, about one-third (31%) defined "Independent Living" as the likely option and about one quarter (22%) "Assisted Living."

On Table 16, a majority of 69% did feel that the availability of certain amenities such as recreation, transportation, and nearby and accessible shopping and services would influence the choice of locations.

Table 16 – Whether Amenities, Services Factors*

Influence	%
Yes	69
No	18
Uncertain	13
Total	100

*Developed by The Chesapeake Group, Inc., 2007.

Households Over 55

Those households which had initially reported that the primary income earner was 55 years of age or older were asked a series of housing related questions, some similar and some additional question reflecting their own futures. The following are highlights of salient information on their housing situation and future.

Only 6% of these households indicated that they had an older close relative, such as a parent, for which they likely will have or currently have responsibilities.

Table 17 – Whether Household Owns or Rents*

Own/Rent	%
Own	82
Rent	18
Total	100

*Developed by The Chesapeake Group, Inc., 2007.

For those that do, the older family members resided in Michigan and were likely to remain in the state.

These households with older primary income earners contained a higher percentage of home owners than their younger counterparts. As shown in Table 17, 82% of these households own their homes.

As shown on Table 18, over one-half (59%) of these households have lived at their present dwelling for twenty years or longer. On average, these households have resided in their homes for at least 17 years.

Table 18 – Number of Years Living at the Address*

Number of Years	%
Four Or Less	6
5 To 9	8
10 To 19	27
20 Or More	59
Total	100

*Developed by The Chesapeake Group, Inc., 2007.

On Table 19, almost nine of ten of the households surveyed indicated that they live in single-family, detached housing units.

Table 19 – Type of Current Housing Unit*

Type of Unit	%
Single-Family Detached	89
Other	7
Mobile or Manufactured Home	4
Total	100

*Developed by The Chesapeake Group, Inc., 2007.

As detailed in Table 20, a significant proportion of these households (39%) do not have a monthly mortgage or rent payment. This finding is related to the high degree of homeownership and the noted age of some of the primary income earners. The average monthly housing cost for the households with a monthly rent or mortgage payment is estimated to be $715.

28% feel that lifestyle, medical, employment, financial, or housing condition changes would cause them to seek different housing within the next five to ten years. Of those that did anticipate a change in their dwelling units, 29% expressed a preference to remain in the Manistee area as shown on Table 21. Additionally, one-third (33%) of those that indicated that they would not likely remain in the area felt that they would relocate to another state.

Table 20 – Amount Spent on Rent or Mortgage Per Month*

Rent/Mortgage	%
None	39
Less Than $250	4
$250 To $399	5
$400 To $499	10
$500 To $749	14
$750 To $999	18
$1,000 To $1,249	7
$1,250 Or More	3
Total	100

*Developed by The Chesapeake Group, Inc., 2007.

Table 21– Likely to Move to Housing within the Manistee Area*

Move Within of Area	%
Yes	29
No	21
Uncertain	50
Total	100

*Developed by The Chesapeake Group, Inc., 2007.

On Table 22, a greater portion of these households with older primary income earners feel that an "independent" adult living community would be desirable than did their younger counterparts. About 8% of these households defined "Assisted Living" to be an attractive future housing option.

Table 22 – Potential Housing*

Housing	%
Independent	46
Assisted	8
Uncertain	46
Total	100

*Developed by The Chesapeake Group, Inc., 2007.

As shown in Tables 23 and 24, it would appear that the size of the dwelling unit represents a more important consideration than the provision of amenities or services in the choice of new housing; a position which is consistent with the above preference for "Independent Living" over "Assisted Living" situations.

While a majority of the households (53%) with younger primary income earners expressed a desire for a larger housing unit, the households with older income earners showed a lack of interest in larger housing as would be expected. At least one-half are interested in new housing the same size or smaller and the other half is uncertain.

Table 23 – Whether Amenities, Services Factors*

Influence	%
Yes	16
No	15
Uncertain	69
Total	100

*Developed by The Chesapeake Group, Inc., 2007

Table 24 – Size of New Dwelling Unit*

New Unit	%
Same	14
Smaller	36
Uncertain	50
Total	100

*Developed by The Chesapeake Group, Inc., 2007

Spending Information Related to Commercial Activity

There are essentially three commodities upon which households spend much of their incomes and assets over time. These are housing, which has been previously reviewed; food; and transportation. The type and variety of each commodity often changes with income and other fiscal resources.

Both general questions about spending, such as how often they shopped for various merchandise, and specific spending information, such as the amount generally spent at supermarkets, was gathered. The former and latter information is used in computer modeling when combined with industry averages and other salient data. The following represents a synopsis of this information.

Food for home consumption is generally purchased at supermarkets or other facilities that have a supermarket component, such as Wal*Mart or Meijer. The surveyed households report a range of weekly grocery expenditures. About one-third (34%) spends less than $50 in a normal week on groceries. On the other hand, 18% spend $100 or more per week on groceries. It is estimated that the typical household spends just under $72 each week on groceries and related merchandise, as shown in Table 25.

Table 25 – Average Amount Spent on Groceries and Related Merchandise Per Week*

Amount Spent	%
Less Than $25	4
$25 To $34.99	13
$35 To $49.99	17
$50 To $74.99	22
$75 To $99.99	26
$100 To $124.99	9
$125 To $149.99	5
$150 or More	4
Total	100

*Developed by The Chesapeake Group, Inc., 2007.

Other food spending is associated with lunch and dinner trips as well as entertainment activity often sought simultaneously with food or beverage consumption. As revealed in Table 26, over one-half, 52%, of the households have one or more individual that eats lunch out at the rate of at least once a week. Two-thirds (68%) eat lunch out at a frequency of at least several times per month.

Table 26 – Frequency Lunch Is Consumed Outside the Home*

Frequency	%
Few Times / Week	24
Once / Week	28
Twice / Month	16
Once / Month	4
Few Times / Year	8
Less Often or Rarely/Never	20
Total	100

*Developed by The Chesapeake Group, Inc., 2007.

There are relationships between meal costs, spending and the level of service provided at food service establishments. Full-service restaurants were the most popular type of establishment for lunch followed by fast food establishments as found in the Table 27.

Table 27 - Type of Establishment Most Often Associated With Lunch*

Type Of Establishment	%
Full-Service Restaurant	50
Fast Food Operation	39
All You Can Eat Buffet	11
Sub Shop	9
Cafeteria	2
Other	3

*Developed by The Chesapeake Group, Inc., 2007.

As Table 28 indicates and as would be expected, households go out to dinner slightly less often than they do for lunch. About four in ten (40%) have dinner outside the home once a week or more; and 56% eat dinner out at least a few times per month.

Table 28 – Frequency Dinner Is Consumed Outside the Home*

Frequency	%
Few Times / Week	12
Once / Week	28
Twice / Month	16
Once / Month	4
Few Times / Year	8
Less Often or Rarely/Never	32
Total	100

*Developed by The Chesapeake Group, Inc., 2007.

The preference for full-service restaurants was more pronounced for dinner than it was for lunch. Eighty-four percent (84%) preferred full-service establishments for their evening meal outside the home, as shown in Table 29.

Table 29 – Type of Establishment Most Often Associated With Dinner*

Type Of Establishment	%
Full-Service Restaurant	84
Fast Food Operation	10
All You Can Eat Buffet	8
Cafeteria	3
Other	5

*Developed by The Chesapeake Group, Inc., 2007.

As shown in Table 30 only 12% attend movies at a frequency of at least once a month while 52% never go.

Transportation is the third major household expenditure which was examined. All but 2% of the households surveyed own or lease a personal vehicle. About two-thirds, (70%) have more than one vehicle. The average household within the area owns or leases 1.77 vehicles, as shown in Table 31.

Table 31 – Number of Personal Vehicles Owned or Leased*

Number Owned/Leased	%
0	2
1	28
2	57
3 Or More	13
Total	100

*Developed by The Chesapeake Group, Inc., 2007.

Additional information regarding the households shopping preferences was obtained.

As detailed in Table 32 on the next page, one-fourth (245) of the households make some types of purchases either over the internet or through catalogs at a frequency of about once each month.

Table 33 (on the next page) provides additional information of common household purchases. It is noted that 40% of the surveyed households purchased health and beauty aids at a frequency of several times each month.

Table 30 - Frequency of Going Out to the Movies (In %)*

Frequency	Once/ Week	Few/ Mon	Once/ Mon	Few/ Year	Less Often	Rarely/ Never	Total
Going to the Movies	0	8	4	20	16	52	100

*Developed by The Chesapeake Group, Inc., 2007.

While other demographic and lifestyle factors play a role, the dominant factor in determining the ability to make commercial purchases for most households is income. The diversity of incomes within the surveyed households is detailed below in Table 34. On the average, the households reported average annual incomes of $42,345. These figures include incomes derived from employment as well as retirement sources.

Table 32 - Frequency of Purchases (In %)*

Type of Purchase	Once/ Week	Few/ Mon	Once/ Mon	Few/ Year	Less Often	Never	Total
On-Line / Catalogs	4	8	12	28	28	20	100

*Developed by The Chesapeake Group, Inc., 2007.

Table 33 - Frequency of Purchases of Selected Household Items (In %)*

Product	Once/ Week +	Once/ Week	Few/ Mon	Twice/ Mon	Once/ Mon	Less Often	Total
Health Care, Beauty Aids	4	12	11	13	36	24	100
Women's Clothes	-	2	2	13	17	66	100

*Developed by The Chesapeake Group, Inc., 2007.

