

Downtown Strategy Study

Prepared for:
The City of Belleville, Michigan
Downtown Development Authority (DDA)

Prepared by:

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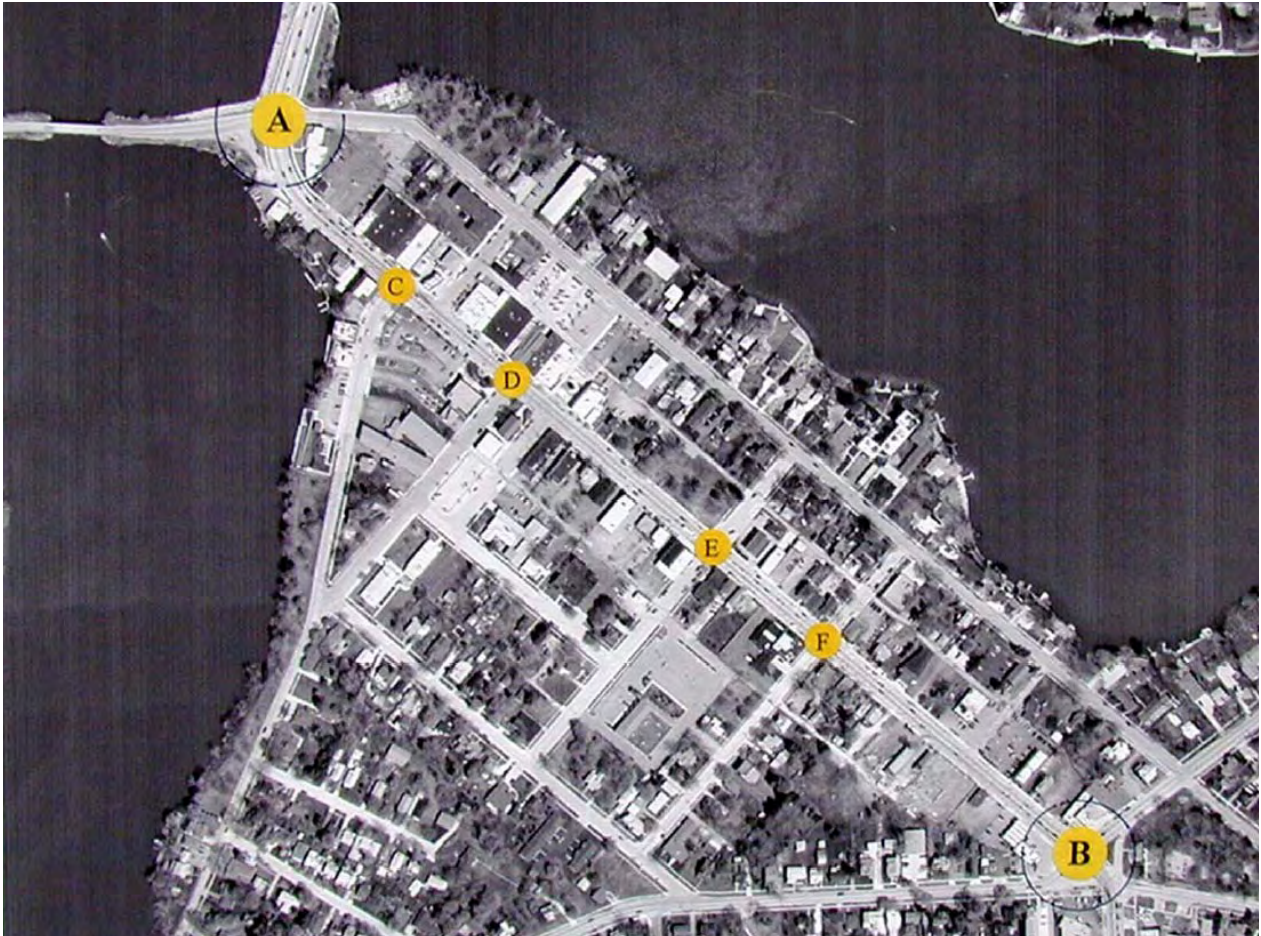
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1.0 Executive Summary

1.1 Introduction

Anderson Economic Group was retained by the Belleville Downtown Development Authority to conduct a *Downtown Market Strategy* with a focus on the development potential for commercial; retail; business; and office space within the downtown area. Our objective is to guide future planning and development in Downtown Belleville, creating a destination for merchants, businesses, residents and shoppers, as well as a true “sense of place.”

FIGURE 1. Downtown Belleville - Main Street Shopping District
Aerial Photo provided by Design Michigan



- A. Gateway Project (Phase I and II)
- B. Municipal Project
- C. Waterfront Project
- D. Parking Project (vicinity)
- E. City Centre Project
- F. In-Fill Projects (vicinity)

1.2 Conclusion

Based on the results of our quantitative supply-demand analyses, site visits, market tours, focus group responses, location analyses and evaluation of developable parcels as well as waterfront properties along Belleville Lake, we have concluded that the opportunity for the City of Belleville and its Downtown District is significant, and the community's long-term future is favorable. In particular, the City has an opportunity to capitalize upon the Downtown's ideal proximity to Belleville Lake, significant developable parcels, and favorable location along the Interstate 94 corridor between the Wayne County International Airport and Ann Arbor.

Assuming that the community is proactive in its development and recruitment efforts, and assuming that access is effectively provided to Belleville Lake from the Downtown District, then there is a market potential for *up to* 100,000 square feet of new retail space. If redevelopment efforts fail to materialize, then the opportunity is limited to about 20,000 square feet, and will probably be accompanied by high turnover, high share of services (rather than traditional shops), and above-average vacancy rates.

TABLE 1. Downtown Belleville: Summary of Supportable Retail

| SUMMARY OF SUPPORTABLE RETAIL | Status Quo Scenario | | Build-Out Scenario | | Ideas and Tenants Like... |
|----------------------------------|---------------------|---------------|--------------------|---------------|-------------------------------------|
| | ETA Supportable | No. of Stores | ETA Supportable | No. of Stores | |
| 1 Furniture Stores | 3,000 | 1 | 6,000 | 2 | Dinnettes, Patio & Hearth |
| 2 Home Furnishing Stores | 3,000 | 1 | 6,000 | 2 | Drapes & Blinds, Illumination, etc. |
| 3 Computer & Software Stores | 2,000 | 1 | 2,000 | 1 | Computer Repair & Consulting |
| 4 Camera & Photographic Supplies | -- | -- | 500 | 1 | Convenience Camera Supplies |
| 5 Supermarket & Other Grocery | -- | -- | 18,000 | 1 | Specialty Green Grocery |
| 6 Specialty Food Stores | 1,000 | 1 | 3,000 | 2 | Bakery; Coffee; Cakes; Bagel |
| 7 Men's Clothing Stores | -- | -- | 2,000 | 1 | Men's Suits & Career |
| 8 Women's Clothing Stores | -- | -- | 2,000 | 1 | Women's Boutique |
| 9 Children's & Infants Clothing | -- | -- | 2,000 | 1 | Moderate Infant/Children Boutique |
| 10 Family Clothing | 2,000 | 1 | 2,000 | 1 | Urban Youth Apparel |
| 11 Clothing Accessories | -- | -- | 2,000 | 2 | Swimwear & Sunglasses |
| 12 Shoe Stores | -- | -- | 1,500 | 1 | Boots and Shoes |
| 13 Jewelry Stores | -- | -- | 1,000 | 1 | Fashion Accessories |
| 14 Luggage & Leather Goods | -- | -- | 1,000 | 1 | Luggage and Travel |
| 15 Sporting Goods Stores | 2,000 | 1 | 4,000 | 2 | Water Sports Equipment |
| 16 Hobby, Toy, & Game Stores | 1,000 | 1 | 2,000 | 1 | Hobby, Toy & Game |
| 17 Sewing and Needlework | 1,000 | 1 | 2,000 | 1 | Quilting & Knitting |
| 18 Musical Instrument & Supplies | 1,000 | 1 | 2,000 | 1 | Replace Gondolier's |
| 19 Office Supplies & Stationary | -- | -- | 2,000 | 1 | Office Supplies, Artist Supplies |
| 20 Gift, Novelty & Souvenir | -- | -- | 2,000 | 2 | Gift and Souvenir Shops |
| 21 Pets and Pet Supplies | -- | -- | 2,000 | 1 | Pet Supplies |
| 22 Art Dealers | -- | -- | 3,000 | 1 | Framing, Art and Crafts |
| 23 Motion Picture Theaters | -- | -- | 20,000 | 1 | Cinema / Theater |
| 24 Full Service Restaurants | 3,000 | 1 | 10,000 | 2 | Family, Casual Lifestyle |
| 25 Special Foodservices | 1,000 | 1 | 2,000 | 2 | Catering; Deli; Bakery; Butcher |
| Total Maximum Supportable | 20,000 | 11 | 100,000 | 33 | |



To develop a Downtown that is dynamic and that conveys a sense of having arrived somewhere fun to shop, the City must create public and private access to Belleville Lake, and catalyze economic development through radical changes at the northern end of Main Street. There are seven main projects:

1. Waterfront Project
2. Gateway Project - Phase I
3. Gateway Project - Phase II
4. Parking Project
5. City Centre Project
6. In-Fill Projects
7. Municipal Project

At a minimum, the first two projects are highly recommended: 1) a Waterfront Redevelopment Project, and 2) a Gateway Project - Phase I. In addition, we recommend a Municipal Project with development of a stately complex anchoring the southern end of the district, and development of a City Centre project involving the Pentimaki Parcel and nearby redevelopment opportunities.

Related recommendations include ensuring that local government jobs remain in the Downtown, preserving the traditional street grid pattern of the community (and avoiding cul-du-sacs or dead-end turn-arounds), and modifying zoning ordinances as necessary to encourage the development of mixed-use projects with Main Street retail topped by office suites, professional space and condominiums, flats and loft apartments.

We also highly recommend that Belleville High School remain within the municipal jurisdiction, and that compromises or negotiations be made to ensure that children are not being bussed out of the community every school day. Sports, music and other school events must remain in the City to contribute to local activity levels and encourage families to enjoy the community. These recommendations have been summarized into 15 Guiding Principles, as summarized below.

Guiding Principles

1. Significantly improve waterfront access through radical change and redevelopment of keystone parcels.
2. Priorities are Waterfront, Gateway and Municipal / Civic Space, in that order.
3. Ensure that roads connect through wherever possible to enable traffic flow during peak hours of commuter congestion, while preserving the Main Street character of the Downtown Shopping District.
4. Focus on mixed-uses of Main Street retail topped by residential condominiums, stacked flats, professional offices, and business incubator space.
5. Focus on corner parcels before parcels that are mid-block.

6. Focus on larger parcels before addressing smaller in-fill opportunities.
7. Address clusters of parcels before addressing scattered opportunities.
8. Focus on in-fill where existing uses are reasonably consistent, and resist being deterred by established retail, commercial and residential structures that have varying set-backs, roof lines, and style.
9. Strike a balance in the scale of future buildings and consistent architectural design and set-backs. Develop facing parcels to the same scale, with consideration for other land use adjacencies.
10. Support established and valued merchants and businesses through cross-marketing efforts, merchant workshops, waste and snow removal, effective communication of City agendas, and related community services.
11. Modify and enforce zoning ordinances as needed to ensure services are occupying professional space rather than residential units. Allow traditional retail shops and craftsmanship businesses in residential units.
12. Address community signage as well as the store facade program.
13. Significantly improve community marketing efforts through the World Wide Web, current brochures, and pro-active Chamber and DDA involvement. Collaborate with Van Buren Township.
14. Ensure that all Municipal Offices and jobs remain in the Downtown District, and are not moved out to a fringe location.
15. Focus on local needs and expectations in pursuing tenants first, and visitors and seasonal tourists second.

With these 15 Guiding Principles in mind, we have developed a market strategy for Downtown Belleville that involves a total of seven (7) redevelopment projects, which are detailed in the following exhibit and addressed in greater detail within this report.

1.3 About the Authors

Anderson Economic Group, LLC (AEG) provides consulting services in market strategy studies, feasibility analyses, and community & regional economic analyses. AEG has expertise in a wide variety of planning sectors that include retail, residential, industrial, office / civic space and other business and economic categories. For more information about our firm and biographical sketches of the authors, visit our website at www.AndersonEconomicGroup.com.

- END OF EXECUTIVE SUMMARY -



FIGURE 3. City of Belleville, Michigan - Community Map (courtesy, www.belleville.mi.us.com; 1998)



The DDA District includes the gateway entrance off the Belleville Road bridge to the north, the five points intersection near City Hall to the south, and both the east and west sides of Main Street, including perpendicular streets such as High, First, Second, Third, Fourth, and Fifth Streets.

In today's competitive retail environment, the City of Belleville's downtown is confronted by a number of issues and challenges. These are summarized below and addressed later in the market study.

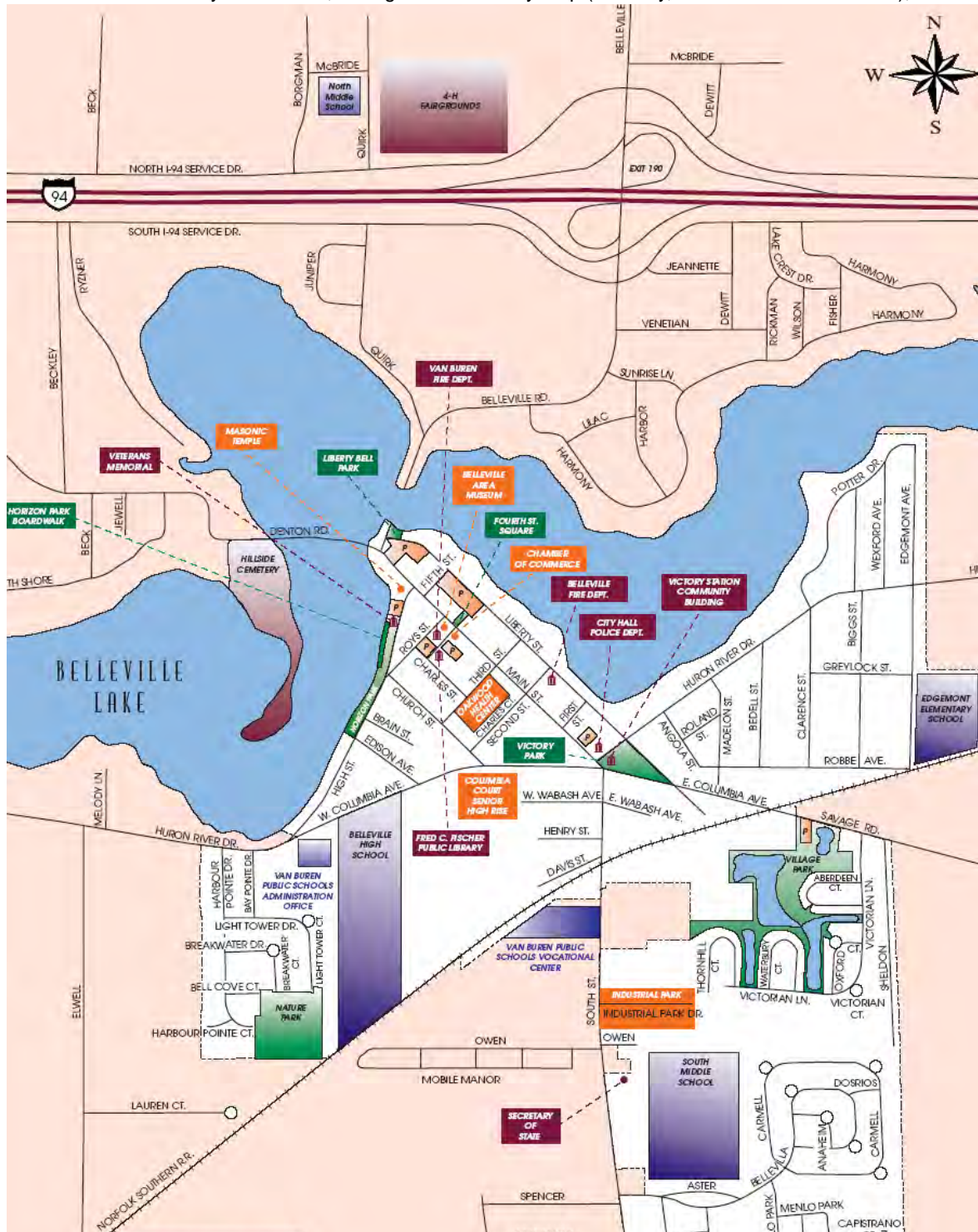
- The retail mix along Main Street includes a number of service-based businesses and under-utilization of some prime retail/office space. These include the parking lot next to Bank One and the empty parcel at the corner of Main and Third, in addition to vacancies in the Lake Plaza and random parcels along Main Street.
- Competing destinations in other communities, such as Ann Arbor, Ypsilanti, Canton, and Van Buren Township have succeeded in pulling shoppers from the City of Belleville. Briarwood and Arborland Malls in Ann Arbor offer regional shopping destinations, while Canton and Van Buren Townships offer big box retail such as Home Depot, Wal-Mart, and Meijer.
- Stores close early and few pedestrians travel downtown after dusk, demonstrating a lack of entertainment or nightlife in the downtown district.
- The lake front is covered with trees and shrubbery, making it hard for visitors to see attractive views of Belleville Lake. The lack of boardwalk or public access to the lake deters public use.
- Belleville goes unnoticed despite its prime location off Interstate 94, due to the lack of advertising for retail, restaurants, and events that occur downtown.
- The gateway to the downtown along the Belleville Road Bridge is greeted by a tavern and liquor store, with chain link fences and dumpsters in their parking lots. Signage doesn't compare to the "Welcome to Van Buren Township" sign on the opposite end of the bridge.
- Compared to surrounding communities, the City of Belleville is small in size at 2 square miles, and contains a small population base of 4,071 within the city limits.
- Congested traffic has created Main Street into a commuter thoroughfare that is not pedestrian friendly.

