

Downtown Portland Market Study

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Executive Summary

Overview

Portland, Michigan holds the distinction as Michigan's first downtown to garner both the Michigan Main Street designation *and* the Michigan Cool Cities designation. As such, the community takes tremendous pride in its downtown and all of the economic and social benefits that it has to offer, and is excited to capitalize on emerging opportunities in order to maintain the success that the downtown has enjoyed in the past.

Portland's most recent Master Plan (2008) has outlined two goals that pertain directly to the downtown and require a Market Study in order to be seen through to completion. The first goal is to retain much of the tax base that may currently be lost to surrounding communities due to the 'Bedroom Community' status that Portland has gained in more recent years. The second is to combat the resurgence of strip development in surrounding communities and on the outskirts of Portland itself. Both goals call to "Formulate a comprehensive economic development strategy, based on an accurate market analysis."

The information and direction gained from this Downtown Portland Market Study will play an integral role in future development and redevelopment efforts within the downtown area, as well as lending direction to future decisions regarding the type and number of commercial establishments that the city needs in order to be successful.

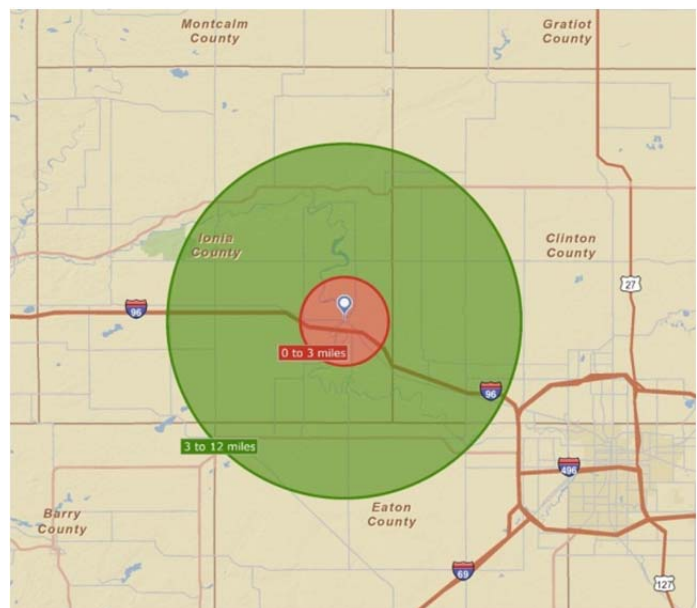
Study Objectives & Methods

The Michigan State University Practicum group was commissioned to facilitate this market study for Downtown Portland. The study was organized to determine the needs and desires of the surrounding community. The first step in this process was to define downtown Portland's primary and secondary trade areas from which it draws the majority of its customers. Next, a focus group and business survey were conducted to engage community members in the planning process. Existing conditions were inventoried, and population and market trends within the trade areas were collected as well.

Market Study Origins

Michigan State University's Urban and Regional Planning Practicum Program is a collaboration of graduate and undergraduate students applying their skills and knowledge toward a "real world" situation. Students are paired with clients and asked to develop a professional-quality product that satisfies the needs of the client. As a result, students gain valuable experience in the planning process, including participatory procedures, analytical techniques, and data collection.

The client for this project is the Portland Main Street Program in Portland, MI, in addition to Michigan State University Extension. The main contacts are Patrick Reagan, Director of the City of Portland Downtown Development Authority/ Portland Main Street, and Diane Smith of the Ionia County Economic Alliance (ICEA), and MSU extension.



Demographic analysis shows that Portland is city which is gradually growing in population. While this population is younger on average than the state of Michigan, it is an older population than that of Ionia County, which Portland resides within. The analysis also shows that Portland's households are more financially successful than Michigan and Ionia County, hinting at some potentially upscale commercial opportunities that may be available.

Next, to better understand the lifestyle characteristics of the population that lives in Portland's primary and secondary trade areas, an ESRI Tapestry segmentation study was performed. This allowed for classification of the population into four generalized groups based on household income and size, shopping characteristics, and recreational tendencies, among many other characteristics. The results showed that Portland is a typical Midwestern town; people enjoy active recreation, going out to eat, and do-it-yourself projects at home, among many other things.

Public participation activities included a focus group of thirteen Portland citizens, and a business survey, of which twenty-nine were completed. The focus group was an attempt to gain perspective from citizens about the state of Portland's downtown, including discussion of what the area is doing well, and what things need improvement. The purpose of the business survey was to get feedback about the characteristics of current businesses (length of time in Portland, plans for expansion, etc.), as well as the business owners' perspectives on what the downtown district needs to focus on next in order to succeed.

Using ESRI market data, a market profile was created to assess what types of goods and services are needed in the Portland area, and what types are currently saturating the market. The profile looks at the amount of money that is spent on goods and services in Portland from the primary and secondary trade areas, in addition to the amount of money that each business sector in Portland is capturing or losing compared to other commercial centers in the area. After analyzing the data from this market profile, it was possible to determine business sectors that have economic potential in the Portland area.

Recommendations

- Oftentimes, passive recreation and patronage of restaurants go hand in hand, and the information provided in this study shows that the people of Portland enjoy eating away from home. Portland should capitalize on unifying dining and recreational elements together in its promotion of the downtown.
- Specialty food stores, which were suggested by almost every data source, have great potential in Portland. A wine and cheese shop, for example, could be successful in the area (which currently lacks one) due to the availability of great local products to choose from, as well as an ever-expanding clientele base.
- Important to the community of Portland is the ability to maintain interest in the businesses that currently inhabit downtown retail space, yet Portland is missing businesses that cater to the schedules of many of its residents. Expanding the business hours of existing businesses would increase the vitality of downtown Portland, and potentially expand the clientele base.

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Prologue

Michigan State University's Urban and Regional Planning Practicum Program is a collaboration of graduate and undergraduate students applying their skills and knowledge toward a "real world" situation. Students are paired with clients and asked to develop a professional-quality product that satisfies the needs of the client. As a result, students gain valuable experience in the planning process, including participatory procedures, analytical techniques, and data collection.

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Michigan State University Practicum students include Austin Colson, Brian Keeseey, Josh Kluzak, Maria Kornakova, Ann Sojka, and David Wood. We would like to express our gratitude to Patrick and Diane, as well as our professors, Rex LaMore and Zenia Kotval, for all of their time and effort in assisting us with this market study.

Introduction

Portland, Michigan holds the distinction as Michigan's first downtown to garner both the Michigan Main Street designation *and* the Michigan Cool Cities designation. As such, the community takes tremendous pride in its downtown and all of the economic and social benefits that it has to offer, and is excited to capitalize on emerging opportunities in order to maintain the success that the downtown has enjoyed in the past.

Portland's most recent Master Plan (2008) has outlined two goals that pertain directly to the downtown and require a Market Study in order to be seen through to completion. The first goal is to retain much of the tax base that may currently be lost to surrounding communities due to the 'Bedroom Community' status that Portland has gained in more recent years. The second is to combat the insurgence of strip development in surrounding communities and on the outskirts of Portland itself. Both goals call to "Formulate a comprehensive economic development strategy, based on an accurate market analysis."



Figure 1

The information and direction gained from this Downtown Portland Market Study will play an integral role in future development and redevelopment efforts within the downtown area, as well as lending direction to future decisions regarding the type and number of commercial establishments that the city needs in order to be successful.

Study Objectives

The Michigan State University Practicum group was commissioned to facilitate this market study for Downtown Portland. The study was organized to:

- Define Downtown Portland's primary and secondary trade areas from which it draws the majority of its customers
- Engage community members and business owners in conversation regarding the potential directions for the Downtown to pursue in the future
- Inventory the existing building stock, including its commercial and residential spaces
- Identify population and market trends within the above-defined trade areas

Project Methodology

The completion of this market study was predicated on the engagement of community members, business owners, and community leaders in the exploration of opportunities for the future development of Downtown Portland. Key steps taken in this analysis include:

- Planning and strategy sessions and site visits conducted with Portland DDA Director and Main Street Manager Patrick Reagan and Economic Revitalization Committee Chair Diane Smith
- Visual assessment of existing conditions in Portland's downtown and surrounding areas
- Written survey distributed to each business within the downtown boundary
- Focus group conducted with community members to create a SWOT analysis from a citizen perspective
- The procurement and analysis of trade area demographics, lifestyle, and economic data
- The procurement and analysis of sales leakage and gap analysis data
- The collection and review of background materials and information, including a parking study completed by a Michigan State University Practicum group in 2009, as well as related market study materials, such as the Downtown Iron Mountain Market Study & Strategies from 2008



Figure 2 – Portland - focus group with citizens and MSU Practicum Students (2/15/11)

Project Framework

Context

The city of Portland, Michigan is located just off of Interstate 96, approximately halfway between Grand Rapids and Lansing (Figure 3). This proximity to two major economic and social hubs within the state of Michigan has recently increased the city's desirability to those who do not mind the commute to one of the larger cities for work each day (Figure 4). As a bedroom community, the City has direct niche markets that need to be identified to guide both community leaders in developing viable new businesses and local business owners in evaluating or expanding their product line to meet the local market. Access to the City is offered through three exits, all of which lead through the outskirts of town before arriving downtown (Figures 5 and 6). This feature creates different opportunities for both the business located near the exits and those in the downtown.

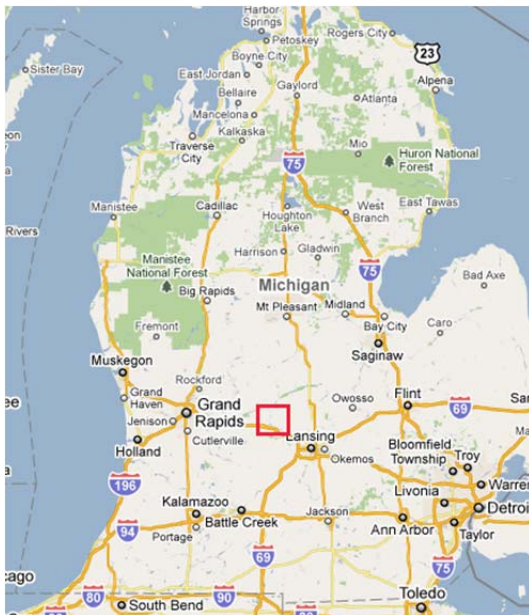


Figure 3 – State of Michigan



Figure 4 - Ionia County

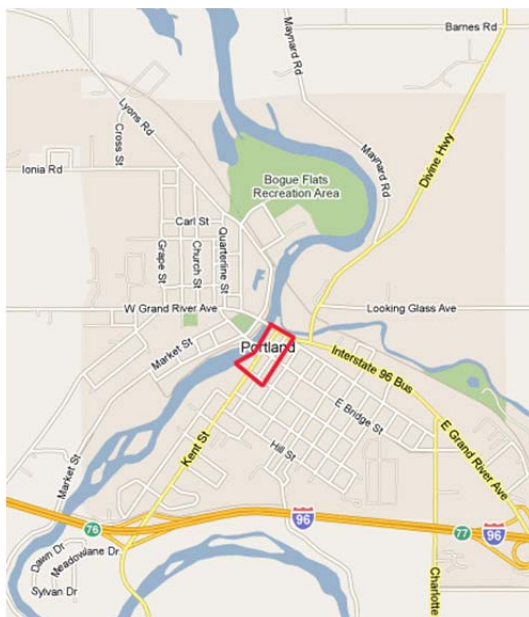


Figure 5 - City of Portland

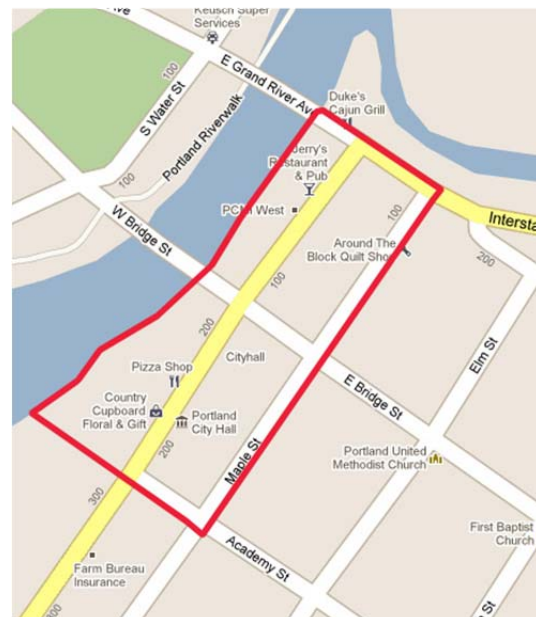


Figure 6 - Downtown Portland

History

Prior to the inception of the city, the lands that currently comprise what is Portland were inhabited by Native Americans. The first documentation of this comes from 1836, when the Newman family (to become the first settlers of Portland), during a visit to Ann Arbor, discovered an abandoned wigwam on the corner of the Grand and Looking Glass rivers on an excursion. The Newman's used it as their temporary home while their log cabin was being constructed. In addition to the wigwam, they found a native cemetery nearby and preserved it.

