HyettPalma

Making Downtown Renaissance a Reality

Auburn Hills

Downtown Economic Enhancement Strategy 2009

HyettPalma

Making Downtown Renaissance a Reality

1600 Prince Street • Suite 110
Alexandria, Virginia 223147
Phone 703 683 5126
E-mail: info@hyettpalma.com
Web Site: www.hyettpalma.com

January 15, 2009

The City of Auburn Hills
The Downtown Process Committee
1827 Squirrel Road
Auburn Hills, MI 48326

RE: **Auburn Hills Downtown Economic Enhancement Strategy 2009**

HyettPalma, Inc., is pleased to present to you the following report titled: ***Auburn Hills Downtown Economic Enhancement Strategy 2009***.

This document includes the community's vision for Downtown as well as the findings of a comprehensive analysis of Downtown's commercial markets. The vision and market analysis findings were used to define a specific economic enhancement strategy for the Downtown project area. The recommended strategy was specifically designed to enable Downtown to attain the community's defined vision as well as the identified market opportunities.

Thank you for the opportunity to lend our firm's expertise to this very important project. We hope you will keep us informed of your success and know that we stand ready to assist in any way we can as you proceed with the Auburn Hills Downtown enhancement effort.

Sincerely,

Doyle G. Hyett Dolores P. Palma

Process Committee Members

At the request of HyettPalma, Inc., a Process Committee was formed to oversee this project. HyettPalma would like to thank the members of the Downtown Auburn Hills Process Committee, listed below, for all their time, hard work, and dedication in preparing for and participating in completing the ***Auburn Hills Downtown Economic Enhancement Strategy 2009***.

Mayor James McDonald
City Councilwoman Maureen Hammond
City Councilman Henry Knight
City Manager Pete Auger
Mr. Clarence Bennett, Chairman of Tax Increment Fund Authority
Mr. Steve Cohen, Director of Community Development
Mrs. Charlotte Copple, Tax Increment Fund Authority
Mr. George Heitsch, Superintendent of Avondale School District
Ms. Laurie Johnson, Economic Development Coordinator and Project Manager for Auburn Hills Village Center Strategic Plan
Mr. Shawn Keenan, Water Resources Coordinator
Mr. Todd Lancaster, YourSource
Dr. Jeff Love, President of Baker College
Mr. Greg Ouellette, Planning Commission
Mr. Bob Pierce, Planning Commission
Ms. Angela River, D.A.Re. Salon
Mrs. Donna Smith, Plante Moran and President of Chamber of Commerce
Mrs. Lacey Stone Salerno, Biltmore Properties
Mrs. Kaye Thornton, Tax Increment Fund Authority
Mr. Mark Walterhouse, Assistant City Manager/Operations and Fire Chief

Special thanks to Mr. Oliver Corey, Oakland University Student, Intern for City Manager's Office for his help in gathering data for the *Downtown Economic Enhancement Strategy*.

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Project Overview

I. PROJECT OVERVIEW

This document presents the community's economic vision for Downtown Auburn Hills, as well as the findings of a market analysis conducted for Downtown.

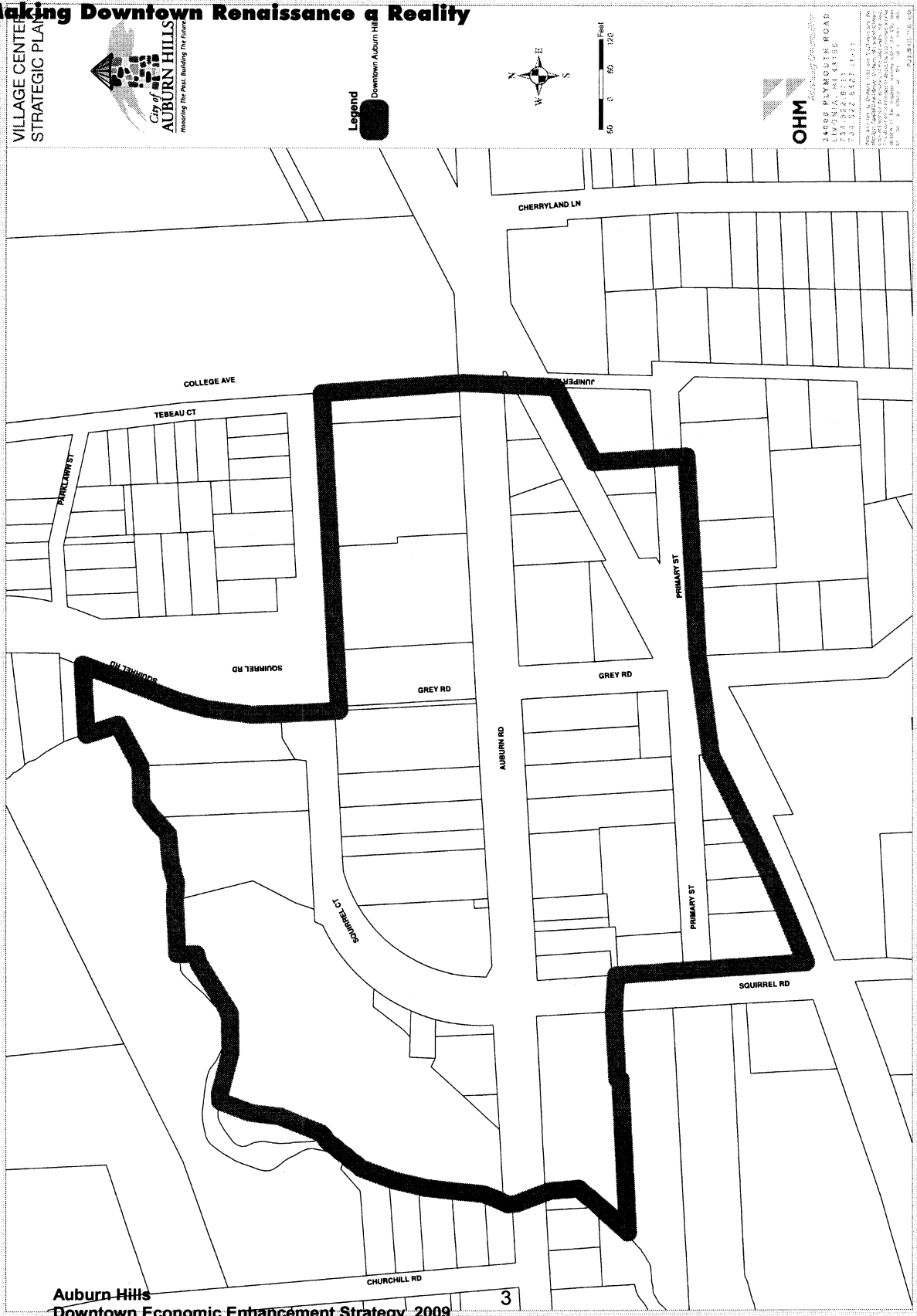
The boundaries of the project area are shown on the following page of this document.

The vision and the market analysis results were used as the foundation upon which to develop an economic enhancement strategy for Downtown Auburn Hills. The economic enhancement strategy was specifically crafted to further strengthen Downtown and to guide its future development – in-keeping with the community's vision and the market analysis findings.

The ***Auburn Hills Downtown Economic Enhancement Strategy 2009*** was completed by HyettPalma, Inc., with the involvement of the Process Committee formed by the City of Auburn Hills to oversee the project. The methodology used to define the ***Auburn Hills Downtown Economic Enhancement Strategy 2009*** was developed by HyettPalma, Inc., and has been used extensively by the firm in Downtowns throughout the United States.

To date, this methodology forms the basis of the technical assistance programs titled:

- ***America Downtown® -- New Thinking. New Life.,*** created in 1992 by the National League of Cities and HyettPalma;
- ***Indiana Downtown®***, created in 2001 by the Indiana Association of Cities and Towns and HyettPalma;
- ***Blueprints for Michigan's Downtowns***, created in 2003 by the Michigan Municipal League, the Michigan Economic Development Corporation, the Michigan State Housing Development Authority and HyettPalma; and
- ***Blueprints for Pennsylvania's Downtowns***, created in 2004 by the Pennsylvania League of Cities and Municipalities and HyettPalma.


VILLAGE CENTER
STRATEGIC PLAN
City of
AUBURN HILLS
Honoring The Past, Building The Future
Legend
Downtown Auburn Hills
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Feet
60
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60
120
OHM
CHERRYLAND LN
COLLEGE AVE
TEBEAU CT
PARKLAWN ST
JUNIPER
PRIMARY ST
SQUIRREL RD
GREY RD
AUBURN RD
SQUIRREL CT
CHURCHILL RD

Resident & Business Surveys

II. RESIDENT& BUSINESS SURVEYS

As a part of this project, two surveys were conducted to gauge the health of Downtown Auburn Hills, as perceived locally. These were a survey of owners/managers of all non-residential uses located in Downtown and a telephone survey of residents living in Downtown's primary retail trade area. A summary of the survey responses follows.

Frequency of Trips
Residents surveyed were asked how often they now come to Downtown Auburn Hills. In response, 26% reported coming to Downtown with considerable frequency – defined as between one and seven times a week.

One-fifth of those surveyed (20%) said they come to Downtown with moderate frequency – defined as from one to three times a month.

And, over one-half (54%) said they seldom or never come to Downtown Auburn Hills.

These results indicate that Downtown has considerable opportunity to further penetrate and capture spending dollars from within its primary trade area.

Purpose of Trips
Trade area residents were asked to cite the main reasons they now come to Downtown Auburn Hills. The top reason mentioned was "eating in restaurants" – cited by 28% of residents surveyed.

The next three most frequently mentioned responses were cited with similar frequency. These were "recreation" (12%), "shopping" (11%), and "banking" (11%).

Therefore, a majority of residents surveyed (62%) primarily come to Downtown for restaurants, recreation, shopping, and banking.

The remaining reasons residents mentioned for coming to Downtown Auburn Hills were:

- Entertainment (8%);

- Visiting family or friends (5%);
- Work (3%);
- Personal business (2%);
- Service businesses (2%);
- Live there (2%); and
- Various other reasons (2%) – events, church, walk the dog.

In addition, 14% of survey respondents said that when they find themselves in Downtown Auburn Hills it is because they are "passing through."

Shopping Area of Choice
Residents surveyed were asked where they currently do most of their family shopping at this time, other than grocery shopping. The most often cited location was the City of Auburn Hills, with 58% of residents saying they primarily shop at a location within the City.

The remaining 42% of residents surveyed said they do most of their shopping in Troy (18%), Rochester Hills (17%), Rochester (5%), or other areas (Sterling Heights and Orion Township – 2%).

Reasons for Choosing a Shopping Area
When asked why they choose to shop in a particular area, residents cited the following reasons:

- Convenience (37%);
- Closeness to their home (19%);
- Price (17%);
- The Variety/selection offered (15%);
- Closeness to their workplace (5%);
- Parking (5%); and
- The level of service offered (2%).

Downtown Characteristics
Trade area residents and Downtown business owners surveyed were asked to rate a list of nineteen Downtown characteristics as being "good," "fair," or "poor" at this time.

Fourteen characteristics were rated "good" by a majority of residents and nine were rated "good" by a majority of business owners. The nine characteristics rated "good" by a majority of business owners were among those rated "good" by a majority of residents. Those nine characteristics on which residents and business owners agreed were:

- Feeling of safety (93% residents, 88% business owners);
- Attractiveness of the area (90% residents, 91% business owners);
- Cleanliness of the area (89% of residents, 91% of business owners);
- Attractiveness of buildings (86% residents, 74% business owners);
- Traffic circulation (68% residents, 64% business owners);
- Availability of parking (65% residents, 71% business owners);
- Quality of service businesses (61% residents, 76% business owners);
- Convenience of parking (61% residents, 65% business owners); and
- Quality of restaurants (59% residents, 61% business owners).

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

- Helpfulness of salespeople (80% residents, 47% business owners);
- Business hours (57% residents, 32% business owners);
- Knowledge of salespeople (56% residents, 41% business owners);
- Prices at restaurants (56% residents, 45% business owners); and
- Quality of retail goods (51% residents, 42% business owners).

Downtown Improvements

Trade area residents and Downtown business owners were asked to rate a list of eighteen possible Downtown improvements as being "very important," "somewhat important," or "not important" at this time.

The same five improvements were rated "very important" by 50% or more of residents and business owners surveyed. These were:

- Increase the variety of retail goods (69% residents, 88% business owners);

- Increase the number of retail businesses (66% residents, 96% business owners);

- Increase the variety of restaurants (60% residents, 52% business owners);
- Improve the quality of retail goods (54% residents, 50% business owners); and
- Improve the variety of service businesses (54% residents, 78% business owners).

Additional Uses

Residents were asked what types of businesses or activities they would personally use if located in Downtown. In response, residents expressed their desire for:

- Specialty retail boutiques;
- Restaurants, cafes, coffee houses, and outdoor dining;
- Art and evening entertainment; and
- Activities and events for families.

Downtown Auburn Hills Tomorrow

III. DOWNTOWN AUBURN HILLS TOMORROW

A series of discussions, focus groups, and meetings were held to define the community's preferred vision of Downtown Auburn Hills – as it would ideally exist in the year 2014. A compilation of the thoughts and preferences expressed during those sessions is shown below.

By 2014, Downtown Auburn Hills would be a successful commercial area as well as a very popular community gathering place that has a strong sense of place and community. Also by that year, there would be a widespread awareness of how lovely Downtown Auburn Hills is.

All Downtown storefronts would be filled with highly appealing and successful businesses. Unique restaurants and unusual, funky boutiques would attract people from a broad area. Downtown would have an active nightlife, making it appeal to college students and area residents of varied ages. Amenities such as an ice rink would provide family entertainment. And, additional residents would be living in and near Downtown – drawn by and supporting Downtown's business mix.