Despite these current limitations and challenges, the City of Belleville's downtown area has a number of advantages that can be capitalized upon for future development, recovery, and long-term economic vitality.

- Parallel parking is available along both sides of Main Street without cost. Additional parking is available in municipal lots and behind shops/restaurants.
- The City of Belleville also benefits from its location relative to Interstate 94, connecting the community to Ann Arbor and Detroit, the Detroit Metropolitan Wayne County Airport, and important universities throughout the region.
- Rapidly growing area communities such as Canton and Van Buren Townships both offer long-term potential for population and employment growth, while the Detroit Metropolitan Airport is a few minutes away. The location along this active commuter route results in high exposure to residents and potential shoppers.
- The downtown area rests entirely along the southern shore of Belleville Lake. This advantageous location offers opportunities for residents and visitors to enjoy a lake experience with views and access to the water.
- An active DDA board and involved City members demonstrate interest in the community's efforts for redevelopment with current programs that would directly benefit downtown businesses, such as the Design Michigan workshop and the façade program. In addition, there are several significant parcels available for redevelopment opportunities in the downtown district.
- The City recently received a \$1 million grant from Wayne County for improvements to Horizon Park. This includes stabilizing the erosion along the shoreline and extending the existing boardwalk.
- The National Strawberry Festival, which is in its 28th year, occurs every Father's day weekend and attracts over 150,000 people to the City. The event includes free entertainment, attractions, and events in celebration of the strawberry season.
- The Belleville Area Museum located along Main Street, The Fred C. Fischer Library off Main Street and Fourth Street, and the Belleville Area Chamber of Commerce on Main near Third Street are all shared by the three communities, drawing residents from Belleville, Van Buren Township, and Sumpter Township.

These advantages are considered when evaluating the results of our supply / demand analysis and in reviewing the amount of supportable retail within the downtown area.

FIGURE 4. City of Belleville, Michigan - Community Map (courtesy, www.belleville.mi.us.com); 1998



3.0 Market Overview

3.1 Introduction

For the purposes of this analysis, we have evaluated several levels of geography, including:

- **State:** Michigan
- **Competitive Region:** Washtenaw and Wayne Counties, including the Cities of Ann Arbor and Ypsilanti, Canton Township, and Van Buren Township.
- **Primary County:** Wayne County
- **Subject City:** The City of Belleville
- **Downtown Area:** The City of Belleville's designated Downtown Development Authority District (DDA District). This includes the area along Main Street leading from the gateway at Belleville Road Bridge, to the Five Points intersection of Main Street, Huron River Drive, Columbia Avenue, and South Street.

3.2 City of Belleville Regional Setting

The City of Belleville is centrally located between the City of Ann Arbor (Washtenaw County) and the City of Detroit (Wayne County) in southeast Michigan. It rests 10 miles directly west of the Detroit Metropolitan Wayne County Airport, 30 miles southwest of the City of Detroit, 18 miles southeast of the City of Ann Arbor, and 8 miles directly south of Canton Township. See Map 1 for a Regional Overview.

The City benefits from its strategic location 3 1/2 miles west of the Interstate 94 and Interstate 275 junction. Interstate 94 runs east and west, with business commuters and visitors traveling from Ann Arbor and Detroit. Interstate 275 runs north and south, connecting travelers from Interstate 96 to Interstate 75 in the southeastern region of the state.

Workers are drawn to the area due to the economic activity in such large cities as Ann Arbor and Detroit, while visitors and travelers are pulled to the region by a variety of shopping, touring and recreational opportunities, as well as the Detroit Metropolitan Airport.

3.3 The City of Belleville - Description

The City of Belleville is approximately 2 square miles in size and centrally located between Washtenaw and Wayne Counties. The City is surrounded to the north and south by Van Buren Township, to the west by the City of Ypsilanti, and to the east by the City of Romulus. Given this setting, the City of Belleville is challenged to compete effectively for visitor and resident dollars with the surrounding communities, particularly those with direct access to Interstate 94.

Southeastern Michigan is appealing for its location amid business and educational centers such as Detroit and Ann Arbor. The City of Belleville benefits from access off Interstate 94, connecting the hubs of these two major cities.

3.4 City of Belleville vs. Other Area Cities

Earned income and population directly impact the expenditure potential of residents within any local market. After covering for non-retail expenses like mortgage, rent, car loans, fuel and household utilities (gas, electric, water, sewer and waste), education, medical expenses, services, taxes, and interest payments on debt, the remaining “discretionary income” is available for purchases of groceries, general merchandise, apparel, household goods, and other retail consumables.

A complete analysis of retail sales demand and opportunity relies upon accurate projections of county market parameters, including Population and Per Capita Income (PCI). When multiplied together, these derive Total Personal Income (TPI). Retail expenditures can be evaluated on the basis of Per Capita Expenditures (Total Sales v. Total Population), and compared to income levels (Per Capita Expenditures v. Per Capita Income).

The following tables provide a summary of the market parameters for the City of Belleville compared to other area communities. As shown in Table 1, the City has a population of 4,071 residents. This is a very small population base in comparison to surrounding cities such as Ypsilanti and Ann Arbor with 22,427 and 115,617 respectively. Despite this, Belleville has experienced higher growth rates than any of its surrounding cities over the last three years, and has the highest expected growth rate over the next 5 years at 1.1 percent.

TABLE 2. City Comparison - Population

| | City of Belleville | City of Romulus | City of Ann Arbor | City of Ypsilanti |
|---------------------------------|-----------------------|--------------------|----------------------|----------------------|
| POPULATION | | | | |
| 1990 Total Population (census) | 3,270 | 22,897 | 109,592 | 24,846 |
| 1997 Total Population (interp.) | 3,763 | 22,954 | 112,676 | 23,080 |
| 2000 Total Population (census) | 3,997 | 22,979 | 114,024 | 22,362 |
| 2003 Total Population | 4,071 | 22,689 | 115,617 | 22,427 |
| 2008 Total Population | 4,295 | 21,557 | 121,599 | 22,507 |
| CAGR 1990-2000 | 2.0% | 0.0% | 0.4% | -1.0% |
| CAGR 2000-2003 | 0.6% | -0.4% | 0.5% | 0.1% |
| CAGR 2003-2008 | 1.1% | -1.0% | 1.0% | 0.1% |

2003 Per Capita Income for the City of Belleville was \$27,559 which competes directly with the surrounding cities, including the City of Romulus (\$20,721) and the City of Ann Arbor (\$29,796), both of which have between 5 to 30 times the population size of Belleville.

TABLE 3. City Comparison - Per Capita Income

| | City of Belleville | City of Romulus | City of Ann Arbor | City of Ypsilanti |
|----------------------------------|-----------------------|--------------------|----------------------|----------------------|
| PER CAPITA INCOME | | | | |
| <i>(Earned Income)</i> | | | | |
| 1989 Per Capita Income (census) | \$17,970 | \$12,008 | \$17,786 | \$10,655 |
| 1990 Per Capita Income (interp.) | \$18,641 | \$12,616 | \$18,504 | \$11,144 |
| 1997 Per Capita Income (interp.) | \$24,094 | \$17,828 | \$24,409 | \$15,259 |
| 1999 Per Capita Income (census) | \$25,927 | \$19,679 | \$26,419 | \$16,692 |
| 2000 Per Capita Income (interp.) | \$26,326 | \$19,935 | \$27,226 | \$16,629 |
| 2003 Per Capita Income | \$27,559 | \$20,721 | \$29,796 | \$16,443 |
| 2008 Per Capita Income | \$25,603 | \$19,462 | \$32,501 | \$17,375 |
| CAGR 1989-1999 | 3.7% | 5.1% | 4.0% | 4.6% |
| CAGR 1999-2003 | 1.5% | 1.3% | 3.1% | -0.4% |
| CAGR 2003-2008 | -1.5% | -1.2% | 1.8% | 1.1% |

Total Personal Income for the City of Belleville grew steadily from 1990 to 2003, increasing from \$61.0 million to \$112.2 million. Even with a rather high Per Capita Income, the City of Belleville lags behind in Total Personal Income due its small population size. The surrounding cities of Romulus and Ann Arbor both have significantly higher Total Personal Income, at \$470 million and \$3.4 billion respectively.

TABLE 4. City Comparison - Total Personal Income

| | City of Belleville | City of Romulus | City of Ann Arbor | City of Ypsilanti |
|-------------------------------------|-----------------------|--------------------|----------------------|----------------------|
| TOTAL PERSONAL INCOME | | | | |
| 1990 Total Personal Income (\$Mil.) | \$61.0 | \$288.9 | \$2,027.9 | \$276.9 |
| 2000 Total Personal Income (\$Mil.) | \$105.2 | \$458.1 | \$3,104.4 | \$371.9 |
| 2003 Total Personal Income (\$Mil.) | \$112.2 | \$470.1 | \$3,445.0 | \$368.8 |
| 2008 Total Personal Income (\$Mil.) | \$110.0 | \$419.5 | \$3,952.1 | \$391.1 |
| CAGR 1990-2000 | 6.3% | 5.0% | 5.4% | 2.9% |
| CAGR 2000-2003 | -0.7% | -3.7% | 4.7% | 2.0% |
| CAGR 2003-2008 | -0.4% | -2.3% | 2.8% | 1.2% |
| 2003 Median Age | 37.9 | 33.3 | 28.3 | 24.1 |

Reflecting national trends in expenditures, it is estimated that the average City of Belleville resident has a capacity to spend about 12 percent of his or her income on GAFO retail categories, which includes General Merchandise (G), Apparel (A), Furniture (F) and Other miscellaneous goods (O). Reflecting local income levels of Belleville residents (over \$100 million), they have a *capacity* to spend over \$13 million on such categories. For perspective only, the average Kmart store achieves \$14 to \$15 million in annual sales.

TABLE 5. City Comparison - GAFO Expenditures

| | City of Belleville | City of Romulus | City of Ann Arbor | City of Ypsilanti |
|---------------------------------|-----------------------|--------------------|----------------------|----------------------|
| GAFO EXPENDITURES | | | | |
| 1990 GAFO Expenditures (\$Mil.) | \$7.3 | \$34.7 | \$243.3 | \$33.2 |
| 2000 GAFO Expenditures (\$Mil.) | \$12.6 | \$55.0 | \$372.5 | \$44.6 |
| 2003 GAFO Expenditures (\$Mil.) | \$13.5 | \$56.4 | \$413.4 | \$44.3 |
| 2008 GAFO Expenditures (\$Mil.) | \$13.2 | \$50.3 | \$474.3 | \$46.9 |

3.5 Effective Trade Area for Downtown Belleville

As already demonstrated, the City of Belleville reported a population of 4,071 persons in 2003, which is considerably smaller in size than surrounding Van Buren Township (23,559 in 2000). The City has a per capita income of (\$27,559), which is high relative to Wayne County (\$22,206), but low compared to Washtenaw County (\$30,794).

It is the Effective Trade Area that provides the core customer base for local merchants. Thus, for the purposes of this study we have delineated a trade area for Downtown Belleville that reflects a variety of factors and field observations, including traffic flow patterns, drive time analysis (see Map 4), accessibility, locations of existing and proposed competition, natural and man-made barriers, psychological / socio-economic factors, and the downtown's overall customer drawing power (based on its full potential).

We have defined the Effective Trade Area (ETA) as the geographic area that most directly competes with the City of Belleville for visitor dollars. This includes Van Buren Township (Wayne County), Canton Township (Wayne County), the City of Ypsilanti (Washtenaw County), and the City of Ann Arbor (Washtenaw County). This ETA is referenced throughout our report and is used as a comparative frame-of-reference in our evaluation of the City of Belleville. More specifically, the ETA encompasses the City of Belleville and surrounding communities, spanning both Wayne and Washtenaw Counties, stopping short of Ann Arbor to the west and I-275 to the east.

The effective trade area represents the geographic area from which the majority of customers will be derived. Residents in this trade area are expected to contribute 70 percent of total retail sales for local stores and businesses (with the exception of hotels / motels and tourist shops), with the balance representing "inflow" from adjacent counties. See Map 2 for 2003 distribution of population in the region.

The ETA reflects the downtown's full potential for drawing customers from the surrounding area, assuming that this "pulling power" is assisted by an effectively revitalized downtown and creation of a destination Main Street. The trade area also respects the presence of competing shopping destinations in Taylor (Southland Mall), Westland (Westland Mall), Ann Arbor (Briarwood Mall and Arborland), Van Buren Township (Meijer and Wal-Mart), and Canton Township (Home Depot and Kroger).

The attached maps include a drive-time analysis from Downtown Belleville to the surrounding areas (see Map 4). As shown, Ann Arbor is less than 25 minutes to the west, and the Detroit Metropolitan Airport is within 15 minutes to the east. In more urban settings, a trade area would typically be delineated for a 10 to 15-minute drive-time.

However, a 20 to 25-minute drive-time trade area is reasonable for a City like Belleville, where population densities quickly increase east and west beyond the City limits, and the area's major alternative shopping opportunities are located within those 20-25 minute driving distances.

3.6 Demographic Comparison - Belleville Trade Area

The Belleville ETA (70 percent of retail sales) encompassed 153,830 residents in 2003, which is significantly larger than the size of the City alone (4,071 residents). In the following sections of this chapter, we compare more detailed demographic data for the ETA with the region and state, including population trends, housing characteristics, educational attainment, and income. Comparisons to Wayne and Washtenaw Counties are intended to provide insight, recognizing that Belleville is a community with amenities and challenges that make it unique to other surrounding areas. The comparisons are important in evaluating the local market, and help quantify the magnitude of opportunity for additional retail and office space in Downtown Belleville.

Population: The following tables provide a summary of population data for the ETA, Wayne and Washtenaw Counties, and the State. The trade area has the smallest population (153,830), but is half the size of the entire Washtenaw County area (335,674). Even with its smaller population size, the effective trade area grew at the fastest rate from 1990-2000 (1.5 percent CAGR) in comparison to both the Counties and the State.


TABLE 6. Demographic Comparison - Population



| | State of Michigan | Wayne County | Washtenaw County | Effective Trade Area |
|---------------------------------|-------------------|--------------|------------------|----------------------|
| POPULATION | | | | |
| 1990 Total Population (census) | 9,295,297 | 2,111,687 | 282,937 | 131,511 |
| 1997 Total Population (interp.) | 9,740,962 | 2,076,191 | 310,349 | 145,794 |
| 2000 Total Population (census) | 9,938,444 | 2,061,162 | 322,895 | 152,380 |
| 2003 Total Population | 10,098,697 | 2,032,490 | 335,674 | 153,830 |
| 2008 Total Population | 10,364,931 | 1,981,953 | 359,599 | 156,180 |
| CAGR 1990-2000 | 0.7% | -0.2% | 1.3% | 1.5% |
| CAGR 2000-2003 | 0.5% | -0.5% | 1.3% | 0.3% |
| CAGR 2003-2008 | 0.5% | -0.5% | 1.4% | 0.3% |
| 2000 Pop in Group Quarters | 249,889 | 32,618 | 21,302 | 4,276 |
| 2003 Group Quarters Population | 249,889 | 32,618 | 21,302 | 4,276 |

Age, Gender, and Marital Status: In respect to the effective trade area, the average resident is slightly more likely to be younger, female, and married. As shown in the table below, the median age is 32.6, compared to the state average of 35.5, and the population is 51 percent female. About 67 percent of persons age 15 and over have been married at some point in life, but only 48.4 percent are currently married.