Table 34 – Total Household Income*

Income Category	%
Less than $20,000	14
$20,000 To $39,999	32
$40,000 To $59,999	34
$60,000 To $74,999	12
$75,000 To $99,999	4
$100,000 To $124,999	2
$125,000 To $149,999	1
$150,000 Or More	1
Total	100

*Developed by The Chesapeake Group, Inc., 2007.

Housing Demand Forecast

In addition to the information developed by the survey of residents, secondary information was reviewed as well for purposes of addressing housing opportunities for the study area within the context of the City of Manistee. The following are highlights from some of the secondary sources that impact housing potential.

Background

According to the City's Master Plan from 2002:

- "Manistee is made of predominantly single-family neighborhoods."
- "Much of Manistee's residential development posture is shifting from … providing homes for industrial employees to being one of West Michigan's premier resort, retirement, and second home communities."
- "The city has approximately 600 acres devoted to residential use."
- "Over the past decade, approximately 11 acres per year have been developed for residential use."
- "Based upon recent development trends it appears the City can sustain additional residential development over the ensuing years. In fact, the City appears to be in the position to accommodate continued residential development particularly associated with the second home/tourism market."
- "The City is home to over one-fourth of the County's population base."
- The City's percent of owners-occupied units is 64.6% and the percent of renter-occupied units is 35.4%. The City's mix is due to the local accommodation of multiple-family housing developments and a higher percentage of single-family homes used for rental purposes."
- Based upon 2000 Census information, Manistee has over 500 housing units classified as vacant. To a large degree these reflect second (seasonal) homes.
- It is estimated that daytime population levels within the City during peak periods increase by approximately 6,000 to 8,000 people.
- A substantial condominium market has transformed large areas of the City's waterfront.
- It appears that the average family income in Manistee may not be capable supporting higher housing values. Prospective buyers of the more expensive homes will be out-of-towners.
- "Affordability and access to opportunities provided by a range of housing sizes and types will remain an issue if Manistee is to attract and retain families. The need for new homes is growing as businesses expand and continue to add employees and as the demand for seasonal (second) homes remains strong."

The Master Plan also indicated a future decline in population, although the decline "should not be construed as indicating a decline in the need for additional housing including second homes, senior and elderly housing, single and multi-family developments." The Plan also noted that:

- "Affordability and access to opportunities provided by a range of housing sizes and types will remain an issue if Manistee is to attract and retain families. The need for new homes is growing as businesses expand and continue to add employees and as the demand for seasonal (second) homes remains strong."

The 2000 Census indicated that:

- There were about 24,500 people living in 9,860 households in Manistee County in 9,860 households, with the median age being 41.5 years and median household income of $34,200 (see next page).

Table 35 – Manistee County 2000 Census Data

Population	Households	Median Age	Med. HH Income
24,527	9,860	41.5	$34,208

*Developed by The Chesapeake Group, Inc., 2007.

The population in the City was estimated at about 6,590, living in 2,912 households. The median age was estimated to be slightly younger than the County's and the median income is lower as well as shown on Table 36.

Table 36 – City of Manistee 2000 Census Data

Population	Households	Median Age	Med. HH Income
6,586	2,912	40.4	$30,351

*Developed by The Chesapeake Group, Inc., 2007.

In Table 37, over 81% of the County's housing units were owner occupied in 2000, while about two-thirds (64.6%) of the City's units were owner occupied.

Table 37 – Occupied Housing Units, 2000

Jurisdiction	Total	Owner Occupied		Renter Occupied	
		#	%	#	%
Manistee County	9,860	8,012	81.3%	1,848	18.7%
Manistee City	2,912	1,882	64.6%	1,030	35.4%

As shown in Table 38, vacancy rates in 2000 were estimated to be higher in the City than the County. For both, owner-occupied units had substantially lower vacancy rates than rental units as might be expected.

Table 38 – Occupied Housing Units and Vacancy Rates, 2000

Jurisdiction	Total Units	Occupied	Vacant		Vacancy Rate	
			Total	Seasonal	Owner	Renter
Manistee County	14,272	9,860	4,412	3,488	2.2	8.6
Manistee City	3,426	2,912	514	183	3.8	9.5

Within the City in 2000, the Census Bureau estimated that 5.3% of all units were seasonal units as shown on Table 39.

Table 39 – Seasonal Housing in Manistee, 2000

Total Housing Units	3,426
Permanent Residents Households	2,912
Vacant Seasonal Houses	514
% Seasonal	5.3%

According to the "Housing Needs Assessment" of 2004:

- The vast majority of owner-occupied units in both Manistee City and County were single-family units in 2000. The majority of rental housing consisted of either single-family units or those having 2 to 4 units as shown in Table 40.

Table 40 – Units in Structure, 2000

Ownership	Manistee City		Manistee County	
Owner Households	#	%	#	%
One Unit	1,770	94%	7,107	89%
2 to 4 Units	102	5.4%	125	1.6%
5 to 9 Units	0	-	2	0%
Ten or More Units	0	-	3	0%
Mobile Home	11	0.6%	736	9.2%
Renter Households	**#**	**%**	**#**	**%**
One Unit	298	29%	852	45.4%
2 to 4 Units	380	37%	462	24.6%
5 to 9 Units	115	11.2%	133	7.1%
Ten or More Units	230	22.4%	244	13%
Mobile Home	5	0.5%	184	9.8%
Other	0	-	2	0.1%

- In Table 41, only 3.7% of the City's owner occupied units were built between 1990 and 2000, representing a total of 71 units. On the other hand 1,132 new units were built in the County during that period, representing 14.4% of the owner-occupied housing stock in the County. Thus, the City's share of the owner occupied housing stock and related households declined in the previous decade.

- The number of new rental units built during the previous decade for both jurisdictions was small, with 33 in the City and 104 in the County.

Table 41 – Year Structure Built Through 2000

Ownership	Manistee City		Manistee County	
Owner Units	**#**	**%**	**#**	**%**
1999 to 2000	15	0.8%	208	2.6%
1995 to 1998	40	2.1%	470	5.9%
1990 to 1994	16	0.8%	464	5.9%
1980 to 1989	51	2.7%	800	10.1%
1970 to 1979	137	7.3%	1,278	16.2%
1960 to 1969	108	5.7%	896	11.3%
1950 to 1959	220	11.7%	873	11.1%
1940 to 1949	150	8%	535	6.8%
1939 or earlier	1,146	60.9%	2,376	30.1%
Renter Units	**#**	**%**	**#**	**%**
1999 to 2000	0	-	2	0.1%
1995 to 1998	0	-	31	1.7%
1990 to 1994	33	3.2%	71	3.8%
1980 to 1989	84	8.2%	191	10.2%
1970 to 1979	115	11.2%	280	14.9%
1960 to 1969	128	12.5%	242	12.9%
1950 to 1959	66	6.4%	154	8.2%
1940 to 1949	83	8.1%	171	9.1%
1939 or earlier	519	50.5%	735	39.2%

In Table 42, the proportion of seasonal units associated with the County is substantially above the City level, with about one-fourth of all Manistee County housing units being seasonal in 2000.

Table 42 – Seasonal Housing for City and County, 2000

Jurisdiction	Total Housing Units	Total Seasonal/ Vacant Units	% Seasonal/ Vacant
Manistee County	14,272	3,488	24%
Manistee City	3,426	183	5.3%

There has been growth in both the County and City since 2000.

According to the U.S. Census Bureau, based on information furnished by the local jurisdictions on permits:

- Table 43 shows that 14,881 housing units existed in Manistee County in 2006. This represents an increase of 609 units since 2000, or an increase of about 4.3%.
- A significant proportion (34%) of the County's increase resulted from the increase in the City. The total number of units in the City increased by more than 200, representing an increase in the City's units of 6%.

Table 43 – Total Housing Units for 2000 and 2006

Jurisdiction	2000	2006
Manistee County	14,272	14,881
Manistee City	3,426	3,633

In Table 44, much of the growth in both single-family and multiple units since 2000 occurred between 2000 and 2003 in the City of Manistee. All but 29 of the 91 single-family units during the period were built between 2000 and 2003.

Table 44 - Manistee City, Residential Building Permits By Unit Type and Year, 2000 through 2006

	1 Unit			2 Units			3-4 Units			5+ Units		
Year	Bldgs.	Units	Value	Bldgs.	Units	Value	Bldgs.	Units	Value	Bldgs.	Units	Value
2000	6	6	883,500	4	8	850,000	0	0	0	1	6	522,132
2001	23	23	4,611,379	0	0	0	0	0	0	4	48	2,700,000
2002	16	16	2,807,000	0	0	0	0	0	0	1	20	1,050,000
2003	17	17	2,982,438	0	0	0	0	0	0	1	23	1,207,500
2004	3	3	1,372,700	3	6	954,000	1	3	375,000	0	0	0
2005	4	4	1,340,000	1	2	153,333	0	0	0	0	0	0
2006	22	22	3,423,458	0	0	0	0	0	0	0	0	0
Total	**91**	**91**	**17,957,475**	**8**	**16**	**1,957,333**	**1**	**3**	**375,000**	**7**	**97**	**5,479,632**

It is also noted that and based on the above information, the value of the most recently built homes in the City during the period is between $150,000 and $180,000. However, the average value of the new single-family homes in 2004 and 2005 is well above this figure at $457,567 and $335,000 respectively; but these are associated with only a few units as shown in Table 45.