Downtown would boast specialty restaurants and unique boutiques. These businesses would be of the type "not found anywhere else" and would, therefore, add to Downtown's allure.

Downtown would offer art, entertainment, and culture. This would range from late night places that attract college students to hands-on activities for children, such as a children's museum or a place to "paint a pot."

To further attract college students as well as business people, the entire Downtown would be a WiFi zone.

Downtown would be clean and attractive, as would areas adjacent to Downtown. The City would continue its "wonderful" flowers and lights, which are considered to be a major Downtown draw. Businesses would be added to Downtown that "make people want to stop." Downtown's buildings – current and future – would be "kept at the sidewalk line" to encourage foot traffic. Building fronts would be improved in a manner that makes them "cohesive" and gives Downtown "a nice

flow." And, outdoor seating at food places would be encouraged as a way of "creating life" on Downtown's walks.

Riverside Park would be used more by adding activities in the summer and amenities for winter use, such as a sled hill and ice rink.

Downtown would have a wide range of complementary uses. These would include:

- Unique restaurants;
- Specialty boutiques;
- Entertainment and nightlife – movies, live theater, concerts, etc.;
- Professional offices;
- Service businesses;
- A farmers market with produce, art, and food vendors;
- Housing for law and medical students;
- Housing for families;
- Owner-occupied condos; and
- A multi-use public space that is used on a regular basis.

Downtown's mix of uses would allow it to attract and appeal to a wide range of users. These would include:

- Residents of Auburn Hills and nearby communities;
- College students, parents, and friends;
- Professionals who work in Auburn Hills;
- The Palace of Auburn Hills-goers;
- Guests at area lodging facilities;
- Church congregations;
- I-75 travelers;
- Those coming to the area with sports leagues; and
- Families with children.

By the year 2014, Downtown Auburn Hills would be on its way to having the following image.

The upscale Downtown of a college town that
caters to its college students,
its residents, and
the professionals who work in the city.

A quaint, safe, and friendly neighborhood
of unique boutiques, one-of-a-kind restaurants,
art, entertainment, and nightlife plus
loft, condo, and student housing.

A "garden Downtown" of
flowers, shrubbery, and public art
making it very pleasant to view and spend time in.

A pedestrian-oriented Downtown
that is diverse –
in terms of the activities and businesses it offers and
the mix and ages of people drawn to it.

A Downtown of parks, plants, and pleasures
where there's so much to do that
you can spend a day there and
still not see it all!

Downtown Market Analysis

IV. DOWNTOWN MARKET ANALYSIS

To ensure long-term economic results and success, Auburn Hills's Downtown enhancement effort must be market-driven. This means that the effort must be one that results in all of Downtown's investors – business owners, property owners, developers, patrons, the local government, etc. – being able to realize an increasing return on their investments. This can only be achieved via an enhancement effort that is based on a sound, realistic understanding of Downtown's economic potentials. The following chapter quantifies Downtown's economic potentials in terms of retail, office, and housing development.

Downtown Retail Opportunities

Retail Trade Area – Downtown Auburn Hills's primary retail trade area has been defined as the geographic area from which the majority of retail customers are currently drawn and the geographic area which presents the greatest opportunity in the immediate future for gaining additional retail customers. Based on current customer travel patterns, discussions with local business leaders and government officials, and the opinion of HyettPalma, Inc., Downtown's primary retail trade area has been identified as the area shown on the attached map.

Retail Economic Indicators – Downtown's primary retail trade area can be currently characterized by the following economic indicators.

THE PRIMARY TRADE AREA HAS AN ESTIMATED POPULATION OF 168,704 – WITH AN ESTIMATED 63,875 HOUSEHOLDS (Source: ESRI estimate)

THE PRIMARY TRADE AREA POPULATION IS ESTIMATED TO INCREASE TO APPROXIMATELY 169,539 BY 2013 – WITH AN ESTIMATED 64,747 HOUSEHOLDS BY 2013 (Source: ESRI estimate)

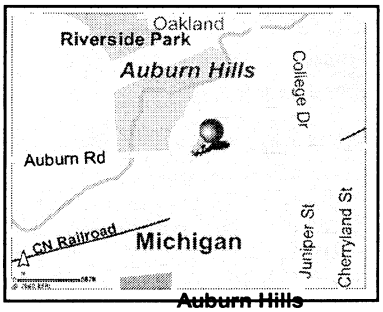
THE AVERAGE HOUSEHOLD SIZE IS 2.57 PERSONS, WHICH IS SLIGHTLY LESS THAN THE NATIONAL AVERAGE OF 2.59 (Source: ESRI estimate)

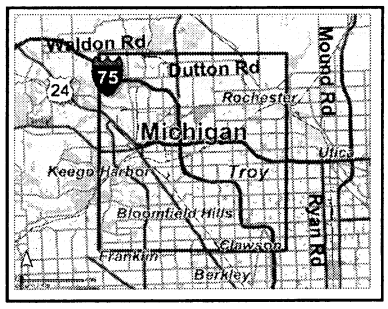
Primary Retail Trade Area
3333 Auburn Rd
Auburn Hills, MI 48326

Site Map

December 11, 2008

Latitude: 42.633657
Longitude: -83.222184





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THE TOTAL COMBINED INCOME OF HOUSEHOLDS WITHIN THE PRIMARY TRADE AREA IS APPROXIMATELY $7,439,000,000 PER YEAR (Source: ESRI estimate)

THE AVERAGE HOUSEHOLD INCOME FOR THOSE IN THE PRIMARY TRADE AREA IS APPROXIMATELY $116,462 AND IS PROJECTED TO INCREASE TO $138,418 ANNUALLY BY 2013 (Source: ESRI estimate)

Current Retail Businesses – Downtown Auburn Hills currently contains 18 retail businesses, which occupy approximately 50,000 square feet of building space. The retail inventory was completed by the Downtown Auburn Hills Process Committee and is shown on the following page.

Downtown Auburn Hills Retail Businesses by Standard Industrial Classification

SIC CODE	BUSINESS TYPE	# BUS.	TOT. SQ. FT.
54	**Food Store**		
5451	Dairy Products	1	384
56	**Apparel and Accessories**		
5641	Children's Apparel	1	5,684
57	**Furniture and Home Furnishings**		
5719	Misc. Home Furnishings	1	5,684
58	**Eating/Drinking**		
5812	Eating Places	2	8,301
5813	Drinking Places	1	7,336
59	**Miscellaneous Retail**		
5921	Liquor Store	1	5,684
5943	Stationery	1	3,169
5949	Sewing/Piece Goods	1	500
5992	Florist	1	1,600
5999	Miscellaneous Retail	2	3,650
	Select Support Services		
7231	Beauty Shops	2	3,180
7241	Barber Shops	2	1,777
	Amusement and Recreation Services		
7911	Dance Studios/Schools	2	3,500

TOTAL NUMBER OF RETAIL BUSINESSES	**18**	
TOTAL SQUARE FEET OF OCCUPIED RETAIL BUSINESS SPACE		**50,449**

TOTAL NUMBER OF VACANT RETAIL SPACES	**8**	
TOTAL SQUARE FEET OF VACANT RETAIL BUSINESS SPACE		**19,113**

Source: Downtown Auburn Hills Process Committee

Retail Potential – Currently, within Downtown's primary trade area, the total estimated demand for retail products is approximately $1,307,000,000 per year. This demand is shown on the following graph. A complete presentation of retail product demand for the primary trade area is shown in **THE RETAIL REPORT®**, contained in the Appendix of this document.

As a conservative estimate, it is assumed that Downtown Auburn Hills retail businesses now generate an average (blended figure) of approximately $225 per year per square foot in retail sales.

Since Downtown currently contains approximately 50,000 square feet of occupied retail space, Downtown Auburn Hills should currently be generating approximately $11,000,000 in retail sales per year.

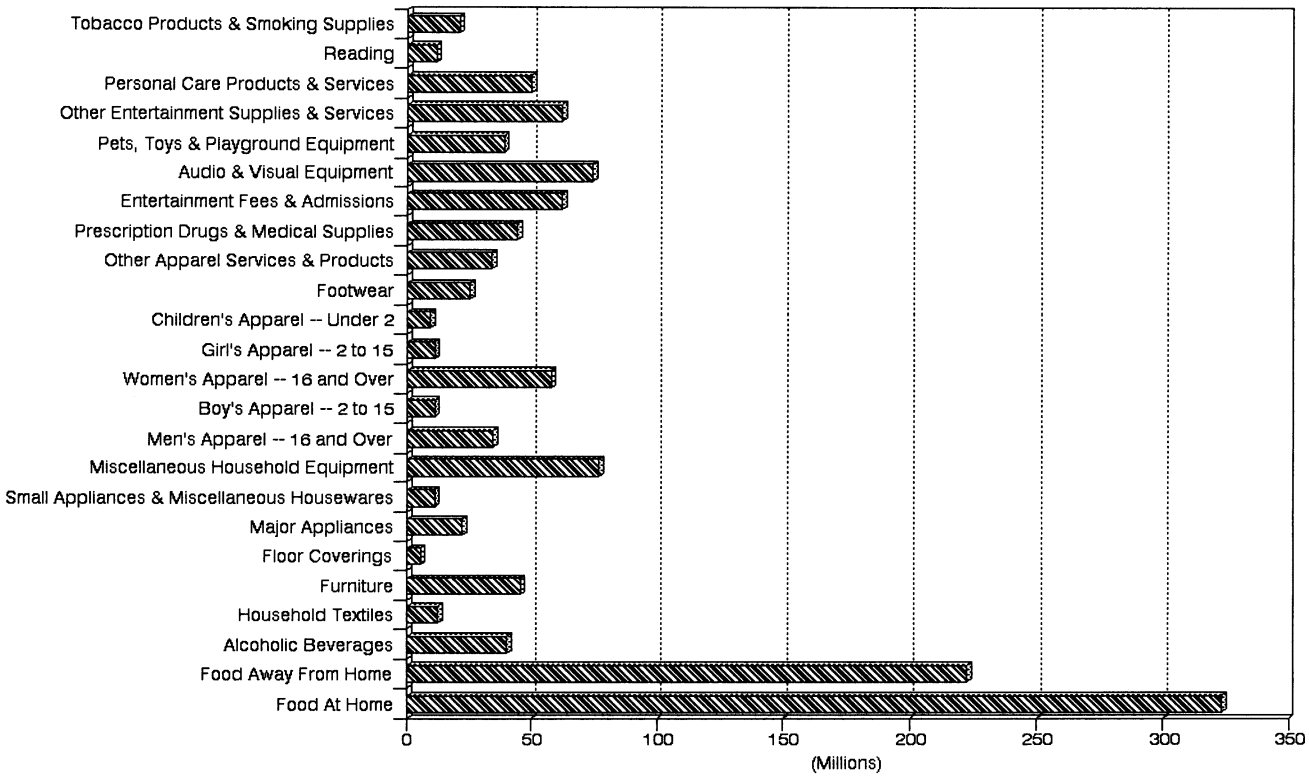
By dividing the project area's estimated annual retail sales – $11,000,000 – by the total estimated demand for retail products within the primary trade area – $1,307,000,000 – it can be concluded that Downtown Auburn Hills may currently be capturing approximately .8% of the retail sales potential within the primary trade area. And, the balance of the demand is being captured by businesses within other parts of the primary trade area and/or by businesses in other trade areas.

Taking steps to further enhance Downtown Auburn Hills, and barring a significant decline in the national or regional retail economy, it is conservatively anticipated that Downtown may have the potential to increase its share of retail sales in its primary trade area from the current level of approximately .8% to between 1.15% and 1.25% by the year 2014. This should be considered a goal of the economic enhancement program.

If Downtown Auburn Hills is able to increase its market share to between 1.15% and 1.25% by the year 2014, it is possible that the project area may be able to increase its total capture of retail sales to between $15,000,000 and $16,000,000 by the year 2014 – considered in constant 2009 dollars.

This increase in total retail sales could potentially support the development of between approximately 18,000 and 22,000 net square feet of additional retail space by the year 2014 – which could include expansions or sales increases by existing Downtown Auburn Hills retail businesses and/or the construction of new retail space.

TOTAL PRODUCT DEMAND
BY PRODUCT TYPE



It must be noted that Downtown's ability to gain a larger market share will be contingent on efforts to enhance its business climate, enhance and expand its existing businesses, and recruit additional retail businesses to the area. If such efforts are aggressively and diligently implemented – on an on-going basis – the actual growth in Downtown's market share could potentially be much higher than projected. Conversely, by the year 2014, Downtown Auburn Hills's market share could be much less than projected above if efforts to enhance the area and expand/recruit businesses are not diligently and continually pursued.

Retail Business Development – Based on the findings of this retail market analysis, the opportunity exists to enhance and expand certain types of retail businesses that are currently located in Downtown Auburn Hills. In addition, the opportunity also exists to attract additional businesses to Downtown. A list of the types of retail businesses recommended for potential enhancement, expansion, and attraction is presented in the chapter of this document titled ***Course of Action***.

Downtown Office Opportunities

Office Market Indicators – Several key economic indicators that characterize the current office operations within Downtown Auburn Hills follow.

- Downtown Auburn Hills currently contains a total of 11 various office occupants occupying approximately 52,000 square feet of building space.
- Downtown's occupied office space serves, primarily, the personal needs of those who live within the broader community.
- The most significant concentrations of offices include finance, insurance, business services, and public safety services.
- Downtown Auburn Hills does not contain many of the traditional institutional occupants found in most traditional Downtowns, such as City Halls, post offices, library, schools, museums, etc.

Current Office Uses – The variety of office occupants found in Downtown can be seen in the following table, in which office tenants are listed by SIC numbers. The office inventory was completed by the Downtown Auburn Hills Process Committee.