TABLE 7. Demographic Comparison - Gender and Marital Status



| | State of Michigan | Wayne County | Washtenaw County | Effective Trade Area |
|----------------------------------|----------------------|-----------------|---------------------|-------------------------|
| GENDER AND MARITAL STATUS | | | | |
| 2000 Population by Gender | | | | |
| Male Population | 4,873,095 | 988,933 | 160,558 | 74,599 |
| Percent Male Population | 49.0% | 48.0% | 49.7% | 49.0% |
| Female Population | 5,065,349 | 1,072,229 | 162,337 | 77,781 |
| Percent Female Population | 51.0% | 52.0% | 50.3% | 51.0% |
| 2000 Median Age | 35.5 | 34 | 31.4 | 32.6 |
| 2000 Marital Status | | | | |
| Population Age 15+ | 7,775,603 | 1,571,146 | 262,816 | 118,696 |
| Percent Age 15+ | 78.2% | 76.2% | 81.4% | 77.9% |
| Never Married | 2,162,860 | 531,956 | 101,076 | 39,419 |
| Percent Never Married | 27.8% | 33.9% | 38.5% | 33.2% |
| Now Married | 4,006,482 | 651,252 | 119,501 | 57,437 |
| Percent Married | 51.5% | 41.5% | 45.5% | 48.4% |
| Separated | 111,578 | 40,244 | 2,670 | 1,656 |
| Spouse Absent/Other | 182,030 | 43,956 | 6,173 | 1,851 |
| Widowed | 513,010 | 123,724 | 10,528 | 5,653 |
| Divorced | 799,643 | 180,014 | 22,868 | 12,680 |

Source: 2000 Census and Anderson Economic Group

Age, marital status, and gender have clear bearing upon demand and household expenditures within each retail category. On a nation-wide scale, it is known that women make 85 percent of total expenditures on retail goods. However, it is the younger (including those in the 20 to 24 age bracket) population that introduces most fashion trends and fads into the households. Although youths spend less than adults, parents increase expenditures when influenced by their preferences, and both groups must be satisfied by an appropriate merchandise mix.

The table below provides a population breakdown by age for the State, Wayne and Washtenaw Counties, and the ETA.


TABLE 8. Demographic Comparison - Age (Number and Percent)



| | State of Michigan | Wayne County | Washtenaw County | Effective Trade Area |
|---|----------------------|-----------------|---------------------|-------------------------|
| 2003 Population by Age (Number) | | | | |
| 2003 Total Population | 10,098,697 | 2,032,490 | 335,674 | 153,830 |
| 2003 Total Population 0-4 | 669,263 | 146,966 | 20,166 | 11,729 |
| 2003 Total Population 5-9 | 704,497 | 156,297 | 20,422 | 11,456 |
| 2003 Total Population 10-14 | 753,042 | 167,494 | 20,622 | 10,699 |
| 2003 Total Population 15-19 | 726,020 | 143,219 | 29,493 | 11,597 |
| 2003 Total Population 20-24 | 692,529 | 128,795 | 39,906 | 13,845 |
| 2003 Total Population 25-29 | 616,279 | 131,221 | 26,263 | 12,129 |
| 2003 Total Population 30-34 | 688,265 | 149,179 | 25,279 | 12,766 |
| 2003 Total Population 35-39 | 743,119 | 150,833 | 25,204 | 12,658 |
| 2003 Total Population 40-44 | 805,875 | 155,655 | 25,345 | 12,118 |
| 2003 Total Population 45-49 | 782,109 | 149,774 | 24,396 | 11,094 |
| 2003 Total Population 50-54 | 697,530 | 132,577 | 22,359 | 9,834 |
| 2003 Total Population 55-59 | 552,917 | 102,729 | 16,830 | 7,577 |
| 2003 Total Population 60-64 | 427,347 | 76,608 | 11,421 | 5,037 |
| 2003 Total Population 65-69 | 340,195 | 61,968 | 8,048 | 3,490 |
| 2003 Total Population 70-74 | 300,129 | 58,476 | 6,719 | 2,818 |
| 2003 Total Population 75-79 | 257,777 | 52,748 | 5,613 | 2,296 |
| 2003 Total Population 80-84 | 184,832 | 37,909 | 3,976 | 1,517 |
| 2003 Total Population 85+ | 156,972 | 30,042 | 3,612 | 1,170 |
| 2003 Population by Age (Percent) | | | | |
| 2003 Total Population 0-4 | 7% | 7% | 6% | 8% |
| 2003 Total Population 5-9 | 7% | 8% | 6% | 7% |
| 2003 Total Population 10-14 | 7% | 8% | 6% | 7% |
| 2003 Total Population 15-19 | 7% | 7% | 9% | 8% |
| 2003 Total Population 20-24 | 7% | 6% | 12% | 9% |
| 2003 Total Population 25-29 | 6% | 6% | 8% | 8% |
| 2003 Total Population 30-34 | 7% | 7% | 8% | 8% |
| 2003 Total Population 35-39 | 7% | 7% | 8% | 8% |
| 2003 Total Population 40-44 | 8% | 8% | 8% | 8% |
| 2003 Total Population 45-49 | 8% | 7% | 7% | 7% |
| 2003 Total Population 50-54 | 7% | 7% | 7% | 6% |
| 2003 Total Population 55-59 | 5% | 5% | 5% | 5% |
| 2003 Total Population 60-64 | 4% | 4% | 3% | 3% |
| 2003 Total Population 65-69 | 3% | 3% | 2% | 2% |
| 2003 Total Population 70-74 | 3% | 3% | 2% | 2% |
| 2003 Total Population 75-79 | 3% | 3% | 2% | 1% |
| 2003 Total Population 80-84 | 2% | 2% | 1% | 1% |
| 2003 Total Population 85+ | 2% | 1% | 1% | 1% |

Vehicle Ownership/Work Travel: As shown in the table below, 42.5 percent of households in the ETA own 2 vehicles, 84.5 percent of the working population drives alone in a car to work, and 18.3 percent commute 20-24 minutes to get to work. These percentages are the highest in their respective categories for the ETA in comparison to both Counties and the State. This demonstrates that the ETA is a commuter-intense area.


TABLE 9. Demographic Comparison - Vehicle Ownership/Work Travel

| | | | | |
|---|--------------------------|---------------------|-------------------------|-----------------------------|
|  | State of Michigan | Wayne County | Washtenaw County | Effective Trade Area |
| VEHICLE OWNERSHIP/TRAVEL | | | | |
| 2000 Vehicle Ownership | | | | |
| Households by Vehicle Base | 3,785,661 | 768,440 | 125,327 | 58,985 |
| Vehicles: 0 | 7.7% | 13.8% | 6.8% | 6.6% |
| Vehicles: 1 | 33.7% | 39.0% | 36.5% | 34.3% |
| Vehicles: 2 | 40.7% | 34.0% | 40.9% | 42.5% |
| Vehicles: 3 | 12.9% | 9.7% | 11.5% | 12.0% |
| Vehicles: 4 | 3.6% | 2.6% | 2.9% | 3.3% |
| Vehicles: 5+ | 1.4% | 0.9% | 1.4% | 1.3% |
| 2000 Mode of Travel to Work | | | | |
| Total Transport to Work | 4,540,372 | 827,311 | 169,169 | 78,917 |
| Worked at Home | 2.8% | 1.8% | 3.5% | 2.0% |
| Car-Alone | 83.2% | 80.1% | 76.0% | 84.5% |
| Carpooled | 9.7% | 11.7% | 8.5% | 8.7% |
| Bus | 1.2% | 3.5% | 3.0% | 1.0% |
| Taxicab | 0.1% | 0.3% | 0.2% | 0.1% |
| Motorcycle | 0.0% | 0.0% | 0.1% | 0.1% |
| Bicycle | 0.2% | 0.1% | 0.9% | 0.2% |
| Walked | 2.2% | 1.9% | 7.4% | 3.0% |
| Other Means | 0.5% | 0.6% | 0.4% | 0.4% |
| 2000 Travel Time To Work | | | | |
| Total Not Home Base | 4,412,607 | 812,708 | 163,173 | 77,316 |
| <5 minutes | 3.6% | 2.0% | 3.1% | 2.5% |
| 5-9 minutes | 11.5% | 8.1% | 11.4% | 8.6% |
| 10-14 minutes | 15.5% | 13.0% | 17.8% | 12.8% |
| 15-19 minutes | 16.0% | 16.0% | 18.8% | 15.7% |
| 20-24 minutes | 15.3% | 17.8% | 15.2% | 18.3% |
| 25-29 minutes | 6.6% | 7.6% | 6.5% | 9.4% |
| 30-34 minutes | 12.4% | 16.2% | 10.5% | 14.5% |
| 35-39 minutes | 2.9% | 3.1% | 2.7% | 3.2% |
| 40-44 minutes | 3.4% | 3.6% | 3.3% | 3.8% |
| 45-59 minutes | 6.9% | 3.5% | 6.5% | 6.8% |
| 60-89 minutes | 3.9% | 3.5% | 3.2% | 2.9% |
| 90+ minutes | 2.1% | 2.3% | 1.1% | 1.5% |

Source: 2000 Census and Anderson Economic Group

Housing Units: The table below provides a comparison of housing characteristics for the ETA, Wayne and Washtenaw Counties, and the State. As shown, 94.7 percent of all housing units in the market are reported occupied, which is exceeded only by Washtenaw County (95.6 percent). Meanwhile, the actual vacancy rate is very low in the ETA, at 5.3 percent, compared to the state average of 10.6 percent. In the ETA, 32.9 percent of occupied housing units are renter-occupied. This is high relative to the state average, but low compared to both Wayne and Washtenaw Counties.

TABLE 10. Demographic Comparison - Housing Units

|  | State of Michigan | Wayne County | Washtenaw County | Effective Trade Area |
|---|-------------------|--------------|------------------|----------------------|
| | HOUSING UNITS | | | |
| 2000 Total Housing Units | 4,234,279 | 826,145 | 131,069 | 62,310 |
| Occupied Housing Units | 3,785,661 | 768,440 | 125,327 | 59,038 |
| Percent Occupied | 89.4% | 93.0% | 95.6% | 94.7% |
| Owner Occupied | 2,793,124 | 511,837 | 74,830 | 39,629 |
| Percent Share | 73.8% | 66.6% | 59.7% | 67.1% |
| Renter Occupied | 992,537 | 256,603 | 50,497 | 19,409 |
| Percent Share | 26.2% | 33.4% | 40.3% | 32.9% |
| Vacant | 448,618 | 57,705 | 5,742 | 3,272 |
| Percent Share | 10.6% | 7.0% | 4.4% | 5.3% |


Source: 2000 Census and Anderson Economic Group

These figures are important because home owners typically have higher demand for durable goods. This may include furniture, home furnishings, home improvement (tools, household fixtures, building supplies), electronics, appliances, pets, and related categories. In contrast, renter-occupied households and partial-year residents may demand items like ready-to-assemble furniture, storage solutions and relatively compact or disposable merchandise. For these households, home purchases may focus less on furniture and durable goods, and more on discount and outlet goods, moderate restaurants, entertainment venues, books, crafts, and hobby supplies.

Educational Attainment: The ETA is home to numerous colleges and universities. Yet, considering the plethora of educational opportunity in the area, the ETA has a relatively modest percentage of adults with a college education. About 27 percent of adults (ages 25+ years) have a college degree or higher, compared to 21.8 percent statewide and 17.3 percent in Wayne County.

Washtenaw County has almost double the percentage of college graduates, with 48.1 percent, which is mainly due to the County being the location of two major universities (University of Michigan and Eastern Michigan University) and a large county community college (Washtenaw Community College). The lower percentage of college graduates in the ETA compared to Washtenaw County could demonstrate the difficulty of the ETA being able to retain graduates to stay in the area after they are finished with schooling.

TABLE 11. Demographic Comparison - Educational Attainment

|  | State of Michigan | Wayne County | Washtenaw County | Effective Trade Area |
|---|------------------------|--------------|------------------|----------------------|
| | EDUCATIONAL ATTAINMENT | | | |
| 2000 Population Age 25+ | 6,415,941 | 1,305,288 | 197,414 | 93,399 |
| No school | 54,757 | 19,770 | 878 | 605 |
| Percent Share | 0.9% | 1.5% | 0.4% | 0.6% |
| < Grade 9 | 244,257 | 60,558 | 3,795 | 2,804 |
| Percent Share | 3.8% | 4.6% | 1.9% | 3.0% |
| Some High School | 765,119 | 220,178 | 12,043 | 9,475 |
| Percent Share | 11.9% | 16.9% | 6.1% | 10.1% |
| High School Diploma | 2,010,861 | 399,885 | 33,752 | 24,706 |
| Percent Share | 31.3% | 30.6% | 17.1% | 26.5% |
| Some College | 1,496,576 | 303,851 | 40,063 | 23,939 |
| Percent Share | 23.3% | 23.3% | 20.3% | 25.6% |
| Associate Degree | 448,112 | 76,254 | 11,857 | 6,607 |
| Percent Share | 7.0% | 5.8% | 6.0% | 7.1% |
| Bachelor's Degree | 878,680 | 141,866 | 48,034 | 16,006 |
| Percent Share | 13.7% | 10.9% | 24.3% | 17.1% |
| Graduate Degree | 517,579 | 82,926 | 46,992 | 9,257 |
| Percent Share | 8.1% | 6.4% | 23.8% | 9.9% |

Source: 2000 Census and Anderson Economic Group

Income: Earned income¹ has a direct bearing on discretionary income and household expenditures on consumable and durable goods, and determines a market's potential for retail space. ETA residents report an average per capita earned income of \$26,478, which is slightly higher than Wayne County (\$22,206) and the State (\$24,662), but lower than Washtenaw County (\$30,794). Income growth for the trade area is keeping pace with the region, and is projected to increase at a 2.8 percent compound annual rate through 2008, reflecting some recovery from the most recent recession. See Map 3 for 2003 Per Capita Income for the region.

TABLE 12. Demographic Comparison - Per Capita Income



| | State of Michigan | Wayne County | Washtenaw County | Effective Trade Area |
|----------------------------------|-------------------|--------------|------------------|----------------------|
| PER CAPITA INCOME | | | | |
| <i>(Earned Income)</i> | | | | |
| 1989 Per Capita Income (census) | \$14,154 | \$13,016 | \$17,115 | \$14,434 |
| 1990 Per Capita Income (interp.) | \$14,803 | \$13,591 | \$17,925 | \$15,182 |
| 1997 Per Capita Income (interp.) | \$20,265 | \$18,396 | \$24,773 | \$21,624 |
| 1999 Per Capita Income (census) | \$22,168 | \$20,058 | \$27,173 | \$23,924 |
| 2000 Per Capita Income (interp.) | \$22,767 | \$20,575 | \$28,036 | \$24,538 |
| 2003 Per Capita Income | \$24,662 | \$22,206 | \$30,794 | \$26,478 |
| 2008 Per Capita Income | \$28,565 | \$25,658 | \$35,830 | \$30,425 |
| CAGR 1989-1999 | 4.6% | 4.4% | 4.7% | 5.2% |
| CAGR 1999-2003 | 2.7% | 2.6% | 3.2% | 2.6% |
| CAGR 2003-2008 | 3.0% | 2.9% | 3.1% | 2.8% |

TABLE 13. Demographic Comparison - Total Personal Income



| | State of Michigan | Wayne County | Washtenaw County | Effective Trade Area |
|-------------------------------------|-------------------|--------------|------------------|----------------------|
| TOTAL PERSONAL INCOME | | | | |
| 1990 Total Personal Income (\$Mil.) | \$137,602.8 | \$28,700.4 | \$5,071.6 | \$1,996.6 |
| 2000 Total Personal Income (\$Mil.) | \$226,266.5 | \$42,407.8 | \$9,052.8 | \$3,739.2 |
| 2003 Total Personal Income (\$Mil.) | \$249,054.1 | \$45,133.5 | \$10,336.7 | \$4,073.1 |
| 2008 Total Personal Income (\$Mil.) | \$296,074.3 | \$50,853.0 | \$12,884.4 | \$4,751.8 |
| CAGR 1990-2000 | 6.1% | 4.6% | 7.4% | 7.4% |
| CAGR 2000-2003 | 5.9% | 4.1% | 7.6% | 5.3% |
| CAGR 2003-2008 | 3.5% | 2.4% | 4.5% | 3.1% |
| 2003 Median Age | 36.3 | 34.8 | 32.2 | 33.4 |

1. Note: Earned Income does not include social security, interest payments, 401K, stocks, charity or cash gifts.

4.0 Economic Assessment

4.1 The Market Area - Overview

The Belleville market is strategically located at the crossroads of Interstates 94 and 275, two important highways connecting visitors traveling to southeastern Michigan. This optimal location enables Belleville area residents and businesses to benefit from resources provided within the region, including education and shopping destinations, among others.

An evaluation of local economic factors in the market is important in understanding the spending potential and retail demands of local residents, and has considerable bearing on consumer confidence levels. In particular, resident expenditures on retail goods increase in relationship to gains in population, households, labor force, and income levels. When economies are soft, income growth tends to slow, unemployment increases, and average household income levels can decline.

Households respond to economic downturns in a variety of ways. Some may sustain spending through other sources of unearned income, collecting interest on savings, cashing-out on savings and investment accounts, or simply allowing household debt to accumulate. Other consumers may curtail their spending, which helps control household debt, but can have trickle-through ramifications for the local economy.