Meanwhile, Philo Bogue

purchased a piece of land on the bend of Grand River and proposed to develop a trading post there. He opened the post in a small tent and began trading with the Native Americans.

Portland was officially organized as a township by legislative act on March 6th, 1838. The first township meeting was held shortly thereafter, on April 2nd, 1838. Based on the urgings of citizens of the village and surrounding lands, the City of Portland was established in 1869, integrating the majority of Portland Township and Portland Village. Census figures from 1870 show that the population of the newly formed city was 1353, which grew quickly to 1790 by 1880 in large part because of its central location in the agricultural region, as well as its prime location on the Detroit Railway (www.portlandmichigan.us).

Downtown Today

The commercial district, which sits on the confluence of the Grand River and the Looking Glass River, provides many of the amenities that make living in a small town enjoyable to citizens and valuable to potential business owners. This downtown district has been defined as four city blocks, bounded by Maple Street, Academy Street, the Grand River, and the Looking Glass River. Currently it is zoned as C-1 (Central Business District), but above the street level space reserved for commercial retail, the second stories in many cases are reserved for residential loft space (see Appendix A for Zoning Map and Appendix B for Land Use Map).



1881 – Portland, MI

Image by J.J. Stoner

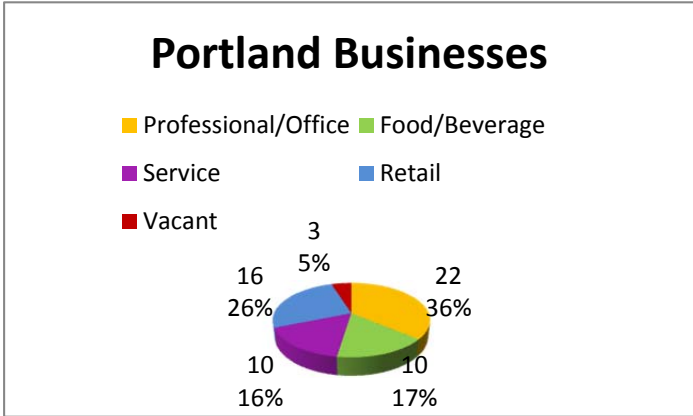


Figure 7 - Type of Commercial Business, Downtown Portland

Portland’s downtown is a classic example of what people love about small Midwestern cities: simple, classic buildings highlighted by colorful signs, vibrant flowers and trees, and intimate spaces. With businesses that are dedicated to the future success of the city and a population that loves to enjoy all of what the downtown has come to offer, it seems that Portland is poised to grow its reputation as a small-town alternative to large-city living, while maintaining the ability to provide the amenities that modern families have come to expect.

Perhaps the most visually outstanding piece of downtown Portland is the magnificent iron truss bridge (Figure. 10) that ties the commercial center with the recreational and residential opportunities on the opposite side of the Grand River via Bridge Street. The bridge provides a single lane for vehicular access and a lane for pedestrian travel, and in addition to its transportation duties, it also serves as a Portland city symbol; its silhouette can be found on city flags, banners, and promotional items, and leaves a lasting image of the city to those who visit. The ironwork is ornate, and is accented by sconces that illuminate the bridge for nighttime travellers.

In addition to the Bridge Street Bridge, downtown Portland's streetscape is accessorized with several other classically styled elements, including streetlights, benches, and a pedestal clock on the corner of Kent Street and Bridge Street. The timepiece is visually appealing, unique street furniture which is not normally found in a downtown like Portland's, and it sets the standard on which other utilitarian elements of the streetscape are founded. The clock's black, wrought-iron stem with gold trim are mimicked by the streetlights that line on-street parking, whose dual sconces shed warm light on the downtown after sundown year-round. Other street furniture, such as benches, trash receptacles, and fences found throughout downtown also match the clock in color, albeit in a more modern powder-coated aluminum material. The uniformity found within these understated street elements helps create a visual cohesiveness that ties the downtown together as a whole.

While streetscape accessories work to provide a common theme for the downtown, each of the buildings provides unique visual interest through the use of color, texture, and architectural detail. Stylistically, many of the buildings share the concept of retail space at street level with the potential for residential occupation above. Because of the similarity in character, each building depends on unique, vibrantly colored trims, intricate paneling and trim carving, and distinctive window treatments to differentiate itself from its neighbors. The result is rows of individually charming, well-kept buildings that store-owners are proud to occupy and shoppers are happy to frequent.

Adding more color and warmth to the streetscape is the presence of street trees, planter boxes, and signage that provide an intimate scale against the two- and three-story buildings that line both sides of the roads. Young pear trees dot the streetscape and provide brilliant white accents during the spring and lush green during the summer; currently, however, their relatively small size does not provide much shade for potential shoppers. Colorful bulbs populate the planter beds that delineate on-



Figure 8 – Pedestal Clock in downtown Portland



Figure 9 – Portland's Streetscape



Figure 10 – Iron Truss bridge in downtown Portland

street parking, and planter boxes and planted pots add additional color and warmth to the walk along the storefronts. Finally, colorful awnings and hanging signs above doors call out business names, while folding signs and posters on the sidewalk advertise specials to potential shoppers.

Unfortunately, the warmth and visual interest that exudes from the buildings along the street is lost almost entirely along the boardwalk. The opportunities for scenic dining and intimate conversation that present themselves along the river are endless, yet seem hopeless and desolate in its current use. While the charming street furniture elements exist on the boardwalk just as they do along the street, there is little color or visual interest to draw people to use the space. Signage, vegetation, and color that work so effectively along the street would certainly be welcomed by residents and visitors alike.

Master Plan

Portland’s master plan states goals and strategies which are intended to help “achieve consensus on the purpose of the master plan and the desired outcome,” as well as to provide a guide for zoning and capital improvement decisions. These goals are statements of ideals in which the city wishes to strive.

The first goal is to provide more employment opportunities and tax base in the Portland area. Due to its bedroom community status, Portland loses out on tax revenues that are needed to fund facilities and services that the citizen’s desire. This goal is intended to facilitate and encourage economic development in order to increase the opportunities for employment for the City’s residents and to increase the City’s tax base.

The second goal of the community vision is to revitalize the central business district and encourage more commercial business. The central business district provides a unique location with confluence of the Grand and Looking Glass Rivers, and the traditional downtown atmosphere. This goal is intended to “to establish the framework under which the City, the Downtown Development Authority, and the downtown businesses can work to creating a thriving and attractive downtown.” One strategy to achieve this goal includes the continuation of development related to the waterfront, such as pedestrian amenities and continued façade improvements. One specific suggestion that the master plan refers to is a “spray park.” Another strategy includes the development of upper floors in the downtown area into apartments. The promotion of additional specialty retail and food service establishments is another strategy of the master plan, and also a common theme we found throughout the ESRI data. Other strategies include developing a way finding system, and develop interpretive plaques to mark historical spots, events, and natural features (www.portland-michigan.org).

Supporting Funds and Grants

Portland’s Master Plan and current zoning, found in Appendix A, have assisted the city in securing funds that have aided development and renovation within the downtown. The city of Portland has been able to acquire a grant to help downtown property owners develop loft apartments, a grant to loop the city’s river trail around the city and improve recreational facilities, and a grant to allow the Portland Community Arts Council to create a center for the arts.



Figure 11 - Boardwalk

Perhaps the most visible addition to the downtown through the aid of grants is the Boardwalk, which connects to the pedestrian bridge of the rivers. Made possible because of Portland's Cool City designation, the boardwalk runs along the rear of many of the buildings on Kent Street, allowing pedestrians access to the businesses from both sides of the street. In addition to increased access, the boardwalk provides a social gathering space and opens up possibilities for art, music, and talent displays. Additionally, the boardwalk allows for potential rear egress for second story apartments that was previously unavailable.

List of Funds and Grants

- River Trail Development Grant: \$500,000 for trail expansion
- Cool Cities Grant: \$100,000 for boardwalk creation
- Loft Improvements: \$250,000 for the development of lofts above commercial spaces (awarded to the City of Portland)
- River Trail Loop: \$750,000 to complete river trail loop around Portland and improve recreational facilities (awarded to the City of Portland)
- \$30,000 for Portland Community Arts Council to create an art center
- Portland Main Street Façade Grant: No-cost design services to three buildings to protect historic integrity
- Downtown Development Authority Façade Grant: Two grants for up to \$5000 to improve facades of Main Street buildings (requires building owner to match funds)
- Community Development Block Grant: Renovations to the façade of all buildings along the boardwalk (awarded to the City of Portland)



Figure 12 - Renovating Building Facades

Trade Area Definition

Trade area analysis is an economic development tool used to analyze the specific retail, commercial, and industrial supply and demand of a geographic area. The primary trade area, which is the three mile radius around downtown Portland, provides an overview of demographics in the immediate Portland area. The secondary trade area analyzes the 13 mile radius outside of the primary trade area, which includes the municipalities of Ionia, Sunfield, Muir Lyons, Pewamo, Fowler, Westphalia, and Eagle. For the purposes of this market study, the trade areas were defined in conjunction with Downtown Development Authority (DDA) Director and Main Street Manager Patrick Reagan and Economic Revitalization Committee Chair Diane Smith.

This geographical analysis of the demographics provides detailed information of the population, including population trends, gender and age profiles, household projections and averages, renter and owner occupancies, and income varieties. This comparison in data and projections can then be used to analyze and predict potential future market trends. The trade area analysis also allows for analysis of Consumer Lifestyle Characteristics, which integrates socioeconomic and demographic data to provide detailed descriptions of average consumers within the trade areas. The consumer lifestyle characteristics examine related groups within the population that share common opinions and spend their time and money in similar fashions, which in turn may suggest business opportunities.

By separating the population into primary and secondary trade areas, an overview of population and market trends can be compared between the two to determine strengths and weaknesses in the local market. These trends in the data can then be used by localities to implement strategies to take advantage of opportunities in the market. While the trade area analysis is generally reliable and beneficial, there are limits. For instance, primary and secondary trade areas will, in reality, be unique for individual market segments. In practice, commercial businesses will most likely have marginally different trade areas than the food and drink establishments. However, the trade areas that have been chosen for this study provide an accurate estimation of the trade areas as they currently exist for all market segments.

The primary trade area is defined by a three mile radius from the center of Downtown Portland (Figure 13). It contains the city limits of Portland, as well as some surrounding farmland. It does not contain, however, any other municipal corporation.