Table 45 – Single-Family Unit Values for New Homes for years 2000 through 2006 for the City of Manistee*

Year	Value
2000	$147,250
2001	$200,495
2002	$175,438
2003	$175,555
2004	$457,567
2005	$335,000
2006	$155,612
Average	$197,335

*Developed by The Chesapeake Group, Inc., from the U. S. Census Bureau information.

The Census Bureau information also indicates that:

- The new construction of single-family units is fairly evenly dispersed throughout the entire 2000 to 2006 time period, as shown in Table 46.

Table 46 - Manistee County, Residential Building Permits By Unit Type and Year, 2000 through 2006

	1 Unit			2 Units			3-4 Units			5+ Units		
Year	Bldgs	Units	Value	Bldgs	Units	Value	Bldgs	Units	Value	Bldgs	Units	Value
2000	34	34	2,813,526	4	8	850,000	1	4	63,000	1	6	522,132
2001	52	52	6,720,997	0	0	0	0	0	0	4	48	2,700,000
2002	45	45	4,672,811	0	0	0	0	0	0	1	20	1,050,000
2003	47	47	5,692,800	0	0	0	0	0	0	1	23	1,207,500
2004	56	56	6,293,714	3	6	954,000	1	3	375,000	0	0	0
2005	39	39	4,807,450	1	2	153,333	0	0	0	0	0	0
2006	50	50	6,496,251	0	0	0	0	0	0	0	0	0
	323	**323**	**37,497,549**	**8**	**16**	**1,957,333**	**2**	**2**	**438,000**	**7**	**97**	**5,479,632**

Table 47 contains the average values for single-family units for the County from 2000 to 2006, which are below those associated with the City of Manistee.

Table 47 – Single-Family Unit Values for New Homes for years 2000 through 2006 for the City and County of Manistee*

Year	City Value	County Value
2000	$147,250	$82,751
2001	$200,495	$129,250
2002	$175,438	$103,840
2003	$175,555	$121,123
2004	$457,567	$112,388
2005	$335,000	$123,268
2006	$155,612	$129,925
Average	$197,335	$116,091

*Developed by The Chesapeake Group, Inc., from the U. S. Census Bureau information.

Projections of household growth were found in the "Housing Needs Assessment for Manistee County" for 2006 and 2009.

Both at the City and County level, households are expected to increase through 2009, inferring likely continued growth in housing. (It is however noted that the study was prepared prior to the current lending and housing market conditions.) The estimates of households associated with the "Needs Assessment" are found in Table 48.

The current draft of the Manistee County Master Plan projects population through the year 2030 for the County, while the "Housing Needs Assessment" did so for both 2006 and 2009. In general, the projections indicate growth in population within the County in the future, but not within the City. Decline in household size, likely to occur in both jurisdictions is a primary factor in these projections. The implications are that household and unit growth in the County will more than offset the per household decline in population. The same is not true in the City, but there is no reason to believe that household and housing unit growth will not occur in the City in the future.

Table 48 - Household Estimates for the City and County

Jurisdiction	2000	2006*	2009*
Manistee County	9,860	11,128	11,762
Manistee City	2,912	2,959	2,983

Table 49 – Population Projections for the City and County for Select Years Through 2030

Jurisdiction	2000	2005	2006*	2009**	2010	2020	2030
Manistee County	24,527	25,667***	25,067	28,045	26,145***	27,123***	27,822***
Manistee City	6,586	6,656***	6,597	6,490	-	-	-

*2006 from the U.S. Census Bureau.
**2009 forecast from Housing Needs Assessment for Manistee County, 2004.
***2005, 2010, 2020 & 2030 from Draft Manistee County Master Plan 2007.

Area Specific Market Rate Housing Opportunities

Within the context of the history and trends within the area, estimates of opportunities for the study area can be made. It is noted that the study area has some significant positive attributes to meet future housing needs of the community. These attributes include but are not limited to:

1. The area being surrounded on three sides by water.

2. The surrounding waters being navigable.

3. Quality existing physical structures in the area that could be compatible with housing or potentially reused for housing.

4. Higher and better use of some existing industrial waterfront for non-industrial activity.

5. Potential for enhanced public access to the waterfront.

6. Proximity to commercial services, within walking distance.

Targeted Markets

The combined telephone survey results with the historical data indicate that there are potentially three primary markets that represent opportunities for the study area. These are sources of demand for additional units in the area that can be tapped in the immediate future. These market opportunities are:

- Those from outside of the Manistee area seeking second homes that may or may not eventually result in their consideration of the units as primary homes in the future.

- Those "baby boomers and beyond" that are living in the area at present and are or will likely seek different housing accommodations in the future.

- Parents or close relatives of those now living in the area that are likely to or will need to relocate in the foreseeable future to different housing and are likely to move to a location near current part or full-time residents of the Manistee area.

The above does not preclude younger individuals seeking unique settings in which to live and work because of a lack of current employment expansion opportunities in the area. However, the current economic conditions in the greater Manistee area, for which the analysis of those opportunities are not part of this effort, do not indicate large numbers of such individuals that can be tapped in the next few years at this time nor the entrepreneurial activity at the grass roots level flourished by public-private partnership efforts. Should this market be tapped or conditions changed, this would result in greater housing demand in the study area and contribute to the conservative nature of the estimates of housing opportunities, tending to understand not overstate total demand.

Based on the historical absorption rate of the City and in order to maintain market share, it is conservatively estimated that a total of 169 new housing units are capturable in the City over the next five years, with a total of at least double this figure in a ten year period. It is noted that these estimates could well be exceeded for some of the following reasons:

- The enhancement of the study area could generate new regional demand for youth oriented, entrepreneurial activity.
- Price differentials in land favoring Manistee for retirement and second home markets in the future over other more developed second home markets to the north of Manistee, based on demand generated from external forces including the Cleveland and Chicago metro areas.
- Increased transportation costs favoring areas closer to major metro areas and airports over those of greater distance for second and vacation homes.

It is estimated that:

- 28% of the population over 55 living in the Manistee area may seek new housing in the foreseeable future, generally over the next ten years. About 79%, or a total of 22%, will stay in the general area of Manistee. Of these, about 69% will likely have the financial capability to move, based on equity of their current residential unit. About 11% will seek housing in different settings potentially accommodated in an urban, waterfront area such as that associated with the study area and will seek active independent living environment. Thus, about 7.6% of the market for new housing falls within this category.

- In addition, about 1.5% of the market will have similar characteristics to the above, but will seek or require "assisted living" in other than their current home setting.

- In addition, about 6% of the "baby boomers and beyond" have parents for which they will have care responsibilities in the future and do not now live in the area. Of these 6%, about 60%, or a total of 3.6%, has sufficient financial resources in the home to afford relocation. Furthermore, about 25%, or a total of 0.9%, will seek residences in closer proximity to the children or close family member.

- 40% of those households now living in the area may need and potentially seek different housing in the next ten years. (Many that believe that they will seek new housing most likely will not.) Of these, a maximum of 30% may leave the area and seek residences elsewhere. It is certain that about 12% of the households under 55 will likely move to a new housing unit and stay in the area in the foreseeable future.

- Of the 12% under 55, only about one-third, or a total of 8%, would be likely to move to an area such as the study area. For the remainder, the needs expressed for new units would not likely be accommodated in the physical setting of the study area or the units not built in such a setting. Furthermore, only about 58% of these would likely have the equity afforded by their current residences to facilitate such a move. Thus, the market penetration of new units associated with this component of the market is likely to be about 4.6%.

- About 38% of the households under 55 years of age are likely to have responsibility for a parent or other close family member in the next ten years. Of these, 80%, or a total of 30%, have that relative currently living elsewhere in Michigan. Of these, a total of 40%, or a total of 12.2%, is likely to have sufficient equity in their homes to afford a move.

- Of this 12.2%, about 31% will likely move, with 40% of these moving near the family member in Manistee. The resulting market penetration in this market segment is about 1.5%.

It is noted that based on historic patterns and maintenance of market share by the City of Manistee, a total of about 170 new units would be constructed over the next five years, with at least double that figure in the next ten years.

Based on the total of a minimum of 340 units absorption over the next ten years for the City, the above market penetration information, and the amenities associated with the study area; it is estimated that the study area could absorb 95 additional market rate units over the next three to ten years. It is also noted that:

- About 55 of the 95 units are likely to be associated with individuals now living in the greater Manistee area, with 40 associated with those from outside the area.

- In addition to the 95 units, 25 "assisted living" units oriented toward seniors could

be absorbed in the area over the same time frame.

Once again, these estimates are very conservative, premised upon conservative estimates of regional and City growth opportunities, limited market for new residents that are not near or now "baby boomers or beyond", minimal market penetration levels, and the exclusion of non-market rate housing.

COMPARATIVE ASSESSMENTS

In an effort to understand potential non-residential opportunities for the Manistee study area, a comparative assessment and demand forecasting, with the latter oriented toward retail and related services, were also performed. The comparative assessment was performed as means to identify various types of business "gaps" and opportunities. The U.S. Census Bureau provides annual information on Business Patterns throughout the nation in three different geographical formats. They are by County, zip code, or by Metropolitan Statistical Areas. This analysis includes assessments of local business patterns on both a County and zip code level. The identified business gaps defined in this process may or may not be appropriate for either the study area or Manistee in general because of the nature of operations, their character, scale, or other factors.