Like most communities, the Belleville area is interested in promoting healthy economic development, which can be achieved by increasing the population base, educational attainment, labor force, employment and income levels. In this chapter, we evaluate a number of economic factors that can influence the local economy and household expenditures, which are helpful in identifying potential growth opportunities.

4.2 The Market Area - Employment

Of the major employers in the Belleville area, nine of them employ over 200 people. Due to the large prevalence of the automotive industry in Michigan, six of the major employers in the Belleville market area are either a supplier, retailer, or manufacturer to the automotive industry. The major employers are summarized in the following table in descending order by the number of employees.

TABLE 14. Belleville Market Area - Major Employers



| Rank | Name of Employer | Business Description | Number of Employees | Percent Share |
|------|------------------------------------|---|---------------------|---------------|
| 1 | Visteon Corporation (projected) | Automotive Technology Supplier | 3,200 | 41.3% |
| 2 | Van Buren Public School District | Public School System | 779 | 10.1% |
| 3 | Bank One N.A. Technical Center | Banking and Financial Services | 550 | 7.1% |
| 4 | L&W Engineering Co. | Metal Stamping for the Auto Industry | 500 | 6.5% |
| 5 | Meijer Cos. Ltd. | Retails Groceries and General Merchandise | 416 | 5.4% |
| 6 | Coca-Cola Enterprises Inc. | Warehouse and Distribution of Non-alcoholic Beverages | 320 | 4.1% |
| 7 | Murray's Discount Auto Stores Inc. | Automotive Retail | 225 | 2.9% |
| 8 | Ricardo Inc. | Research and Development of Automotive Engineering | 220 | 2.8% |
| 9 | Daikin Clutch Corp. | Manufactures Automotive Clutches | 200 | 2.6% |
| 10 | Advo Inc. | Direct Mail Advertising Services | 185 | 2.4% |
| 11 | Exel Inc. | Freight Transportation Arrangement | 170 | 2.2% |
| 12 | Arthur B. Myr Industries Inc. | Industrial Paint Finishing Equipment | 150 | 1.9% |
| 12 | Active Aero Group | Air Charter and Cargo Management | 150 | 1.9% |
| 12 | Wellington Industries Inc. | Automotive Metal Stamping | 150 | 1.9% |
| 13 | Huron Valley Steel Corp. | Recycles and Processes Nonferrous Metals | 130 | 1.7% |
| 14 | ABX Logistics USA Inc. | Third-Party Logistics Services | 100 | 1.3% |
| 14 | Farmer Jack Food Market | Retail Groceries | 100 | 1.3% |
| 14 | EQ: The Environmental Equality Co. | Waste Handling Processing and Disposal | 100 | 1.3% |
| 14 | Kmart Corp. | Discount Department Store | 100 | 1.3% |
| | | | 7,745 | 100.0% |

Source: Belleville Area Chamber of Commerce, 2004

As the single largest and newest employer in the area, Visteon Corporation is a leading supplier of technology solutions to automotive manufacturers, ranking number two on the *Automotive News* list of the top 150 suppliers to North America. *Visteon Village*, as the innovate work campus is referred to, opened it's new facility in August of 2004 and is located in the northeast corner of Van Buren Township near Interstate 275 and Ecorse Road. The Village is situated on a 265-acre site and will initially house 3,200 employees who have been consolidated from several other Visteon sites in southeast Michigan. The Village overlooks a 37-acre lake, features a nature trail through wooded wetlands, and by spring 2005, will contain such amenities as a salon, restaurant, fitness center, bank, and convenience store.

FIGURE 5. Visteon Village Campus - Van Buren Township



Daikin Clutch Corporation, a subsidiary of Japan's Exedy Corporation, is a manufacturer of automotive clutches that employs 200 Belleville area workers. In November 2004, it was announced that it would be closing its Van Buren Township location and transferring its assembly line to Tennessee. The move is expected to result in the loss of 115 jobs to local workers. Daikin also owns a 50,000 square foot facility in Canton that is currently used as a warehouse, but will be closed and relocated to the Van Buren Township location to become a distribution center for the products produced in Tennessee.

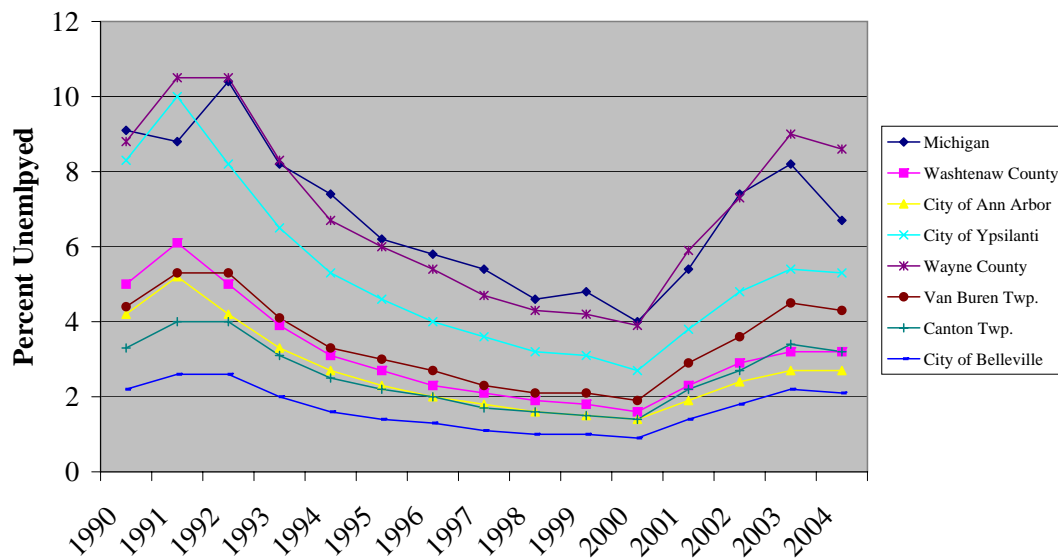
4.3 The Market Area - Unemployment Rates

In looking at the unemployment rates for the competitive region, the City of Belleville has had consistently lower unemployment rates than the State of Michigan, and both Washtenaw and Wayne Counties. In comparison to surrounding communities, it has the lowest rates among the Cities of Ann Arbor and Ypsilanti, and the Townships of Van Buren and Canton.

TABLE 15. Belleville Market Area - Comparative Unemployment Trends

| Year | Michigan | Washtenaw County | City of Ann Arbor | City of Ypsilanti | Wayne County | Van Buren Twp. | Canton Twp. | City of Belleville |
|------|----------|------------------|-------------------|-------------------|--------------|----------------|-------------|--------------------|
| 1990 | 9.1 | 5.0 | 4.2 | 8.3 | 8.8 | 4.4 | 3.3 | 2.2 |
| 1991 | 8.8 | 6.1 | 5.2 | 10.0 | 10.5 | 5.3 | 4.0 | 2.6 |
| 1992 | 10.4 | 5.0 | 4.2 | 8.2 | 10.5 | 5.3 | 4.0 | 2.6 |
| 1993 | 8.2 | 3.9 | 3.3 | 6.5 | 8.3 | 4.1 | 3.1 | 2.0 |
| 1994 | 7.4 | 3.1 | 2.7 | 5.3 | 6.7 | 3.3 | 2.5 | 1.6 |
| 1995 | 6.2 | 2.7 | 2.3 | 4.6 | 6.0 | 3.0 | 2.2 | 1.4 |
| 1996 | 5.8 | 2.3 | 2.0 | 4.0 | 5.4 | 2.7 | 2.0 | 1.3 |
| 1997 | 5.4 | 2.1 | 1.8 | 3.6 | 4.7 | 2.3 | 1.7 | 1.1 |
| 1998 | 4.6 | 1.9 | 1.6 | 3.2 | 4.3 | 2.1 | 1.6 | 1.0 |
| 1999 | 4.8 | 1.8 | 1.5 | 3.1 | 4.2 | 2.1 | 1.5 | 1.0 |
| 2000 | 4.0 | 1.6 | 1.4 | 2.7 | 3.9 | 1.9 | 1.4 | 0.9 |
| 2001 | 5.4 | 2.3 | 1.9 | 3.8 | 5.9 | 2.9 | 2.2 | 1.4 |
| 2002 | 7.4 | 2.9 | 2.4 | 4.8 | 7.3 | 3.6 | 2.7 | 1.8 |
| 2003 | 8.2 | 3.2 | 2.7 | 5.4 | 9.0 | 4.5 | 3.4 | 2.2 |
| 2004 | 6.7 | 3.2 | 2.7 | 5.3 | 8.6 | 4.3 | 3.2 | 2.1 |

Source: Michigan Office of Labor Market Information

**TABLE 16.** Market Area Unemployment Rates

Unemployment rates were highest for the City of Belleville during the recession of the early 1990's, peaking at 2.6 percent in 1991 and 1992. These rates, however, were still considerably lower than that of both Wayne County and the State of Michigan during the same period.

4.4 The Market Area - Educational Institutions

The Belleville area is strategically located amidst a number of educational institutions, which provide employers and community members multiple job training opportunities. Belleville itself contains the Wayne County Community College District - Western Campus located on Haggerty Road in Van Buren Township. The Western Campus offers two-year degrees in an array of vocational opportunities such as accounting, business administration, and computer information systems. Also located in the Belleville area, near the Willow Run Airport, is the Michigan Institute of Aeronautics, a technical school offering hands-on training in the aviation and automotive industries.

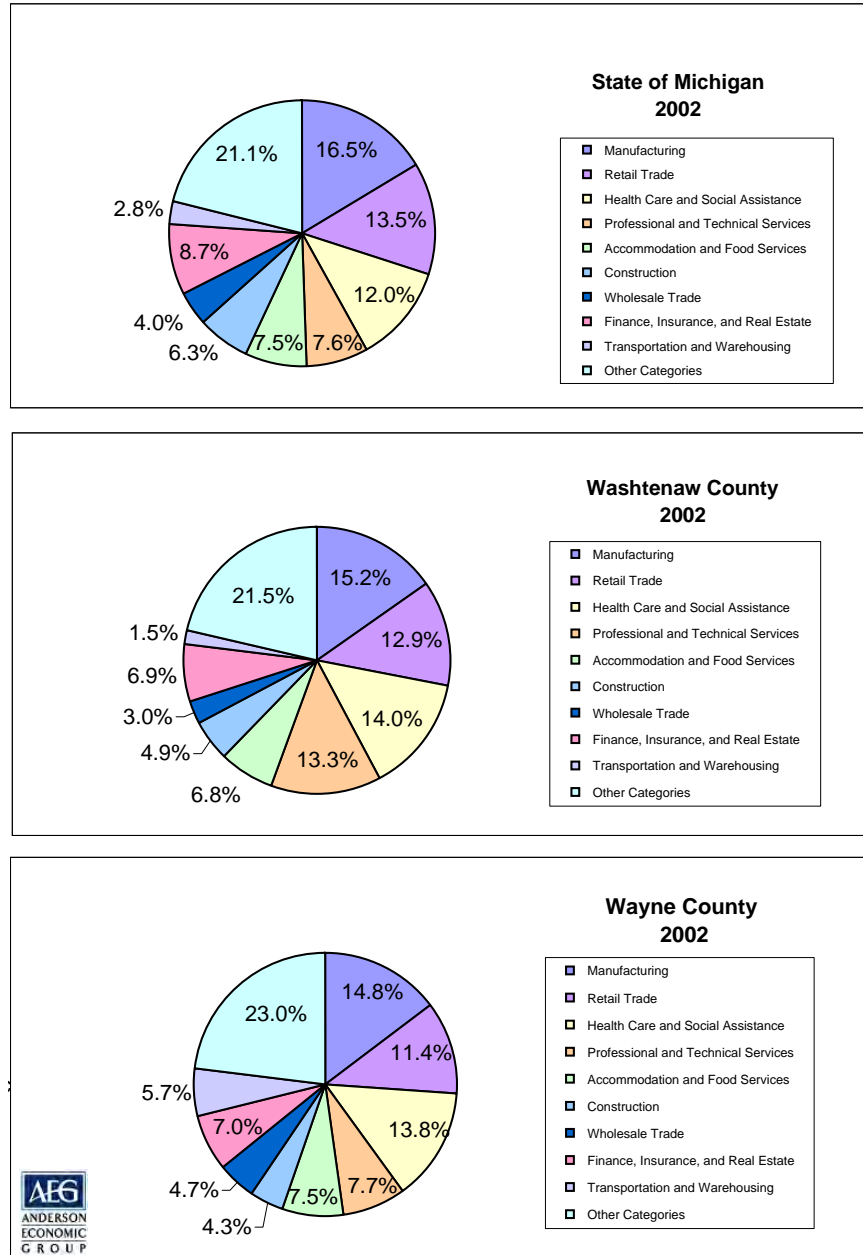
Within 20 miles of Belleville is the University of Michigan - Ann Arbor, a nationally ranked Big Ten University offering four year degrees in a number of different fields. Also located in Ann Arbor is Washtenaw Community College, which is a county-wide two-year college offering approximately 100 credit programs in areas such as business, health and public service, and technology. Less than 10 miles from the Belleville area in Ypsilanti is Eastern Michigan University, a four-year degree-granting university with a speciality in its teacher education program.

Educational opportunities in the region include:

- Belleville - Wayne County Community College District - Western Campus
- Belleville - Michigan Institute of Aeronautics
- Ann Arbor - University of Michigan - Ann Arbor
- Ann Arbor - Washtenaw Community College
- Ypsilanti - Eastern Michigan University
- Detroit - Wayne State University
- Dearborn - University of Michigan - Dearborn

4.5 The Market Area - Industry Sectors

The distribution of employment by industry in Wayne County generally mirrors that of the State. Wayne County has a relatively high share of employment in the transportation sector compared to the surrounding county and the State. The following pie charts further demonstrate these differences.

TABLE 17. Belleville Market Area - Comparative Industry Sectors


Source: Bureau of Labor Statistics

Within the competitive region, Wayne County has a similar share of employment in the Retail Trade sector compared to Washtenaw County and the State of Michigan, but surpasses both in the Transportation sector. Wayne County has a relatively high share of employment in this sector, with 5.7 percent, compared to Washtenaw County and the State, at 1.5 percent and 2.8 percent respectively.

5.0 Retail Feasibility Analysis

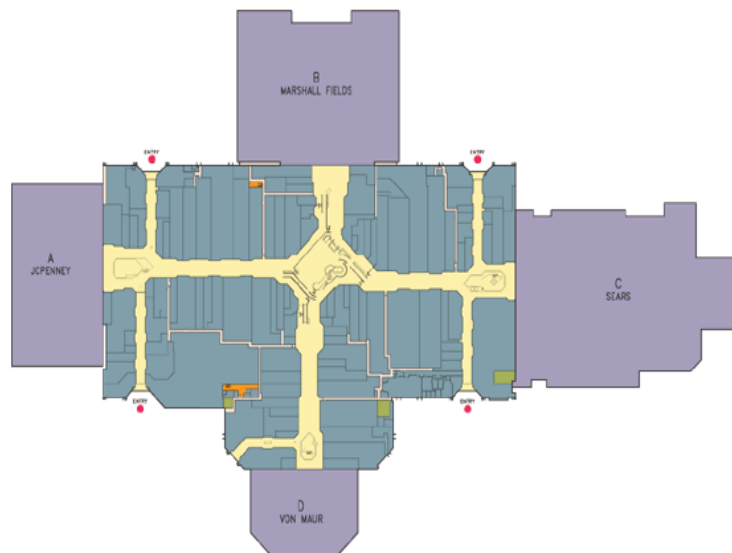
This chapter of our study provides a more detailed quantitative and qualitative analysis used to determine the amount of additional retail space that is supportable in Downtown Belleville. Our analysis begins with a summary of retail competitive levels for the region and the ETA. This is followed by an explanation of the methodology used to conduct the quantitative supply / demand analysis and the results of our qualitative opportunity analysis.

5.1 Competing Regional Shopping Destinations

Within the region of southeastern Washtenaw and southwestern Wayne Counties, there are three regional shopping destinations and one decidedly upscale open-air community shopping center. Regional shopping destinations draw 70 percent of retail sales from resident shoppers within the Effective Trade Area.

Briarwood Mall - Ann Arbor. Briarwood Mall is a 982,500 square foot regional mall, located three miles south of downtown Ann Arbor, at the intersection of State Street and Interstate 94. The one-level mall offers over 110 different retailers and eateries with such inline stores as J. Crew, Williams-Sonoma, Eddie Bauer, and Abercrombie & Fitch. It is anchored by traditional and conventional department stores such as Marshall Field's, JCPenney, Sears, and Von Maur.

FIGURE 6. Briarwood Mall - Map



Arborland Mall - Ann Arbor. Arborland Mall is a decidedly upscale open-air community shopping center that is located at the intersection of Washtenaw Avenue and US-23 in Ann Arbor. It is anchored by such national tenants as Borders Books & Music, Old Navy, DSW Shoes, Circuit City, and Chili's Grill & Bar.