Downtown Auburn Hills
Offices by SIC Code

SIC CODE	BUSINESS TYPE	# BUS.	TOT. SQ. FT.
60	**Depository Institutions**		
602	Commercial Banks	1	5,000
63/64	**Insurance**		
641	Insurance Agents/Brokers	2	2,858
65	**Real Estate**		
653	Real Estate Agents/Mgrs.	1	500
72	**Personal Services**		
722	Photographic Studios	1	3,100
73	**Business Services**		
738	Misc. Business Services	1	23,248
80	**Health Services**		
802	Offices/Clinics of Dentists	1	2,018
86	**Membership Organizations**		
861	Businesss Associations	1	1,600
866	Religious Organizations	1	3,000
92	**Courts/Justice/Public Safety**		
922	Public Safety	1	8,844
93	**Finance, Tax & Monetary Pol.**		
931	Fin., Tax & Monetary Policy	1	1,404

TOTAL NUMBER OF OFFICE BUSINESSES	**11**	
TOTAL SQUARE FEET OF OCCUPIED OFFICE BUSINESS SPACE		**51,572**
TOTAL NUMBER OF VACANT OFFICE SPACES	**1**	
TOTAL SQUARE FEET OF VACANT OFFICE BUSINESS SPACE		**1,500**

Source: Downtown Auburn Hills Process Committee

Office Potential – It is anticipated that most of Downtown's office market growth will continue to consist of office uses which serve, primarily, the personal needs of those who live in, or in proximity to, Downtown Auburn Hills's primary trade area. Communities nationwide have experienced the fact that – as improvements are made in the overall economic and physical conditions of their Downtowns – an associated increase in demand for office space normally follows. This is also expected to hold true for Downtown Auburn Hills. Demand for office space is also anticipated to increase due to natural household growth in the area, which is projected for the immediate future. It is also likely that additional institutional uses will be developed in Downtown Auburn Hills in order to make the commercial district a more pronounced center of community life and activity.

Therefore, it is estimated that approximately 10,000 to 15,000 square feet of additional office space could potentially be supported in Downtown Auburn Hills between now and the year 2014. This should be considered an economic goal for the enhancement effort.

It must be noted that the actual growth in Downtown's office demand could be higher if Downtown is able to attract general offices, or back office operations from outside the area, to attract office occupants currently located elsewhere in the community; or to experience significant expansion by current Downtown office operations.

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

Downtown Housing Opportunities

The ***Downtown Economic Enhancement Strategy*** project area contains approximately 27 dwelling units at this time. These units are occupied by approximately 61 residents. And, Downtown Auburn Hills is fortunate to be completely surrounded by residential neighborhoods.

As has been found throughout the nation during the past three decades – regardless of community size or location – as a Downtown's physical environment and mix of businesses is improved, demand for housing in and near that Downtown also increases. This can expected as well in Downtown Auburn Hills. There is also considerable interest locally to undertake significant

redevelopment in some residential and commercial areas located near Downtown, if future market conditions support such an undertaking,

Every effort should be made, consistent with the ***Downtown Economic Enhancement Strategy***, to introduce more quality housing – both market-rate and affordable housing – in and in proximity to Downtown Auburn Hills.

As market conditions allow, every effort should be made to introduce:

- More loft apartments in the upper floors of new structures throughout Downtown – market rate and affordable;
- Single- and multi-family housing – market-rate and affordable – if redevelopment takes place in or near Downtown; and
- Both owner-occupied and rental units.

Rather than placing arbitrary or artificial limits on the number of housing units appropriate for Downtown Auburn Hills – and in neighborhoods near the commercial district – it is suggested that the absorption of units in the marketplace be used as the indicator of demand. And, that every effort be made to develop the greatest number of quality units possible in and near Downtown when market conditions allow.

Course of Action

V. COURSE OF ACTION

This chapter includes a ***Course of Action*** specifically designed to help Downtown Auburn Hills attain the community's vision, take advantage of the economic opportunities revealed through the market analysis, and become more economically successful and self-sustaining.

Overall Direction

Following is the overall approach which should be taken to further enhance Downtown Auburn Hills.

1. Function

Downtown Auburn Hills should function as:

- The community's gathering place and the place for community celebrations;
- A pedestrian-oriented place, with buildings, walks, and all public improvements developed and oriented to underscore Downtown's pedestrian character and charm;
- The primary location for independently-owned businesses, offering what such businesses do best, including welcoming, personal services and maximum interaction between business owners/employees and patrons;
- More than just a place of commerce, serving as a neighborhood retail, food, art, entertainment, office, and residential center;
- A unique destination, with a strong sense of place;
- A commercial center serving diverse markets, including residents, students, professionals, families, and multiple generations of patrons;
- A bold indicator of the character and overall quality-of-life enjoyed throughout Auburn Hills; and

- The most unique business district of Auburn Hills, with:
    - A quaint and charming atmosphere;
    - Cool restaurants;
    - Unique boutiques;
    - Outdoor dining;
    - Entertainment;
    - Spectacular streetscape;
    - Choices;
    - Fun, lively and good energy;
    - A small town feel that never goes out of style; and
    - Activity day and night.

2. Call It Downtown

The area defined as the study area for this ***Downtown Economic Enhancement Strategy*** should be called Downtown.

The area immediately surrounding Downtown should be considered the Village Center. This broader Village Center area should be considered Downtown's first tier market. As Downtown is further enhanced, every effort should be made to retain, protect, further strengthen, and redevelop appropriate properties throughout the Village Center.

3. Size of Downtown

Some question if the ***Downtown Economic Enhancement Strategy*** project area is too small to attract businesses. The current compact size of the project area is ideal and manageable. The area should not be expanded at this time in order to ensure that significant demand is created and maintained in order to support the further enhancement of existing structures and the infill development of new buildings.

4. Synergy

Downtown needs a significant cluster of businesses in order to create a more pronounced critical mass of activity and a more pronounced draw. Therefore, an aggressive business recruitment effort is essential to make Downtown the draw, rather than the site of several destination businesses.

5. Trust

There is some concern locally that the community has been talking about Downtown revitalization for years but that not much has happened to date. The fact is that, while the community has desired to create a more vibrant Downtown, Auburn Hills has never had a comprehensive strategy to guide the enhancement effort – particularly the economic enhancement of Downtown. The community has undertaken a tremendous number of quality infrastructure improvements, including roadway upgrading, sidewalk installation, and streetscape. It is now time to enter the next phase of the overall enhancement effort with a pronounced emphasis on business and overall economic development.

6. Traffic Counts

Some question whether traffic counts are too low in Downtown Auburn Hills to attract businesses. The fact is that Downtown is an appropriate location for independent businesses, not nationals at this time. And, in most cases, independent businesses do not choose a location based on traffic counts. As Downtown is further enhanced and becomes more of a destination, traffic counts will increase. However, traffic counts are high enough now to attract unique businesses.

7. Return On Investment

The City has made a significant investment to date in Downtown Auburn Hills – in excess of $17,000,000 – and deserves to see a return on that investment. The City's investment has set the stage for future private investment in Downtown. And, fortunately, the worst is over in terms of disruption caused by massive public infrastructure improvements. Now it is time to recruit businesses and for the private sector to understand that they need to do their part to invest in Downtown – both current and future businesses and property owners.

8. Next Steps

The City of Auburn Hills has done a great job in Downtown and laid a solid foundation of streetscape improvements that are beautiful, of high quality, well-maintained, and demonstrate high standards of excellence to guide future development and rehabilitation.

Now it is time to place maximum emphasis on:

- Business Development;

- Marketing;
- Working in Partnership;
- Displaying Strong and Decisive Leadership; and
- Maintaining a Can Do Attitude.

Now is the time to move Downtown to the next level.

Destinations

Several significant Downtown destinations should be created to further emphasize Downtown's position as the center of community activity. Those destinations are described below.

1. Riverside Park

The City of Auburn Hills is currently completing a plan to create a riverwalk and make other improvements to Riverside Park – located in Downtown Auburn Hills. The park is a significant city-wide draw for Downtown and the further enhancement of the park is greatly anticipated by the public.

In addition to those improvements being discussed for the park, the following improvements should also be considered.

- Performance Area – A more formalized performance area should be created in the park – such as an amphitheater. The performance area should be made as visible as possible from Downtown and should be developed as close as possible to Downtown's businesses.
- Ice Rink – Consideration should be given to the installation of a temporary ice rink in the park during winter months, to enhance winter use of the park and draw more people to Downtown.
- Park Visibility – Visibility of the park – as viewed from the balance of Downtown – should be enhanced. This improvement could entail the simple removal of scrub vegetation and overgrown trees along the edge of Squirrel Court, which borders the park.

The overall goal of Riverside Park improvements – as it relates to the further economic enhancement of Downtown – should be to attract more users to the park and, in turn, more potential customers for Downtown.

2. Downtown Satellite Library Services Center

Downtown Auburn Hills currently lacks traditional public uses which serve as draws for the general public and students. An opportunity exists to create public facilities which can act as economic draws for Downtown.

As recently suggested by the City's Library Director, consideration should be given to the opening of a Downtown library facility that offers some traditional library services, plus:

- A coffee house;
- A gathering place; and
- A multi-functional facility that serves multiple markets during non-traditional hours of operation, such as:
    - Early morning for pre-school story hours, etc;
    - Mid-day for mature adults;
    - Early-evening for families; and
    - Late night for college students – open until 2 or 3:00 am.

The Downtown Satellite Library Services Center should function as a Downtown draw which attracts potential customers for Downtown businesses at all hours of the day and night.

3. Farmers Market

A farmers market should be created and opened in Downtown, to serve the community and, particularly, nearby Village Center residents. The market should be open one day per week from Spring to Fall. The market should be located in a highly visible area of Downtown – such as the closed portion of Grey Road at Auburn or a City parking lot. The market should offer traditional fare, such as produce, and should also offer art, crafts, entertainment, and prepared food as the market matures.

4. Performance Space

The community is calling for more entertainment in Downtown, but Downtown lacks a sufficient space to accommodate performances, other than entertainment offered in restaurants and bars.

Consideration should be given to the creation of a small performance space in Downtown which could be used for a variety of small productions, such as plays, music, comedy, movies, etc. The ideal space would be similar to the Purple Rose in Chelsea, Michigan.

The City should explore the feasibility of developing and operating such a facility working collaboratively with educational institutions, the arts community, local corporations, and any other groups interested in expanding Auburn Hills cultural offerings.

As the community grows, particularly given the of those living and moving into and near Auburn Hills, the demand for more cultural options will unquestionably increase. The development of a performance space in Downtown Auburn Hills would be a great addition to the overall quality-of-life of the entire community and beyond.

Public Improvements

As noted many times already throughout this economic enhancement strategy, the City of Auburn Hills has done an excellent job setting the stage for further private sector improvements through the completion of substantial streetscape and public infrastructure improvements in Downtown Auburn Hills. One of the most disruptive initiatives that can be undertaken in any Downtown is infrastructure improvements. Fortunately, most of the public improvements needed to further enhance Downtown Auburn Hills have been completed. And, the quality and character of these improvements has set the bar high as an example for others to follow.

To leverage the impact of the existing public improvements undertaken in Downtown Auburn Hills, and further induce private investment in Downtown, the following additional public improvements should be completed in the immediate future.

1. Wayfinding Sign System

The City has recently installed identification signs at City entrances, Village Center entrances, and at significant public facilities, such as parks and public buildings. In order to aid motorists as they navigate throughout Auburn Hills, and to better identify Downtown, a more comprehensive wayfinding sign system is needed. The system should lead motorists to Downtown from all parts of the community, as well as lead motorists to other important destinations throughout Auburn Hills.

In addition, "Welcome to Downtown Auburn Hills" signs should be erected at all entrances to Downtown from Squirrel and Auburn.

The design and installation of the wayfinding system should be coordinated with the area's colleges and universities, since they will also benefit from a comprehensive wayfinding system that identifies and directs motorists to the community's educational institutions.

2. Public Safety

Based on all research completed in association with the preparation of this ***Downtown Economic Enhancement Strategy***, Downtown Auburn Hills is perceived to be a safe place by local and area-wide residents. And, according to the City's Police Chief, "Downtown is safe."

The City of Auburn Hills provides a high level of police protection in Downtown. As weather allows, the Police Department should continue its extensive use of bike and foot patrols in Downtown, which ensures the highest level of friendly police presence and visibility.

3. Public Art

In order to add to the quaint feel and uniqueness of Downtown Auburn Hills, high quality, indigenous public art should be commissioned and placed:

- In the median on Squirrel;
- At the intersection of Squirrel and Auburn;
- Along the anticipated new Riverwalk; and
- On the grounds of Fire Station #1.

4. WiFi

Steps should be taken to make Downtown a WiFi area, in order to attract professionals and students, and induce businesses that could benefit from the amenity to locate in Downtown Auburn Hills. This improvement would also benefit public services employees who need to electronically communicate with or from Downtown Auburn Hills – including police, fire, utility, recreation, and public works functions.

5. Maintenance

The City of Auburn Hills does an excellent job maintaining public properties and facilities throughout Downtown. This effort should be continued because it makes a significant impression on those visiting the area, ensures that public improvements will last, and, in addition, adds to the feeling of safety in the area by showing that the City pays special attention to Downtown Auburn Hills.

Research has shown that well maintained Downtowns attract investors, including businesses, property owners, residents, and customers. Therefore, the aggressive maintenance of Downtown's public improvements and spaces should be recognized as a significant economic development tool.

Real Estate Improvements

The following actions should be taken to further induce quality real estate development projects throughout Downtown Auburn Hills.

1. Existing Buildings

The City currently operates a façade grant program with funds provided through the Auburn Hills Tax Increment Finance Authority. The program provides a dollar for dollar match for building improvement projects, with grants ranging from $5,000 to $20,000.