Methodology

The comparative assessment required comparing the Manistee County business structure and later the zip code business structure to that associated with communities that are similar. In determining communities for which the county level comparison can be made, the following criteria were used:

- The population size and household numbers had to be similar to those associated with Manistee County, since demand for commercial goods and services are ultimately dependent largely upon the size of the market served.
- The selected counties all have median household incomes that are comparable to Manistee County reported incomes.
- Transportation and interstate highway access had to be similar.
- All had to be adjacent to or nearby large bodies of water.

Based on the criteria, six counties were identified for which the comparison in economic structure was made. These six counties are:

Menominee Co., MI
Oceana Co., MI
Door Co., WI
Yates Co., NY
Tillamook Co., OR
Pacific Co., WA

It is noted that all population and household estimates upon which the comparisons are made were derived from the same source. That source was the 2000 U.S. Census Bureau data. Also for consistency purposes, a single source was employed to define the business structure and activity within all areas. That source was the U.S. Census Bureau's 2005 County Business Patterns.

The North American Industry Classification System (NAICS) was introduced in 1997 as a more effective business classification system that identifies and groups establishments according to the activities in which they are primarily engaged. It replaces the older Standard Industry Classification (SIC) coding system that was first employed in 1938. NAICS identifies and groups 1,170 different types of "industries" or establishments into twenty major industry sectors ranging from Agriculture (Sector 11) to Public Administration (Sector 92). This analysis examined and extracted data from all of the twenty sectors. These twenty sectors are:

- Agriculture, Forestry, Fishing and Hunting (Sector 11): Crop and animal production, forestry and logging, fishing, hunting,

trapping, support activities for agriculture and forestry.

- Mining (Sector 21): oil and gas extraction, mining, support activities for mining.

- Utilities (Sector 22): power generation, transmission, and distribution, water, sewage, and other systems.

- Construction (Sector 23): building, developing, general contracting, heavy construction, special trade contractors.

- Manufacturing (Sector 31-33): food, beverage and tobacco product, textile and textile product mills, apparel, leather and allied products, wood product, paper, printing and related support activities, petroleum and coal products, chemicals, plastics and rubber products, nonmetallic mineral products, primary metals, fabricated metal products, machinery, computer and electronic products, electronic equipment, appliances, and components, transportation equipment, furniture and related products.

- Wholesale Trade (Sector 42): durable and nondurable goods.

- Retail Trade (Sector 44-45): Motor vehicle and parts, furniture and home furnishings, electronics and appliances, building material and garden equipment and supplies, grocery and beverage, health and personal care, gasoline stations, clothing and accessories, sports, hobby, books and music, general merchandise and miscellaneous store retailers.

- Transportation and Warehousing (Sector 48-49): air, rail, water, and truck transportation, transit and ground passenger transportation, pipeline transportation, scenic and sightseeing transportation, support activities for transportation, postal service, couriers and messengers, warehousing and storage.

- Information (Sector 51): Publishing, motion picture and sound recording and exhibition, broadcasting and telecommunications, information services and data processing.

- Finance and Insurance (Sector 52): Monetary authorities, credit intermediation, securities, commodities, insurance, funds, trusts, and other financial vehicles.

- Real Estate, Rental and Leasing (Sector 53): Real estate, rental centers and leasing services.

- Professional, Scientific and Technical Services (Sector 54): Lawyers, accountants, engineers, computer services, veterinary services, etc.

- Management of Companies and Enterprises (Sector 55): Management, holding companies, corporate and regional offices.

- Administrative and Support, Waste Management and Remediation Services (Sector 56): Administrative and facilities support services, employment and business support services, travel arrangements, investigative and security systems and other business services.

- Educational Services (Sector 61): Public sector schools, business, technical, trade schools and instruction.

- Health Care and Social Assistance (Sector 62): Ambulatory health care services, hospitals, nursing and residential care facilities and social assistance.

- Arts, Entertainment, and Recreation (Sector 71): Performing arts, spectator sports, museums, historical sites, amusement, gambling and recreation industries.

- Accommodation and Food Services (Sector 72): Accommodations, food service and drinking places.

- Other Services (Sector 81): Repair and maintenance, personal and laundry services, and religious, grant making, civic and professional organizations.

- Public Administration (Sector 92): executive, legislative, and other general government support, justice, public order, and safety activities, administration of human resources, administration of environmental quality programs, administration of housing programs, urban planning, and community development, administration of economic programs, space research and technology, national security and international affairs.

Under-Represented Industries at County Level

Under-represented "industries" were then defined as those where Manistee County had a lesser number of businesses than at least four of the other six counties. Thus, the number of businesses in Manistee County compared to the other communities was below what might be expected or at least what exists in the other communities.

It is also noted that in some cases, the differences are great, or no businesses in the under-served categories were identified in Manistee County. Once again, under-representation does not mean that the identified categories of businesses are desirable for the study area or Manistee.

Forty-seven (47) under-represented "industries" are identified on Table 50. Highlighted in grey are retail, retail related services, professional services and select entertainment activity. Several industries are also found in the list, such as boat building, that can be compatible with other activity.

*Table 50 - Under-represented Businesses at the County Level**

NAICS Code	Type of Business
236117	New Housing Operative Builders
236118	Residential Remodelers
237310	Highway, Street, and Bridge Construction
238110	Poured Concrete Foundation and Structure Contractors
238170	Siding Contractors
238220	Plumbing, Heating, and Air-Conditioning Contractors
238330	Flooring Contractors
311811	Retail Bakeries
321113	Sawmills
332710	Machine Shops
336612	Boat Building
423830	Industrial Machinery and Equipment Merchant Wholesalers
441120	Used Car Dealers
443120	Computer and Software Stores
444220	Nursery, Garden Center, and Farm Supply Stores
445120	Convenience Stores
445291	Baked Goods Stores
447190	Other Gasoline Stations
448310	Jewelry Stores
451130	Sewing, Needlework, and Piece Goods Stores
451211	Book Stores
453220	Gift, Novelty, and Souvenir Stores
453310	Used Merchandise Stores
484122	General Freight Trucking, Long-Distance, Less Than Truckload
484220	Specialized Freight (except Used Goods) Trucking, Local
512131	Motion Picture Theaters (except Drive-Ins)
531110	Lessors of Residential Buildings and Dwellings
531320	Offices of Real Estate Appraisers
532292	Recreational Goods Rental
541191	Title Abstract and Settlement Offices
541370	Surveying and Mapping (except Geophysical) Services
541511	Custom Computer Programming Services
541940	Veterinary Services
561310	Employment Placement Agencies
561510	Travel Agencies
624110	Child and Youth Services
713120	Amusement Arcades
713950	Bowling Centers
721191	Bed-and-Breakfast Inns
721211	RV (Recreational Vehicle) Parks and Campgrounds
722210	Full-Service Restaurants
722213	Snack and Nonalcoholic Beverage Bars
722410	Drinking Places (Alcoholic Beverages)
811191	Automotive Oil Change and Lubrication Shops
811310	Commercial and Industrial Machinery & Equip. (except Auto & Electronic) R&M
813110	Religious Organizations
813312	Environmental, Conservation and Wildlife Organizations

*Developed by The Chesapeake Group, Inc., 2007.

Over-Represented Industries at County Level

Over-represented "industries" or business categories are defined as those where Manistee County had a greater number of businesses than at least four of the other six counties. Thus, the number of businesses in Manistee County compared to the other counties was above what might be expected. It is also noted that in some cases, the differences are great, or no businesses in the over-represented categories were identified in the other counties. It is noted that being over-represented in certain categories, such as manufacturing or marinas, is not necessarily a negative, but can be an indicator of a niche which could be further strengthened.

As shown in Table 51, Fifty-nine (59) are identified as being over-represented. The following are some of the businesses identified as being over-represented in Manistee County.

Table 51 - Over-represented Businesses at the County Level*

NAICS Code	Type of Business
441110	New Car Dealers
441222	Boat Dealers
442110	Furniture Stores
442210	Floor Covering Stores
444110	Home Centers
444130	Hardware Stores
445110	Supermarkets and Other Grocery (except Convenience) Stores
446110	Pharmacies and Drug Stores
447110	Gasoline Stations with Convenience Stores
448120	Women's Clothing Stores
448140	Family Clothing Stores
448210	Shoe Stores
451110	Sporting Goods Stores
453110	Florists
522110	Commercial Banking
522130	Credit Unions
523120	Securities Brokerage
532310	General Rental Centers
541211	Offices of Certified Public Accountants
541330	Engineering Services
541611	Administrative, Management, and General Management Consulting Services
541921	Photography Studios, Portrait
561320	Temporary Help Services
621111	Offices of Physicians, (except Mental Health Practitioners)
621210	Offices of Dentists
621340	Offices of Physical, Occupational and Speech Therapists and Audiologists
621610	Home Health Care Services
711510	Independent Artists, Writers, and Performers
713930	Marinas
811121	Automotive Body, Paint, and Interior Repair and Maintenance
811192	Car Washes
812112	Beauty Salons
812320	Drycleaning and Laundry Services (except Coin-Operated)

*Developed by The Chesapeake Group, Inc., 2007.

Under-Represented at the Zip Code (49660) Level

As previously defined, a second set of comparisons was made. This required comparing the business structure within the City's zip code tabulation area (ZCTA) 49660 to that associated with other ZCTAs and communities that are "similar". ZCTA 49660 encompasses Manistee City and extends into the county. In determining communities for which the comparison can be made, the following criteria were used:

- The population size and household numbers had to be similar since demand for goods and services are ultimately dependent largely upon the size of the market served.
- The selected zip code areas all have median household incomes that are comparable to ZCTA 49660.
- Transportation and interstate highway access had to be similar.
- All had to be located in proximity to large bodies of water.