FIGURE 7. Arborland Mall - Map

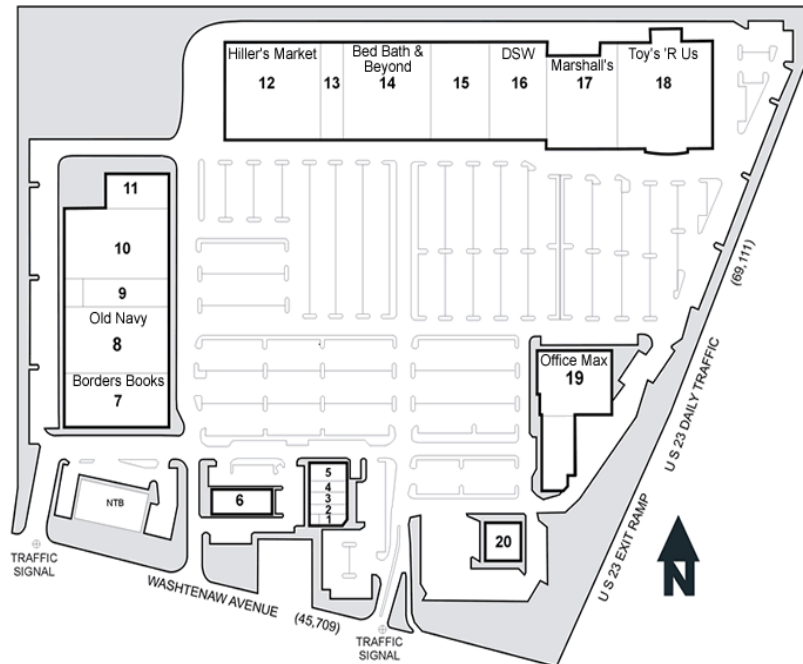
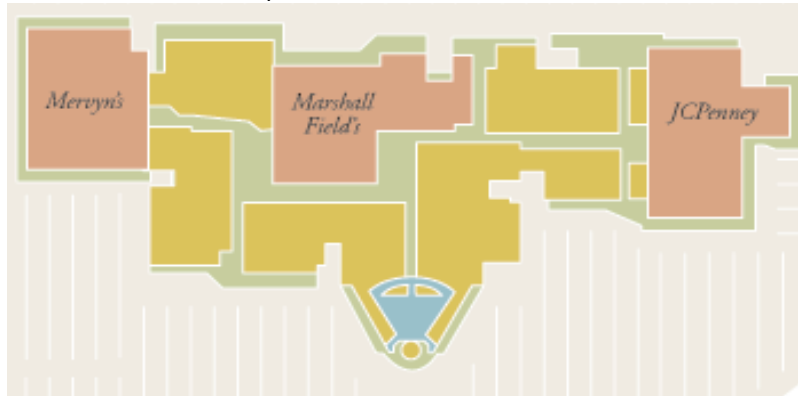


TABLE 18. Arborland Mall - Tenant Mix

| Space | Tenant | S.F. |
|----------------------|---------------------|---------|
| 1 | Starbucks Coffee | 1,762 |
| 2 | H&R Block | 1,650 |
| 3 | Optical | 2,579 |
| 4 | Framologie | 2,040 |
| 5 | Fitness Experience | 4,133 |
| 6 | Firestone | 6,600 |
| 7 | Borders Books | 22,941 |
| 8 | Old Navy | 25,625 |
| 9 | Petco | 14,184 |
| 10 | Circuit City | 29,956 |
| 11 | Famous Footwear | 6,760 |
| 12 | Hiller's Market | 49,480 |
| 13 | Dress Barn | 12,000 |
| 14 | Bed Bath & Beyond | 40,000 |
| 15 | Michael's | 24,000 |
| 16 | DSW | 26,500 |
| 17 | Marshall's | 32,753 |
| 18 | Toy's 'R Us | 48,249 |
| 19 | Office/Copy Max | 28,850 |
| 20 | Chili's Grill & Bar | 5,490 |
| Total Square Feet | | 385,552 |
| Total Parking Spaces | | 1,834 |

Southland Mall - Taylor. Southland Shopping Center is a 889,000 square foot regional shopping mall, located on Eureka Road, just south of Interstate 94 in Taylor. Southland Mall is anchored by Marshall Field's, JCPenney, and Mervyn's, and includes such national tenants as The Buckle, Borders Books & Music, and Forever 21.

FIGURE 8. Southland Mall - Map




Westland Mall - Westland. Westland Shopping Center is a 1,046,867 square foot regional shopping mall (including outparcels), located off Warren Road in Westland. The shopping center contains over 80 stores with anchors such as Marshall Field's, JCPenney, Sears and Kohl's, and big name retailers such as American Eagle Outfitters, The Gap, and Express. Panera Bread opened on a mall outparcel in 2004. The table below provides the anchors and popular speciality stores represented in these regional shopping destinations.

TABLE 19. Competing Regional Shopping Destinations - Malls

| | Briarwood Mall | Arborland Mall | Southland Mall | Westland Mall |
|---------------------------------|---------------------------|---------------------------|---------------------------|--------------------------|
| <i>Anchors:</i> | | | | |
| JCPenney | x | | x | x |
| Marshall Field's | x | | x | x |
| Sears | x | | | x |
| Von Maur | x | | | |
| <i>Specialty Stores:</i> | | | | |
| Abercrombie & Fitch | x | | | |
| American Eagle | x | | x | x |
| Bath & Body Works | x | | x | x |
| Borders Books & Music | x (express) | x | x | |
| Champs Sports | x | | x | x |
| Eddie Bauer | x | | | x (outlet) |
| Express/Express Men | x | | x | x |
| Foot Locker | x | | x | x |
| Forever 21 | x | | x | |
| fye (For Your Entertainment) | x | | | x |
| J. Crew | x | | | |
| Journeys | x | | x | x |
| New York & Company | | | x | x |
| Old Navy | | x | | |
| Pacific Sunwear | x | | x | x |
| The Buckle | x | | x | |
| The Disney Store | | | x | |
| The Gap | | | | x |
| Victoria's Secret | x | | x | x |
| Wet Seal | | | x | x |

5.2 Competing Regional Big Box Retail

Ypsilanti and Canton do not offer regional shopping centers, but do offer other shopping options in strip centers, plazas, big-box retailers and national-chain stores. Big-box retail tends to dominate the competitive region, and is rather balanced. Meijer, Target, and Kroger have locations in all five of the competing shopping destinations. Ann Arbor has the largest majority of big-box retail in the region, with five Kroger locations, two Meijer stores, and the only Best Buy, Lowe's, Mervyn's, Kohl's, and Sam's Club in southeastern Washtenaw County. As of note, there is no Menard's located in the entire competitive shopping region. The location of big-box retailers throughout the region is shown in the following grid.

TABLE 20. Competing Regional Big-Box Retail


| | Ann Arbor | Ypsilanti | Canton | Taylor | Westland |
|---------------------|-----------|-----------|--------|----------|----------|
| Bed, Bath, & Beyond | x | | x | x | |
| Best Buy | x | | | | x |
| Farmer Jack | | x | xx | xx | xxx |
| Home Depot | x | | x | x | |
| K-Mart | x | x | | x | x |
| Kohl's | x | | x | x | x (m.a.) |
| Kroger | xxxxx | xx | xx | x | x |
| Lowe's | x | | | | x |
| Meijer | xx | x | x | x | x |
| Menards | | | | | |
| Mervyn's | x | | | x (m.a.) | x |
| Sam's Club | x | | x | | |
| Target | x | x | x | x | x |
| Wal-Mart | | x | x | x | |

Note: m.a. denotes mall anchor

5.3 Belleville Trade Area - Retail Supply

The term “retail” as used in our supply / demand analysis includes a total of 40 categories and a wide range of merchant, service and business uses, such as specialty shops (apparel, pets, toys, shoes, jewelry, luggage, bicycle shops, etc.), services (salons, postal, dry cleaners, copy centers, etc.), discount stores, restaurants & fast food, convenience stores, grocery, hardware and variety stores, among others. The categories also include travel accommodations (hotels and motels), as well as entertainment venues like cinemas and theaters.

This section of our report provides a summary of significant retail in the City of Belleville and Van Buren Township. Although Downtown Belleville represents the main downtown district for the tri-community area (City of Belleville, Van Buren Township and Sumpter Township), most commercial growth has occurred north of Interstate 94 in Van Buren and Canton Townships. See Map 5 for an overview of the City of Belleville and Van Buren Township retail area just north of I-94.

Lakewood Shopping Center. Located at Rawsonville Road and I-94 in Van Buren Township, Lakewood Shopping Center is a 222,481 square foot marginal open-air neighborhood shopping center anchored by Big K-Mart and Dunham’s Discount Sporting Goods. The mall includes such national retailers as Fashion Bug, Hallmark, Radio Shack, and Rite Aid.

FIGURE 9. Big K-Mart - Lakewood Shopping Center



TABLE 21. Lakewood Shopping Center - Tenant Directory

| Tenant | S.F. |
|----------------------------------|---------|
| K-Mart | 107,019 |
| Dunham's Discount Sporting Goods | 24,480 |
| Small Shops | 13,320 |
| Rite Aid | 8,820 |
| Charlitha Beauty Salon | 3,104 |
| Jubba's Clothing | 3,490 |
| Fashion Bug | 12,110 |
| Hallmark | 4,800 |
| Sonrise Christian Book Store | 3,600 |
| Radio Shack | 2,400 |
| GNC | 2,400 |
| Plymouth Furniture | 6,000 |
| Ypsilanti Rehabilitation Clinic | 3,600 |
| Peoples Travel | 2,400 |
| D.O.C. | 2,400 |
| Bo Rics | 2,400 |
| Available | 3,362 |
| Dollar Tree | 4,800 |
| R & T's Video Games and More | 2,400 |
| Little Caesar's | 1,926 |
| One Hour Martinizing | 1,425 |
| Pearl River Restaurant | 1,425 |
| Petland | 4,800 |
| Total Square Feet | 222,481 |
| Total Parking Spaces | 1,200 |

Belleville Square. Located off Belleville Road just north of I-94 in Van Buren Township, Belleville Square offers big-box retail that includes Farmer Jack, Wal-Mart, and Walgreens. Also, Meijer and CVS are located across Belleville Road from Belleville Square.

FIGURE 10. Wal-Mart - Belleville Square



Other Retail Plazas. Other retail plazas in the market include the open-air shopping area of Van Buren Plaza located along Belleville Road just south of I-94, with such tenants as Powerhouse Gym, Mammoth Video, Maria's Convenience Store, and the popular Dos Pesos Mexican Restaurant. In addition, there is a small strip center along South Road (Belle Plaza Shopping Center) with Curves and other convenience-based retail tenants.

5.4 Downtown Belleville

Downtown Belleville rests on the southern shore of Belleville Lake and serves as the traditional Main Street shopping district for the tri-community area of the City of Belleville, Van Buren Township, and Sumpter Township. The communities also share a chamber of commerce, a public library, and a museum which are all located within, along, or adjacent to Main Street in the downtown area.

There are eleven food service locations along Belleville's Main Street, five of which offer a traditional sit-down eating environment. Belleville Grille, located along High Street off of Main, provides diners with a lake front view and a small boardwalk/marina. In 1998, the *Detroit Metro Times* described the Belleville Grille as "Wayne County's premiere lake front restaurant."

TABLE 22. Downtown Belleville - Eating Establishments

| | | | |
|---|-------------------|----|-----------------------------|
| 1 | Bangkok City Café | 7 | Frosty Boy |
| 2 | Bayou Grill | 8 | Jet's Pizza |
| 3 | Belleville Grille | 9 | Lake View Tavern |
| 4 | Benito's Pizza | 10 | Mike's Red Apple Restaurant |
| 5 | Café Delight | 11 | Toarmina's Pizza |
| 6 | Donut Town | | |

Currently, the downtown area only consists of eleven retailers. Of the eleven, two are convenience stores, each located at opposite ends of Main Street, and two are gas stations. The two main downtown retail anchors are Pro Hardware and Andrews Drugs, both located on the corner of Fifth Street and Main.

TABLE 23. Downtown Belleville - Merchants and Shops

| | | | |
|---|---------------------------|----|-------------------------------|
| 1 | Andrews Drugs | 7 | Hayward's Liquor Store/Marina |
| 2 | Antiques on Main | 8 | Lakeside Jewelers |
| 3 | Burke Sales & Engineering | 9 | Main Street Flowers |
| 4 | Citgo Gas Station | 10 | Marathon Gas Station |
| 5 | Douglas Carpets | 11 | Pro Hardware |
| 6 | Five Point Mini Mart | | |

There are forty-one service-based businesses located along Main Street. Three of these are banks, four offer legal service, five are real estate offices, and eight are medical-related offices, such as dentists and general medical clinics.

TABLE 24. Downtown Belleville - Services

| | | | |
|----|---------------------------------|----|--|
| 1 | Alf Insurance | 22 | Lawrence Jelsch, DDS |
| 2 | Bambino and She Alterations | 23 | M.S. Orthodontics |
| 3 | Bank One | 24 | Mafee Clinic |
| 4 | Barbara Miller, Attorney at Law | 25 | Main Street Brokers |
| 5 | Barber Bob's | 26 | Margo Edwards, Attorney |
| 6 | Belleville Coin Laundry | 27 | MI Anger Management Institute |
| 7 | Belleville Medical Clinic | 28 | Mr. Goofy's Car Wash |
| 8 | Carol Moynihan, DDS | 29 | Mr. Muffler |
| 9 | Century 21 Real Estate | 30 | My Secretary |
| 10 | Charter One Bank | 31 | New Horizons Chiropractic |
| 11 | Chesley Odom Design Association | 32 | Photography by Shannon |
| 12 | Citizen's Insurance | 33 | Re/Max Crossroads Realty |
| 13 | Denny's Barber Shop & Salon | 34 | Security Mortgage |
| 14 | DiPietro & Day Law Office | 35 | State Farm Insurance |
| 15 | Hanna Satellite, Inc. | 36 | Stoner & Associates |
| 16 | Harris Realty Services | 37 | Styling Senter Salon |
| 17 | Higgerson & Neal Funeral Home | 38 | Swan's Locksmith |
| 18 | Huron Valley Realty | 39 | Thomas White, Attorney |
| 19 | Keller Williams Realty | 40 | Unified Communities Federal Credit Union |
| 20 | Kelli Batianis, CPA | 41 | Wrights Sports Plus Embroidery |
| 21 | Laila Carr, DDS | | |

Other downtown locations along Main Street are City Hall, the Police Department, the Masonic Temple, the Belleville Area Museum, the Belleville Area Chamber of Commerce, the View Newspaper, and the Belleville Area Independent.

5.5 Supply / Demand Analysis - Methodology & Approach

The deductive supply and demand analysis assumes that there will be no over-storing in any given market. In other words, it is assumed that each new merchant will reasonably attempt to reach the limit of expenditure potential in each category, but will not go beyond a threshold level of market saturation.

A market's saturation level within any given retail category is usually discovered by trial-and-error, as merchants learn through experimentation if an increase in space or merchandise no longer results in an increase in sales. This process can be both discouraging and costly, but can be mitigated with an accurate supply / demand analysis. This type of opportunity analysis can enable effective retail planning, as existing stores or new entrepreneurs can back-fill the retail voids, capturing a possible niche market in the area, maximizing sales and creating a sustainable shopping environment.

Up to a certain threshold, expenditures can be influenced by opportunity and competitive levels. If local residents have a capacity to spend, but choose not to because of limited retail selection or quality, they will seek competing destinations, resulting in sales export. If other options do not exist, they may simply curtail spending. This can indicate a considerable opportunity for additional retail space in the market.

Once a market reaches its threshold in retail space, the addition of more space will result in negative sales impacts for existing merchants, and cannot be expected to motivate additional spending. Rather, the market share for each retail category is then expected to be redistributed after new stores open, with inevitable negative sales impact on existing units.

The "build it and they will come" principle applies only when local supply does not yet meet the market demand. However, resident expenditure potential does increase with gains in population, households, and labor force, and particularly with increases in income levels. These fundamental rules, when applied in our retail analysis, are used to quantify the amount of additional space that is supportable within Belleville's downtown district.

5.6 Downtown Belleville: Retail Opportunity

The following table provides the two scenarios we have laid out for the ETA. The *Status Quo Scenario* involves the City making no building improvements to the downtown area. Using the existing vacant space available, roughly 11 retailers at a total of 20,000 square feet could be added.

The *Build-Out Scenario* would require radical changes within the existing downtown, but is still a measure of the future population's expenditure potential and propensity to purchase various goods and products. With this scenario, 33 retailers or about 100,000 square feet are supportable, which is four times the square footage of the status quo scenario.

Due to natural limitations such as the City's size, demographics, commuter traffic thoroughfare, and monetary and logistical challenges of implementing all facets of the Downtown Strategy, our recommendations are kept on the conservative side, and are not "blue sky" numbers. The suggested tenants should be moderate-to-better in quality and mix, but must meet the needs and expectations of the local population before catering to visitors and tourists (the Waterfront Project pavilion may be an exception). Views of the waterfront should be a selling point for redevelopment of mixed use build-ings, especially along the gateway entrance.