This excellent incentive should be continued and should be aggressively promoted as a means by which to improve both front and rear façades of existing buildings, including the installation of new business signs.

The program should also be used to induce more businesses to install projecting signs, which make businesses more visible to motorists, pedestrians, and public safety personnel.

2. Infill Construction

Downtown Auburn Hills currently contains several parcels of vacant property which will likely be developed as Downtown is further enhanced and as market conditions allow.

When these parcels are developed, attention should be given to re-creating the streetwall on Auburn Road. This means that buildings developed along Auburn should be placed at the sidewalk line, with any associated parking developed in rears or underground. This will reinforce Downtown's pedestrian-oriented, urban village character.

New, infill buildings appropriate for Downtown Auburn Hills include:

- Multi-story, pedestrian-scale buildings, one- to five-stories in height;
- Mixed-use buildings, with retail on the first floor and offices and housing in the upper floors;
- Zero lot line development – built to the sidewalk line; and
- Rear or underground parking to accommodate the specific needs of each building.

3. Fire Station #1

The City of Auburn Hills is open-minded about relocating Fire Station #1 and making the current fire station site available for private development. While this is a great idea, relocation and subsequent development of this valuable property should be considered a secondary priority of the overall economic enhancement effort – unless a very attractive venture surfaces for the redevelopment of the property.

The time to consider marketing the fire station site would be when the other vacant parcels in Downtown have been fully developed. And, if the fire station property is redeveloped, any new construction should be undertaken in accordance with the above recommendations for new infill buildings on Auburn Road.

4. Student Housing

National developers of student housing have shown some interest in constructing student housing to accommodate the needs of Auburn Hills's growing student population. Downtown would be an ideal location for student housing, especially as the economic vitality and viability of Downtown is enhanced by providing draws and commercial offerings that appeal to the student demographic.

Therefore, the City should aggressively work with any qualified developer interested in creating quality student housing in Downtown or in Village Center.

5. City-Owned Property in Downtown

The City currently owns an attractive parcel of vacant property at the southwest corner of the intersection of Squirrel and Auburn. This is a great location, but it is understood that the property has some environmental challenges – brownfield issues.

If interest is shown in constructing a building to house an anchor business – such as a drugstore or food market – then the City should be more than reasonable in working with a qualified investor to condition the site, transfer ownership of the property, and accommodate the construction of an infill building on the site. In this particular location, it would be appropriate to construct either at the sidewalk line or with setbacks, as has been previously discussed for the site. A one- to five-story mixed-use building would also be appropriate for the site, if deemed feasible and appropriate by the developer.

Traffic & Parking

The following actions should be taken to increase the supply and convenience of Downtown parking, induce more Downtown development projects, and ensure safe and convenient traffic flow throughout Downtown Auburn Hills.

1. On-Street Parking

The City commissioned a parking study for Downtown in 2002. One of the recommendations of the study was to "Maximize on-street parking opportunities whenever possible." On-street parking, in all Downtown areas, is the most sought-after parking by customers.

Consideration should be given to the re-introduction of angled parking onto Auburn Road – on both sides of the street if possible.

The re-introduction of angled parking on Auburn would not only increase the supply of Downtown's most valuable parking spaces, but would also act as a traffic calming measure, thereby increasing the pedestrian comfort of Downtown.

2. Parking Deck

The 2002 Downtown parking study also recommended that the City construct a parking deck when needed to accommodate demand. The City should give serious consideration to building a parking deck on a current surface level parking lot. The ideal location for a deck appears to be the public surface-level parking lot facing Primary Street between Squirrel and Gray.

If resources are available, the City should consider building the parking deck as soon as possible in order to avoid the certain increased cost of developing the deck later. Construction of the deck now would also act as a stimulant to future infill construction, particularly if some amount of increased private sector parking demand could be accommodated by deck spaces.

3. Fee in Lieu of Parking (Development)

The City recently instituted a program which enables developers of Downtown projects to pay a fee for parking in lieu of developing parking to accommodate parking demand generated by new projects. It appears that the City receives considerable criticism from the business community for charging the fee, and that the fee is hindering the City's ability to attract private investors to Downtown Auburn Hills.

This criticism is understandable, since most Downtowns throughout Michigan and the nation do not require developers to pay into such a program or to follow the same requirements for parking that would be expected in a suburban or non-traditional business district.

In fact, most Downtowns have abolished parking requirements for private development or change of use as an incentive to induce investment. Most Downtowns consider parking a public amenity.

In addition, it is assumed that most lenders financing the construction of new infill development in Downtown Auburn Hills will require the development of some amount of on-site parking in association with financed projects. This is the norm for most contemporary construction projects regardless of their location. Therefore, a deficiency in parking should not be as significant as locally

anticipated when new infill construction takes place in Downtown Auburn Hills in the near future.

Therefore, to put Downtown Auburn Hills in a more competitive investment advantage in the future, the City should suspend (not abolish) the fee in lieu of parking program at this time. At the same time, parking requirements for Downtown should be suspended.

It is felt that if the City constructs an adequately sized public parking deck, then future parking demand not accommodated on private property can be adequately accommodated by on- and off-street public parking facilities.

In addition, it should be understood by all that, while parking is an important accessory, it is just that, an accessory. The most important thing to concentrate on at this point is inducing more private sector investment in businesses and buildings in Downtown Auburn Hills and to remove as many impediments as possible that restrict either.

4. Traffic Speed Limit

The speed limit in Downtown Auburn Hills is currently 25 mph. And, the speed limit is enforced – more aggressively than some would like. This should be recognized, from the pedestrian's and Downtown business owner's perspective, as a positive situation, since it ensures that Downtown is pedestrian-oriented and provides pedestrian comfort and safety.

A safe Downtown pedestrian environment is greatly desired by the community.

5. College Shuttle

Considerable desire exists to create links between Downtown and the community's numerous institutions of higher learning. As more uses are created in Downtown that appeal to students, consideration should be given to operating a College Shuttle between Downtown and Oakland University and other campuses with residential populations. As the City is discussing, the likelihood of such a shuttle being used by a significant number of students will likely increase as the number of Downtown businesses operating late at night increases. In fact, the shuttle service might only be in demand at night.

6. Through Truck Traffic

While it is understood that there is a certain amount of displeasure with the passing of trucks – particularly cement trucks – through Downtown, the cost of constructing alternate roadway facilities would be tremendous and, unfortunately, roadways that trucks can use are normally available for cars to use – to by-pass Downtown. Fortunately, not many trucks travel through Downtown on a daily basis. And, it is most likely that as Downtown is more fully developed with more businesses and more activity, the issue of truck traffic will be lessened due to the increased number of passenger vehicles frequenting the area.

Therefore, it is recommended that the City continue to monitor truck traffic in Downtown to ensure that trucks found there are, in-fact, local traffic and not pass-through traffic.

Business Development

An aggressive effort should be made, through existing business retention and new business recruitment initiatives, to create a Downtown business mix that attracts and targets residents, students, professionals, and visitors. The following actions should be taken to stimulate a higher level of business development in Downtown Auburn Hills.

1. Business Hours

As Downtown is further enhanced, business owners should pay particular attention to their hours of operation. The hours a business is open should reflect the desires and tastes of targeted customers. For example, if a business intends to attract college students, the business must be open during evening hours – particularly late evening hours. If a business caters primarily to the senior demographic – such as a drug store – then the hours of operation should be calibrated to the waking hours of seniors. If a hair salon desires to have the patronage of kids, working and non-working adults, and students, then the salon should be open during the day and at least early evening.

The best way for any business to determine appropriate hours of operation is to discuss the issue with target customers and customer groups. This is known as operating via market-driven, as opposed to owner-driven, hours.

2. Outdoor Seating

The City currently allows outdoor restaurant seating on Downtown's sidewalks. Every Downtown food establishment should offer some number of outdoor seats during clement weather. The City should be flexible and allow the maximum number of outdoor seats, as long as safe pedestrian access is maintained.

If the appearance of tables, chairs, and barriers is a concern, the City should consider a grant or stipend for business owners who use one of several designs "approved" or "preferred" for use in Downtown Auburn Hills.

3. First Floor Uses

Ideally, the first floors of buildings on Auburn Road, from Squirrel to Gray and over time to Juniper – should be reserved for impulse-oriented uses, including retail, food, art, and entertainment. The placement of businesses in the first floors of buildings in this area should be guided at this time through a close working relationship between the owners of buildings and the overall enhancement effort's business attraction initiatives. When vacancies occur in first floor space, owners should be given assistance in recruiting appropriate impulse-oriented uses to available first floor space.

As Downtown is further enhanced, consideration should be given to zoning first floor space in appropriate areas on Auburn Road for impulse-oriented uses only.

4. Appropriate Business Types for Downtown

The community desires:

- Convenience, daily businesses for Downtown, such as a drug store, grocery store, barber shop, etc.; and

- Specialty, unique, independently-owned Downtown businesses, not like those found in malls and not chain businesses.

This market orientation should be stressed in all business recruitment efforts and existing Downtown businesses should take note of this desire.

The community also desires to increase the number of retail and food establishments in Downtown, along with introducing cultural and entertainment choices. This should be reflected in the business recruitment effort conducted for Downtown.

5. Top List of New Businesses

Following is a listing of the top appropriate new businesses for Downtown Auburn Hills, which should be recruited as a priority:

- Restaurants, particularly ethnic restaurants – Mexican is a type frequently mentioned by the community – with entertainment and mid-range price points;
- Green grocer;
- Drug store;
- Bakery/deli;
- Coffee house;
- Gifts, cards, stationery;
- Art galleries, supplies, and classes; and
- Clothing and accessories – casual, vintage, jewelry.

6. Full List of Appropriate Downtown Businesses

Following is a full listing of businesses and other uses appropriate for Downtown Auburn Hills.

Prepared Food

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

Food for Home
- Groceries;
- Green/Organic/Gourmet Grocer; and
- Health Foods.

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

Specialty Retail
- Art Galleries, Framing, Crafts, and Supplies;
- Bike Shop;
- Books and Periodicals;
- Cameras and Photo Supplies;
- Casual Apparel and Accessories;
- Computers and Software;
- Florist;
- Gifts;
- Home Decorating Products and Design Services;
- Office/School Supplies;
- Optical Products;
- Sewing Supplies;
- Small Variety Store;
- Stationery and Cards;
- Toys, Games and Crafts; and
- Traditional and Costume Jewelry.

Convenience Retail/Select Support Services
- Barber Shops;
- Beauty Shops;
- Spa;
- Dance Studio;
- Dry Cleaners/Tailor Shop;
- Pharmacy; and
- Physical Fitness Facility.

Offices
- Accounting, Auditing, Bookkeeping;
- Advertising;
- Commercial Banks;
- Computer and Data Processing;
- Credit Reporting and Collection;
- Credit Unions;
- Dentists Offices and Clinics;

- Doctors Offices and Clinics;
- Engineering, Architectural Services;
- Fire, Marine Casualty Insurance;
- General Government;
- Health and Allied Services;
- Home Health Care Services;
- Individual and Family Services;
- Legal Services;
- Library;
- Life Insurance;
- Management and Public Relations;
- Medical Service and Health Insurance;
- Newspapers and Other Media Outlets;
- Passenger Transportation Arrangement;
- Personnel Supply Services;
- Photographic Studios;
- Post Office;
- Print Shops;
- Public Order and Safety;
- Real Estate Agents and Managers;
- Residential Care;
- Savings Institutions;
- Security Brokers and Dealers;
- Subdividers and Developers;
- Tax Services; and
- Title Abstract and Insurance Offices.

Housing and Other Uses

- Housing above first floor uses;
- Housing as infill on redeveloped lots, underutilized lots, and surface parking lots;
- Museums;
- Churches in buildings designed as churches, not storefronts; and
- Lodging facilities, if market conditions prove feasible in the future.

7. Business Recruitment

Three types of business recruitment efforts should be undertaken for Downtown Auburn Hills, as described below.

- Internal Business Recruitment – This form of business creation is actually the growing of businesses from within. Working with existing Downtown Auburn Hills business owners, those owners interested in growing their businesses should be encouraged and assisted in efforts to expand their current operations or open new business doors. For example, if an

existing hair salon desires to offer additional products to their customers, they might consider opening a clothing or gift shop within or near the salon in order to enable their loyal customers to make additional purchases during a trip to the salon. Or, a successful art gallery might desire to expand their business by opening additional display space in an adjacent or nearby building. In either case – new openings or expansions – the growing of new businesses by existing businesses is a very cost-effective way to create new businesses in any business district. It also enables existing businesses to take maximum advantage of new business opportunities and gain from and leverage their recognition in the marketplace.

- External Business Recruitment – This is the traditional form of business attraction, characterized by seeking business prospects form outside Downtown to open a new store or relocate their current business to Downtown.

  The City's Economic Development Coordinator, working with Downtown property owners, should aggressively seek appropriate business prospects – as noted in this ***Downtown Economic Enhancement Strategy*** – for Downtown Auburn Hills when space is about to become available. Prospecting for business prospects should be undertaken throughout the Detroit metro area and central, southern and eastern Michigan.

- Potential Entrepreneurs – The word should be gotten out through the media and local industry to those recently separated from area industries and corporations concerning:

  - What types of businesses are being sought for Downtown; and

  - What type of technical assistance is available to help develop workable business plans, such as the SBTDC, local colleges and universities, etc.

  The City's Economic Development Coordinator should also be available to help entrepreneurs having viable business plans find appropriate building space in Downtown Auburn Hills.