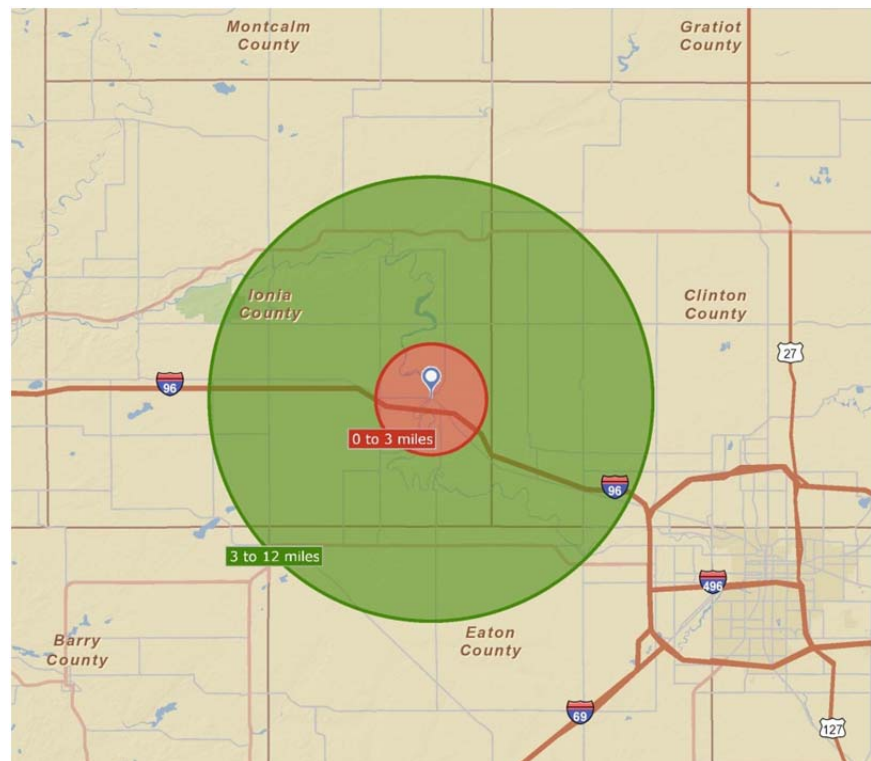


Figure 13 - Primary and Secondary Trade Areas (ESRI)

The secondary trade area is defined by the area constrained by the outer limits of the three mile radius of the primary trade area, and a twelve mile radius from the same center point. This area is shown in green (Figure 13). The larger trade area contains numerous municipalities with which Portland shares many social, economic, and demographic characteristics.

Municipalities within the secondary trade area to the north of Portland and Interstate 94 include Ionia, Lyons, Muir, Pewamo, Westphalia and Fowler. About twelve miles northwest of Portland sits the city of Ionia. With a population of 10,569 in the year 2000, it is Ionia County's most populous city and county government headquarters. This makes the city of Ionia a center for government and business in Ionia County. Located about five miles directly east of Ionia are the villages of Lyons and Muir. Both sit on the banks of the Grand River and are just a short walk from one another. Fairly small, the villages had populations of 726 and 634 in 2000, respectively. Located around five miles east of Lyons and Muir is the village of Pewamo, which had a population of 560 in the year 2000. Pewamo shares a school district with the village of Westphalia which is located to its south. Westphalia, with 876 residents in 2000, has a strong German-American heritage and is mainly an agricultural community. The village of Fowler, located slightly east of Pewamo in Clinton County, had 1,136 residents in 2000. Fowler is a community with an agricultural background much like most of the cities and villages north of Portland.

The municipalities situated south of Portland and Interstate 94 are Sunfield, Eagle and Mulliken. Sunfield is a village of 591 residents located southeast of Portland, about halfway between Grand Rapids and Lansing. Eagle, with a population of 130 in 2000, is the smallest of the municipalities within the Secondary Trade Area. The village of Mulliken, located in Eaton County, had a population of 557 in 2000.

Demographic Snapshot

Tables 1 – 9 show important trends in population, housing, income and age. Data from the Primary and Secondary Trade Areas, Ionia County and the state of Michigan is shown. The trends shown by this data will help identify appropriate business and economic development strategies for the future. When interpreting the data, please note that the phrase *2010-2015 Change* refers to the five-year rate of change from 2010 to 2015. Similarly, *2010-2015 Annual Rate* refers to the individual rate of change per year during the same period.

Table 1 – Population (2000 U.S. Census)

Population	Primary Trade Area	Secondary Trade Area	Ionia County	Michigan
2000 Census	6,362	41,190	61,518	9,938,444
2010 Estimated	7,076	42,773	64,981	10,104,633
2015 Projected	7,093	42,417	64,336	10,039,343
2010 - 2015 Annual Rate	0.05%	-0.17%	-0.2%	-0.13%

- The population of the Primary Trade Area is projected to increase at a modest rate of 0.05% per year from 2010 to 2015, rising from 7,076 in 2010 to 7,093 in 2015. This is encouraging as Ionia County's population is expected to decline over the same period by an annual rate of -0.2%. Michigan's population is expected to decrease as well by -0.13% per year.
- The population of the Secondary Trade Area is projected to decrease slightly at an annual rate of 0.17% from 2010 to 2015, going from 42,773 to 42,417, respectively.

Table 2 – Households (2000 U.S. Census)

# of Households	Primary Trade Area	Secondary Trade Area	Ionia County	Michigan
2000 Census	2,364	14,462	20,606	3,785,661
2010 Estimated	2,675	15,306	21,867	3,885,942
2015 Projected	2,697	15,272	21,716	3,871,753
2010 - 2015 Annual Rate	0.16%	-0.04%	-0.14%	-0.07%

- The number of households in the Primary Trade Area is projected to increase at 0.16% per year from 2010 to 2015, going from 2,675 in 2010 to 2,697 in 2015. The amount of households is expected to decrease in both Ionia County and the state of Michigan over the same time period, decreasing by -0.14% and -0.07% per year, respectively.
- Total households in the Secondary Trade Area will decrease slightly from 15,306 in 2010 to 15,272 in 2015.

Table 3 – Families (2000 U.S. Census)

# of Families	Primary Trade Area	Secondary Trade Area	Ionia County	Michigan
2000 Census	1,796	10,678	15,151	2,575,699
2010 Estimated	2,015	11,219	15,915	2,615,290
2015 Projected	2,023	11,155	15,736	2,592,515
2010 - 2015 Annual Rate	0.08%	-0.11%	-0.23%	-0.17%

- The amount of families residing in the Primary Trade Area will remain fairly constant from 2010 to 2015, increasing from 2,015 to 2,023. Both Ionia County and Michigan will see a decrease in the amount of families, going down at an annual rate of -0.23% and -0.17% respectively.
- An estimated 0.11% of families living in the Secondary Trade Area will leave each year from 2010 to 2015.

Table 4 – Average Household Size (2000 U.S. Census)

Average Household Size	Primary Trade Area	Secondary Trade Area	Ionia County	Michigan
2000 Census	2.69	2.72	2.7	2.56
2010 Estimated	2.64	2.62	2.66	2.53
2015 Projected	2.63	2.6	2.65	2.53
2010 - 2015 Change	-0.38%	-0.76%	-0.38%	0%

- The average household size is predicted to decrease in the Primary Trade Area, going down from 2.64 to 2.63 from 2010 to 2015.
- A similar situation is present in the Secondary Trade Area regarding average household size with a small decrease expected from 2.62 to 2.60 during the same time period. As Michigan's rate remains constant, the average household size in Ionia is expected to decrease from 2.66 to 2.65.

Table 5 – Owner Occupied Housing Units (2000 U.S. Census)

Owner Occupied Housing Units	Primary Trade Area	Secondary Trade Area	Ionia County	Michigan
2000 Census	1,959	11,640	16,481	2,793,124
2010 Estimated	2,204	12,217	17,385	2,840,281
2015 Projected	2,220	12,159	17,276	2,832,653
2010 - 2015 Annual Rate	0.15%	-0.10%	-0.13%	-0.05%

- The amount of owner-occupied housing units is expected to remain stable in the Primary Trade Area from 2010 to 2015, seeing an increase from 2,204 units to 2,220. Numbers for Ionia County and Michigan suggest otherwise, estimating that the amount of owner-occupied housing units will decrease by an annual rate of -0.13% and -0.05%, respectively. This data is encouraging for the primary trade area as the nation continues dealing with the housing crisis.

Table 6 – Renter Occupied Housing Units (2000 U.S. Census)

Renter Occupied Housing Units	Primary Trade Area	Secondary Trade Area	Ionia County	Michigan
2000 Census	405	2,822	4,125	992,537
2010 Estimated	472	3,090	4,482	1,045,661
2015 Projected	477	3,113	4,440	1,039,100
2010 - 2015 Change	1.1%	0.7%	-0.94%	-0.63%

- The amount of renter-occupied housing units is projected grow modestly in both trade areas over the next five years. Decreases are projected in Ionia County as well as the state of Michigan, suggesting that both trade areas will see stable futures in the subject of rental housing.

Table 7 – Per Capita Income (2000 U.S. Census)

Per Capita Income	Primary Trade Area	Secondary Trade Area	Ionia County	Michigan
2000 Census	\$21,451	\$20,232	\$17,451	\$22,168
2010 Estimated	\$25,108	\$23,260	\$20,496	\$26,265
2015 Projected	\$27,692	\$26,009	\$22,759	\$29,640
2010 - 2015 Change	10.3%	11.8%	11%	12.85%

- Per capita income is expected to increase by a rate of 10.3% in the Primary Trade Area from 2010 to 2015.
- Per capita income in the Secondary Trade Area is also expected to increase rather considerably at a rate of 11.8% from 2010 to 2015.
- Increases in per capita income are expected across the board, with projections for Ionia County and Michigan increasing by 11% and 12.85%, respectively.

Table 8 – Median Household Income (2000 U.S. Census)

Median Household Income	Primary Trade Area	Secondary Trade Area	Ionia County	Michigan
2000 Census	\$51,643	\$49,093	\$43,289	\$44,683
2010 Estimated	\$60,261	\$56,930	\$51,977	\$54,719
2015 Projected	\$64,972	\$61,764	\$57,054	\$60,982
2010 - 2015 Annual Rate	1.52%	1.64%	1.88%	2.19%

- Median household income is expected to increase by an annual rate of 1.52% from 2010 to 2015 in the Primary Trade Area. Similarly, the median household income in the Secondary Trade Area is projected to increase each year by 1.64% from 2010 to 2015. Numbers are similar in Ionia County, increasing at an annual rate of 1.88%. Michigan expects to see the greatest growth in household income with an expected increase of 2.19% per year. This puts The Primary and Secondary Trade Areas slightly behind the county and state in which they reside.

Table 9 – Median Age (2000 U.S. Census)

Median Age	Primary Trade Area	Secondary Trade Area	Ionia County	Michigan
2000 Census	34.1	34.9	32.8	35.5
2010 Estimated	37.2	36.4	34.4	37.8
2015 Projected	38	36.8	34.9	38.1

- The median age is expected to increase in the Primary Trade Area from 37.2 years to 38 years from 2010 to 2015. Ionia County as a whole is younger than both trade areas with a median age of 34.9. However, both trade areas are on track with state norms as the median age of the state of Michigan is 38.1 years.

Demographic Profile

Population and Households

Trends in the Primary Trade Area reveal that the population is relatively stable and is expected to grow at an annual rate of 0.05% per year until 2015. Although rather small, this rate of growth is healthy when compared to the State of Michigan's anticipated annual growth rate of -0.13%. The Secondary Trade Area, however, is expected to lose approximately 0.17% of its population per year until 2015.

The projected increase in households from 2010 to 2015 in the Primary Trade Area is consistent with the slight increase in population. The amount of households is expected to go up from 2,675 to 2,697 during this time. The amount of households in the Secondary Trade Area is expected to go down from 15,306 in 2010 to 15,272 in 2015. Similar to the estimation regarding population loss, the State of Michigan is expected to lose households as well at an annual rate of 0.07%.

Average household size has been decreasing consistently since 2000 in both trade areas. In the Primary Trade Area, average household size was 2.69 in 2000 and is projected to be 2.63 in 2015. The Secondary Trade Area saw average household size decrease from 2.72 in 2000 to an estimated 2.60 in 2015. The amount of families in the Primary trade Area is expected to rise by 0.08% each year until 2015. Furthermore, the annual percentage of households is expected to increase faster than the annual percentage of population in the Primary Trade Area. These trends point to an increased amount of smaller households in the Primary Trade Area over the next five years.