TABLE 25. Downtown Belleville: Summary of Supportable Retail

| SUMMARY OF SUPPORTABLE RETAIL | Status Quo Scenario | | Build-Out Scenario | | Ideas and Tenants Like... |
|----------------------------------|---------------------|------------------|--------------------|------------------|-------------------------------------|
| | ETA Supportable | No. of Stores | ETA Supportable | No. of Stores | |
| 1 Furniture Stores | 3,000 | 1 | 6,000 | 2 | Dinnettes, Patio & Hearth |
| 2 Home Furnishing Stores | 3,000 | 1 | 6,000 | 2 | Drapes & Blinds, Illumination, etc. |
| 3 Computer & Software Stores | 2,000 | 1 | 2,000 | 1 | Computer Repair & Consulting |
| 4 Camera & Photographic Supplies | -- | -- | 500 | 1 | Convenience Camera Supplies |
| 5 Supermarket & Other Grocery | -- | -- | 18,000 | 1 | Specialty Green Grocery |
| 6 Specialty Food Stores | 1,000 | 1 | 3,000 | 2 | Bakery; Coffee; Cakes; Bagel |
| 7 Men's Clothing Stores | -- | -- | 2,000 | 1 | Men's Suits & Career |
| 8 Women's Clothing Stores | -- | -- | 2,000 | 1 | Women's Boutique |
| 9 Children's & Infants Clothing | -- | -- | 2,000 | 1 | Moderate Infant/Children Boutique |
| 10 Family Clothing | 2,000 | 1 | 2,000 | 1 | Urban Youth Apparel |
| 11 Clothing Accessories | -- | -- | 2,000 | 2 | Swimwear & Sunglasses |
| 12 Shoe Stores | -- | -- | 1,500 | 1 | Boots and Shoes |
| 13 Jewelry Stores | -- | -- | 1,000 | 1 | Fashion Accessories |
| 14 Luggage & Leather Goods | -- | -- | 1,000 | 1 | Luggage and Travel |
| 15 Sporting Goods Stores | 2,000 | 1 | 4,000 | 2 | Water Sports Equipment |
| 16 Hobby, Toy, & Game Stores | 1,000 | 1 | 2,000 | 1 | Hobby, Toy & Game |
| 17 Sewing and Needlework | 1,000 | 1 | 2,000 | 1 | Quilting & Knitting |
| 18 Musical Instrument & Supplies | 1,000 | 1 | 2,000 | 1 | Replace Gondolier's |
| 19 Office Supplies & Stationary | -- | -- | 2,000 | 1 | Office Supplies, Artist Supplies |
| 20 Gift, Novelty & Souvenir | -- | -- | 2,000 | 2 | Gift and Souvenir Shops |
| 21 Pets and Pet Supplies | -- | -- | 2,000 | 1 | Pet Supplies |
| 22 Art Dealers | -- | -- | 3,000 | 1 | Framing, Art and Crafts |
| 23 Motion Picture Theaters | -- | -- | 20,000 | 1 | Cinema / Theater |
| 24 Full Service Restaurants | 3,000 | 1 | 10,000 | 2 | Family, Casual Lifestyle |
| 25 Special Foodservices | 1,000 | 1 | 2,000 | 2 | Catering; Deli; Bakery; Butcher |
| Total Maximum Supportable | 20,000 | 11 | 100,000 | 33 | |



6.0 Redevelopment Opportunities

6.1 Downtown Strategy - Summary Recommendations

In developing the Downtown Belleville Market Strategy, we focused on the area that includes the established Downtown Development Authority District (DDA District), plus some additional parcels in the vicinity. In our market study and downtown assessment, we have identified a total of seven main development sites or opportunities that have key roles in the community's future.

To begin, we believe that the City of Belleville absolutely must improve public access to Belleville Lake. It is an invaluable amenity to the City that is currently under-utilized and lacks any meaningful connectivity to the downtown.

With this in mind, improving Downtown Belleville will depend upon radical changes that must occur in connection with Belleville Lake. In short, these fundamental objectives of rejuvenating the Downtown into a vibrant shopping district will depend upon demolition, scraping and redevelopment of keystone properties to significantly improve waterfront access. As shown below, this is the first and primary Guiding Principle in the Downtown Market Strategy.

Guiding Principles

1. Significantly improve waterfront access through radical change and redevelopment of keystone parcels.
2. Priorities are Waterfront, Gateway and Municipal / Civic Space, in that order.
3. Ensure that roads connect through wherever possible to enable traffic flow during peak hours of commuter congestion, while preserving the Main Street character of the Downtown Shopping District.
4. Focus on mixed-uses of Main Street retail topped by residential condominiums, stacked flats, professional offices, and business incubator space.
5. Focus on corner parcels before parcels that are mid-block.
6. Focus on larger parcels before addressing smaller in-fill opportunities.
7. Address clusters of parcels before addressing scattered opportunities.
8. Focus on infill where existing uses are reasonably consistent, and resist being deterred by established retail, commercial and residential structures that have varying set-backs, roof lines, and style.
9. Strike a balance in the scale of future buildings and consistent architectural design and set-backs. Develop facing parcels to the same scale, with consideration for other land use adjacencies.
10. Support established and valued merchants and businesses through cross-marketing efforts, merchant workshops, waste and snow removal, effective communication of City agendas, and related community services.

11. Modify and enforce zoning ordinances as needed to ensure services are occupying professional space rather than residential units. Allow traditional retail shops and craftsmanship businesses in residential.
12. Address community signage as well as the store facade program.
13. Significantly improve community marketing efforts through the World Wide Web, current brochures, and proactive Chamber and DDA involvement. Collaborate with Van Buren Township.
14. Ensure that all Municipal Offices and jobs remain in the Downtown District, and are not moved out to some fringe location. Ensure that the Belleville High School remains in the jurisdiction to keep school-related activities in the local area.
15. When pursuing new tenants, focus first on local needs and expectations in pursuing tenants, and second on visitors and seasonal tourists.

With these 15 Guiding Principles in mind, we have developed a market strategy for Downtown Belleville that involves a total of seven (7) unique redevelopment projects, which are summarized in priority order on the following street grid, and addressed in greater detail within this section of our report.

FIGURE 11. Downtown Market Strategy - Summary of Recommended Projects

| | | | | |
|--------------------------------------|------------------------------|-----------------|--|--|
| Belleville Lake | | Belleville Road | Belleville Lake | |
| Denton Road | | M | | |
| | | A | Lot 298 (Doane's Landing - 2.2 ac.) | |
| | | I | N. Liberty Street (angles southeast) | |
| | | N | | |
| Belleville Lake | green space | S | Lot 275 (Lake View Tavern) | |
| | Lot 200 (Hayward's Liquor) | T | Lot 275 (Donut Town) | |
| | Lot 301 (parking) | R | Lot 274 (parking) | |
| | Lot 301 (Benito's Pizza) | E | Lot 273 (Belleville Coin Laundry) | |
| | Lot 302 (DiPietro & Day Law) | E | Lot 272 (Main Street Plaza) | |
| | Lot 303 (Design Association) | T | | |
| Lot 306 (Horizon Park) | Lot 304 (Masonic Temple) | D | Lot 271 (Lake Plaza) | |
| Lot 305 (Belleville Grille) | Alf Insurance | O | Lot 270 (504 Building) | |
| High Street | | W | Lot 268, 269 (Citco Gas Station) | |
| | | N | Fifth Street | |
| Lots 250-252 (Parking Lot) | | T | | |
| | | O | Pro Hardware | |
| Lot 253 (Bank One) | | N | Andrews Drugs | |
| Roys Street | | B | Bambino and She Alterations | |
| | | E | Antiques on Main | |
| Belleville Art Museum | | L | Re/Max Crossroads Realty | |
| | | L | Bayou Grill | |
| Fourth Street | | E | small pocket park | |
| | | V | Bangkok City Café | |
| Drycleaners | | I | Burke Sales & Engineering | |
| Toarmina's Pizza | | L | Vacant Space | |
| State Farm Insurance | | L | Hanna Sattelite, Inc. | |
| Stencils n' More | | E | Photography by Shannon | |
| Mafee Clinic | | | Swan's Locksmith | |
| Vacant Slab Parcel | | | Pentimaki Property (vacant greenspace) | |
| Citizen's Insurance Parking | | | | |
| Citizen's Insurance | | | | |
| Barbara Miller, Attorney at Law | | | | |
| Century 21 Real Estate | | | | |
| Third Street | | | | |
| | | | | |
| Belleville Medical Clinic | | | Marathon Gas Station | |
| | | | Belleville Area Chamber of Commerce | |
| Styling Senter Salon | | | Douglas Carpets | |
| 2001 Building (former Cinema) | | | parking | |
| Keller Williams Realty & Jet's Pizza | | | Residential House | |
| Higgerson & Neal Funeral Home | | | Main Street Flowers | |
| Second Street | | | | |
| | | | | |
| Laila Carr, DDS | | | Unified Communities Federal Credit | |
| New Horizons Chiropractic | | | Residential House | |
| The View Newspaper | | | Huron Valley Realty | |
| Barber Bob's | | | 152 Professional Building | |
| Mr. Goofy's Car Wash | | | Residential House | |
| | | | Michigan Exhaust-Brake Center | |
| Charter One Bank | | | First Street | |
| | | | | |
| Frosty Boy (relocate) | | | Mike's Red Apple Restaurant | |
| Dental Professional Space | | | Residential: Barber Shop & Salon | |
| Five Point Mini Mart | | | City Hall & Police Dept.; Convenience | |
| | | | | |
| W. Columbia Ave. | | | E. Huron River Drive | |

6.2 The Waterfront Project

Improved access and opportunities to enjoy a water experience is a fundamental recommendation in this market strategy, as it could have profound benefits to the community, visitor import, Downtown merchants, city identity, and the local economy.

FIGURE 12. The Waterfront Project - Existing businesses must be relocated into new facilities within the Downtown District.



Our recommendations for the Waterfront Project involve assembling the various waterfront parcels (including Hayward's Liquor and Benito's Pizza, at a minimum), scraping the assembled site clean, and redeveloping it into a landmark waterfront building with a covered pavilion providing public access down to Belleville Lake boat slips. The Project should also include kiosks for *seasonal* boutique shops (500 sq. ft. each), as well as improved lake front access, amenities, signage, and marketing.

To complete the Waterfront Project, the existing parcels occupied by Hayward's Liquor and Benito's Pizza must be connected through development of a pavilion and boardwalk to the Belleville Grille and Horizon Park. This should include a retail pavilion with docks and piers to accommodate 1-hour and 2-hour riverboat cruises. At the very least, other amenities must include *seasonal* boutique kiosk shops (boat tour ticket counter, swim wear, gifts and souvenirs, a Chamber of Commerce booth, pretzels and ice cream, etc.), ample benches, large landscaped flower pots, banners and flags, drinking fountains, and contemporary restrooms.

FIGURE 13. The Waterfront Project - The Redevelopment Vision



FIGURE 14. Belleville Pavilion - Seasonal Kiosks inside the Pavilion



AEG is an advocate of on-street parking in Main Street settings. However, given the shallow depth of the redevelopment parcels, the Waterfront Project plan will need to accommodate pedestrian and boat traffic access only, without on-street parking.

Additionally, AEG is not advocating a general policy of removing residential units or relocating families from the Main Street district. However, exceptions may be warranted if the owner is a willing and able seller, and if retaining the existing unit(s) would actually prevent development of a project that would be a significant economic benefit to the entire community, or if the property is actually being used as a business rather than a family residence.

Similar exceptions may apply to the few cottage businesses along Main Street at Belleville Lake, shown in the photo below. If they have historical or cultural value, small structures like these could be physically lifted up off their foundations, and moved to infill locations within established residential neighborhoods.

FIGURE 15. Preserve Cottage Businesses if possible.
If they prevent the Waterfront Project, then they must be relocated.



From Horizon Park, the view of the lake is currently blocked to visitors of the downtown area by the existing businesses and vegetative buffers. There is a small marina / boardwalk located below Belleville Grille as well as a small lookout / sitting area along the water below Horizon Park. Our recommendations for this portion of the waterfront include development of a waterfront dock and walkway that completely connects around toward the Waterfront Pavilion. In addition, the park should add walkways, contemporary public facilities, picnic tables and benches, creating an inviting public plaza. The photos below compare the waterfront's existing image with its full potential.

FIGURE 16. Waterfront Parcel from Horizon Park - Existing View



FIGURE 17. Waterfront Parcel from Horizon Park - Proposed Concept



6.3 The Gateway Project

The Gateway is the community's first impression to residents and visitors entering the community from Belleville Road, and is critical to the success of the downtown. The Gateway Project is as essential as the Waterfront Project, and will require land assembly of various parcels currently occupied by Doane's Landing, the Lake View Tavern, Donut Town, Belleville Coin Laundry, Main Street Plaza, Lake Plaza, and Citgo Gas.

Phase I: At a minimum, the Lake View Tavern, Donut Town, and associated parking area must be redeveloped into a significant landmark anchor with premier views of Belleville Lake. Phase I must also incorporate Doane's Landing, but without eliminating the connection of Liberty Street through to Belleville Road or impacting the traditional grid pattern. Instead, the short section of Liberty Street between the Gateway Project and Doane's Landing should be resurfaced with textured pavers, medians with crosswalks, and slowed traffic to 10 miles per hour.

Phase II: If investment costs, land assembly, leases or other development issues make it difficult to assemble the entire block before project commencement, then Phase II of the project could be postponed. The eventual redevelopment of the Belleville Coin Laundry, Main Street Plaza, Lake Plaza, Citgo Gas, and all other parcels on that contiguous block would greatly enhance the overall effort, but must not delay commencement of Phase I of the Gateway Project.

Phase II also presents an opportunity to realign High Street, such that it connects directly through to Liberty Street. To accomplish this, it is recommended that Fifth Street be eliminated. This will restore the Main Street character, strengthen the traditional grid pattern, and ease traffic flow during peak seasons and commuter hours.

FIGURE 18. Current View of Gateway Entrance into Downtown Belleville



FIGURE 19. The Gateway (Phase I): Redevelop into a Landmark Mixed-Use Project.



FIGURE 20. Gateway Project (Phase II)



FIGURE 21. Gateway Project (Phase II)



The Gateway Project is the largest property (assuming they can be assembled into one cohesive redevelopment), and is prominently located as a north anchor to the Downtown, with “presence” at the south end of the Belleville Road Bridge. Supported by the favorable results of the supply-demand analysis (with up to 100,000 square feet of supportable retail space), we recommend that the City consider a variety of options that includes a meaningful representation of retail tenants.

Following are photos demonstrating potential building styles and architecture that would be reasonably consistent with established landmark buildings like the Belleville Area Museum, Funeral Home, Masonic Temple, and 2001 Building.

FIGURE 22. Gateway Project - Phase I Viewed from the Waterfront Project (looking East)



FIGURE 23. The Lower-Level Restaurant and Outdoor Plaza



FIGURE 24. The Gateway Project - Phase II Viewed from Bank One (looking northeast)



The following uses should be considered as viable options for the Gateway Project, with an emphasis on development of a mixed-use project with street-level retail and topped by any combination of office / professional space and condominiums / stacked flats, and must maximize lake front views through a generous use of bay windows:

Phase I

Lower Level - Entertainment, Retail

Upper Level - Condominiums and / or Professional Offices

- Main Street Retail - *about 35,000 square feet*
 - cinema - 1 or 2-screens - *about 20,000 square feet*
 - unique apparel stores - *up to 10,000 square feet*
 - gifts, boutiques and novelty - *up to 3,000 square feet*
 - convenience, general merchandise - *up to 2,000 square feet*
 - quality restaurant(s) - *up to 12,000 square feet*
 - specialty green grocery store - *up to 20,000 square feet*
- Community Theater
- Restaurant above, with scenic views of Belleville Lake
- Professional Space, rentable office suites and/or business incubator space

Phase II

Lower Level DesignMart - up to 25,000 square feet

Upper Level Condominiums and / or Professional Offices

- Relocated Douglas Carpets
- Relocated Fireplace and Hearth Shop
- Patio and Lawn Art Store
- Curtains and Blinds Design Studio
- Illumination and Lamp Store
- Wallpaper and Paint Store
- Flooring, Carpet and Tile Store
- Custom Framing and Art Gallery
- Upholstery and Furniture Restoration
- Interior Design Studio

Gateway Project - Phase I and II

Potential Office Space Tenants

- Real Estate, Travel, and Insurance Agents
- Attorneys, Lawyers, and Legal Advisors
- Financial and Tax Advisors, Accountants
- Surveying, Mortgage, and Title Companies
- Computer Repair and Consulting
- Locksmith
- Signage and Banners
- Medical: Dental, Chiropractic, Massage Therapy, Sports Therapy
- Style Salon, Image Consultants

Phase I of the project should involve development of an impactive, landmark building with no more than three levels, to preserve the overall scale of the Downtown. Specifically, this should be a mixed-use project with conventional retail on the main level, and any combination of small office and professional space on the upper level, and / or stacked flats and owner-occupied condominiums.