8. Business Attraction Incentives

The City of Auburn Hills should be flexible in offering incentives to attract appropriate new businesses for Downtown, with incentives offered on a case-by-case basis. For example, if a business prospect of the type shown on the "Top List" is identified and requires some form of inducement to open a new business in Downtown Auburn Hills – such as moving expenses or help with building improvements – then consideration should be given to extending that assistance to the prospect if, again, it is a type of business desired for Downtown Auburn Hills.

In addition, other incentives that might be considered include:

- Issuance of a liquor license;
- Paying for business signs; and
- Making loans for furnishings and fixtures.

Incentives that should be avoided include working capital and rent subsidies.

Building owners should also be encouraged to offer incentives – such as progressive rent schedules or build-out funding – in order to further strengthen Downtown's competitive advantage in the recruitment effort.

9. Recruitment Materials

The City of Auburn Hills should prepare and provide to business prospects the following types of information customized for each business type:

- Information concerning available building space, including rents, lease terms, and purchase prices;

- Applicable sections of ***The Retail Report***, contained in the Appendix of this ***Downtown Economic Enhancement Strategy***;

- A description of any incentives offered through the Downtown enhancement effort – such as façade grants, market analysis findings, public parking, etc. – and how to access those incentives;

- City regulations, processes, costs, etc., to open and operate a business in Downtown; and

- Contact information for key "go to" personnel, such as the Economic Development Coordinator, Building Inspector, Codes Administrator, etc.

Marketing

The following marketing campaign should be implemented for Downtown Auburn Hills in order to:

- Increase the awareness of Downtown's business mix and offerings;
- Create a unique image for Downtown;
- Assist Downtown's businesses in better penetrating the primary trade area; and
- Pique the interest of potential Downtown investors

1. Story Placement

Working with media throughout Downtown's primary trade area is especially important for creating an awareness and an image of Downtown in the minds of the buying public, business prospects, the investment community, and potential future residents of Downtown. Therefore, an all-out effort should be made to develop contacts with print and electronic media throughout the trade area, provide those contacts with information about Downtown "happenings" on a regular basis, and assist those contacts in every way possible as they "cover" Downtown. The goal of the effort should be to get positive stories about Downtown placed on a regular and on-going basis.

2. Existing Avenues

All other existing avenues of communication should also be used to spread the word and create excitement about Downtown improvements, events, activities, and offerings. This should include the City's *Auburn Hills Review*, the Chamber of Commerce's newsletter, and any other informational mailings or e-mails distributed by area colleges, civic groups, and service clubs.

3. Events

It is very important to stage high quality, unique, and popular special events in Downtown on an annual basis in order to establish Downtown as the community's social gathering place. Currently, the following major events are held in Downtown:

- Vibes in the Village Music Series;
- Summerfest, which includes the Taste of Auburn Hills and car show; and
- The City Christmas Tree Lighting Ceremony.

In addition, the Memorial Day Parade and Avondale Homecoming Parade both travel through Downtown and the Clinton River Paddlepalooza is scheduled to be created and held in Downtown in 2009.

The following suggestions are offered to strengthen and increase the attendance at Downtown's existing special events:

- The Vibes in the Village Music Series should be held weekly, from Memorial Day to Labor Day;
- Summerfest should become Downtown's major, signature event by adding to it more art and entertainment activities; and
- In conjunction with the City's Tree Lighting Ceremony, EVERY Downtown business should be decorated for the holidays – and this should be done in a manner that is AT LEAST equal in quality to the decorations placed in Downtown by the City.

4. Web

It is absolutely essential for Downtown Auburn Hills to have a strong presence on the Web – especially if Downtown businesses hope to attract and appeal to students of Cooley Law School, Baker College, Central Michigan University, Oakland Community College, and Oakland University. This should be accomplished by:

- Ensuring that Downtown has an appealing page on the City's Web site;
- Eventually creating a separate Web site just for Downtown; and
- Using social networking sites – such as Facebook – to get the word out about Downtown.

Ideally, Downtown would also have a separate page on the Chamber's Web site.

5. Advertising

While the above marketing elements should be put into place for Downtown Auburn Hills as a whole, it should go without saying that each and every Downtown business owner should advertise their business in a tireless and quality manner.

6. Future

In the future, as the desired business mix is created in Downtown, the following elements should be added to the Downtown marketing campaign:

- Image ads – that advertise Downtown as a whole, stressing the unique experience one can enjoy there;

- Cross-marketing – between businesses that have the ability to share customers, such as food and entertainment venues; and

- A glossy "lure brochure" that entices the buying public to choose to come to Downtown.

As a minimum, the Downtown brochure should be widely distributed by being placed in/at:

- Area colleges;
- Area hotels;
- Area corporations;
- Churches;
- Riverside Park;
- The trail;
- The Palace of Auburn Hills;
- The Walter P. Chrysler Museum;
- Michigan visitor centers;
- Great Lakes Crossing;
- Buildings on the City Campus;
- All Downtown businesses; and

- All locations where area residents and visitors tend to gather in large numbers (grocery stores, restaurants, gas stations, post offices, libraries, special events, etc.).

Management

The most successful Downtown enhancement efforts nationwide are those implemented by a partnership of the public, business, non-profit, and residential sectors. Such partnerships allow a Downtown's constituents to:

- Embrace a shared direction;
- Provide a unified voice for Downtown's enhancement;
- Provide the strong and committed leadership needed for implementation to occur;
- Tackle and resolve the tough issues facing Downtown; and
- Clearly define roles and responsibilities so that needed actions can be taken by the community's leaders – and can stimulate others to take such action – that are in the best interest of Downtown as a whole.

This is essential for Downtown success. The following actions are recommended to allow this to occur in Downtown Auburn Hills.

1. DDA

There appears to be great local interest in resurrecting the Downtown Development Authority (DDA) which exists "on the books" in Auburn Hills. This is a step that should be taken in order to create an entity that can act as a partner with City Hall, can advocate for Downtown as a whole, and can champion implementation of this ***Downtown Economic Enhancement Strategy***.

However, in establishing the Auburn Hills DDA, it should be recognized that a DDA is not an automatic Downtown panacea. Instead, it can be seen across Michigan that DDAs are only as successful and effective as their board members make them. Therefore, the Auburn Hills DDA should be expected – from its out set – to act as a strong and active partner with City Hall in implementing the ***Downtown Economic Enhancement Strategy***.

2. Staff

The City's Economic Development Coordinator – with assistance from other City departments, such as Parks & Recreation and Public Service – should provide staff assistance to the DDA.

3. Funding

As its sunset date approaches, the existing TIFA should be renewed. And, the monies generated by the TIFA should be used to fund the DDA.

In addition, it should be noted that Downtown owners must assume the responsibility of "doing their share" financially by enhancing their businesses, improving their buildings, and marketing their businesses – as the DDA and City "do their share" by championing this ***Downtown Economic Enhancement Strategy***.

If funds beyond those generated by the TIFA are needed to implement this ***Downtown Economic Enhancement Strategy*** in a timely and quality manner, the following potential funding sources should be considered:

- City, County, and State governments;
- Federal programs and earmarks;
- Industry, corporations, and major employers;
- Institutions;
- Business owners and commercial property owners;
- Banks and utilities;
- Area foundations;
- Non-profit organizations;
- Service clubs; and

- Any individual, entity, or institution that stands to benefit from an enhanced Downtown Auburn Hills.

4. Adopt

To ensure a unified direction and voice for Downtown, the DDA and TIFA should adopt this ***Downtown Economic Enhancement Strategy*** as their official guide for Downtown's enhancement over the next five years. And, it is hoped that City Council will adopt this document as the Downtown element of the City's comprehensive plan.

Implementation Sequence

VIII. IMPLEMENTATION SEQUENCE

This document contains numerous actions recommended for revitalizing Downtown Auburn Hills. This chapter shows the recommended actions that should be carried out during the **first year** of the enhancement effort.

Toward the end of each year, the implementation sequence should be updated. And within four to five years, consideration should be given to updating the

4. City's Economic Development Coordinator – with assistance from other City departments – provide staff support to DDA.

Destinations Actions

1. Complete Riverside Park plan and implement improvements asap, including recommendations made in the ***Downtown Economic Enhancement Strategy***

Year-1 Implementation Sequence Auburn Hills Downtown Economic Enhancement Strategy 2009 (continued)

Traffic & Parking Actions

1. Install angled parking on Auburn, if deemed feasible.
2. Construct parking deck asap.
3. Suspend fee in lieu of parking program and Downtown parking requirements.

Business Development Actions

1. Work with business owners to understand and institute market-driven business hours of operation.
2. Encourage and assist restaurant owners in providing the maximum number of outdoor seats.
3. Work with building owners to fill first floor space with impulse-oriented uses.
4. Establish and employ business attraction incentives.
5. Prepare business recruitment materials.
6. Create/recruit appropriate "Top List" businesses for Downtown.

Marketing Actions

1. Develop media contacts and aggressively place stories.
2. Use all existing avenues of communication to get the word out about Downtown enhancement efforts.
3. Enhance events, as per recommendations of ***Downtown Economic Enhancement Strategy***.
4. Enhance Downtown's Web presence.

Appendix

HyettPalma

Making Downtown Renaissance a Reality

THE RETAIL REPORT®

Downtown Auburn Hills Primary Retail Trade Area

HyettPalma

Making Downtown Renaissance a Reality

1600 Prince Street • Suite 110
Alexandria, Virginia 22314
Phone 703 683 5125
E-Mail: info@hyettpalma.com

THE RETAIL REPORT®

THE RETAIL REPORT, presented within this document, was specifically prepared for Downtown Auburn Hills, Michigan. This document presents information concerning the characteristics of the Downtown Auburn Hills primary retail trade. The report was prepared in 2008 by HyettPalma, Inc.

THE RETAIL REPORT presents:

- The current demographic and socio-economic characteristics of customers in the Downtown Auburn Hills primary retail trade area;
- A five year projection of changing demographic and socio-economic conditions in the Downtown Auburn Hills primary retail trade area;
- A projection of the number of retail dollars that residents in the Downtown Auburn Hills primary retail trade area spend on retail goods; and
- A projection of the total retail spending potential for 24 classes of retail goods sought by customers in the Downtown Auburn Hills primary retail trade area.

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DEMOGRAPHIC AND SOCIO-ECONOMIC CHARACTERISTICS

ESRI

Primary Retail Trade Area
3333 Auburn Rd
Auburn Hills, MI 48326

Site Type: Radius

Latitude: 42.633657
Longitude: -83.222184
Radius: 5.0 mile

Summary	2000	2008	2013
Population	167,200	168,704	169,539
Households	62,149	63,875	64,747
Families	43,308	43,570	43,514
Average Household Size	2.62	2.57	2.55
Owner Occupied HUs	44,527	45,639	45,684
Renter Occupied HUs	17,622	18,236	19,063
Median Age	36.1	38.3	39.2

Trends: 2008-2013 Annual Rate	Area	State	National
Population	0.1%	0.39%	1.23%
Households	0.27%	0.52%	1.26%
Families	-0.03%	0.26%	1.05%
Owner HHs	0.02%	0.34%	1.07%
Median Household Income	2.7%	2.47%	3.19%

	2000		2008		2013	
Households by Income	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**
< $15,000	6,955	11.2%	5,325	8.3%	4,237	6.5%
$15,000 - $24,999	5,685	9.1%	4,449	7.0%	3,727	5.8%
$25,000 - $34,999	5,738	9.2%	4,664	7.3%	3,307	5.1%
$35,000 - $49,999	7,920	12.7%	6,039	9.5%	6,054	9.4%
$50,000 - $74,999	10,863	17.5%	10,972	17.2%	9,785	15.1%
$75,000 - $99,999	7,830	12.6%	8,409	13.2%	9,578	14.8%
$100,000 - $149,999	8,667	13.9%	10,550	16.5%	11,881	18.3%
$150,000 - $199,000	3,835	6.2%	5,077	7.9%	5,020	7.8%
$200,000+	4,742	7.6%	8,392	13.1%	11,159	17.2%
Median Household Income	$59,824		$76,101		$86,928	
Average Household Income	$87,418		$116,462		$138,418	
Per Capita Income	$32,787		$44,365		$53,166	

	2000		2008		2013	
Population by Age	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**
0 - 4	11,378	6.8%	10,932	6.5%	11,168	6.6%
5 - 9	13,094	7.8%	11,360	6.7%	10,946	6.5%
10 - 14	12,945	7.7%	12,407	7.4%	11,493	6.8%
15 - 19	11,937	7.1%	12,914	7.7%	12,523	7.4%
20 - 24	9,704	5.8%	10,312	6.1%	11,291	6.7%
25 - 34	21,709	13.0%	19,183	11.4%	19,023	11.2%
35 - 44	26,817	16.0%	23,120	13.7%	21,448	12.7%
45 - 54	25,910	15.5%	26,540	15.7%	26,438	15.6%
55 - 64	15,691	9.4%	21,090	12.5%	22,474	13.3%
65 - 74	9,929	5.9%	10,965	6.5%	12,508	7.4%
75 - 84	5,969	3.6%	6,941	4.1%	6,820	4.0%
85+	2,114	1.3%	2,942	1.7%	3,406	2.0%

	2000		2008		2013	
Race and Ethnicity	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**
White Alone	114,240	68.3%	107,388	63.7%	102,481	60.4%
Black Alone	34,071	20.4%	36,374	21.6%	37,544	22.1%
American Indian Alone	495	0.3%	445	0.3%	431	0.3%
Asian Alone	10,474	6.3%	15,525	9.2%	19,453	11.5%
Pacific Islander Alone	70	0.0%	79	0.0%	93	0.1%
Some Other Race Alone	4,331	2.6%	5,023	3.0%	5,466	3.2%
Two or More Races	3,518	2.1%	3,870	2.3%	4,071	2.4%
Hispanic Origin (Any Race)	9,605	5.7%	11,124	6.6%	12,120	7.1%

Data Note: Income is expressed in current dollars.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2008 and 2013.