Based on the criteria, six ZCTAs were identified for which the comparison in economic structure of was made. These six communities are:

49858, Menominee, MI
54603, La Crosse, WI
08030, Gloucester City, NJ
28557, Morehead City, NC
97459, North Bend, OR
75474 West Tawakoni, TX

Under-represented "industries" were then defined as those where the ZCTA 49660 had a lesser number of businesses than at least four of the other six communities. Thus, the number of businesses in ZCTA 49660 compared to the other communities was below what might be expected. It should be noted that two "industries" or uses appear as over-represented in the County comparison but under-represented in the zip code comparison: One of these is Supermarkets and Other Grocery (except Convenience) Stores (445110).

Table 52, on the following page, includes the businesses identified as being under-represented in the zip code 49660. Twenty-two (22) are identified. Once again, highlighted in grey are retail, retail related services, professional services and select entertainment activity.

*Table 52 - Under-represented Businesses at the Zip Code Level**

NAICS Code	Type of Business
238150	Glass and Glazing Contractors
238210	Electrical Contractors
238220	Plumbing, Heating, and Air-Conditioning Contractors
337110	Wood Kitchen Cabinet and Counter Top Manufacturing
423830	Industrial Machinery and Equipment Merchant Wholesalers
441120	Used Car Dealers
441221	Motorcycle Dealers
445110	Supermarkets and Other Grocery (except Convenience) Stores
445120	Convenience Stores
447190	Other Gasoline Stations
541213	Tax Preparation Services
541370	Surveying and Mapping (except Geophysical) Services
541511	Custom Computer Programming Services
551114	Corporate, Subsidiary, and Regional Managing Offices
561320	Temporary Help Services
561510	Travel Agencies
713940	Fitness and Recreational Sports Centers
722211	Limited-Service Restaurants
722213	Snack and Nonalcoholic Beverage Bars
722410	Drinking Places (Alcoholic Beverages)
811191	Automotive Oil Change and Lubrication Shops
813110	Religious Organizations

*Developed by The Chesapeake Group, Inc., 2007.

Over-Represented Industries at Zip Code Level

Over-represented "industries" or business categories are defined as those where ZCTA 49660 had a greater number of businesses than at least four of the other six areas. Fifty-three (53) are identified. The following are some the businesses identified as being over-represented in ZCTA 49660. Two "industries" appear as over-represented in the zip code comparison but under-represented in the County comparison: Gift, Novelty, and Souvenir Stores (453220) and Veterinary Services (541940). See Table 53.

Table 53 - Over-represented Businesses at the Zip Code Level*

NAICS Code	Type of Business
441100	New Car Dealers
441310	Automotive Parts and Accessories Stores
441320	Tire Dealers
442110	Furniture Stores
442210	Floor Covering Stores
444110	Home Centers
444130	Hardware Stores
446110	Pharmacies and Drug Stores
447110	Gasoline Stations with Convenience Stores
448120	Women's Clothing Stores
448140	Family Clothing Stores
453220	Gift, Novelty, and Souvenir Stores
522110	Commercial Banking
522130	Credit Unions
531210	Offices of Real Estate Agents and Brokers
532310	General Rental Centers
541110	Offices of Lawyers
541211	Offices of Certified Public Accountants
541330	Engineering Services
541921	Photography Studios, Portrait
541940	Veterinary Services
621111	Offices of Physicians, (except Mental Health Practitioners)
621210	Offices of Dentists
621310	Offices of Chiropractors
621320	Offices of Optometrists
621340	Offices of Physical, Occupational and Speech Therapists and Audiologists
621610	Home Health Care Services
623110	Nursing Care Facilities
713930	Marinas
721110	Hotels (except Casino Hotels) and Motels
811111	General Automotive Repair
811121	Automotive Body, Paint, and Interior Repair and Maintenance
811192	Car Washes
812112	Beauty Salons
812210	Funeral Homes & Funeral Services
812310	Coin-operated Laundries and Drycleaners
813320	Drycleaning & Laundry Services (Except Coin-operated)

*Developed by The Chesapeake Group, Inc., 2007.

Under-Represented Industries at Both Levels

A total of twelve uses were identified as being under-represented in both the county and the zip code comparisons. Non-manufacturing, non-religious organizations are found in the following.

Table 54 – Under-represented at both Levels*

NAICS Code	Type of Business
441120	Used Car Dealers
445120	Convenience Stores
447190	Other Gasoline Stations
541370	Surveying and Mapping (except Geophysical) Services
541511	Custom Computer Programming Services
561510	Travel Agencies
722213	Snack and Nonalcoholic Beverage Bars
722410	Drinking Places (Alcoholic Beverages)
811191	Automotive Oil Change and Lubrication Shops

*Developed by The Chesapeake Group, Inc., 2007.

Retail Demand Forecast

In an effort to define opportunities specifically for commercial activity for the study area within the context of the City of Manistee and its surroundings, a forecasting of demand for retail goods and related services was performed. Demand for goods and services for any area is based on the market's ability to purchase the goods or services. As has been noted previously, one of the primary sources, but not the only source of information used to define spending patterns for the retail and related services demand components was the telephone survey. The following represents a review of demand for commercial activity. It is noted that:

- All estimates are in constant dollars. Inflation has been excluded from all estimates of future demand and associated sales, revenues and, thus, supportable space.

- There are essentially two primary markets from which activity that might locate in the study area would draw. The two primary markets are: (a) part and full-time residents of the City of Manistee; and (b) other residents of Manistee County.

It is recognized that others may come from other areas to the study area for shopping and potentially other services as well. Those coming from outside of the first two have been excluded from the analysis in an effort to not overstate potential demand. It is noted that employees of manufacturing facilities, offices and other businesses are most often subsets of these markets, generally with higher market penetration capabilities.

Defining demand for goods and services involves complex modeling employing a host of factors and information. The demand projections in this analysis are based on:

- Telephone survey findings associated with this project.
- Surveys conducted by The Chesapeake Group on other areas in Michigan.
- Surveys conducted by The Chesapeake Group throughout the Midwest and other areas of the country.
- Industry standard sources, including but not limited to those published by the Urban Land Institute.
- Trade publications associated with various aspects of retailing.

Aggregate demand is defined as the total spending on retail and related services by a population in a geographic area, irrespective of the locations in which the spending occurs. It reflects the average spending per household multiplied by the number of households. It is noted that:

- Aggregate retail goods and related services sales generated by residents of the City are estimated at about $93.7 million in 2008.

- Aggregate retail goods and related services sales generated by residents of the remainder of the County are estimated at about $218.7 million in 2008.

- Aggregate retail sales figures represent a compilation of sales associated with ten major categories. The ten major categories of retail goods and related services are:
    - Food, such as groceries and related merchandise generally purchased for home preparation or consumption.
    - Eating and drinking, consisting of prepared food and beverages generally consumed on the premises or carried to another location.
    - General merchandise, including variety stores, department stores and large value oriented retail operators.
    - Furniture and accessories, including appliances and home furnishings.
    - Transportation and utilities, including the sale of new and used automotive and other personal vehicles and parts and basic utilities for the home.

- Drugstores, including those specializing in health and beauty aids or pharmaceuticals.
- Apparel and accessories.
- Hardware and building materials, including traditional hardware stores and garden and home improvement centers.
- Auto services, including gasoline and vehicle repair.
- Miscellaneous, including a plethora of retail goods and services ranging from florists to paper goods.

Some operations fall into more than one category. For example, many of the general merchandisers associated with the "big box stores", such as Meijer or Wal*Mart, have more or less traditional supermarket components within their operations.

Table 55 contains a breakdown of the estimated 2008 and 2013 retail and related services sales generated by the residents of the City by major category. It is noted that the sales are expected to increase from 2008 to 2013. The increases are a direct result of the anticipated increases in the number of households living in the area.

Table 55 – Estimated Retail and Related Services Sales by Category Generated by Residents of the City of Manistee*

Category	2008	2013
Food	$8,219,000	$8,951,000
Eat/Drink	8,051,000	8,768,000
General Merchandise	23,974,000	26,109,000
Furniture	1,715,000	1,868,000
Transportation & Utilities	13,758,000	14,984,000
Drugstore	7,095,000	7,727,000
Apparel	2,306,000	2,511,000
Hardware	13,515,000	14,718,000
Vehicle Service	7,695,000	8,380,000
Miscellaneous	7,395,000	8,053,000
TOTAL	$93,722,000	$102,069,000

*Developed by The Chesapeake Group, Inc., 2007.

Table 56 (on the following page) contains a breakdown of the estimated 2008 and 2013 retail and related services sales generated by the residents of the remainder of the County by major category. It is noted that the sales are expected to increase very little from 2008 to 2013. The increases are a direct result of the anticipated increases in the number of households living in the area. However, the increases in households is counterbalanced by much of the growth being associated with part-time residents with much/most household spending outside of the Manistee region since most time is spent outside of the area.