Last but not least, Doane's Landing must be developed as a park area with a boardwalk that mirrors (and is possibly an extension of) the Waterfront Project. Doane's Landing is already under a DDA design contract, and we encourage the City to ensure that it complements and is carefully integrated with the Waterfront and Gateway Projects.

FIGURE 25. Link Doane's Landing to Gateway Project with amenities and textured crosswalks



6.4 The Parking Project

Assuming that these properties undergo redevelopment that results in the creation of significant anchor and gateway entrances into the Downtown, then contemporary and well-marked parking will also become essential. This should be accomplished through a partnership with Bank One, and development of a two-level (grade plus one) municipal parking deck at the southwest corner of Main and High Streets.

FIGURE 26. Partner with Bank One on Financing and Management of Parking Deck



FIGURE 27. Inviting and Contemporary Municipal Parking must not be more than 3 Levels High



6.5 The Municipal Project

The recommended “Municipal Project” involves creation of a stately civic building at the south end of Main Street, locally known as the ‘five points intersection’. The logistics of acquiring the parcel(s), relocating existing uses to new space and completing any necessary land assembly may seem daunting, but the potential benefits are profound.

In particular, AEG strongly advocates keeping government jobs in Downtown Belleville to enhance activity levels for merchants. Second, a visually compelling building would effectively anchor the south end of Main Street, adding visual appeal and drawing shoppers south from the Waterfront and Gateway Projects. Third, relocating the City of Belleville Municipal Offices would free-up that cornerstone parcel for development to some complementary uses.

Overall, we have identified four parcels that comprise the Municipal Project:

- SEQ of Columbia Ave. and South Rd. Existing Automotive Repair Shop
- NEQ of Columbia Ave. and Main St. Existing City Hall and Convenience Store
- NWQ of Columbia Ave. and Liberty St. 2 residential units (1 recently torn down)
- NEQ of Columbia Ave. and Main St. Existing Denny’s Barber Shop & Salon
- NWQ of Columbia Ave. and Main St. Five Point Mini Mart

The following are potential tenants that could be considered for the Municipal Project. However, it should be noted that the Community Theater should be slotted for the Gateway Project before being flipped to the Municipal Project as an alternative location.

Potential Tenants - Five Points Municipal Project

- City of Belleville Municipal Offices (relocation)
- Van Buren Township Offices (partnership)
- Municipal Police Department (relocation)
- Downtown Development Authority (relocation)
- Fred C. Fischer Library (relocation)
- Economic Development Corporation
- Sports and Recreation Center / YMCA
- Community Theater (alternative location to Gateway)

FIGURE 28. Existing Fred C. Fischer Library



FIGURE 29. Existing City Hall and facing Mini Mart



Although we are recommending a ‘building with presence’ to anchor the Five Points Municipal Project, we caution against a structure that is more than two or three stories high, as this would be inconsistent with the scale of the established Downtown District. The photo below demonstrates how the height and size of a structure can seemingly overpower a Main Street district. In this example, the complex (Clinton County Offices in St. Johns, Michigan) actually anchors one end of Main Street, which may not be a feasible option for Belleville.

FIGURE 30. Analogs: Good Design, but Disproportionate Scale (Clinton County Complex in St. Johns, Michigan)



AEG is not advocating a general policy of removing residential units or relocating families from the Main Street district. However, exceptions may be warranted if the owner is a willing and able seller or if retaining the existing unit(s) would actually prevent development of a project that would be a significant economic benefit to the entire community. This may apply to Denny’s Barber Shop & Salon and Frosty Boy (shown in the photos below), as well as the convenience store and residence located east of the City Hall along Columbia Avenue.

The Frosty Boy is not considered essential to the development of a civic centre at Five Points, as it does not represent the highest and best use for the parcel. Instead, the parcel may offer better options for a Library or professional space that would complement the adjacent dental offices. Since the Frosty Boy business does have some nostalgic and cultural value to the community, it could be physically lifted off its foundation and moved to some other location like Doane's Landing, Horizon Park or the Fourth Street Square.

FIGURE 31. Denny's Barber Shop & Salon and Frosty Boy



6.6 City Centre Project

The “City Centre Project” primarily involves two parcels: 1) the Pentimaki Property, which is the open greenspace at the corner of Main and Third Street, and 2) existing uses directly to the south, including Marathon Gas Station, Chamber of Commerce, and Douglas Carpets. Although the Marathon Gas Station is not a preferred use within a downtown, it does not really have a negative impact on the downtown’s success. Rather, it comes into play *because* of the Pentimaki Property’s availability.

The prospect of a meaningful project on the Pentimaki Property becomes more compelling if the Marathon Gas Station, Chamber of Commerce, and Douglas Carpets could be relocated elsewhere within the community. The Marathon Gas Station should relocate to Sumpter Road or some other commercial corridor, and the Chamber of Commerce could relocate to the Masonic Temple, Belleville Museum, Gateway Project or Water-front Project. Douglas Carpets should be relocated to Phase II of the Gateway Project, joining other home furnishings stores in the recommended DesignMart.

FIGURE 32. Moderate Priority: Develop Keystone Parcels - Create a Village Center with 2-story Building



FIGURE 33. City Centre Sector - Contingent upon Redevelopment of the Pentimaki Property, and to the same scale



Of importance, the redevelopment of these parcels must mirror the scale already established by existing businesses. Buildings should be at least 2 stories but no more than 3 stories high, and must minimize set-backs. Drive-thrus (banks, pharmacies and fast food establishments) should not be permitted, and parking fields should always be pushed to the back of establishments rather than to the sides. The following series of photographs depict the appropriate scale presented by established buildings, although style, set-backs, and parking do vary.

FIGURE 34. Established 2 and 3-level buildings should set the standard for the City Centre Project



FIGURE 35. Established 2 and 3-level brick building set the standard for projects like the City Centre



Option A: Retail City Centre with Shops and Apartments or Offices Above

Option B: Attached Live-Work Townhouses (owner-occupied)

The following exhibits present some concepts that might be considered for the City Centre Project, with the possibility of developing street-level retail shops below that incorporate green space and pocket parks, and professional office space or stacked flats (renter-occupied condominiums) above.

FIGURE 36. Retail City Center with Shops and Apartments or Offices Above



Live-work units are mainly found in retail areas and are individually owned townhouse units combining retail, office and residential uses. They may look like conventional town houses, but normally consist of a business with large bay windows on the ground floor, and residential units above. This innovation helps to retain the atmosphere of a small village or town, while offering opportunities for business incubator space and entrepreneurial spirit in the community.

FIGURE 37. Live-Work Units: 2-Level Townhomes above Main Street Retail



Although the concept has gained popularity in Washington D.C., Florida, Colorado, and other states, developers are just beginning to prove its success in the Upper Midwest and Michigan. Given the popularity of the subject in the real estate development industry (particularly Planned Urban Developments - PUDs, and Traditional Neighborhood Developments - TNDs), no analysis would be complete without at least considering live-work units.

We have two cautions for the City of Belleville regarding this concept. First, the live-work units will succeed in the community only if the Waterfront and Gateway Projects are successfully developed and leased with quality tenants, increasing the Downtown's appeal to residents, businesses, shoppers, and visitors. Second, the concept is usually portrayed with three levels, whereas a two-level structure would be a better fit with the scale of established buildings along Belleville's Main Street district.

In addition to the two corners that comprise the NEQ and SEQ of Main Street and Third, we have also identified some in-fill opportunities that would enhance the City Centre Project, but are not essential to its success. These include the vacant 'slab parcel' at 337 Main Street, and the adjacent Citizen's Insurance at 331 Main Street.

FIGURE 38. Moderate-to-Low Priority: Infill Parcels



Varying somewhat from the recommendations for the corner parcels, redevelopment of the Citizen’s Insurance and the “slab parcel” with infill uses should mirror the scale of facing buildings. Nevertheless, this portion of the project should still follow build-to zoning standards (i.e., minimize the set-back), and should transition well between nearby Mafee Clinic and Attorney Building.

FIGURE 39. Mirroring Uses



Accordingly, AEG recommends that the City and future developer consider a contemporary concept like live-work units. The parcel may accommodate single-family residential in-fill, a large Bed & Breakfast (with parking at the back), or even attached live-work units (owner occupied) that would offer opportunities for professional occupations and craftsman professions that would appeal to residents and visitors alike.

Option A - Residential In-fill

Option B - Bed & Breakfast

Option C - Single-Family Live-Work Units

Live-Work Units - Potential Tenants

- Pottery and Ceramic Design Shop
- Custom Jewelers
- Custom Embroidery Shop
- Interior Design, Landscape Architecture
- Quilting and Knitting Supply Store
- Artist Painting Supply Store
- Graphic Design Store
- Stingless Supply and Design Store

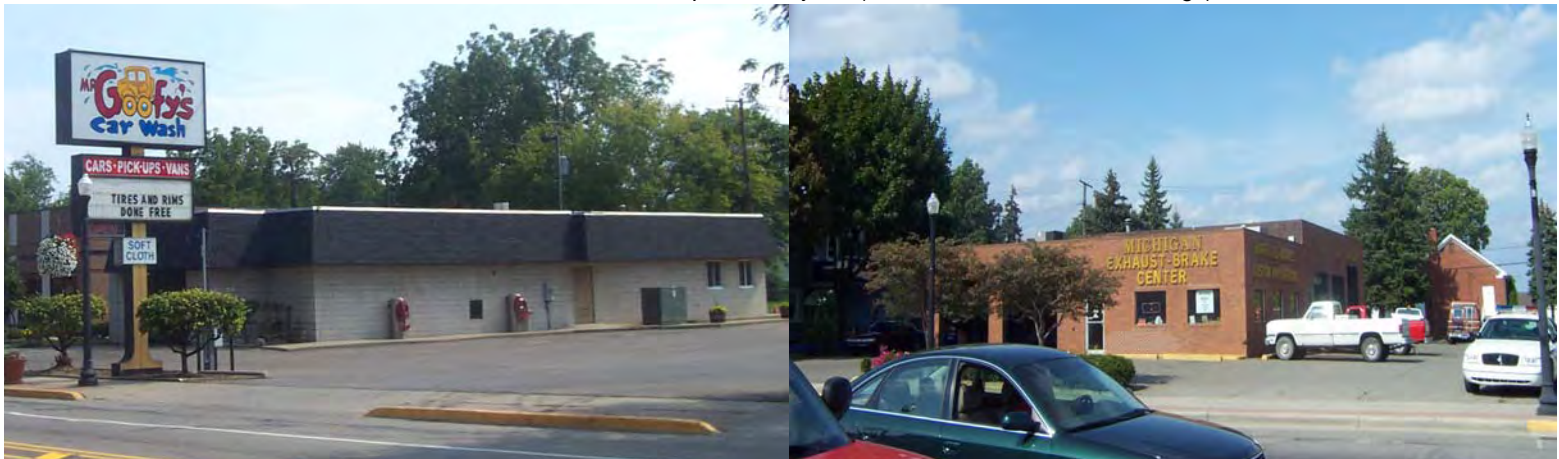
FIGURE 40. Residential In-Fill, Bed & Breakfasts and Live-Work Units - all with minimal set-backs



6.7 In-Fill Projects

In-Fill Projects primarily involve two parcels that are currently occupied by automotive uses: Goofy's Car Wash and the Michigan Exhaust and Brake Center. Recommendations for these parcels are consistent with the recommendations already provided for the City Centre Project. However, these parcels are both mid-block, and are secondary in importance to both the City Centre Project and the Municipal Project.

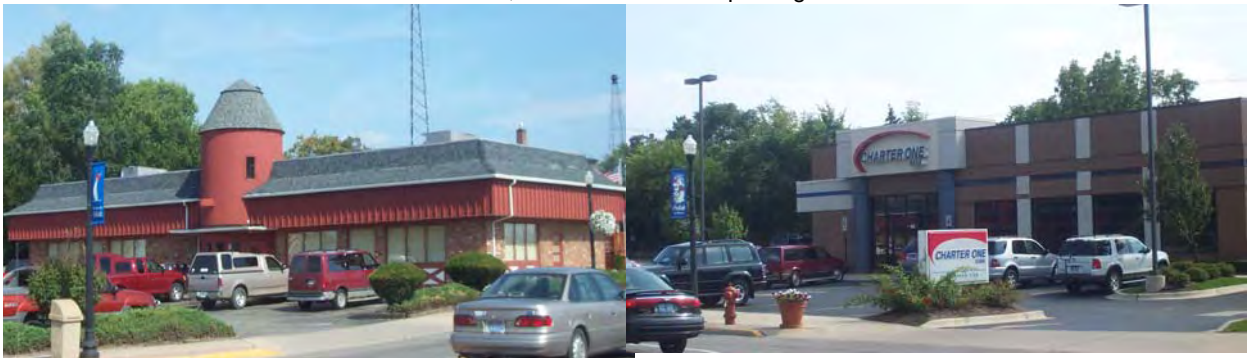
FIGURE 41. Lower Priority: Relocate Automotive Businesses off Main Street
Pursue In-Fill Redevelopment Projects (Future 2015 and 2020 Buildings)



6.8 Other Downtown Planning Recommendations

We have also scrutinized the district between the City Centre Project and Municipal Project, and have developed recommendations for scattered and inconsistent uses. In particular, the City can continue to tolerate other uses like restaurants and financial institutions, even if they have inconsistent roof-lines, architectural styles, set-backs and parking. Resources, time, and energy should be concentrated on larger redevelopment opportunities. However, all future projects must adhere to updated zoning that minimizes set-backs, pushes parking to the back, and ensures that entrances face Main Street and structures are at least two (2) stories high.

FIGURE 42. Inconsistent roof-lines, set-backs and side parking should be avoided



In some cases, mistakes can be improved upon through facade programs and partnerships. For example the medical offices (dental) at the southern end of Main Street have a dated architectural design, which could be significantly improved by providing at least one entrance on Main Street and adding larger bay windows.

FIGURE 43. Medical Offices along South Main Street.



The balance of this report provides a series of photographs intended to demonstrate the remaining Guiding Principles, including approaches for in-fill parcels, inconsistent land use adjacencies, set-backs, entrances and related planning concerns along Belleville's existing Main Street. Overall, the district is fragmented between retail, commercial and residential uses, and services are occupying many of the single-family homes. However, services can be persuaded to relocate into professional space, zoning ordinances can preserve residences, and in-fill parcels can gradually develop after trickle-through benefits of major projects (like the Waterfront, Gateway and Municipal Projects) are realized.

FIGURE 44. Support Valued Anchor Tenants: Hardware and Pharmacy



AEG recommends that redevelopment efforts support valued merchants and businesses that are already contributing to the Downtown, but encourage agents and services to relocate into new professional space in the Gateway Project, freeing space for traditional merchants, shops and restaurants.

FIGURE 45. Established and Valued Businesses along Main Street



FIGURE 46. Preserve Established Main Street Retail Structures
Add Amenities to Pocket Parks like the Fourth Street Square



FIGURE 47. Examples of Quality Pocket Parks and Inviting Pedestrian Walkways



FIGURE 48. Mid-block, address Inconsistent Roof Lines, Set-backs, uses and Facades *Last*
Tolerate Under-utilization of small corner parcels in favor of larger Redevelopment Projects



FIGURE 49. Consistent Set-Backs help to mitigate inconsistent roof-lines and front doors



FIGURE 50. Accept Inconsistent Uses and Styles in Favor of Pursuing Larger Redevelopment Opportunities



FIGURE 51. Mid-block, address Inconsistent Roof Lines, Set-backs, Uses and Facades Last





FIGURE 52. Aggressively Refurbish Stately Buildings for Quality Professional / Office Space



7.0 Merchant Tips

In evaluating and qualifying the results of the opportunity analysis, we also recommend a number of additional Guiding Principles that should be incorporated into the City of Belleville's community vision, specifically pertaining to tenant mix. These are summarized below as "Merchant Tips".

Merchant Tip #1: Merchandise mix should meet the expectations of the local residents first, and visitors second. All new retail tenants should stock their stores with merchandise that appeals to the community's residents, offering creative resources and shops that can be explored, and unique merchandise that can be "discovered." Categories that are currently under-served include men's and women's clothing, water sporting goods, hobby, and small but quality restaurants, among others. Gift shops, souvenir shops and other venues that rely primarily upon tourist expenditures should be minimized.

Merchant Tip #2: Certain categories of tenants *not* recommended for the downtown area are service-based categories, such as medical offices, attorneys, insurance agencies, etc., as they would not enhance the shopping *experience*.

Downtown Belleville already has four times as many service based businesses as it does retailers and should avoid adding more to the Main Street setting. The current individual service-based business should be relocated into professional office buildings and/or developed mixed-use buildings.