The amount of owner occupied housing units is projected to increase by 0.15% each year from 2010 to 2015 in the Primary Trade Area. In the Secondary Trade Area, however, the frequency of owner occupied housing units is expected to decrease by 0.10% annually during the same five year time period. The annual rate of owner occupied housing units is expected to decrease 0.05% in the state of Michigan from 2010 to 2015, which puts the Primary Trade Area ahead of state averages in this category. The Secondary Trade Area's rate is slightly below state averages, again suggesting slight decline in this area.

The trends in population and housing in both trade areas are fairly stable. Most notably, however, the numbers reveal that growth is expected in the Primary Trade Area in nearly every category while the state of Michigan and Ionia County expect to see declines. The Secondary Trade Area, however, shows trends similar to those in Ionia County and Michigan with declines expected in population, households, the number of families, and housing units. In summary, both trade areas appear to be relatively stable when compared to county and state averages, suggesting a stable future in the area.

Income

Data on income will help identify consumer spending patterns in both trade areas and will further help to predict future trends in Portland. Certainly, income is one of the most difficult demographic characteristics to project. Thus, ESRI uses only the most thoroughly tested and precise methods to calculate income. ESRI's income projections are calculated by using the same methods as the United States Census Bureau. Using time series data from household surveys as well as previous censuses, a base trend line is established. After calculating the base, current trends in wage inflation and other economic indicators are analyzed and applied properly. Various functions are then applied to the income distributions to provide data on exceptionally high income households. A complete explanation of ESRI's income projection methodology is available in appendix A.

Tables 10 – 13 show household income in detail from the primary and secondary trade areas, Ionia County and the state of Michigan:

Table 10 – Primary Trade Area – Households by Income Level (2000 U.S. Census)

Households by Income	Primary Trade Area						
	2000 Census		2010 Estimated		2015 Projected		2010-2015 % Change
	No.	Pct.	No.	Pct.	No.	Pct.	
Less than \$15K	214	9.1%	167	6.2%	137	5.1%	-17.96%
\$15K - \$24.9K	243	10.3%	203	7.6%	148	5.5%	-27.09%
\$25K - \$34.9K	273	11.6%	210	7.8%	164	6.1%	-21.90%
\$35K - \$49.9K	398	16.9%	386	14.4%	283	10.5%	-26.68%
\$50K - \$74.9K	632	26.8%	825	30.8%	896	33.2%	8.61%
\$75K - \$99.9K	356	15.1%	459	17.2%	518	19.2%	12.85%
\$100K - \$149.9K	180	7.6%	351	13.1%	455	16.9%	29.63%
\$150K - \$199.9K	39	1.7%	42	1.6%	56	2.1%	33.33%
\$200K+	22	0.9%	33	1.2%	41	1.5%	24.24%

Table 11 – Secondary Trade Area – Households by Income Level (2000 U.S. Census)

Households by Income	Secondary Trade Area						
	2000 Census		2010 Estimated		2015 Projected		2010-2015 % Change
	No.	Pct.	No.	Pct.	No.	Pct.	
Less than \$15K	1380	9.6%	1060	6.9%	898	5.9%	-15.28%
\$15K - \$24.9K	1709	11.9%	1436	9.4%	1075	7.0%	-25.14%
\$25K - \$34.9K	1707	11.8%	1338	8.7%	1062	7.0%	-20.63%
\$35K - \$49.9K	2557	17.7%	2403	15.7%	1836	12.0%	-23.60%
\$50K - \$74.9K	3689	25.6%	4888	31.9%	5132	33.6%	4.99%
\$75K - \$99.9K	2038	14.1%	2240	14.6%	2599	17.0%	16.03%
\$100K - \$149.9K	1018	7.1%	1538	10.0%	2135	14.0%	38.82%
\$150K - \$199.9K	165	1.1%	238	1.6%	317	2.1%	33.19%
\$200K+	151	1.0%	165	1.1%	219	1.4%	32.73%

- Income trends in both trade areas suggest stable income bases in the future as income levels are projected to increase. Per capita income is expected to increase by 10.3% in the Primary Trade Area and by 11.8% in the Secondary Trade Area from 2010 to 2015. Increases in per capita income are from \$25,108 to \$27,692 in the Primary Trade area and from \$23,260 to \$26,009 in the Secondary Trade Area from 2010 to 2015. Per capita income amounts are higher in both trade areas than in Ionia County, whose PCI is expected to rise from \$20,496 in 2010 to \$22,759 in 2015.
- Median household income is expected to increase in both trade areas as well, increasing by 1.52% per year in the Primary Trade Area and by 1.64% per year in the Secondary Trade Area.
- A notable trend is the movement away from lower-income households to mid and high income households. In 2000, 11.6% of households in the Primary Trade Area and 11.8% in the Secondary Trade Area made between \$25,000 and \$34,999 annually. The 2015 projection for the same income bracket is 6.1% and 7.0%, respectively. Furthermore, in 2000, 7.6% of households in the Primary Trade Area and 7.1% in the Secondary Trade Area made between \$100,000 and \$149,999 annually. In 2015 it is estimated that the amount of households earning that amount will increase to 16.9% and 14.0%, respectively.

Table 12 – Ionia County – Households by Income Level (2000 U.S. Census)

Households by Income	Ionia County						
	2000 Census		2010 Estimated		2015 Projected		2010-2015 % Change
	No.	Pct.	No.	Pct.	No.	Pct.	
Less than \$15K	2,684	13.0%	1,996	9.1%	1,710	7.9%	-14.3%
\$15K - \$24.9K	2,758	13.4%	2,422	11.1%	1,844	8.5%	-23.9%
\$25K - \$34.9K	2,713	13.2%	2,133	9.8%	1,740	8.0%	-18.4%
\$35K - \$49.9K	3,888	18.9%	3,692	16.9%	2,818	13.0%	-23.7%
\$50K - \$74.9K	4,980	24.2%	7,052	32.3%	7,948	36.6%	12.7%
\$75K - \$99.9K	2,183	10.6%	2,547	11.6%	2,972	13.7%	16.7%
\$100K - \$149.9K	1,027	5.0%	1,624	7.4%	2,153	9.9%	32.6%
\$150K - \$199.9K	171	0.8%	197	0.9%	267	1.2%	35.5%
\$200K+	208	1.0%	204	0.9%	264	1.2%	29.4%

Table 13 – Michigan – Households by Income Level (2000 U.S. Census)

Households by Income	Michigan						
	2000 Census		2010 Estimated		2015 Projected		2010-2015 % Change
	No.	Pct.	No.	Pct.	No.	Pct.	
Less than \$15K	533,038	14.1%	412,240	10.6%	345,962	8.9%	-16.08%
\$15K - \$24.9K	469,100	12.4%	368,881	9.5%	277,997	7.2%	-24.64%
\$25K - \$34.9K	470,419	12.4%	369,705	9.5%	297,852	7.7%	-19.44%
\$35K - \$49.9K	624,326	16.5%	585,023	15.1%	462,941	12.0%	-20.87%
\$50K - \$74.9K	778,755	20.6%	962,986	24.8%	1,054,830	27.2%	9.54%
\$75K - \$99.9K	432,681	11.4%	523,595	13.5%	576,513	14.9%	10.11%
\$100K - \$149.9K	324,966	8.6%	441,399	11.4%	571,201	14.8%	29.41%
\$150K - \$199.9K	79,291	2.1%	115,643	3.0%	150,209	3.9%	29.89%
\$200K+	76,204	2.0%	106,431	2.7%	134,209	3.5%	26.10%

- Much like both trade areas, Ionia County and the state of Michigan are expected to see increases in mid to high income households with decreases in lower income households. In Ionia County in 2000, 13.0% of residents made \$15,000 a year or less. In 2015, it is projected that only 7.9% of residents will make the same amount, nearly half the amount measured fifteen years prior.

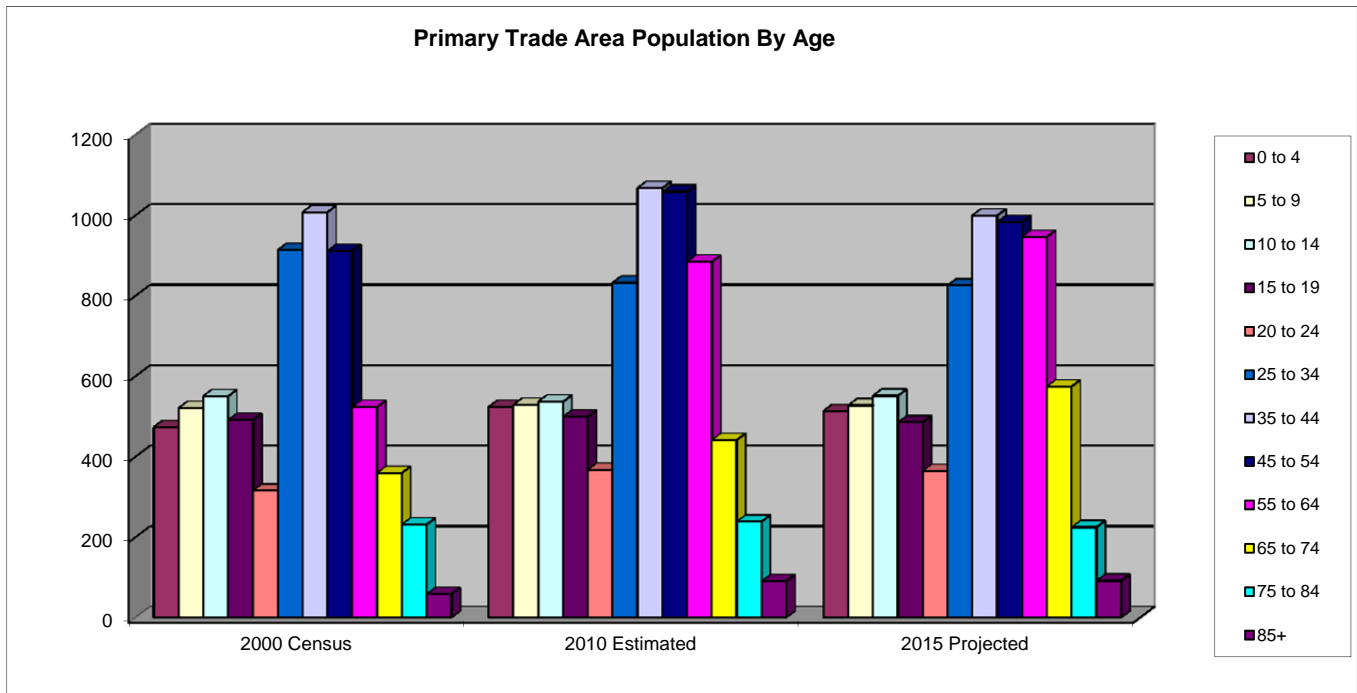
Age and Gender

Data regarding the age of Portland Area residents is an important indicator of what future populations will look like. Furthermore, age projections may help the Portland community identify niche business sectors catering to growing age groups.