Table 56 – Estimated Retail and Related Services Sales by Category Generated by Residents of Manistee County, Excluding City of Manistee Residents*

Category	2008	2013
Food	$19,179,000	$19,197,000
Eat/Drink	18,785,000	18,803,000
General Merchandise	55,939,000	55,994,000
Furniture	4,002,000	4,006,000
Transportation & Utilities	32,103,000	32,134,000
Drugstore	16,554,000	16,571,000
Apparel	5,380,000	5,385,000
Hardware	31,534,000	31,565,000
Vehicle Service	17,954,000	17,971,000
Miscellaneous	17,254,000	17,271,000
TOTAL	$218,684,000	$218,897,000

*Developed by The Chesapeake Group, Inc., 2007.

There are sub-categories, generally associated with particular types of businesses, found within each retail category. While not necessarily the largest in terms of sales, the miscellaneous category contains more sub-categories or types of establishments than any other major retail category. It is noted that irrespective of the strength, location, mass, or other issues, no community is able to attract all of the sales generated in a primary market area. As examples, people employed elsewhere often spend resources at or near their places of employment. At other times, people make visits and spend money with relatives and friends living elsewhere or while on vacations.

The estimated retail and related services sales for 2008 and 2013 for two of the areas by sub-categories or types of businesses generated by residents are found in Tables 57 and 58 found on the next two pages.

*Table 57 – Estimated Retail and Related Services Sales by Sub-Category Generated by Residents of the City of Manistee**

Sub-category	2008	2013
Food	$8,219,000	$8,951,000
Supermarkets	6,862,865	7,474,085
Independents	657,520	716,080
Bakeries	180,818	196,922
Dairies	106,847	116,363
Others	410,950	447,550
Eat/Drink	8,051,000	8,768,000
General Merchandise	23,974,000	26,109,000
Dept. Stores	8,750,510	9,529,785
Variety Stores	1,726,128	1,879,848
Jewelry	1,654,206	1,801,521
Sporting Goods/Toys	2,613,166	2,845,881
Discount Dept.	8,726,536	9,503,676
Antiques, etc.	119,870	130,545
Others	383,584	417,744
Furniture	1,715,000	1,868,000
Furniture	404,740	440,848
Home Furnishings	596,820	650,064
Store/Office Equip.	373,870	407,224
Music Instr./Suppl.	73,745	80,324
Radios,TV, etc.	265,825	289,540
Transportation & Utilities	13,758,000	14,984,000
New/Used Vehicles	4,815,300	5,244,400
Tires, Batt., Prts.	6,067,278	6,607,944
Marine Sales/Rentals	729,174	794,152
Auto/Truck Rentals	2,146,248	2,337,504
Drugstore	7,095,000	7,727,000
Apparel	2,306,000	2,511,000
Men's and Boy's	302,086	328,941
Women's and Girl's	765,592	833,652
Infants	48,426	52,731
Family	641,068	698,058
Shoes	481,954	524,799
Jeans/Leather	9,224	10,044
Tailors/Uniforms	41,508	45,198
Others	16,142	17,577
Hardware	13,515,000	14,718,000
Hardware	6,541,260	7,123,512
Lawn/Seed/Fertil.	256,785	279,642
Others	6,716,955	7,314,846
Vehicle Service	7,695,000	8,380,000
Gasoline	2,616,300	2,849,200
Garage, Repairs	5,078,700	5,530,800
Miscellaneous	7,395,000	8,053,000
Advert. Signs, etc.	118,320	128,848
Barber/Beauty shop	451,095	491,233
Book Stores	340,170	370,438
Bowling	170,085	185,219
Cig./Tobacco Dealer	51,765	56,371
Dent./Physician Lab	295,800	322,120
Florist/Nurseries	554,625	603,975
Laundry, Dry Clean	251,430	273,802
Optical Goods/Opt.	177,480	193,272
Photo Sup./Photog.	510,255	555,657
Printing	598,995	652,293
Paper/Paper Prod.	317,985	346,279
Gifts/Cards/Novel.	1,057,485	1,151,579
Newsstands	59,160	64,424
Video Rent/Sales	961,350	1,046,890
Others	1,479,000	1,610,600
TOTAL	$93,723,000	$102,069,000

*Developed by The Chesapeake Group, Inc., 2007.

*Table 58 – Estimated Retail and Related Services Sales by Sub-category Generated by Residents of Manistee County, Excluding City of Manistee Residents**

Sub-category	2008	2013
Food	$19,179,000	$19,197,000
Supermarkets	16,014,465	16,029,495
Independents	1,534,320	1,535,760
Bakeries	421,938	422,334
Dairies	249,327	249,561
Others	958,950	959,850
Eat/Drink	18,785,000	18,803,000
General Merchandise	55,939,000	55,994,000
Dept. Stores	20,417,735	20,437,810
Variety Stores	4,027,608	4,031,568
Jewelry	3,859,791	3,863,586
Sporting Goods/Toys	6,097,351	6,103,346
Discount Dept.	20,361,796	20,381,816
Antiques, etc.	279,695	279,970
Others	895,024	895,904
Furniture	4,002,000	4,006,000
Furniture	944,472	945,416
Home Furnishings	1,392,696	1,394,088
Store/Office Equip.	872,436	873,308
Music Instr./Suppl.	172,086	172,258
Radios,TV, etc.	620,310	620,930
Transportation & Utilities	32,103,000	32,134,000
New/Used Vehicles	11,236,050	11,246,900
Tires, Batt., Prts.	14,157,423	14,171,094
Marine Sales/Rentals	1,701,459	1,703,102
Auto/Truck Rentals	5,008,068	5,012,904
Drugstore	16,554,000	16,571,000
Apparel	5,380,000	5,385,000
Men's and Boy's	704,780	705,435
Women's and Girl's	1,786,160	1,787,820
Infants	112,980	113,085
Family	1,495,640	1,497,030
Shoes	1,124,420	1,125,465
Jeans/Leather	21,520	21,540
Tailors/Uniforms	96,840	96,930
Others	37,660	37,695
Hardware	31,534,000	31,565,000
Hardware	15,262,456	15,277,460
Lawn/Seed/Fertil.	599,146	599,735
Others	15,672,398	15,687,805
Vehicle Service	17,954,000	17,971,000
Gasoline	6,104,360	6,110,140
Garage, Repairs	11,849,640	11,860,860
Miscellaneous	17,254,000	17,271,000
Advert. Signs, etc.	276,064	276,336
Barber/Beauty shop	1,052,494	1,053,531
Book Stores	793,684	794,466
Bowling	396,842	397,233
Cig./Tobacco Dealer	120,778	120,897
Dent./Physician Lab	690,160	690,840
Florist/Nurseries	1,294,050	1,295,325
Laundry, Dry Clean	586,636	587,214
Optical Goods/Opt.	414,096	414,504
Photo Sup./Photog.	1,190,526	1,191,699
Printing	1,397,574	1,398,951
Paper/Paper Prod.	741,922	742,653
Gifts/Cards/Novel.	2,467,322	2,469,753
Newsstands	138,032	138,168
Video Rent/Sales	2,243,020	2,245,230
Others	3,450,800	3,454,200
TOTAL	$218,684,000	$218,897,000

*Developed by The Chesapeake Group, Inc., 2007.

Supportable Space

Retail sales and related services revenues are converted to supportable space through the application of sales or revenue productivity levels. A sales or revenue productivity level is the level of sales or revenues per square foot at which it is assumed that the business will generate sufficient revenue to cover all costs of operation as well as provide a reasonable return on investment for the ownership or operating entity.

As might be expected, sales or revenue productivity levels vary, sometimes greatly, for each sub-category, type of business operation, or store-type. The productivity levels vary from very low figures for bowling centers to hundreds of dollars for other users. Supportable space is derived by dividing the amount of sales by a sales productivity level.

The table below contains a breakdown of the estimated 2008 and 2013 retail and related services supportable space in square feet generated by residents of the City by major category. For 2008, supportable space generated by residents of the City at any and all locations is estimated at 285,000 square feet. Thus, retail located in the City serves a larger population at present.

Table 59 – Estimated Retail and Related Services Supportable Space by Category Generated by Residents of the City of Manistee (in Square Feet)*

Category	2008	2013
Food	15,350	16,716
Eat/Drink	20,128	21,920
General Merchandise	78,201	85,165
Furniture	5,386	5,865
Transportation & Utilities	40,034	43,601
Drugstore	14,190	15,454
Apparel	7,176	7,813
Hardware	57,452	62,565
Vehicle Service	18,733	20,401
Miscellaneous	28,561	31,103
TOTAL	285,211	310,603

*Developed by The Chesapeake Group, Inc., 2007.

Table 60 contains a breakdown of the estimated 2008 and 2013 retail and related services supportable space in square feet generated by other residents of the County by major category. For 2008, supportable space generated by other residents of the County at any and all locations is estimated at 665,000 square feet.

Table 60 – Estimated Retail and Related Services Supportable Space by Category Generated by Residents of Manistee County, Excluding City of Manistee Residents (in Square Feet)*

Category	2008	2013
Food	35,818	35,851
Eat/Drink	46,963	47,008
General Merchandise	182,468	182,646
Furniture	12,566	12,579
Transportation & Utilities	93,415	93,505
Drugstore	33,108	33,142
Apparel	16,741	16,758
Hardware	134,050	134,182
Vehicle Service	43,709	43,750
Miscellaneous	66,640	66,706
TOTAL	665,478	666,127

*Developed by The Chesapeake Group, Inc., 2007.

The estimated retail and related services supportable space for 2008 and 2013 by sub-category or types of businesses generated by residents of the defined markets are found in Tables 61 and 62 that follow on the next two pages.