Merchant Tip #3: Operate stores with good business and management practices. All merchants and tenants should operate in a manner consistent with successful retailing, remaining open during hours convenient for potential customers, maintaining clean facilities and storefronts, applying appropriate visual merchandising, rotating seasonal and sale merchandise, offering clear signage, and taking appropriate measures to communicate a safe shopping environment.

Visual merchandising is essential in creating a pedestrian shopping environment that is inviting to shoppers. Store signage and facades should be attractive and may carry a common theme. Proper illumination conveys safety as well as a friendly environment, and the provision of seating and contemporary public restrooms is essential. Merchant workshops are available, which can provide useful information on these subjects, as well as ideas for new marketing tools like word-of-mouth advertising, customer e-mail lists, cross-promotions, coupons, seasonal sales, and seasonal events.

Merchant Tip #4: Pursue existing businesses and entrepreneurs for relocation to the downtown. Independent entrepreneurs often compromise on location to operate in facilities with lower rents and reduced overhead expenses. The result is that some businesses are unable to grow because of those same locational choices, and are unable to realize their full potential.

While some local businesses may be “border-line” successful in their existing locations, they can become valued merchants within a more vibrant downtown setting and should not be overlooked. Small business loans provided by local lenders can often provide the incentive to relocate these “independents” into the city center.

Merchant Tip #5: Foster a spirit of cross-marketing between businesses, with shared coupons, brochures, e-mail lists, parking, communication and other resources. Even among tenants that appear to compete, retail business will succeed best when customers are motivated to make more frequent shopping trips, shop longer during each trip, and visit more stores, and therefore will spend more.

1.0 Appendix A: Marketing Strategy

1.1 Introduction

As a final step in our overall market assessment, we have assessed the role of tourism and the significance of visitor contributions to the local market. Our evaluation has determined that import will account for 5 to 10 percent of retail sales during the winter season, and as much as 30 percent during the peak summer season. Import currently averages just 10 percent annually.

In particular, visitors and tourists can contribute significantly to local restaurants, eateries, gas stations, convenience stores, entertainment venues, and traveler accommodations. Yet, as tourist import fluctuates from season to season, visitors should be viewed as supplemental and not as the core customer.

Nonetheless, sales contributions by visitors and residents alike can be increased by improving the variety, quantity and quality of attractions, and through aggressive marketing and promotional efforts.

1.2 Marketing Strategy Recommendations

In our assessment of import for the market, we compiled an inventory of local attractions and seasonal events in close proximity to the City of Belleville, which enhance the quality of life for local residents, present a positive image to visitors, and help create a community that is a desirable place to live. The list totals 16 and is summarized below.

TABLE 1. Belleville Area Attractions/Events

| | | | |
|---|--|----|------------------------|
| 1 | Belleville Area Chamber of Commerce | 8 | Yankee Air Museum |
| 2 | Veterans Memorial | 9 | Belleville Area Museum |
| 3 | Harbor Club Golf Course | 10 | Wayne County Fair |
| 4 | Belleville Lake | 11 | Horizon Park |
| 5 | Lower Huron Metropark | 12 | Victory Park |
| 6 | National Strawberry Festival | 13 | Victory Station |
| 7 | Midnight Cruisers' Rod and Custom Car Show | 14 | Village Park |
| 8 | Annual Christmas Parade | 15 | Farmer's Market |
| 9 | Little League Park | 16 | Van Buren Park |

Sources: Belleville Area Chamber of Commerce and City of Belleville websites

Marketing - Event Booths

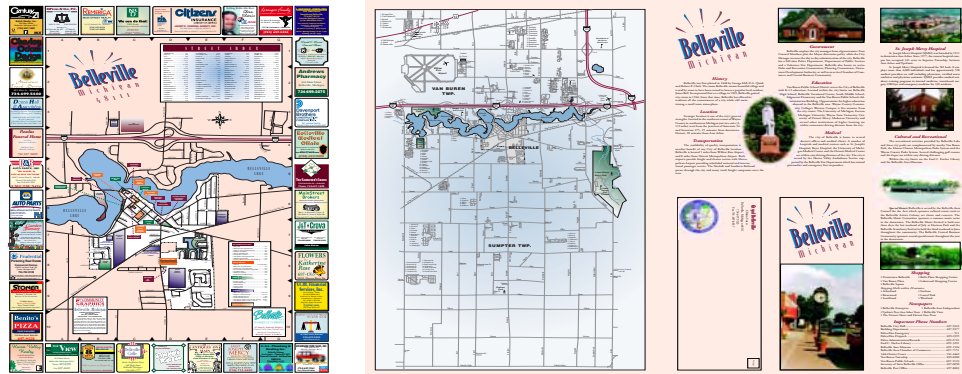
Some of the more notable events include the community's annual Strawberry Festival and annual Wayne County Fair, which are estimated to attract between over 200,000 and 82,000 annual visitors, respectively. These are occasional events that can enhance (but not justify) new businesses, and also present excellent marketing opportunities.

AEG recommends the City of Belleville host a community booth at the annual County Fair to market the community and its resources - including the Downtown, Waterfront Condos, Lakefront Parks, Lower Huron Metropark, restaurants and eateries, and recreational opportunities on Belleville Lake.

Combine On-Line Marketing Efforts

The community currently has two websites: the City of Belleville (www.Belleville.mi.us) and the Chamber of Commerce (www.Bellevillech.org). To enhance marketing efforts, the City of Belleville's Chamber of Commerce website must be directly accessible from the City of Belleville's home page. This will allow the City and Chamber to combine marketing resources to eliminate redundancies and update brochures, exhibits, maps, and photos.

FIGURE 1. The City's dated 1998 Community Map (www.belleville.mi.us/about.htm)



Update the Chamber of Commerce Website Map

Update the Chamber of Commerce Website Map, at a minimum to illustrate the Main Street Shopping District and Belleville Road connection to Interstate 94.

FIGURE 2. Current Chamber of Commerce Website Map



Improve On-line Shopping Directories

The Chamber of Commerce website must also significantly update its section on “Shopping” to include lists of retailers, merchants, and shops. This would allow resident shoppers a convenient way to browse for downtown shopping destinations, and visitors a retail resource, potentially drawing them into the downtown.

Shopping

Downtown Belleville

Belle Plaza Shopping Center

Van Buren Plaza

Belleville Square

Lakewood Shopping Center

Complete the Downtown Development Authority Website

The new Downtown Development Authority website has remained under construction since AEG commenced work on this Market Strategy Study in early winter of 2005 (www.belleville.mi.us/downtown.htm). A completed DDA website would offer residents and visitors a look into new developments and amenities, and showcase the activity and revitalization of the downtown area, giving them something to anticipate.

It could also provide information and photos of available property in the DDA district which would attract entrepreneurs and developers who may be searching online. (A good example is offered by the City of Ypsilanti at www.ypsilantidda.org).



Improve Marketing for Community Amenities

The image of Belleville should emphasize the City's numerous natural, historical, and lake front opportunities, rather than single events that happen one weekend out of the year, such as the National Strawberry Festival. By adding pictures of the Veteran's Memorial, Victory Park, Lower Huron Metropark, Belleville High School and Auditorium, and new Crosswinds Communities to the Bookflip, in addition to photos of key historic buildings in the downtown (Masonic Temple, Belleville Museum, 2001 Building, Frosty Boy, etc.), the website could provide a visually enticing display of what the downtown has to offer.

While the National Strawberry Festival should not be the main marketing effort, the City could improve current marketing strategies by adding numerous festival pictures of banners, tents, parade, and waterfront to a Bookflip.



Improve “Music In The Park” and “Music On Main” Marketing Campaigns

The current marketing efforts for Music in the Park and Music on Main are still dated from 1999 on the www.belleville.mi.us/musicin.htm website. These un-inspiring logos and dated “1999 Lineup” of bands must be updated to convey family fun, live entertainment and activity, and must include current photos.



Build Collaborative Partnerships with Community Stakeholders

The City of Belleville, the Downtown Development Authority, and the Chamber of Commerce should partner with Van Buren Township, as well as with local agencies like the Belleville Rotary Club, Friends of the Library, Belleville Museum, Belleville Community Quilt Club, and Belleville Area Council for the Arts to combine marketing resources and efforts.

Retain a Professional Marketing Firm

The City should work with a website design expert in updating and designing an attractive, informative website for the City of Belleville (www.belleville.mi.us) that is found easily when searching the Internet. This could include snapshots of the revitalized downtown, panoramic views of the Lake, a downtown merchant directory, and a calendar of community events.

AEG recommends the City also work with a qualified design firm to develop and prepare a new fold-out brochure of the downtown, visually depicting the plans for the DDA district and revitalized downtown.

Relocate the Chamber of Commerce

To enable development of a new City Centre Project, convey community pride in historic structures and be more accessible to waterfront visitors, the City of Belleville should relocate the Chamber of Commerce closer to Belleville Lake, perhaps in the Masonic Temple (instead of Alf Insurance) or as shared space with the Museum. The

existing tenant space could be freed for a traditional retail merchant like a relocated MiniMart.



Develop and Commence with an Aggressive Signage Program

In addressing signage recommendations, the following action items should be considered:

1. Add a simple green road sign that clearly marks the “Downtown Shopping District” at both ends of the district.
2. Add parking signs at each and every entry into all Municipal Parking Lots.
3. Add a monument sign at both ends of the Downtown District with a downtown map of parks, lake front access, the shopping district, Chamber of Commerce, City Hall, library, and other resources.
4. Improve signage for cross-streets.
5. Consider adding at least one billboard along Interstate 94 inviting visitors into the community’s revitalized downtown shopping area.
6. Add directional signs (with miles) for the DNR boat ramps.
7. Develop a significant Gateway entrance that is balanced in scale to the monument sign already in place for Van Buren Township.



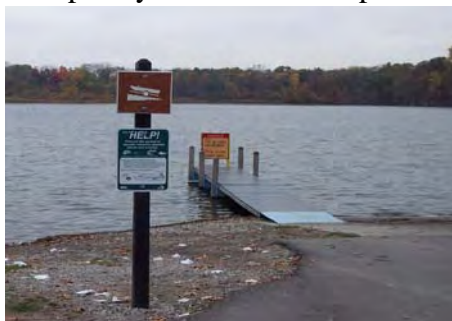
Implement Design Michigan's Streetscape Recommendations

The DDA has recently collaborated with the Design Michigan Workshop and the facade rebate program, and should continue with these efforts. The downtown facade improvement rebate program is designed to support private investment and promote beautification of the City's downtown district. Program guideline requirements and rebates for up to \$10,000 for downtown improvements are offered in hopes of strengthening the economic vitality of the downtown area.

Redeveloped property should offer a variety of amenities that include appropriate signage, an attractive city monument, brick design elements, drinking fountain, public restrooms that are perceived to be safe, an amphitheater or pavilion, picnic benches, shady and sunny resting areas, and off-shore fishing benches. This could be addressed along the waterfront parcel mentioned in the section on development sites/opportunities.

Partner with the DNR to Improve Public Boat Launches

Visitors utilizing the DNR boat launches are potential patrons of Downtown Belleville. Significant improvements to existing park amenities are recommended, including parking, signage, restrooms, trash receptacles, picnic areas, lake maps, and newsboards. As part of this effort, the City could donate the existing public restrooms from Horizon Park, and develop contemporary facilities in that part of the City's Downtown District.



1.0 Appendix B: Business Recruitment Strategy

We are also providing a list of recommendations for the City of Belleville to consider in its business recruitment strategy, which is provided in this last section of our report.

1. *Get organized:* Before any retention or recruitment can start, the community should get organized. Even if the downtown already has a Downtown Development Authority, it should have a full-time assigned director who can dedicate time to organizing merchants, identifying two or three leaders to support that director, and implementing economic and marketing strategies.
2. *Clean it up:* Downtowns must look great for effective recruitment to commence. This means cleaning up the streets. An inexpensive approach could include a reward system for merchants who clean up on their own. If this doesn't work, resort to a special assessment to hire cleaners. Facade rebate programs can also be used to assist in this area.
3. *Be pro-active and creative with promotions:* An active downtown organization should have an identity and logo, and should produce events and organize promotions that make the district attractive to existing tenants and prospective retailers. Events like the Strawberry Festival should be prominently displayed on the City's website, and maps for the event should clearly denote the downtown shopping district.
4. *Pursue business retention before recruitment:* Even more than recruitment, retention is critically important to downtowns. Before new tenants are recruited, it must be clear that existing merchants are valued and wanted.
5. *Talk to your existing retailers and valued businesses:* One way to work on retention and recruitment at the same time is through effective communication with existing merchants. Focus group sessions are helpful, but sometimes it is necessary to go door-to-door for one-on-one discussions, or to conduct phone interviews. This way, you can discover wants and needs, and learn of the biggest challenges confronted by current retailers.
6. *Carefully consider the appropriate retail mix:* Use the information from your existing retailers to think carefully about tenant mix. This market strategy study specifically addresses the appropriate tenant mix for the City of Belleville, and also demonstrates the benefits of clustering similar businesses together (such as creating a home improvement DesignMart within the downtown).
7. *Recruit and pursue new retailers:* Retailers consider a variety of criteria when choosing a location, including population and income, parking options, community image,

traffic counts and vehicular speed, proximity to other retail and competition, access and visibility, and jurisdictional growth policies. All of these and related factors should be considered when approaching new tenants.

8. *Inventory local resources and amenities:* Inventory your resources so you can impress potential new businesses. The community should be prepared to brag about its active DDA, market strategy, waterfront resources and parks, recent condominium developments, redevelopment plans, Main Street facade program, proposed new City Hall, high school, parks, museum and other resources.

9. *Tune into the competition:* Competing markets are often pursuing the same prospective retail recruits. You not only need to be aware of them, but also to learn them well. The City leaders, Chamber Director and DDA Director should know Canton and Van Buren Townships as well as Ypsilanti. They should be very aware of events, organizations and agencies, and promotional websites in the surrounding communities.

10. *Maintain a current consumer guide:* Another excellent recruitment and retention piece is a consumer guide which is distributed to all downtown employees and visitors. Such a guide is often accompanied by a map (this has been done for Belleville in the past, most recently in 1998), and can provide coupons and information on downtown restaurants, entertainment and retailers, their hours of operation and location. Publication costs can be paid for through advertising.

11. *Recruit and utilize volunteers routinely:* Several successful business recruitment and retention programs use volunteers to visit businesses, rather than salaried city staff members. Volunteers may be DDA members, or leaders from local libraries, museums and the Kiwanis Club. High School Seniors may even be recruited as part of a class program.

12. *Utilize matchmakers and local business expertise:* Consider retaining a licensed and professional local broker to approach prospective developers, tenants and businesses. A commercial real estate broker with interest in the downtown's success will maintain a catalogue and brochures (cut-sheets) of all the available properties and their size, condition, sale price or rent structure, prior use, duration of vacancy, and other pertinent information of interest to potential tenants. The broker may collect a commission from the representative landlords or sellers to include their property on a flyer, brochure or in facility tours.

13. *Advertise in any vacant windows:* Instead of leaving bare and dirty windows in vacant space, create a city-wide and easily recognizable Information Poster in the window with a general description of the available space/property and place the poster in

the window for passersby. Also, with the permission of the property owner, the vacant window space can be used for holiday decorations or showcasing art from the Belleville Area Council for the Arts or from children at the area schools.

14. *Build a network of referrals:* When volunteers are conducting interviews with existing businesses and merchants, they should always ask “do you know anyone who might be interested in locating downtown?” Volunteers can then follow up by contacting such prospects for in-person meetings. After contacting referrals on the phone, they should be invited for a general tour of available properties, but with no pressure to disclose intentions.

15. *Practice cross-promotion:* Merchants and businesses should engage in friendly conversation with approachable customers, and invite them to visit other shoppes and establishments within the downtown. If existing merchants do not have a specific item that a customer is seeking, it is always much better to send them across the street to the “competition” then send them away from the downtown. Better yet, offer a coupon for 10% off one purchase at a complementary store. In a downtown setting, any dollar spent will benefit all, and hopefully generate return trips and longer shopping excursions.

16. *Look for niches:* Developing downtown niches takes thinking about retail mix a bit further. Niches are special market segments that can be based on several things:

- A group of customers such as teens and youths (they have money!), and independent entrepreneurs; young professionals; impulse shoppers and pass-by visitors;
- Specific kinds of goods or services, such as children’s clothing, home furnishings, or entertainment;
- A shopping environment like a pedestrian mall, waterfront pavilion or museum, which becomes a destination in and of itself.

17. *Consider creative adaptive re-use:* As the prime location of older or historic buildings in their regions, many downtowns are anxious to capitalize on their ambiance by adaptively re-using the space within. When recruiting you might want to think about what kind of businesses might benefit from the special spatial benefits or situations offered by older buildings. For example, warehouse buildings are often successfully converted into galleries and artist’s live/work units and renter-occupied condominiums. As other examples, Class C office space can be converted into apartments or business incubator space, old libraries into medical offices, and factories into libraries.

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