Tables 14 – 17 show age information in detail:

Table 14 – Primary Trade Area – Population by Age (2000 U.S. Census)

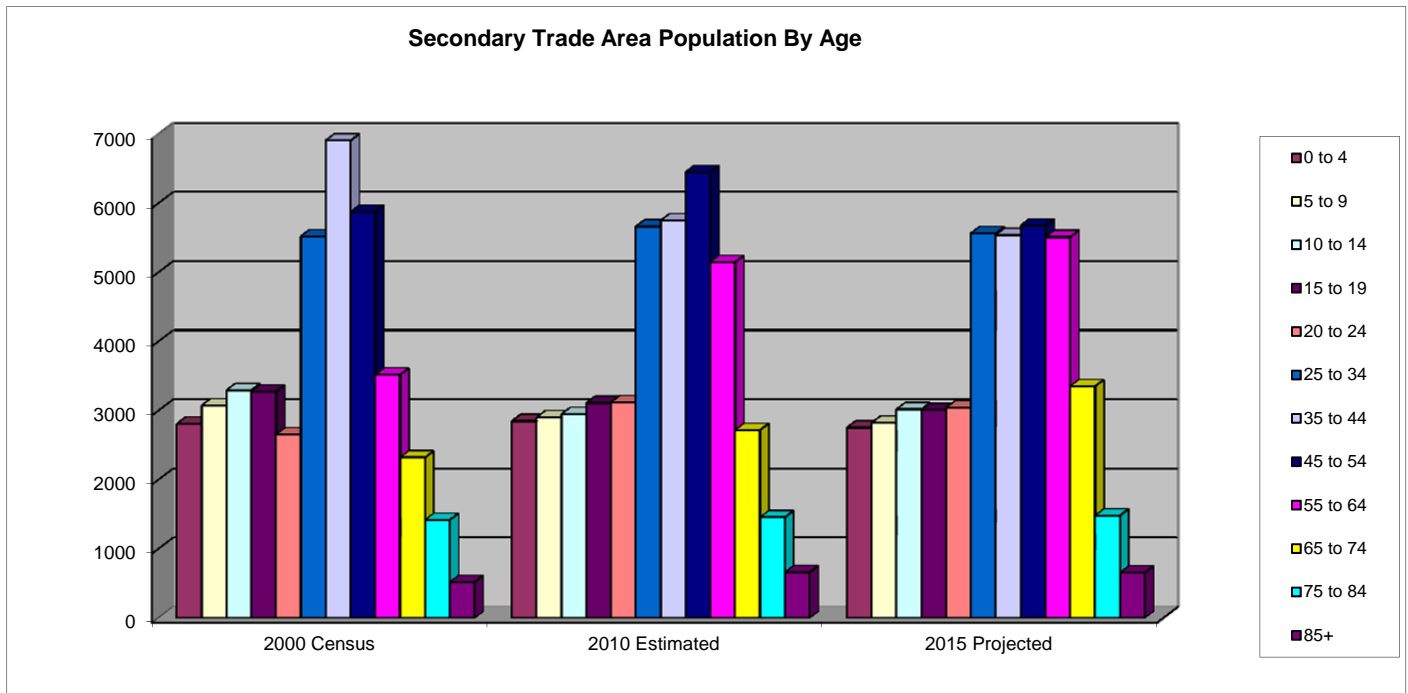
Population by Age	Primary Trade Area						
	2000 Census		2010 Estimated		2015 Projected		2010-2015 % Change
	No.	Pct.	No.	Pct.	No.	Pct.	
0 to 4	474	7.4%	524	7.4%	514	7.2%	-1.9%
5 to 9	521	8.2%	529	7.5%	528	7.4%	-0.2%
10 to 14	551	8.7%	537	7.6%	552	7.8%	2.8%
15 to 19	492	7.7%	500	7.1%	486	6.9%	-2.8%
20 to 24	316	5.0%	368	5.2%	365	5.1%	-0.8%
25 to 34	914	14.4%	833	11.8%	826	11.6%	-0.8%
35 to 44	1008	15.8%	1068	15.1%	1000	14.1%	-6.4%
45 to 54	912	14.3%	1059	15.0%	984	13.9%	-7.1%
55 to 64	524	8.2%	885	12.5%	947	13.4%	7.0%
65 to 74	360	5.7%	442	6.2%	575	8.1%	30.1%
75 to 84	232	3.6%	239	3.4%	225	3.2%	-5.9%
85+	59	0.9%	91	1.3%	92	1.3%	1.1%



- Populations of most age groups residing in the Primary Trade Area (Table 14) are expected to remain fairly stable. However, the amount of people aged 65-74 is expected to increase substantially from 2000 to 2015 by a whopping 30.1%. This increase is not a surprise as the Baby Boomer generation will soon be reaching that age. Other trends show slight decreases in younger age groups, most notably the declines in groups 35-44 and 45-54. These groups are expected to see decreases in population by 6.4% and 7.1%, respectively.

Table 15 – Secondary Trade Area – Population by Age (2000 U.S. Census)

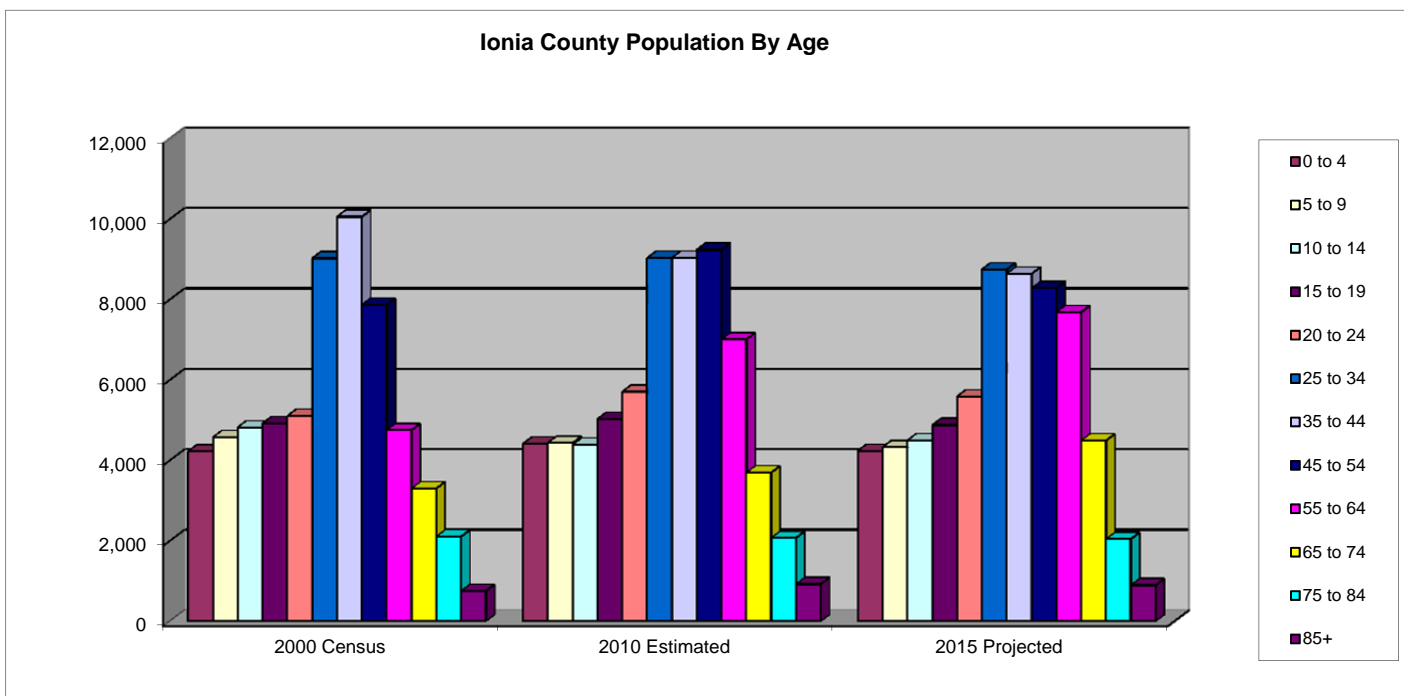
Population by Age	Secondary Trade Area						
	2000 Census		2010 Estimated		2015 Projected		2010-2015 % Change
	No.	Pct.	No.	Pct.	No.	Pct.	
0 to 4	2809	6.8%	2847	6.7%	2753	6.5%	-3.30%
5 to 9	3072	7.5%	2901	6.8%	2821	6.7%	-2.76%
10 to 14	3294	8.0%	2946	6.9%	3018	7.1%	2.44%
15 to 19	3276	8.0%	3109	7.3%	3006	7.1%	-3.31%
20 to 24	2654	6.4%	3119	7.3%	3040	7.2%	-2.53%
25 to 34	5522	13.4%	5663	13.2%	5565	13.1%	-1.73%
35 to 44	6907	16.8%	5749	13.4%	5539	13.1%	-3.65%
45 to 54	5878	14.3%	6449	15.1%	5675	13.4%	-12.00%
55 to 64	3519	8.5%	5149	12.0%	5510	13.0%	7.01%
65 to 74	2322	5.6%	2719	6.4%	3353	7.9%	23.32%
75 to 84	1419	3.4%	1456	3.4%	1482	3.5%	1.79%
85+	519	1.3%	662	1.5%	655	1.5%	-1.06%



- The Secondary Trade Area (Table 15) shows figures very similar to those found in the Primary Trade Area. The amount of people aged 65-74 will increase considerably here as well, going up by 23.32% from 2000 to 2015. The Secondary Trade Area is expected to lose young age groups at a higher rate than the Primary Trade Area. Age groups consistent with high school and college students (15-19 and 20-14) are expected to decrease by 3.31% and 2.53% respectively. This is compared to 2.8% and 0.8% in the Primary Trade Area.

Table 16 – Ionia County – Population by Age (2000 U.S. Census)

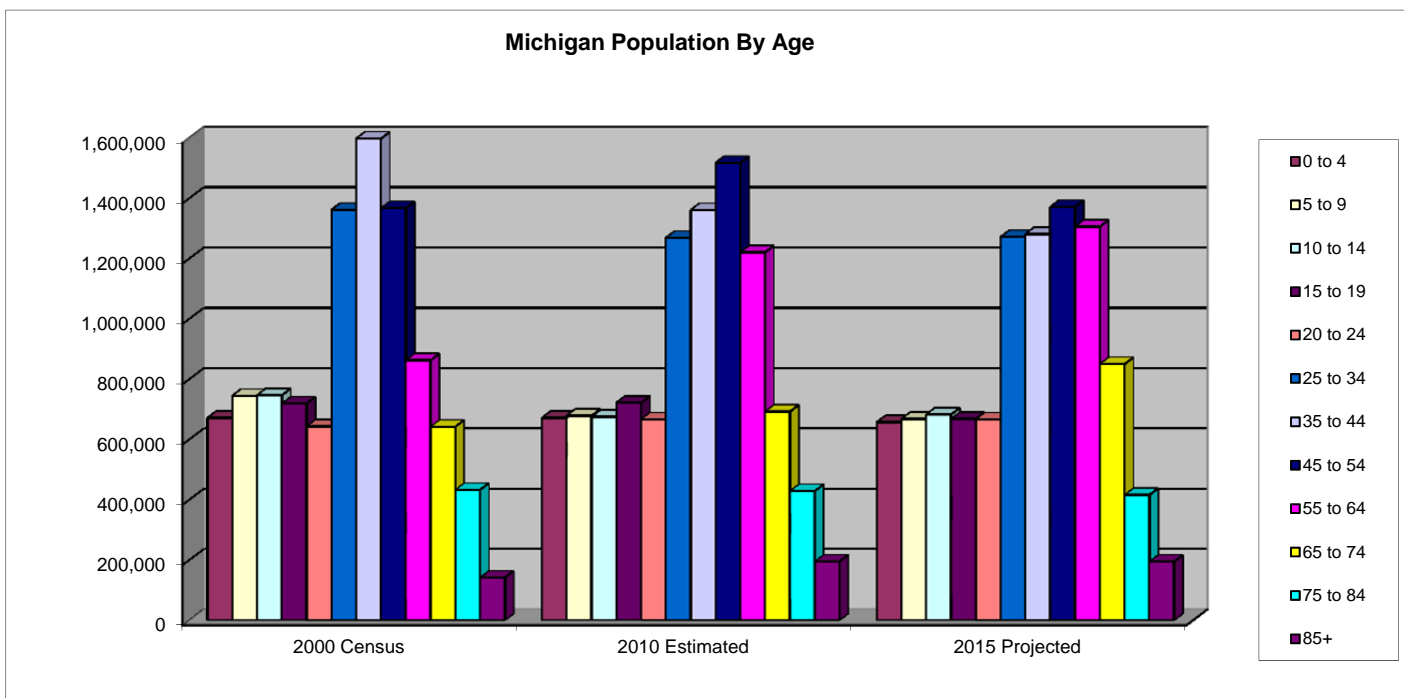
Population by Age	Ionia County						
	2000 Census		2010 Estimated		2015 Projected		2010-2015 % Change
	No.	Pct.	No.	Pct.	No.	Pct.	
0 to 4	4,224	6.9%	4,415	6.8%	4,238	6.6%	-4.0%
5 to 9	4,572	7.4%	4,436	6.8%	4,329	6.7%	-2.4%
10 to 14	4,822	7.8%	4,389	6.8%	4,499	7.0%	2.5%
15 to 19	4,919	8.0%	5,028	7.7%	4,880	7.6%	-2.9%
20 to 24	5,106	8.3%	5,707	8.8%	5,590	8.7%	-2.1%
25 to 34	9,025	14.7%	9,032	13.9%	8,749	13.6%	-3.1%
35 to 44	10,058	16.4%	9,034	13.9%	8,642	13.4%	-4.3%
45 to 54	7,874	12.8%	9,236	14.2%	8,284	12.9%	-10.3%
55 to 64	4,753	7.7%	7,009	10.8%	7,686	11.9%	9.7%
65 to 74	3,302	5.4%	3,698	5.7%	4,496	7.0%	21.6%
75 to 84	2,108	3.4%	2,073	3.2%	2,046	3.2%	-1.3%
85+	755	1.2%	924	1.4%	897	1.4%	-2.9%



- Age projections in Ionia County (Table 16) are generally consistent with the two trade areas. A high rate of growth in the 65-74 age group at 21.6% over the fifteen year period and decreases in young populations are both found. A trend seen at each geographic level, however, is the slight increase of the pre-teenage age group (10-14). This age group sees increases amongst decreasing populations in other young age groups such as those aged 5-9, 15-19, and 20-14.