*Table 61 – Estimated Retail and Related Services Supportable Space by Sub-Category Generated by Residents of the City of Manistee (in Square Feet)**

Sub-category	2008	2013
Food	15,350	16,716
Supermarkets	11,632	12,668
Independents	1,644	1,790
Bakeries	603	656
Dairies	297	323
Others	1,174	1,279
Eat/Drink	20,128	21,920
General Merchandise	78,201	85,165
Dept. Stores	29,168	31,766
Variety Stores	6,639	7,230
Jewelry	2,330	2,537
Sporting Goods/Toys	8,711	9,486
Discount Dept.	29,088	31,679
Antiques, etc.	521	568
Others	1,744	1,899
Furniture	5,386	5,865
Furniture	1,306	1,422
Home Furnishings	1,705	1,857
Store/Office Equip.	1,246	1,357
Music Instr./Suppl.	369	402
Radios,TV, etc.	760	827
Transportation & Utilities	40,034	43,601
New/Used Vehicles	12,038	13,111
Tires, Batt., Prts.	20,224	22,026
Marine Sales/Rentals	1,971	2,146
Auto/Truck Rentals	5,801	6,318
Drugstore	14,190	15,454
Apparel	7,176	7,813
Men's and Boy's	755	822
Women's and Girl's	2,069	2,253
Infants	161	176
Family	2,137	2,327
Shoes	1,753	1,908
Jeans/Leather	31	33
Tailors/Uniforms	208	226
Others	62	68
Hardware	57,452	62,565
Hardware	26,165	28,494
Lawn/Seed/Fertil.	755	822
Others	30,532	33,249
Vehicle Service	18,733	20,401
Gasoline	1,804	1,965
Garage, Repairs	16,929	18,436
Miscellaneous	28,561	31,103
Advert. Signs, etc.	430	469
Barber/Beauty shop	2,255	2,456
Book Stores	919	1,001
Bowling	1,701	1,852
Cig./Tobacco Dealer	104	113
Dent./Physician Lab	910	991
Florist/Nurseries	1,305	1,421
Laundry, Dry Clean	838	913
Optical Goods/Opt.	507	552
Photo Sup./Photog.	1,458	1,588
Printing	2,178	2,372
Paper/Paper Prod.	1,590	1,731
Gifts/Cards/Novel.	3,525	3,839
Newsstands	118	129
Video Rent/Sales	4,807	5,234
Others	5,916	6,442
TOTAL	285,211	310,603

*Developed by The Chesapeake Group, Inc., 2007.

*Table 62 – Estimated Retail and Related Services Supportable Space by Sub-category Generated by Residents of Manistee County, Excluding City of Manistee Residents (in Square Feet)**

Sub-category	2008	2013
Food	35,818	35,851
Supermarkets	27,143	27,169
Independents	3,836	3,839
Bakeries	1,406	1,408
Dairies	693	693
Others	2,740	2,742
Eat/Drink	46,963	47,008
General Merchandise	182,468	182,646
Dept. Stores	68,059	68,126
Variety Stores	15,491	15,506
Jewelry	5,436	5,442
Sporting Goods/Toys	20,325	20,344
Discount Dept.	67,873	67,939
Antiques, etc.	1,216	1,217
Others	4,068	4,072
Furniture	12,566	12,579
Furniture	3,047	3,050
Home Furnishings	3,979	3,983
Store/Office Equip.	2,908	2,911
Music Instr./Suppl.	860	861
Radios,TV, etc.	1,772	1,774
Transportation & Utilities	93,415	93,505
New/Used Vehicles	28,090	28,117
Tires, Batt., Prts.	47,191	47,237
Marine Sales/Rentals	4,599	4,603
Auto/Truck Rentals	13,535	13,548
Drugstore	33,108	33,142
Apparel	16,741	16,758
Men's and Boy's	1,762	1,764
Women's and Girl's	4,827	4,832
Infants	377	377
Family	4,985	4,990
Shoes	4,089	4,093
Jeans/Leather	72	72
Tailors/Uniforms	484	485
Others	145	145
Hardware	134,050	134,182
Hardware	61,050	61,110
Lawn/Seed/Fertil.	1,762	1,764
Others	71,238	71,308
Vehicle Service	43,709	43,750
Gasoline	4,210	4,214
Garage, Repairs	39,499	39,536
Miscellaneous	66,640	66,706
Advert. Signs, etc.	1,004	1,005
Barber/Beauty shop	5,262	5,268
Book Stores	2,145	2,147
Bowling	3,968	3,972
Cig./Tobacco Dealer	242	242
Dent./Physician Lab	2,124	2,126
Florist/Nurseries	3,045	3,048
Laundry, Dry Clean	1,955	1,957
Optical Goods/Opt.	1,183	1,184
Photo Sup./Photog.	3,402	3,405
Printing	5,082	5,087
Paper/Paper Prod.	3,710	3,713
Gifts/Cards/Novel.	8,224	8,233
Newsstands	276	276
Video Rent/Sales	11,215	11,226
Others	13,803	13,817
TOTAL	665,478	666,127

*Developed by The Chesapeake Group, Inc., 2007.

From a public policy perspective, opportunities that result solely from growth and assuming reasonable competitive positions, no sales or revenues are extracted from existing operations to create or attract new business or businesses. Thus and theoretically, expansions or new businesses do not come at the expense of existing ones, nor from recapturing a market or increased market penetration.

Table 63 contains the estimated retail and related services sales and supportable space by category and change in sales and supportable space for 2008 to 2013 generated by residents of the City of Manistee. New supportable space generated by this segment of the market is estimated total about 25,500 square feet.

Table 63 – Estimated Retail and Related Services Sales and Supportable Space (in Square Feet) by Category and Change in Sales and Space for 2008 to 2013 Generated by Residents of the City of Manistee*

Category	2008 Sales	2008-2013 Sales	2008 Space	2008-2013 Space
Food	$8,219,000	$732,000	15,350	1,367
Eat/Drink	8,051,000	717,000	20,128	1,793
General Merchandise	23,974,000	2,135,000	78,201	6,963
Furniture	1,715,000	153,000	5,386	480
Transportation & Utilities	13,758,000	1,225,000	40,034	3,564
Drugstore	7,095,000	632,000	14,190	1,264
Apparel	2,306,000	205,000	7,176	638
Hardware	13,515,000	1,204,000	57,452	5,118
Vehicle Service	7,695,000	685,000	18,733	1,668
Miscellaneous	7,395,000	659,000	28,561	2,545
TOTAL	$93,723,000	$8,347,000	285,211	25,400

*Developed by The Chesapeake Group, Inc., 2007.

Similar estimates are found in Table 64 for residents of the remainder of the County. As previously noted there is little change in sales anticipated, resulting in essentially no change in space.

Table 64 – Estimated Retail and Related Services Sales and Supportable Space (in Square Feet) by Category and Change in Sales and Space for 2008 to 2013 Generated by Residents of Manistee County, Excluding City of Manistee Residents*

Category	2008 Sales	2008-2013 Sales	2008 Space	2008-2013 Space
Food	$19,179,000	$19,000	35,818	36
Eat/Drink	18,785,000	18,000	46,963	45
General Merchandise	55,939,000	54,000	182,468	177
Furniture	4,002,000	4,000	12,566	13
Transportation & Utilities	32,103,000	31,000	93,415	90
Drugstore	16,554,000	16,000	33,108	32
Apparel	5,380,000	5,000	16,741	15
Hardware	31,534,000	31,000	134,050	132
Vehicle Service	17,954,000	17,000	43,709	41
Miscellaneous	17,254,000	17,000	66,640	65
TOTAL	$218,684,000	$212,000	665,478	646

*Developed by The Chesapeake Group, Inc., 2007.

Sub-category estimates are found in Tables 65 and 66 that follow on the next two pages.

*Table 65 – Estimated Retail and Related Services Sales and Supportable Space (in Square Feet) by Sub-category and Change in Sales and Space for 2008 to 2013 Generated by Residents of the City of Manistee**