PRODUCT DEMAND BY INCOME GROUP

DOWNTOWN AUBURN HILLS'S RETAIL TRADE AREA
COMPUTATION OF TOTAL RETAIL PRODUCT DEMAND BY INCOME GROUP

Household Income	# Hlds.	$ Per Hld.	Total $ Demand
< $15000	5,325	8,205	43,691,625
$15000-24999	4,449	10,028	44,614,572
$25000-34999	4,664	12,168	56,751,552
$35000-49999	6,039	14,042	84,799,638
> $50000	43,400	24,818	1,077,101,200
TOTAL DEMAND FOR PRODUCT		=	$1,306,958,587

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

DEFINITION OF PRODUCT:

Food at home, food away from home, alcoholic beverages, household textiles, furniture, floor coverings, major appliances, small appliances and miscellaneous housewares, miscellaneous household equipment, men's apparel, women's apparel, boy's apparel, girl's apparel, children's apparel, shoes, other apparel products and services, prescription drugs and medical supplies, entertainment fees and admissions, televisions, radios, sound equipment, toys, playground equipment, entertainment equipment, personal care products and services, reading products, tobacco products and smoking supplies.

PRODUCT DEMAND BY PRODUCT TYPE

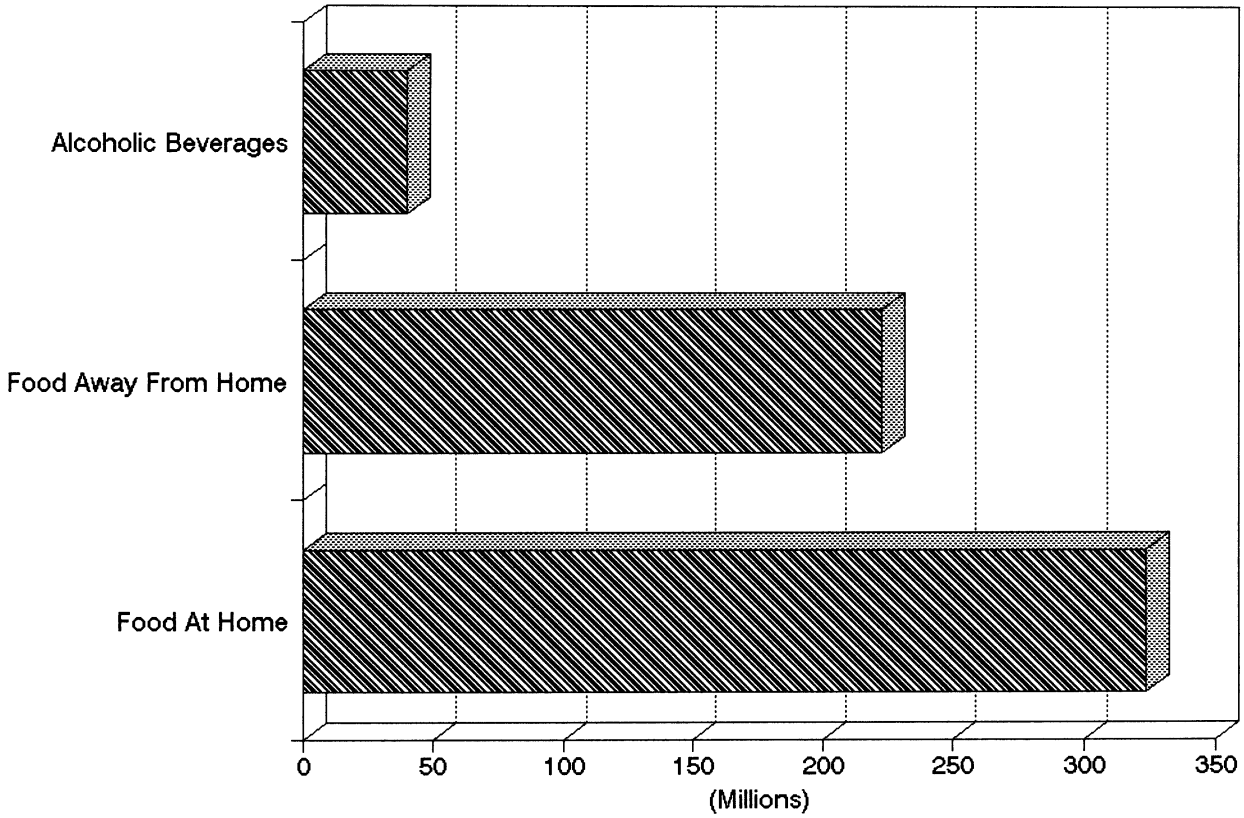
DOWNTOWN AUBURN HILLS'S RETAIL TRADE AREA
COMPUTATION OF TOTAL RETAIL PRODUCT DEMAND BY PRODUCT TYPE

PRODUCT	DEMAND
Food At Home	323,598,403
Food Away From Home	222,452,572
Alcoholic Beverages	39,718,421
Household Textiles	12,616,146
Furniture	45,213,743
Floor Coverings	6,053,689
Major Appliances	22,012,836
Small Appliances & Miscellaneous Housewares	11,593,483
Miscellaneous Household Equipment	76,458,020
Men's Apparel -- 16 and Over	34,695,834
Boy's Apparel -- 2 to 15	11,138,730
Women's Apparel -- 16 and Over	57,819,310
Girl's Apparel -- 2 to 15	11,521,430
Children's Apparel -- Under 2	9,305,335
Footwear	25,308,735
Other Apparel Services & Products	33,609,435
Prescription Drugs & Medical Supplies	44,345,120
Entertainment Fees & Admissions	62,287,090
Audio & Visual Equipment	74,438,950
Pets, Toys & Playground Equipment	38,634,240
Other Entertainment Supplies & Services	61,705,325
Personal Care Products & Services	49,749,945
Reading	11,687,245
Tobacco Products & Smoking Supplies	20,994,550
TOTAL DEMAND BY PRODUCT TYPE =	$1,306,958,587

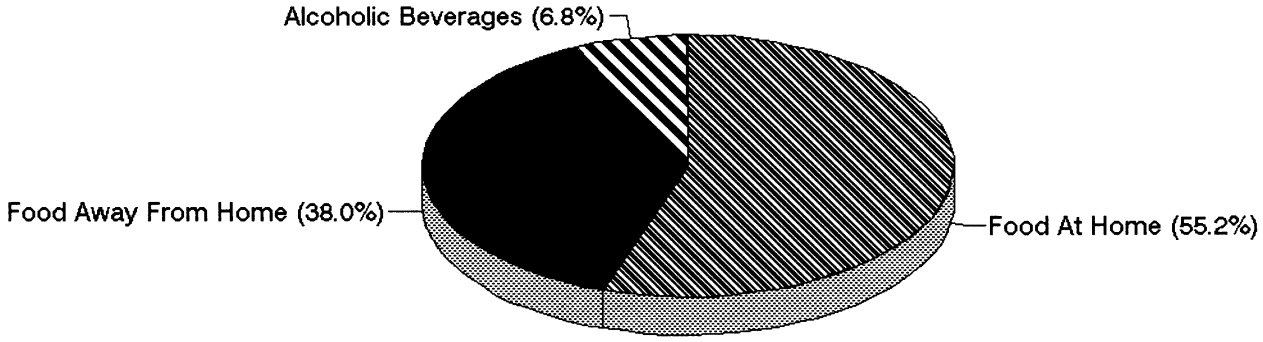
SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEMAND FOR FOOD PRODUCTS

FOOD PRODUCTS
$ DEMAND BY PRODUCT TYPE



FOOD PRODUCTS
% DEMAND FOR EACH DOLLAR



DOWNTOWN AUBURN HILLS'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: FOOD AT HOME

Household Income	# Hlds.	$ Per Hld.	Total $ Demand
< $15000	5,325	2,760	14,697,000
$15000-24999	4,449	3,155	14,036,595
$25000-34999	4,664	3,312	15,447,168
$35000-49999	6,039	3,760	22,706,640
> $50000	43,400	5,915	256,711,000
TOTAL DEMAND FOR PRODUCT		=	$323,598,403

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

DEFINITION OF PRODUCT:

Food at grocery stores or other food stores.

DOWNTOWN AUBURN HILLS'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: FOOD AWAY FROM HOME

Household Income	# Hlds.	$ Per Hld.	Total $ Demand
< $15000	5,325	1,284	6,837,300
$15000-24999	4,449	1,498	6,664,602
$25000-34999	4,664	1,926	8,982,864
$35000-49999	6,039	2,354	14,215,806
> $50000	43,400	4,280	185,752,000

TOTAL DEMAND FOR PRODUCT = $222,452,572

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

DEFINITION OF PRODUCT:

All food at restaurants, carryouts and vending machines.

DOWNTOWN AUBURN HILLS'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: ALCOHOLIC BEVERAGES

Household Income	# Hlds.	$ Per Hld.	Total $ Demand
< $15000	5,325	192	1,022,400
$15000-24999	4,449	224	996,576
$25000-34999	4,664	360	1,679,040
$35000-49999	6,039	395	2,385,405
> $50000	43,400	775	33,635,000
TOTAL DEMAND FOR PRODUCT		=	$39,718,421

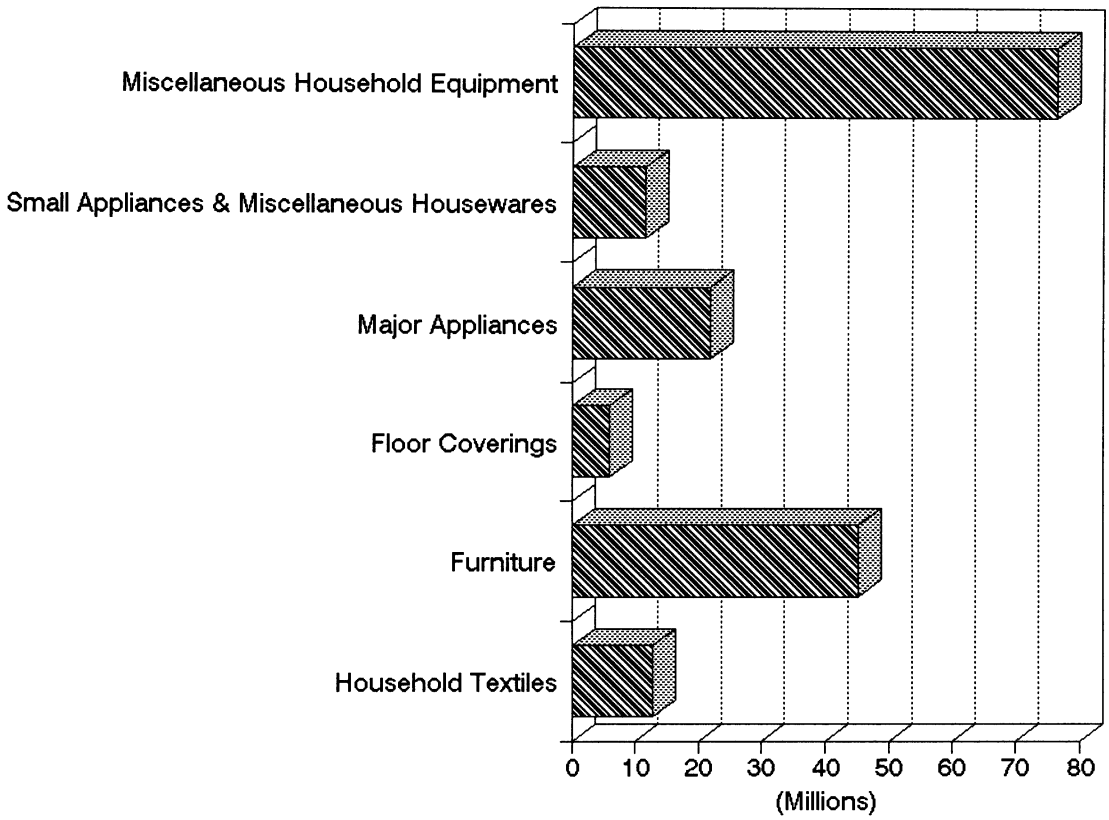
SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

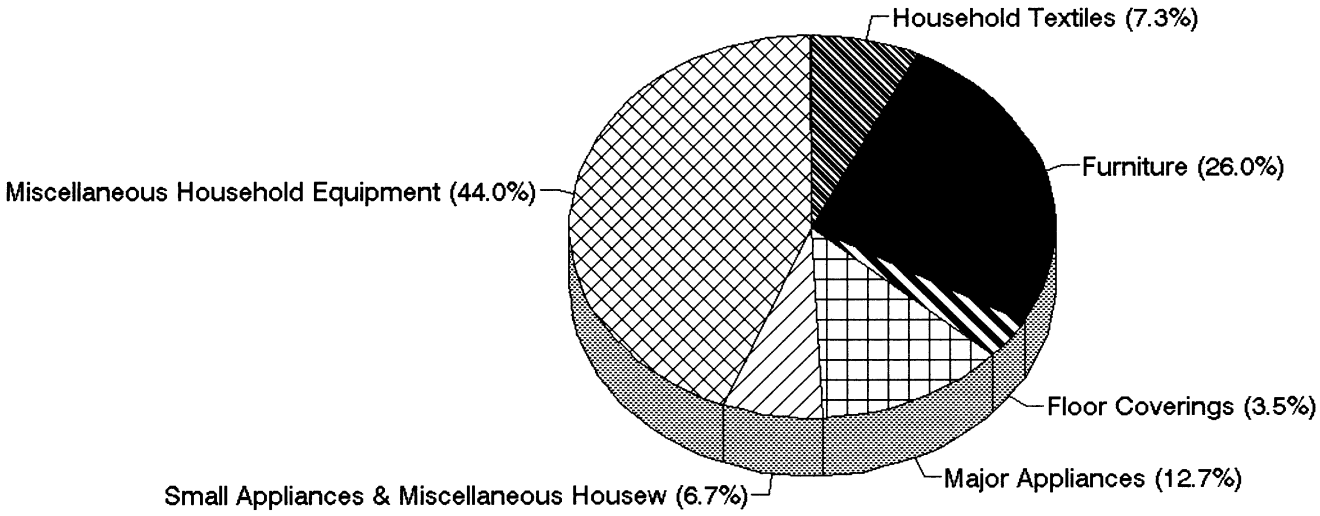
All alcoholic beverages.