Table 17 – State of Michigan – Population by Age (2000 U.S. Census)

Population by Age	Michigan						
	2000 Census		2010 Estimated		2015 Projected		2010-2015 % Change
	No.	Pct.	No.	Pct.	No.	Pct.	
0 to 4	672,005	6.8%	672,228	6.7%	657,501	6.5%	-2.19%
5 to 9	745,181	7.5%	679,341	6.7%	668,236	6.7%	-1.63%
10 to 14	747,012	7.5%	675,314	6.7%	683,195	6.8%	1.17%
15 to 19	719,867	7.2%	722,263	7.1%	668,950	6.7%	-7.38%
20 to 24	643,839	6.5%	667,593	6.6%	667,499	6.6%	-0.01%
25 to 34	1,362,171	13.7%	1,269,544	12.6%	1,272,013	12.7%	0.19%
35 to 44	1,598,373	16.1%	1,361,643	13.5%	1,281,751	12.8%	-5.87%
45 to 54	1,367,939	13.8%	1,518,038	15.0%	1,371,614	13.7%	-9.65%
55 to 64	863,039	8.7%	1,220,893	12.1%	1,306,303	13.0%	7.00%
65 to 74	642,880	6.5%	692,853	6.9%	850,531	8.5%	22.76%
75 to 84	433,678	4.4%	429,242	4.2%	416,480	4.1%	-2.97%
85+	142,460	1.4%	195,681	1.9%	195,270	1.9%	-0.21%



- The state of Michigan (Table 17) is expected to experience similar trends to those seen in the other geographic levels. Baby Boomers aged 65-74 will increase in population by 22.76% over the fifteen year period. A decreasing young population (0-4, 5-9, 15-19, and 20-24) is again projected to occur at the state level.

Race & Ethnicity

Both trade areas have little ethnic and racial diversity. The Primary Trade Area was 97.9% white in 2000, and the Secondary Trade Area was 94.7% white in the same year. However, the Secondary Trade Area shows signs of slight diversification. In 2000, 2.2% of the population was estimated to be Black Alone, whereas 2.5% was of Hispanic origin (considered to be an ethnicity, not a race). In 2015, the population is projected to be 3.5% Black and 3.8% Hispanic. The Primary Trade Area is diversifying as well, but at a much smaller rate. The amount of people of Hispanic origin is expected to rise from 1.3% of the population in 2000 to 2.0% in 2015.

Consumer Lifestyle Characteristics

The ESRI Tapestry segmentation system uses socioeconomic and demographic data to provide a description of United States neighborhoods. Specifically, this data is used to determine consumer lifestyle characteristics – the way groups with similar opinions, attitudes, and activities spend time and money. Agencies, educational institutions and corporations have used ESRI's Tapestry segmentation system for over thirty years in order to more precisely target an area's best customers and residents.

There are sixty-five distinct market segments that classify consumers and residents based on characteristics such as income, age, and family type. Segmentation is based on the theory that those with similar characteristics will have similar tastes, lifestyles, and behaviors. Therefore, they will express the same need for certain expenditures, such as organic produce or athletic shoes. From this information one can assess what businesses may be most successful in a community.

ESRI uses cluster analysis when creating market segmentation systems. The company first applies specific statistical formulas to create the initial clusters or market segments. Next it uses Ward's hierarchical minimum-variance method to group the clusters. By using these traditional methods of data analysis coupled with the latest in data mining techniques, ESRI is capable of supplying a compelling and robust segmentation of United States neighborhoods. The key to developing compelling market segmentation is choosing variables. ESRI uses 2000 Census data to select the most relevant variable and the most effective measure of those variables. In the end the company uses over sixty attributes when analyzing market segments, such as income, sex, owner/renter status, and type of housing. To verify the tapestry segmentation data's validity, ESRI compares their findings to the latest consumer survey data.

Tapestry segments have codes and descriptions. The beginning of the code with the letter "L" followed by a number is called a LifeMode Summary Group, which is a summary group based on lifestyles and life stages. They group segments based on certain attributes. For example, L01 (*High Society*) contains the seven most affluent segments, while L05 (*Senior Styles*) contains nine segments that apply to senior living. The following LifeMode Summary Groups pertain to the Portland area:

- **L02 Upscale Avenues** – Prosperous married couples in a variety of housing
- **L10 Traditional Living** – Middle-aged and middle-income American residents
- **L11 Factories and Farms** – Hardworking families in small communities near their jobs
- **L12 American Quilt** – Households in small towns and rural settings

After the LifeMode Summary Group code, the segment number is defined. Segments are numbered from high affluence to low affluence. Each segment has a name as well. For example, Segment 1 named *Top Rung* has people that earn the highest income in America and have a large amount of money in savings and investments. Each segment comes with data, such as family type, income, and average price of housing. They also contain characteristics that apply to that segment, such as frequenting bookstores or traveling overseas. This combination of data and characteristics is then used to gather insight on consumer expenditures in a certain area. The segment information is one way of determining services and stores that could be successful in a community.

Prevalent Tapestry Segments – Primary Trade Area

Households within Portland’s primary trade area filled four of the sixty-five Tapestry segments, making the area somewhat homogenous. 100% of the population was distributed into four segments, and over 60% of households conformed to its top two segments:

Table 18 – Primary Trade Area – Tapestry Segment Codes (ESRI)

Tapestry Segment Code/Description	Percent - Trade Area Households	Number - Trade Area Households
L02-17 Green Acres	32.3%	864
L02-18 Cozy and Comfortable	29.8%	797
L10-32 Rustbelt Traditions	24.9%	666
L12-26 Midland Crowd	13.0%	348
Total Prevalent Segments	100.0%	2,675

Prevalent Tapestry Segments – Secondary Trade Area

The secondary trade area was much more diverse, spanning fifteen of the sixty-five Tapestry segments. Unlike the primary trade area, 58.6% of the area was confined within its top four segments:

Table 19 – Secondary Trade Area – Tapestry Segment Codes (ESRI)

Tapestry Segment Code/Description	Percent - Trade Area Households	Number - Trade Area Households
L02-17 Green Acres	22.7%	3,471
L11-25 Salt of the Earth	17.8%	2,731
L10-32 Rustbelt Traditions	11.0%	1,679
L12-26 Midland Crowd	7.1%	1,087
Total Prevalent Segments	58.6%	8,968

Comparative View of Tapestry Segment Distribution

The following table provides a comparative view and illustrates the disparate lifestyle segment characteristics of Portland’s primary and secondary trade areas.

Table 20 – Comparing Trade Areas – Tapestry Codes (ESRI)

Tapestry Segment Code/Description	Primary Trade Area Households			Secondary Trade Area Households		
	Count	Percent	Rank	Count	Percent	Rank
L02-17 Green Acres	864	32.3%	1	3,471	22.7%	1
L02-18 Cozy and Comfortable	797	29.8%	2	1,011	6.6%	6
L10-32 Rustbelt Traditions	666	24.9%	3	1,679	11.0%	3
L12-26 Midland Crowd	348	13.0%	4	1,087	7.1%	4

Snapshot Profiles for Predominant Tapestry Lifestyle Segments

The following tables give a short overview of the information available through the Tapestry segments for the four lifestyles that are characteristic of Portland’s populations. They are Green Acres, Cozy and Comfortable, Rustbelt Traditions, and Midland Crowd.

Table 21 – Tapestry Segment – Green Acres (ESRI)

L02-17 Green Acres	
Number - Percent: Primary Trade Area Households	864 – 32.3%
Number - Percent: Secondary Trade Area Households	3,471 – 22.7%
Median Age	40.7 years
Dominant Household/Family Type	Married couples with/without children
Median Household Income	\$177,629
Median Net Worth	\$64,480
Percentage of Home Ownership	86%
Median Home Value	\$181,705
<p>Summary: <i>Green Acres</i> neighborhoods are full of educated, hard-working residents from the Midwest and South. Seventy-one percent of households are married couples, many with children aged 6-17 years. Employment is concentrated in manufacturing, health care, construction and retail trade. Typical of rural families, most households own two or more cars. In general, <i>Green Acres</i> neighborhoods can be described as country living at its best. Pets are considered a part of the family, and residents appreciate the hard work of do-it-yourself projects around the house. Past-times include making homemade ice cream, kayaking, and listening to country music.</p>	

Table 22 – Tapestry Segment – Cozy and Comfortable (ESRI)

L02-18 Cozy and Comfortable	
Number - Percent: Primary Trade Area Households	797 – 29.8%
Number - Percent: Secondary Trade Area Households	1,011 – 6.6%
Median Age	42 years
Dominant Household/Family Type	Married couples with/without children
Median Household Income	\$66,327
Median Net Worth	\$187,640
Percentage of Home Ownership	85%
Median Home Value	\$158,486
<p>Summary: <i>Cozy and Comfortable</i> residents are 8.7 million strong in the United States. They are middle-aged married couples either without children or with school-aged to adult children. Residents reside in older suburban areas throughout the Midwest, Northeast and South. <i>Cozy and Comfortable</i> residents are in no hurry to retire from their professional or managerial occupations. Going online is not a priority, but television is very important - they cannot miss any of their favorite shows. They enjoy ice skating, watching science fiction movies on DVD, and eating at family restaurants.</p>	

Table 23 – Tapestry Segment – Rustbelt Traditions (ESRI)

L10-32 Rustbelt Traditions	
Number - Percent: Primary Trade Area Households	666 – 24.9%
Number - Percent: Secondary Trade Area Households	1,679 – 11.0%
Median Age	36.5 years
Dominant Household/Family Type	Married-couple families; single parents; singles living alone
Median Household Income	\$51,545
Median Net Worth	\$83,418
Percentage of Home Ownership	73%
Median Home Value	\$95,443
<p>Summary: <i>Rustbelt Traditions</i> neighborhoods are one of the Tapestry's largest, with 8.4 million married-couple families, single parents, and singles that live alone. Most residents work white-collar jobs in the service and manufacturing industries while striving to increase their educational attainment. Neighborhoods are full of modest single-family homes in older industrial cities of the Great Lakes border states. These residents stick close to home and are not tempted by fads - they enjoy familiarity. <i>Rustbelt Traditions</i> neighborhoods are full of fishers, TV lovers and frugal shoppers.</p>	

Table 24 – Tapestry Segment – Midland Crowd (ESRI)

L12-26 Midland Crowd	
Number - Percent: Primary Trade Area Households	348 – 13.0%
Number - Percent: Secondary Trade Area Households	1,087 – 7.1%
Median Age	37 years
Dominant Household/Family Type	Married-couple families; singles living alone
Median Household Income	\$50,518
Median Net Worth	\$89,749
Percentage of Home Ownership	82%
Median Home Value	\$124,088
<p>Summary: With a growing population of 12 million, <i>Midland Crowd</i> is ESRI's largest segment. Sixty-two percent of households are married-couple families, while twenty percent comprise of singles that live alone. In general employment is white-collar, although self-employment ventures are also popular. Most <i>Midland Crowd</i> housing was built after 1969. Residents are politically active and conservative. They vote and volunteer for their candidates. Typically they own or lease a truck, and enjoy do-it-yourself activities around the home. <i>Midland Crowd</i> residents patronize local stores, fast-food restaurants, and NASCAR races.</p>	

Conclusion

Many organizations use ESRI's Tapestry segmentation to enhance their business opportunities through customer profiling – gaining knowledge of customer product preferences. Therefore, that organization can respond to customer profiling by tailoring their offered services to the customers' wants and needs. The same is true of Portland. By using Tapestry segmentation, the city can begin to infer what businesses will be most successful in the area. Inferences from Tapestry segmentation should be only one of many business analysis sources because like all data sources, there are limitations. However, it is nevertheless useful when determining what opportunities exist for the City of Portland.