Sub-category	2008 Sales	2008-2013 Sales	2008 Space	2008-2013 Space
Food	$8,219,000	$732,000	15,350	1,367
Supermarkets	6,862,865	611,220	11,632	1,036
Independents	657,520	58,560	1,644	146
Bakeries	180,818	16,104	603	54
Dairies	106,847	9,516	297	26
Others	410,950	36,600	1,174	105
Eat/Drink	8,051,000	717,000	20,128	1,793
General Merchandise	23,974,000	2,135,000	78,201	6,963
Dept. Stores	8,750,510	779,275	29,168	2,598
Variety Stores	1,726,128	153,720	6,639	591
Jewelry	1,654,206	147,315	2,330	207
Sporting Goods/Toys	2,613,166	232,715	8,711	776
Discount Dept.	8,726,536	777,140	29,088	2,590
Antiques, etc.	119,870	10,675	521	46
Others	383,584	34,160	1,744	155
Furniture	1,715,000	153,000	5,386	480
Furniture	404,740	36,108	1,306	116
Home Furnishings	596,820	53,244	1,705	152
Store/Office Equip.	373,870	33,354	1,246	111
Music Instr./Suppl.	73,745	6,579	369	33
Radios,TV, etc.	265,825	23,715	760	68
Transportation & Utilities	13,758,000	1,225,000	40,034	3,564
New/Used Vehicles	4,815,300	428,750	12,038	1,072
Tires, Batt., Prts.	6,067,278	540,225	20,224	1,801
Marine Sales/Rentals	729,174	64,925	1,971	175
Auto/Truck Rentals	2,146,248	191,100	5,801	516
Drugstore	7,095,000	632,000	14,190	1,264
Apparel	2,306,000	205,000	7,176	638
Men's and Boy's	302,086	26,855	755	67
Women's and Girl's	765,592	68,060	2,069	184
Infants	48,426	4,305	161	14
Family	641,068	56,990	2,137	190
Shoes	481,954	42,845	1,753	156
Jeans/Leather	9,224	820	31	3
Tailors/Uniforms	41,508	3,690	208	18
Others	16,142	1,435	62	6
Hardware	13,515,000	1,204,000	57,452	5,118
Hardware	6,541,260	582,736	26,165	2,331
Lawn/Seed/Fertil.	256,785	22,876	755	67
Others	6,716,955	598,388	30,532	2,720
Vehicle Service	7,695,000	685,000	18,733	1,668
Gasoline	2,616,300	232,900	1,804	161
Garage, Repairs	5,078,700	452,100	16,929	1,507
Miscellaneous	7,395,000	659,000	28,561	2,545
Advert. Signs, etc.	118,320	10,544	430	38
Barber/Beauty shop	451,095	40,199	2,255	201
Book Stores	340,170	30,314	919	82
Bowling	170,085	15,157	1,701	152
Cig./Tobacco Dealer	51,765	4,613	104	9
Dent./Physician Lab	295,800	26,360	910	81
Florist/Nurseries	554,625	49,425	1,305	116
Laundry, Dry Clean	251,430	22,406	838	75
Optical Goods/Opt.	177,480	15,816	507	45
Photo Sup./Photog.	510,255	45,471	1,458	130
Printing	598,995	53,379	2,178	194
Paper/Paper Prod.	317,985	28,337	1,590	142
Gifts/Cards/Novel.	1,057,485	94,237	3,525	314
Newsstands	59,160	5,272	118	11
Video Rent/Sales	961,350	85,670	4,807	428
Others	1,479,000	131,800	5,916	527
TOTAL	$93,723,000	$8,347,000	285,211	25,400

*Developed by The Chesapeake Group, Inc., 2007.

Table 66 – Estimated Retail and Related Services Sales and Supportable Space (in Square Feet) by Sub-category and Change in Sales and Space for 2008 to 2013 Generated by Residents of Manistee County, Excluding City of Manistee Residents*

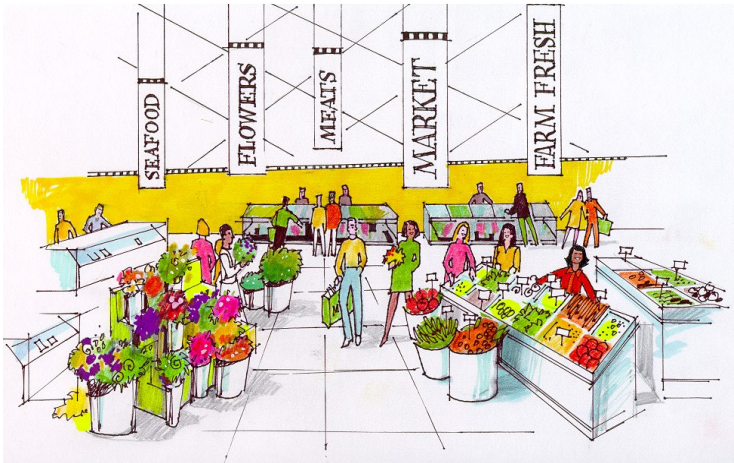
Sub-category	2008 Sales	2008-2013 Sales	2008 Space	2008-2013 Space
Food	$19,179,000	$19,000	35,818	36
Supermarkets	16,014,465	15,865	27,143	27
Independents	1,534,320	1,520	3,836	4
Bakeries	421,938	418	1,406	1
Dairies	249,327	247	693	1
Others	958,950	950	2,740	3
Eat/Drink	18,785,000	18,000	46,963	45
General Merchandise	55,939,000	54,000	182,468	177
Dept. Stores	20,417,735	19,710	68,059	66
Variety Stores	4,027,608	3,888	15,491	15
Jewelry	3,859,791	3,726	5,436	5
Sporting Goods/Toys	6,097,351	5,886	20,325	20
Discount Dept.	20,361,796	19,656	67,873	66
Antiques, etc.	279,695	270	1,216	1
Others	895,024	864	4,068	4
Furniture	4,002,000	4,000	12,566	13
Furniture	944,472	944	3,047	3
Home Furnishings	1,392,696	1,392	3,979	4
Store/Office Equip.	872,436	872	2,908	3
Music Instr./Suppl.	172,086	172	860	1
Radios,TV, etc.	620,310	620	1,772	2
Transportation & Utilities	32,103,000	31,000	93,415	90
New/Used Vehicles	11,236,050	10,850	28,090	27
Tires, Batt., Prts.	14,157,423	13,671	47,191	46
Marine Sales/Rentals	1,701,459	1,643	4,599	4
Auto/Truck Rentals	5,008,068	4,836	13,535	13
Drugstore	16,554,000	16,000	33,108	32
Apparel	5,380,000	5,000	16,741	15
Men's and Boy's	704,780	655	1,762	2
Women's and Girl's	1,786,160	1,660	4,827	4
Infants	112,980	105	377	-
Family	1,495,640	1,390	4,985	5
Shoes	1,124,420	1,045	4,089	4
Jeans/Leather	21,520	20	72	-
Tailors/Uniforms	96,840	90	484	-
Others	37,660	35	145	-
Hardware	31,534,000	31,000	134,050	132
Hardware	15,262,456	15,004	61,050	60
Lawn/Seed/Fertil.	599,146	589	1,762	2
Others	15,672,398	15,407	71,238	70
Vehicle Service	17,954,000	17,000	43,709	41
Gasoline	6,104,360	5,780	4,210	4
Garage, Repairs	11,849,640	11,220	39,499	37
Miscellaneous	17,254,000	17,000	66,640	65
Advert. Signs, etc.	276,064	272	1,004	1
Barber/Beauty shop	1,052,494	1,037	5,262	5
Book Stores	793,684	782	2,145	2
Bowling	396,842	391	3,968	4
Cig./Tobacco Dealer	120,778	119	242	-
Dent./Physician Lab	690,160	680	2,124	2
Florist/Nurseries	1,294,050	1,275	3,045	3
Laundry, Dry Clean	586,636	578	1,955	2
Optical Goods/Opt.	414,096	408	1,183	1
Photo Sup./Photog.	1,190,526	1,173	3,402	3
Printing	1,397,574	1,377	5,082	5
Paper/Paper Prod.	741,922	731	3,710	4
Gifts/Cards/Novel.	2,467,322	2,431	8,224	8
Newsstands	138,032	136	276	-
Video Rent/Sales	2,243,020	2,210	11,215	11
Others	3,450,800	3,400	13,803	14
TOTAL	$218,684,000	$212,000	665,478	646

*Developed by The Chesapeake Group, Inc., 2007.

Conclusions

Based upon the demand estimates, retail opportunities can be a component of future activity in the study area that could work in synergy with the downtown. The following are the primary options:

- There is sufficient current demand to support a potential market, focused on fresh fish, produce, meats, etc., coupled with a waterfront oriented restaurant. The market would likely have a general merchandise component as well. It could be seasonally open air or indoors year-around. The facility would be in the range of 10,000 to 20,000 square feet of space.



- One or two smaller restaurants, each ranging from 1,500 to 2,500 square feet of space.

- One larger waterfront food service establishment, having potentially 3,000 to 7,500 square feet of space.

- A small hardware operation or expansion of marine facilities that would add or include traditional hardware lines, if additional housing and other activity are added to the area.

- A “Medicine Shoppe” size pharmacy in the future, if additional housing and other activity are added to the area.

Study Area Suggestions

Based on either the demand forecasting or comparative assessment or both methodologies, the following activity is particularly marketable in the study area. It is noted that no attempt has been made in the market assessment component of the plan to determine whether or not such activity can be accommodated or how to accommodate it. Furthermore, there are a number of uses and activity that were neither identified as being under-represented or for which demand was not evaluated. These particularly include additional educational institution, medical facilities and marina slips and related activity.

- The study area could absorb 95 additional market rate housing units over the next three to ten years. In addition to the 95 units, 25 “assisted living” units oriented toward seniors could be absorbed over the same time frame.

- The comparative assessment identified the potential following gaps that could be filled in an enhanced study area:

  - Nursery, Garden Center, and Farm Supply Stores

  - Baked Goods Stores and Retail Bakeries, potentially independent of or part of a larger conglomerate, with wholesale as well as retail functions.

  - Surveying and Mapping Services

  - Custom Computer Programming Services

  - Computer and software operations

- A potential market, focused on fresh fish, produce, meats, coupled with a waterfront oriented restaurant. The market would likely have a general merchandise component as well. It could be seasonally open air or indoors. The facility would be in the range of 10,000 to 20,000 square feet of space. One or two smaller restaurants, each ranging from 1,500 to 2,500 square feet of space.

- One larger waterfront food service establishment, having potentially 3,000 to 7,500 square feet of space.

- A small hardware operation or expansion of marine facilities that would add or include traditional hardware lines, if additional housing and other activity are added to the area.

- A “Medicine Shoppe” size pharmacy in the future, if additional housing and other activity are added to the area.