DEMAND FOR HOME PRODUCTS

HOME PRODUCTS
$ DEMAND BY PRODUCT TYPE



HOME PRODUCTS
% DEMAND FOR EACH DOLLAR



DOWNTOWN AUBURN HILLS'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: HOUSEHOLD TEXTILES

Household Income	# Hlds.	$ Per Hld.	Total $ Demand
< $15000	5,325	50	266,250
$15000-24999	4,449	111	493,839
$25000-34999	4,664	138	643,632
$35000-49999	6,039	175	1,056,825
> $50000	43,400	234	10,155,600
TOTAL DEMAND FOR PRODUCT		=	$12,616,146

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

DEFINITION OF PRODUCT:

Bathroom, bedroom, kitchen, dining room, and other linens, curtains and drapes, slipcovers, pillows and sewing materials.

DOWNTOWN AUBURN HILLS'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: FURNITURE

Household Income	# Hlds.	$ Per Hld.	Total $ Demand
< $15000	5,325	155	825,375
$15000-24999	4,449	241	1,072,209
$25000-34999	4,664	321	1,497,144
$35000-49999	6,039	385	2,325,015
> $50000	43,400	910	39,494,000
TOTAL DEMAND FOR PRODUCT		=	$45,213,743

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

DEFINITION OF PRODUCT:

All indoor and outdoor furniture.

DOWNTOWN AUBURN HILLS'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: FLOOR COVERINGS

Household Income	# Hlds.	$ Per Hld.	Total $ Demand
< $15000	5,325	21	111,825
$15000-24999	4,449	30	133,470
$25000-34999	4,664	33	153,912
$35000-49999	6,039	38	229,482
> $50000	43,400	125	5,425,000
TOTAL DEMAND FOR PRODUCT		=	$6,053,689

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

DEFINITION OF PRODUCT:

Carpet, rugs and other soft floor coverings.

DOWNTOWN AUBURN HILLS'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: MAJOR APPLIANCES

Household Income	# Hlds.	$ Per Hld.	Total $ Demand
< $15000	5,325	99	527,175
$15000-24999	4,449	134	596,166
$25000-34999	4,664	145	676,280
$35000-49999	6,039	185	1,117,215
> $50000	43,400	440	19,096,000
TOTAL DEMAND FOR PRODUCT		=	$22,012,836

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

DEFINITION OF PRODUCT:

Refrigerators, freezers, dishwashers, stoves, ovens, garbage disposals, vacuum cleaners, microwaves, air conditioners, sewing machines, washing machines, dryers, and floor cleaning equipment.

DOWNTOWN AUBURN HILLS'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: SMALL APPLIANCES & MISC. HOUSEWARES

Household Income	# Hlds.	$ Per Hld.	Total $ Demand
< $15000	5,325	65	346,125
$15000-24999	4,449	92	409,308
$25000-34999	4,664	98	457,072
$35000-49999	6,039	102	615,978
> $50000	43,400	225	9,765,000
TOTAL DEMAND FOR PRODUCT		=	$11,593,483

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

DEFINITION OF PRODUCT:

Small electrical kitchen appliances, portable heaters, china and other dinnerware, flatware, glassware, silver and serving pieces, nonelectrical cookware and plastic dinnerware.

DOWNTOWN AUBURN HILLS'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: MISCELLANEOUS HOUSEHOLD EQUIPMENT

Household Income	# Hlds.	$ Per Hld.	Total $ Demand
< $15000	5,325	370	1,970,250
$15000-24999	4,449	394	1,752,906
$25000-34999	4,664	845	3,941,080
$35000-49999	6,039	856	5,169,384
> $50000	43,400	1,466	63,624,400
TOTAL DEMAND FOR PRODUCT		=	$76,458,020

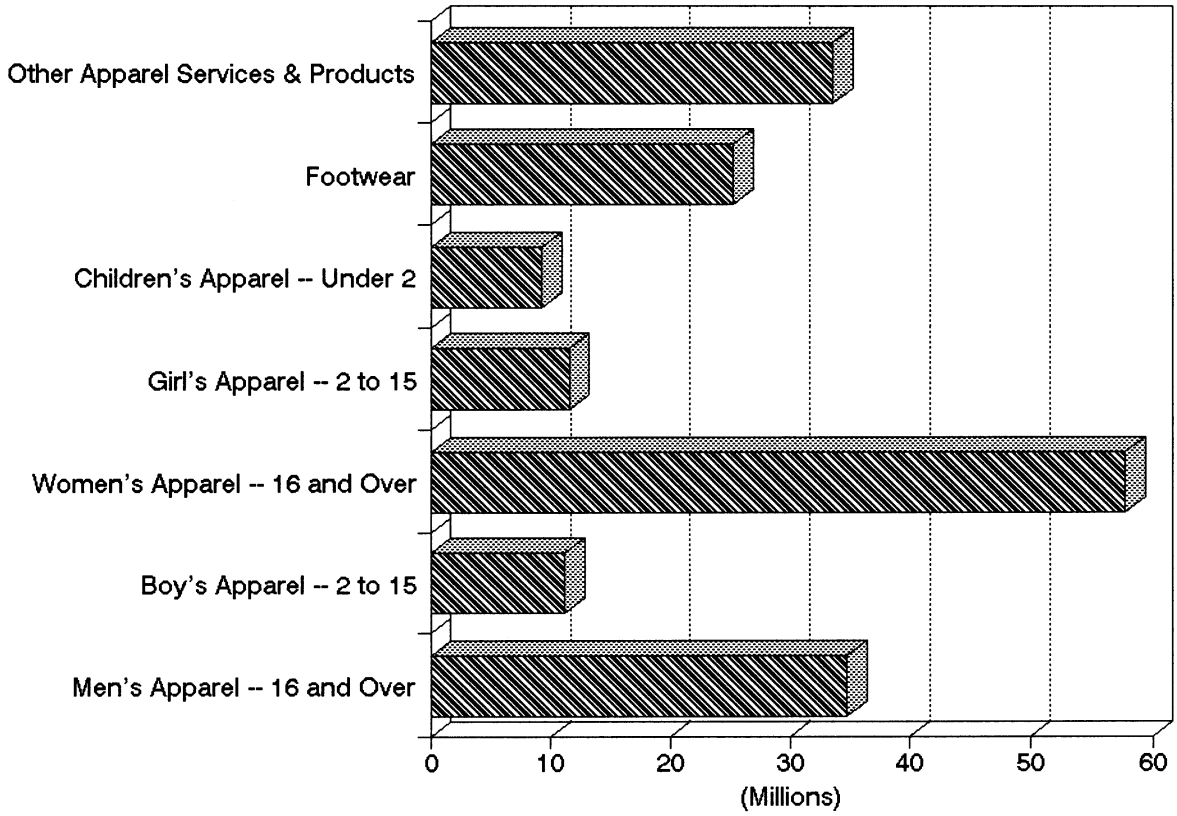
SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

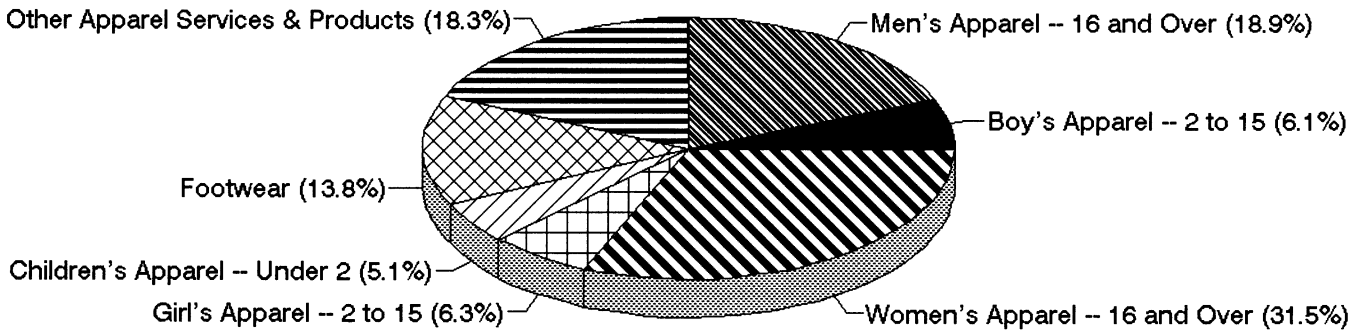
Typewriters, luggage, lamps, light fixtures, window coverings, clocks, lawnmowers, garden equipment, hand and power, tools, telephone devices, computers, office equipment, house plants, outdoor equipment, and small miscellaneous furnishings.

DEMAND FOR APPAREL PRODUCTS

APPAREL PRODUCTS
$ DEMAND BY PRODUCT TYPE



APPAREL PRODUCTS
% DEMAND FOR EACH DOLLAR



DOWNTOWN AUBURN HILLS'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: MEN'S APPAREL -- 16 AND OVER

Household Income	# Hlds.	$ Per Hld.	Total $ Demand
< $15000	5,325	214	1,139,550
$15000-24999	4,449	244	1,085,556
$25000-34999	4,664	285	1,329,240
$35000-49999	6,039	392	2,367,288
> $50000	43,400	663	28,774,200
TOTAL DEMAND FOR PRODUCT		=	$34,695,834

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

DEFINITION OF PRODUCT:

All apparel items and accessories, excluding footwear.

DOWNTOWN AUBURN HILLS'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: BOY'S APPAREL -- 2 TO 15

Household Income	# Hlds.	$ Per Hld.	Total $ Demand
< $15000	5,325	65	346,125
$15000-24999	4,449	105	467,145
$25000-34999	4,664	125	583,000
$35000-49999	6,039	140	845,460
> $50000	43,400	205	8,897,000

TOTAL DEMAND FOR PRODUCT = $11,138,730

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

DEFINITION OF PRODUCT:

All apparel items and accessories, excluding footwear.

DOWNTOWN AUBURN HILLS'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: WOMEN'S APPAREL -- 16 AND OVER

Household Income	# Hlds.	$ Per Hld.	Total $ Demand
< $15000	5,325	370	1,970,250
$15000-24999	4,449	390	1,735,110
$25000-34999	4,664	525	2,448,600
$35000-49999	6,039	650	3,925,350
> $50000	43,400	1,100	47,740,000
TOTAL DEMAND FOR PRODUCT		=	$57,819,310

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

DEFINITION OF PRODUCT:

All apparel items and accessories, excluding footwear.

DOWNTOWN AUBURN HILLS'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: GIRL'S APPAREL -- 2 TO 15

Household Income	# Hlds.	$ Per Hld.	Total $ Demand
< $15000	5,325	45	239,625
$15000-24999	4,449	80	355,920
$25000-34999	4,664	100	466,400
$35000-49999	6,039	115	694,485
> $50000	43,400	225	9,765,000

TOTAL DEMAND FOR PRODUCT = $11,521,430

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

DEFINITION OF PRODUCT:

All apparel items and accessories, excluding footwear.

DOWNTOWN AUBURN HILLS'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: CHILDREN'S APPAREL -- UNDER 2

Household Income	# Hlds.	$ Per Hld.	Total $ Demand
< $15000	5,325	65	346,125
$15000-24999	4,449	75	333,675
$25000-34999	4,664	85	396,440
$35000-49999	6,039	105	634,095
> $50000	43,400	175	7,595,000

TOTAL DEMAND FOR PRODUCT = $9,305,335

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

DEFINITION OF PRODUCT:

All apparel items and accessories, including footwear.

DOWNTOWN AUBURN HILLS'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: FOOTWEAR

Household Income	# Hlds.	$ Per Hld.	Total $ Demand
< $15000	5,325	225	1,198,125
$15000-24999	4,449	240	1,067,760
$25000-34999	4,664	300	1,399,200
$35000-49999	6,039	350	2,113,650
> $50000	43,400	450	19,530,000
TOTAL DEMAND FOR PRODUCT		=	$25,308,735

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

DEFINITION OF PRODUCT:

All footwear, except for children under 2 and special footwear used for sports such as bowling or golf shoes.