There are some prevalent themes within Portland's Tapestry segments. In general, the members of each segment are fairly conservative in their lifestyles. They strive to be fiscally responsible and appreciate do-it-yourself projects. All segments own at least one car. They enjoy watching television, playing various sports, eating at family restaurants and outdoor activities. By comparing this information with consumer spending and retail performance data, a detailed picture of Portland's future will form.

Public Participation

Public participation is often defined as giving an opportunity to citizens to take part in the planning process. Newer forms of participation are more continuous and designed to give an opportunity to citizens to make a direct impact on the planning process. Participation activities may be motivated from an administrative perspective or a citizen perspective. From the administrative viewpoint, participation can build public support for activities. It can educate the public about an agency's activities. It can also facilitate useful information exchange regarding local conditions. From the citizen viewpoint, participation enables individuals and groups to influence agency decisions in a representational manner (Glass 1979).

In addition to ESRI reports, census data, and other quantitative methods of informational gathering, this study's findings and directions for future market strategies in downtown Portland were aided by participation of Portland citizens. In this vein, a focus group was conducted of thirteen Portland residents to gather qualitative data regarding the overall status of downtown Portland. Topics of discussion included strengths, weaknesses, opportunities, and threats.

Participants were invited to come to a one hour session in which they were to partake in a SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis. This gathering was by open invitation, and the resultant citizen group was composed of a variety of demographics (Tables 25-29). There was a mixture of ages, income levels, and length of time spent living in Portland, as well as a large range of interests between participants. Among them there were concerned citizens, business owners, and government employees.



Figure 14 - Portland - focus group with citizens and MSU Practicum Students (2/15/11)



Figure 15 - Portland - focus group with citizens and MSU Practicum Students (2/15/11)



Figure 16 - Portland - focus group with citizens and MSU Practicum Students (2/15/11)

Table 25 – Focus Group Questionnaire – Question 1

Focus group Question No. 1: What is your age?	Count	Percentage
B. 15-24	2	15.4%
C. 25-34	4	30.8%
D. 35-44	5	38.5%
E. 45-54	2	15.4%

Table 26 – Focus Group Questionnaire – Question 2

Focus group Question No. 2: What is your income?	Count	Percentage
A. <24k per year	1	9.1%
B. \$25K-\$34k per year	2	18.2%
D. \$45K-\$54k per year	3	27.3%
E. \$55k-\$64k per year	1	9.1%
F. \$65k-\$74k per year	1	9.1%
G. \$75k+	3	27.3%

Table 27 – Focus Group Questionnaire – Question 3

Focus group Question No. 3: What is your gender?	Count	Percentage
A. Male	4	30.8%
B. Female	9	69.2%

Table 28 – Focus Group Questionnaire – Question 4

Focus group Question No. 4: Do you live in City of Portland or Portland Township?	Count	Percentage
A. City	8	80.0%
B. Township	2	20.0%
Data note: Two focus group participants interpreted the question as requiring a yes or no response.		

Table 29 – Focus Group Questionnaire – Question 5

Focus group Question No. 5: How long have you lived in Portland?	Count	Percentage
A. 0-5	6	46.2%
B. 6-10	1	7.7%
C. 11-15	3	23.1%
D. 16-20	1	7.7%
E. 21-25	1	7.7%
F. 26+	1	7.7%

SWOT Analysis

For each category of analysis, ten minutes was given for open discussion between participants. Some direction was necessary by the event’s mediator in order to keep the discussion from drifting away from the desired category, but on the whole the comments were poignant and thoughtful. The lists of suggestions in each of the four categories can be found in Tables 21-24.

Strengths (Table 30)

Participants in the focus group highlighted the location of Portland as one of its largest strengths. Geographically, the city is located approximately halfway between Grand Rapids and Lansing, and the ease of access to Interstate 96 allows residents to travel to the larger cities while also attracting visitors to Portland. Socially, the proximity to larger cities allows Portland citizens to live in a place with small town charm and the personal interactions that come with the intimate size, yet still have the ability to easily partake in larger cultural events that take place in Lansing and Grand Rapids.

Participants also frequently referenced the community’s desire to improve the downtown district, both physically and socially. The opportunity to volunteer and get involved with community events was a popular strength, as was the constant updating of building facades and infrastructure as a way of attracting visitors and business owners.

Table 30 – Focus Group Results - Strengths

Strengths
<ul style="list-style-type: none">• Good geographical location between Lansing and Grand Rapids• River Trail<ul style="list-style-type: none">- Walkability- Charming small town feel- Accessibility to downtown businesses- Parks• Volunteer opportunities• Safety• Collaboration between downtown businesses• Variety of businesses• Good mix of rural and urban• Up-to-date utilities• Close to I-96

Weaknesses (Table 31)

Focus group participants felt that the largest weakness for the downtown was the lack of businesses that catered to consumers' needs. For instance, many businesses do not stay open long enough in the evening to offer citizens the opportunity to shop after work and dinner. Participants expressed a desire for a larger variety of businesses that would stay open long enough to draw people back downtown at nighttime, as currently there is little incentive. Instead, Portland's citizens are forced to go to Lansing or Grand Rapids if they wish to go out at night.

Table 31 – Focus Group Results - Weaknesses

Weaknesses
<ul style="list-style-type: none">• Businesses close early• Not enough variety among restaurants• Not enough entertainment options<ul style="list-style-type: none">- Movie theatre underutilized• No year-round farmers market or fresh produce stores• “Bedroom Community”<ul style="list-style-type: none">- Need to go to Lansing or Grand Rapids to shop• Not enough lodging options• Better usage of riverfront and boardwalk• Small size of downtown• Lack of activities for children and young teenagers• Facades of some businesses not aesthetically pleasing• Some people help with all events<ul style="list-style-type: none">- Need new ideas

Opportunities (Table 32)

Participants saw many opportunities within Portland's downtown, including many ideas which utilize existing infrastructure and natural advantages to improve the downtown's desirability. The renovation of the city's opera house and existing movie theater were popular, as was the desire to successfully incubate new businesses using existing vacant space downtown. Participants also thought that the city had the opportunity to market Portland's river access as a recreational amenity not found in other cities of their size.

The focus group also generally agreed that the downtown was currently missing some amenities that Portland had the opportunity to capitalize on, including community recreational facilities, a bike and/or boat rental shop on the river and trails, and specialty retail stores.

Table 32 – Focus Group Results - Opportunities

Opportunities
<ul style="list-style-type: none"> • Opera House • Movie theater • Development of city hall’s second floor • Successful business incubation • Community pool • New stores <ul style="list-style-type: none"> - Unique clothing stores - Food specialty stores - Wine store • Skate park/Bike shop • Fishing along river • Advertise and market Portland more • Attract a younger crowd • New investors

Threats (Table 33)

Participants felt that Portland was challenged because of its high desirability as a bedroom community for Lansing and Grand Rapids, as well as its small size. Citizens felt that because many newcomers expected the amenities of the nearby larger cities, the threat of chains, strip development, and sprawl was great. They also were worried that the same small town charm that they enjoyed in the downtown was not desirable for new businesses, and that they were losing business opportunities to other areas of town.

Table 33 – Focus Group Results - Threats

Threats
<ul style="list-style-type: none"> • Loss of population <ul style="list-style-type: none"> - Especially younger population • Surrounding areas offering more options for drinks, dinner, etc. • Chain or franchise restaurants • Sprawl • Loss of historic facade • Old infrastructure in historic buildings • Big box stores • Community hesitation to change

Business Survey

Written Survey Results

A written survey, developed for this study, was distributed to each business in downtown Portland, along with a brief verbal description of the market study. The questionnaire consisted of five multiple choice and seven free-response questions. The goal was to determine the thoughts, feelings, and attitudes businesses have towards Portland's downtown, and in what ways it could improve in the near future. The businesses were given four days to fill out the questionnaire.

The business survey questionnaire was completed by twenty-nine of the sixty-one businesses in Downtown Portland during January 2011. The survey results provide us with a general indication of which markets the businesses feel are lacking or are flooded in Portland's downtown. The following tables provide a breakdown and analysis of the survey results we gathered from the business that participated in the survey. Some businesses that participated answered all questions while others only participated in certain sections of the questionnaire.

The service industry was the highest reported business type, followed by professional/office (Table 34).

Table 34 –Business Survey Questionnaire – Question 1

Business survey question No. 1: What is your primary type of business?	Count	Percentage
A. Retail	4	14.3%
B. Service	10	35.7%
C. Professional/Office	7	25.0%
D. Financial/Banking	3	10.7%
E. Food and Beverage	3	10.7%
F. Other	1	3.6%

Over two-thirds of the businesses that participated in our questionnaire have been operating in their current location for five years or more. The amount of time a business has operated in their current location ranged from a few months to over eighty years (Table 35).

Table 35 –Business Survey Questionnaire – Question 2

Business survey question No. 2 How long have you been operating in your current location?	Count	Percentage
A. Less than 1 year	2	6.9%
B. 1 to 4 years	7	24.1%
C. 5 to 9 years	6	20.7%
D. 10 to 20 years	9	31.0%
E. 20+ years	5	17.2%

The monthly rent rates ranged from \$0.14 to \$2.40 per square foot. The building sizes of participants ranged from 300 to 15,000 square feet. Two-thirds of the businesses surveyed pay a monthly rent per square foot of less than one dollar. The survey did not ask the businesses to indicate if any of the expenses for utilities were included in their rent (Table 36).

Table 36 –Business Survey Questionnaire – Question 3

Business survey question No.3: What is your monthly rent per square foot expense?	Count	Percentage
A. Less than \$0.50 per square foot	4	33.3%
B. \$0.50 to \$1.00 per square foot	4	33.3%
C. \$1.00 to \$1.50 per square foot	2	16.7%
D. \$1.50 to \$2.50 per square foot	1	8.3%
E. \$2.00 to \$2.50 per square foot	1	8.3%

The amount of businesses that own the building they operate in provides an indication of the district’s stability, the market’s ability to sustain business, and the downtown district’s appeal as a place for investors and entrepreneurs. While rental occupancy is high, which in many cases indicates high business turnover rates, the number of long-term rentals signals the opposite in this case (Table 37).

Table 37 –Business Survey Questionnaire – Question 4

Business survey question No. 4: Do you own or rent your business location?	Count	Percentage
A. Own	11	39.3%
B. Rent	17	60.7%

Almost half of downtown Portland’s workforce (from businesses that participated in the survey) was employed in the service sector. The food and beverage sector was the next highest employer, with professional and office reporting similar numbers of employees (Table 38).