DOWNTOWN AUBURN HILLS'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: OTHER APPAREL SERVICES & PRODUCTS

Household Income	# Hlds.	$ Per Hld.	Total $ Demand
< $15000	5,325	170	905,250
$15000-24999	4,449	200	889,800
$25000-34999	4,664	210	979,440
$35000-49999	6,039	255	1,539,945
> $50000	43,400	675	29,295,000
TOTAL DEMAND FOR PRODUCT		=	$33,609,435

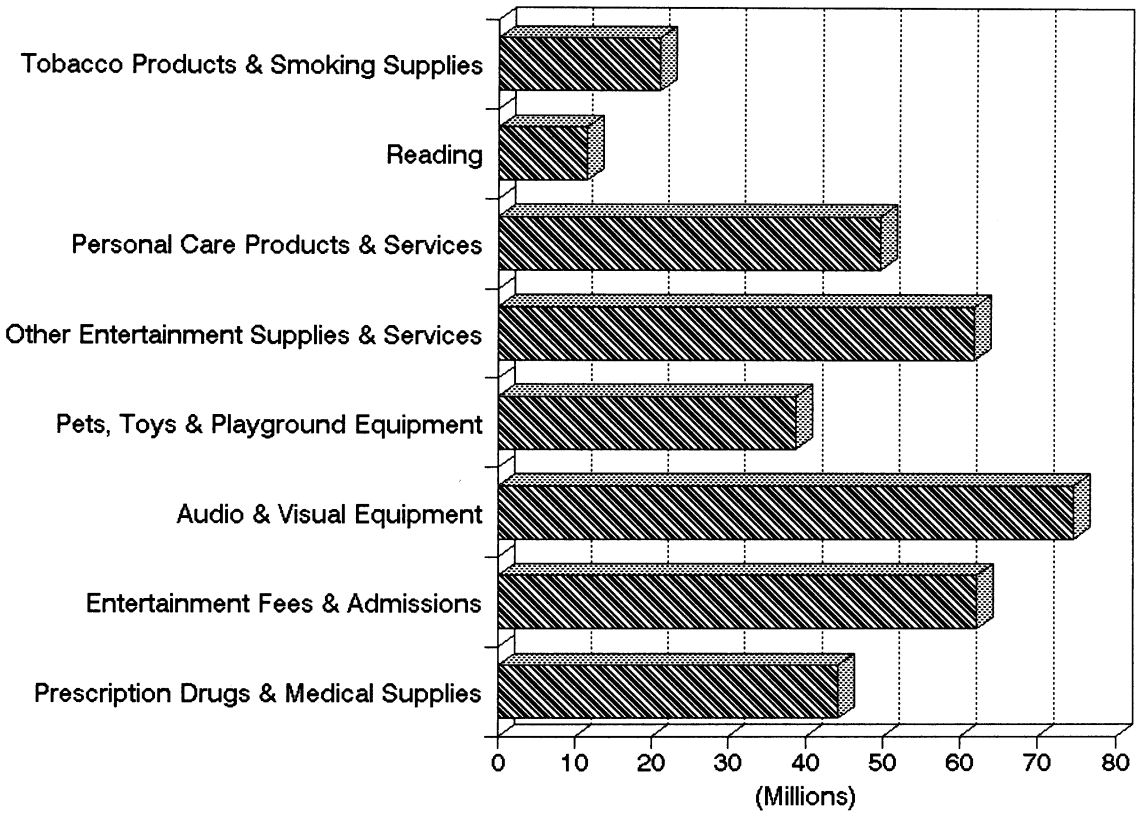
SOURCE: U.S. Department of Labor, Consumer Expenditure Survey; ESRI BIS; and HyettPalma, Inc.

DEFINITION OF PRODUCT:

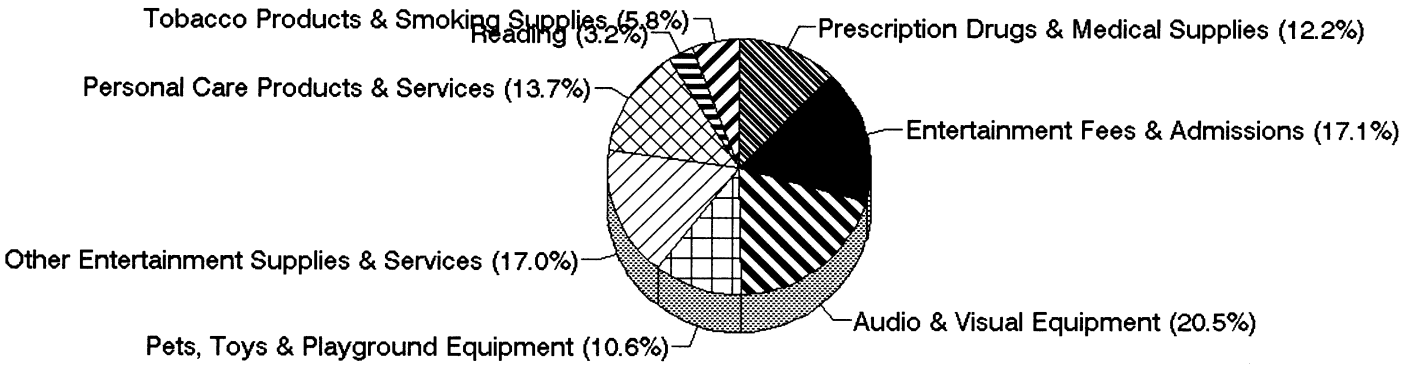
Material for making clothes, shoe repair, alterations, sewing patterns and notions, clothing rental, clothing storage, dry cleaning, and jewelry.

DEMAND FOR PERSONAL CARE AND ENTERTAINMENT PRODUCTS

PERSONAL CARE/ENTERTAINMENT
$ DEMAND BY PRODUCT TYPE



PERSONAL CARE/ENTERTAINMENT
% DEMAND FOR EACH DOLLAR



DOWNTOWN AUBURN HILLS'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: PRESCRIPTION DRUGS & MEDICAL SUPPLIES

Household Income	# Hlds.	$ Per Hld.	Total $ Demand
< $15000	5,325	425	2,263,125
$15000-24999	4,449	605	2,691,645
$25000-34999	4,664	625	2,915,000
$35000-49999	6,039	650	3,925,350
> $50000	43,400	750	32,550,000
TOTAL DEMAND FOR PRODUCT		=	$44,345,120

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

DEFINITION OF PRODUCT:

Prescription drugs, over-the-counter drugs, dressings, medical appliances, contraceptives, eyeglasses, hearing aids, rental medical equipment, and medical accessories.

DOWNTOWN AUBURN HILLS'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: ENTERTAINMENT FEES & ADMISSIONS

Household Income	# Hlds.	$ Per Hld.	Total $ Demand
< $15000	5,325	200	1,065,000
$15000-24999	4,449	250	1,112,250
$25000-34999	4,664	325	1,515,800
$35000-49999	6,039	360	2,174,040
> $50000	43,400	1,300	56,420,000
TOTAL DEMAND FOR PRODUCT		=	$62,287,090

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

DEFINITION OF PRODUCT:

Admissions to sporting events, movies, concerts, plays, and movie rentals.

DOWNTOWN AUBURN HILLS'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: AUDIO & VISUAL EQUIPMENT

Household Income	# Hlds.	$ Per Hld.	Total $ Demand
< $15000	5,325	475	2,529,375
$15000-24999	4,449	600	2,669,400
$25000-34999	4,664	750	3,498,000
$35000-49999	6,039	825	4,982,175
> $50000	43,400	1,400	60,760,000
TOTAL DEMAND FOR PRODUCT		=	$74,438,950

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

DEFINITION OF PRODUCT:

Television sets, video recorders, tapes, video game hardware and cartridges, radios, phonographs and components, records and tapes, musical instruments, and rental of the same equipment.

DOWNTOWN AUBURN HILLS'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: PETS, TOYS & PLAYGROUND EQUIPMENT

Household Income	# Hlds.	$ Per Hld.	Total $ Demand
< $15000	5,325	180	958,500
$15000-24999	4,449	245	1,090,005
$25000-34999	4,664	315	1,469,160
$35000-49999	6,039	425	2,566,575
> $50000	43,400	750	32,550,000
TOTAL DEMAND FOR PRODUCT		=	$38,634,240

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

DEFINITION OF PRODUCT:

Pets, pet food, toys, games, hobbies, tricycles and playground equipment.

DOWNTOWN AUBURN HILLS'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: OTHER ENTERTAINMENT SUPPLIES & SERVICES

Household Income	# Hlds.	$ Per Hld.	Total $ Demand
< $15000	5,325	140	745,500
$15000-24999	4,449	350	1,557,150
$25000-34999	4,664	425	1,982,200
$35000-49999	6,039	525	3,170,475
> $50000	43,400	1,250	54,250,000
TOTAL DEMAND FOR PRODUCT		=	$61,705,325

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

DEFINITION OF PRODUCT:

Indoor exercise equipment, athletic shoes, bicycles, camping equipment, sporting goods, and photographic equipment and supplies.

DOWNTOWN AUBURN HILLS'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: PERSONAL CARE PRODUCTS & SERVICES

Household Income	# Hlds.	$ Per Hld.	Total $ Demand
< $15000	5,325	295	1,570,875
$15000-24999	4,449	355	1,579,395
$25000-34999	4,664	425	1,982,200
$35000-49999	6,039	525	3,170,475
> $50000	43,400	955	41,447,000
TOTAL DEMAND FOR PRODUCT		=	$49,749,945

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

DEFINITION OF PRODUCT:

Services and products for hair, oral hygiene products, cosmetics, and electric personal care appliances.

DOWNTOWN AUBURN HILLS'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: READING

Household Income	# Hlds.	$ Per Hld.	Total $ Demand
< $15000	5,325	65	346,125
$15000-24999	4,449	85	378,165
$25000-34999	4,664	95	443,080
$35000-49999	6,039	125	754,875
> $50000	43,400	225	9,765,000
TOTAL DEMAND FOR PRODUCT		=	$11,687,245

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

DEFINITION OF PRODUCT:

Books, newspapers and magazines.

DOWNTOWN AUBURN HILLS'S RETAIL TRADE AREA
COMPUTATION OF DEMAND BY RETAIL PRODUCT

PRODUCT: TOBACCO PRODUCTS & SMOKING SUPPLIES

Household Income	# Hlds.	$ Per Hld.	Total $ Demand
< $15000	5,325	275	1,464,375
$15000-24999	4,449	325	1,445,925
$25000-34999	4,664	400	1,865,600
$35000-49999	6,039	350	2,113,650
> $50000	43,400	325	14,105,000
TOTAL DEMAND FOR PRODUCT		=	$20,994,550

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

DEFINITION OF PRODUCT:

Tobacco products and smoking accessories.

The Retail Report®

USER GUIDE

The Retail Report is a business development tool customized for your Downtown. In it, HyettPalma has targeted the kinds of retail businesses that Downtowns across the country are attracting.

The Retail Report brings effective data to your business development efforts in a user-friendly format. Tables, graphs and charts interpret and present information critical to your Downtown's future. And, the report is customized for YOUR Downtown, containing information unique to your Downtown.

In The Retail Report, demographic and socio-economic data are amplified and taken to a new level of detail. Households in your trade area are segmented by income bands, and consumer spending habits are analyzed by these income groupings. This allows you to determine which income groups to target in your business development program.

Business prospects will expect to review information like this prior to making a commitment to Downtown. The Retail Report shows them your Downtown -- and your Downtown enhancement program -- are one step ahead of the competition.

The following pages list numerous ways you can use The Retail Report to improve the economy of your business district.

What Does The Retail Report Tell You ?

The Retail Report reveals what you can expect the customers in your defined retail trade area to spend in 2008.

The Retail Report shows the number of dollars residents of your trade area spend each year on over 100 different types of products -- products such as food at home, food away from home, furniture, appliances, apparel, prescription drugs, toys, reading material, etc.

The Retail Report is not a listing of national figures or projections; it is a customized report that gives you accurate and definitive information for your own trade area.

A demographic and socio-economic profile of trade area residents is included -- both a snapshot of their characteristics today and a five year projection of their changing characteristics.

Who Can Benefit By Using The Retail Report ?

Current owners of businesses within a given trade area;

Business owners who are thinking of opening a store in the trade area;

Entrepreneurs who are determining what type of business to open or who are deciding on a business location;

Bankers and others who are deciding whether or not to invest in specific types of retail businesses;

Downtown directors and other economic development professionals whose work entails business retention, entrepreneur development and business recruitment; and

Downtown revitalization leaders, Downtown directors, economic development professionals, and local elected officials who want sound information that lets them speak with certainty about their Downtown's potential to sustain specific types of retail businesses.

How Can Downtown Directors and Economic Development Professionals Use The Retail Report ?

To attract customers to Downtown by creating a mix of strong businesses which appeal to trade area residents.

To raise the confidence of investors in the profitability of your business district.

To help existing businesses become more profitable -- so that Downtown's rate of business turnover is lessened.

To fill building vacancies with the types of retail businesses that can succeed and thrive in your district.

To strengthen existing businesses and lessen business closings by:

showing existing business owners what trade area residents are spending their money on;

helping business owners determine how to cater to those shopping preferences -- and capture more shopping dollars; and

enabling them to develop a business plan that is based on realistic market data.

To improve the variety and selection of retail goods offered in the business district by:

showing existing business owners that there is money to be made by expanding or revising the types of retail goods they sell;

showing existing business owners that there is money to be made by opening additional types of retail businesses in the business district; and

targeting specific types of retail businesses -- so that you can actively recruit those businesses having the greatest potential to succeed and remain in your Downtown.

To attract additional businesses to the business district by:

providing definitive data that shows a market exists for the retail goods they sell.

How Can Business Owners Use The Retail Report ?

Business owners frequently ask, "How much money do residents of Downtown's trade area spend on the retail goods I sell?" Or stated another way, "How do I know there's money to be made in Downtown?"

The Retail Report allows you to answer these questions with certainty and authority by quantifying:

what the market is for particular retail products;

the spending potential of residents in your trade area for particular retail goods; and

the current "economic pie" -- how much money is being spent on various retail goods by residents in your Downtown's trade area.

To better plan, manage, and grow your business -- by using the information in The Retail Report, business owners can:

set annual benchmarks for how much of the "economic pie" they intend to capture for their business -- measured in anticipated gross sales receipts for YOUR Downtown;

set an annual budget based on their gross receipts benchmarks;

make informed budgeting decisions about how much to spend each year on inventory, overhead, advertising, staff, etc.; and

complete a business plan that persuades their banker to extend a commercial loan to them.

How Can Entrepreneurs Use The Retail Report ?

The Retail Report shows the sales potential within a given trade area for over 100 types of retail businesses. This would be invaluable in order to:

compare the markets for a variety of different retail products;

determine what type of retail business to open;

complete a realistic business plan before opening that business; and

persuade bankers and investors that a strong market exists for the type of retail business being opened.