Table 38 –Business Survey Questionnaire – Question 5

Business survey question No. 5: How many people do you currently employ?	Count	Percentage
A. Retail	13	9.7%
B. Service	63	47.0%
C. Professional/Office	25	18.7%
D. Financial/Banking	1	0.7%
E. Food and Beverage	29	21.6%
F. Other	3	2.2%

The majority of businesses responding indicated that they plan on expanding their business or increase marketing. The business that chose option ‘Other,’ wrote in that they plan to upgrade the building they currently operate out of. Eight participants did not fill out this section of the questionnaire (Table 39).

Table 39 –Business Survey Questionnaire – Question 6

Business survey question No. 6: In the next year or two, do you plan to change or modify your business in any of the following ways?	Count	Percentage
A. Expand your business	15	32.6%
B. Downsize your business	0	0.0%
C. Expand hours of operation	3	6.5%
D. Decrease hours of operation	0	0.0%
E. Increase marketing	12	26.1%
F. Decrease marketing	0	0.0%
G. Expand store inventory	3	6.5%
H. Decrease store inventory	0	0.0%
I. Increase number of employees	8	17.4%
J. Decrease number of employees	0	0.0%
K. Relocate your business outside of downtown	2	4.3%
L. Relocate your business to another community	0	0.0%
M. Sell your business	1	2.2%
N. Close your business	1	2.2%
O. Other	1	2.2%
Data note: Survey takers were asked to circle all that may apply.		

An overwhelming majority of businesses in Portland’s downtown responding to the survey see their businesses expanding and growing in the next one to two years. Almost 80% of businesses that participated in our survey indicated ‘High Likelihood’ or ‘Some Likelihood’ of expansion in the short-term. This is a positive sign of Portland’s potential downtown stability and business retention going into the future (Table 40).

Table 40 –Business Survey Questionnaire – Question 9

Business survey question No. 9: Which of the following best describes the potential of your business to expand in the next 1-2 years?	Count	Percentage
A. High Likelihood	12	42.9%
B. Some Likelihood	10	35.7%
C. Low Likelihood	2	7.1%
D. No Likelihood	4	14.3%

Participants indicated that they would like to see more retail and food/beverage to be incorporated into Portland’s downtown. When asked, businesses indicated that there were enough service and food/beverage businesses. Strangely enough, ‘Food/Beverage’ received more than one-third of the responses for both the ‘Too Many’ and ‘Too Few’ questions. Numerous businesses wrote in that they feel Portland’s downtown currently has too many beauty salons (Table 41).

Table 41 –Business Survey Questionnaire – Question 10

Business survey question No. 10: What types of other businesses would like to see in downtown Portland?	Count	Percentage
A. Retail	21	44.7%
B. Service	4	8.5%
C. Professional/Office	2	4.3%
D. Financial/Banking	5	10.6%
E. Food/Beverage	15	31.9%
Data note: Survey takers were asked to circle no more than two		

Conclusion

The business survey concluded with mixed results. The number of businesses that returned the survey was higher than was expected, at 48% of all stores within Portland’s downtown submitting. Written responses returned were genuinely insightful into some topics, while biased in other regards. For example, the respondents as a whole determined that the downtown is in need of additional retail opportunities, yet did not want new businesses to open in town that would be in direct competition in their market sector.

Interestingly, the business owners that did respond to the questionnaire seemed to recognize the importance of the more popular, “landmark” businesses that populate the downtown and downplayed the need for another establishment to compete with them.

Consumer Spending Data

The ESRI Market Profile of the Portland primary and secondary trade areas shows 2010 estimates of spending on a variety of goods and services by households within the areas. This data allows for insight into which products consumers want, profitable customer types, and tailoring of promotions to fit customer demand.

The Spending Potential Index (SPI) represents the amount spent in a defined area relative to the national average of one-hundred. A Spending Potential Index of more than one-hundred implies that spending is high for that spending category in the area. An SPI of less than one-hundred implies that spending is low for that spending category. For example, Portland's primary trade area SPI for Apparel & Services is sixty-six. Therefore, supply for more apparel and service outlets in the area is not necessary because demand for them is lower.

Table 42 –Primary and Secondary Trade Areas – Spending Potential Index (SPI) (ESRI)

Spending Category	Primary Trade Area	Secondary Trade Area
<i>Apparel & Services: Total \$</i>	\$4,222,099	\$22,569,296
Average Spent	\$1,578.35	\$1,474.54
Spending Potential Index	66	62
<i>Computers & Accessories: Total \$</i>	\$551,612	\$2,987,951
Average Spent	\$206.21	\$195.21
Spending Potential Index	94	89
<i>Education: Total \$</i>	\$3,348,832	\$17,270,179
Average Spent	\$1,251.90	\$1,128.33
Spending Potential Index	103	93
<i>Entertainment/Recreation: Total \$</i>	\$8,474,237	\$45,716,083
Average Spent	\$3,167.94	\$2,986.81
Spending Potential Index	98	93
<i>Food at Home: Total \$</i>	\$11,256,786	\$61,406,923
Average Spent	\$4,208.14	\$4,011.95
Spending Potential Index	94	90
<i>Food Away from Home: Total \$</i>	\$8,234,822	\$44,161,855
Average Spent	\$3,078.44	\$2,885.26
Spending Potential Index	96	90
<i>Health Care: Total \$</i>	\$9,988,749	\$54,342,001
Average Spent	\$3,734.11	\$3,550.37
Spending Potential Index	100	95
<i>HH Furnishings & Equipment: Total \$</i>	\$4,647,884	\$24,905,220
Average Spent	\$1,737.53	\$1,627.15
Spending Potential Index	84	79
<i>Investments: Total \$</i>	\$4,391,104	\$24,431,845
Average Spent	\$1,641.53	\$1,596.23
Spending Potential Index	94	92
<i>Retail Goods: Total \$</i>	\$61,312,439	\$334,051,927
Average Spent	\$22,920.54	\$21,824.90
Spending Potential Index	92	88
<i>Shelter: Total \$</i>	\$39,602,288	\$208,053,947
Average Spent	\$14,804.59	\$13,592.97

Spending Potential Index	94	86
<i>TV/Video/Audio: Total \$</i>	\$3,152,304	\$17,075,206
Average Spent	\$1,178.43	\$1,115.59
Spending Potential Index	95	90
<i>Travel: Total \$</i>	\$4,943,008	\$25,718,966
Average Spent	\$1,847.85	\$1,680.32
Spending Potential Index	98	89
<i>Vehicle Maintenance: Total \$</i>	\$2,406,897	\$13,078,406
Average Spent	\$899.77	\$854.46
Spending Potential Index	95	91

Data Notes: Consumer Spending data are derived from the 2005 and 2006 Consumer Expenditure Surveys, Bureau of Labor Statistics.

Analysis of Portland’s consumer spending data reveals numbers slightly below one-hundred in most spending categories. In every category the demand from the secondary trade area is weaker than in the primary trade area. Apparel & Services and Household Furnishings are the only spending categories with a value lower than ninety in the primary trade area. Education expenditures are higher than the national average within the primary trade area’s boundaries, while Health Care matches the nation’s average SPI.

Although most spending categories have an SPI under one-hundred, five (Entertainment/Recreation, Food Away from Home, TV/Video/Audio, Travel and Vehicle Maintenance) have an SPI of ninety-five or above. While demand for these may be below the national average, the SPI numbers are quite close to it. This should not be interpreted as a market segment in low demand, but rather a segment that is fulfilling the demand required by local consumers.

When comparing Spending Potential Index ratings with the Tapestry segment characteristics for Portland, similarities begin to show. For example, outdoor activities and sports were prevalent fixtures of recreation in Portland’s Tapestry segments. Portland’s market is average in expenditures on these activities, as evidenced by an SPI of ninety-eight in Entertainment/Recreation. Similarly, consumers in Portland enjoy dining at family restaurants, aligning with Food Away from Home SPI ratings of ninety-six. In every Tapestry segment defined for Portland, television was important to its members. With an SPI of ninety-five, the TV/Video/Audio market is adequate for the city. Because all Tapestry segment members own at least one car, an SPI of ninety-five in Vehicle Maintenance makes sense as well. Of the five categories that meet spending at or near the national average in Portland, only Travel is not listed as a characteristic of Portland’s Tapestry segment profiles.

Retail Performance

ESRI Retail MarketPlace data determines the retail performance of the Portland area by providing a direct comparison between retail sales and consumer expenditures by NAICS classification. The Retail MarketPlace data reveals underserved markets and markets that attract customers from other communities. This allows an organization to determine if they meet consumer demand.

There are two ways to measure a retail market’s activity – supply and demand. Consumer spending determines market demand, while market supply represents business revenues. The dollar estimates for market supply and demand are presented in the NAICS form used before. There are twenty-seven industry groups in the Retail Trade sector, and four industry groups in the Food & Drink sector.

When calculating market supply (or retail sales) ESRI uses the most updated form of the Census of Retail Trade (CRT) from the U.S Census, the Infogroup business database, the Bureau of Labor Statistics database, and individual unincorporated business data. From these databases ESRI can sort data into estimated retail sales of businesses.

ESRI uses the Bureau of Labor Statistics’ annual Consumer Expenditure Surveys to estimate retail demand. These surveys provide consumer spending information for hundreds of goods and services by household.

The Leakage/Surplus Factor allows for comparison of market supply and demand. Leakage/Surplus measures the balance between the volumes of supply (retail sales) generated by retail industry and the demand (spending by households) within an industry. Leakage occurs when market supply is less than market demand. In this situation retailers outside the trade area are capturing revenue – demand is “leaking” from the trade area. Surplus, on the other hand, occurs when market supply is greater than market demand. In this situation the trade area is capturing revenue from outside the trade area. Therefore, there is a “surplus” in the market supply.

When the retail gap and factor of an industry group shows positive numbers highlighted in green, it represents sales leakage. When the retail gap and factor have negative numbers highlighted in red the industry group is experiencing a sales surplus. Leakage and surplus is based on a scale from 100 to -100.

Table 43 –Primary and Secondary Trade Areas – Sales Surplus and Leakage (ESRI)

Sales Surplus & Leakage Analysis: Overview				
	Primary Trade Area		Secondary Trade Area	
Business Description (NAICS Code)	Retail Gap	Factor	Retail Gap	Factor
Total Retail Trade (NAICS 44-45)	\$24,252,774	26.6	\$53,228,551	9.1
Total Food & Drink (MAICS 722)	\$1,375,731	8.4	\$22,959,068	29.2
Total Retail Trade and Food & Drink (NAICS 44-45, 722)	\$25,628,505	23.8	\$76,187,619	11.4

Overall, figures show that there is leakage in the Retail Trade sector in both the primary and secondary trade areas. While the primary trade area has a leakage of \$24 million, the secondary trade area has a leakage of \$53 million. Although the monetary difference between the two areas is large, the Leakage/Surplus factor of 26.6 in the primary trade area is higher than the secondary trade area’s factor of 9.1. This phenomenon can be explained by the fact that parts of the secondary trade area are near

large business centers with much variety, like Lansing and Grand Rapids. From this data one can determine that retail trade is lacking in Portland. If certain stores opened in the primary trade area, the City of Portland may be able to gain back the leakage that is occurring.

The Sales/Leakage factors of the primary and secondary trade area present a different picture. The primary trade area has only a slight leakage of customers at 8.4, while the secondary trade area has a large leakage number of 29.2. It is possible that downtown Portland restaurants, which are inside the primary trade area, pull people from outlying towns in the secondary trade area just as much as restaurants in large business centers like Lansing. However, Portland still has much work to do in its Food & Drink sector if it wants to capture the secondary trade area's large gap. While the food and drink atmosphere in the downtown generally satisfies the local public, the addition of more options could capture more of the leakage.

Primary Trade Area

A more specific representation of industries with surpluses and leakages will pinpoint which businesses will be best in Portland. In general, one might focus on an industry with a high leakage factor. This is because high leakage factors represent the idea that while people in the area have high spending patterns in an industry, the businesses they shop at are probably not within the primary trade area. By capturing the sales that consumers make in other trade areas, it is possible for a business to earn the retail gap amount.

In the Primary Trade Area, the following industries had a leakage factor of 100:

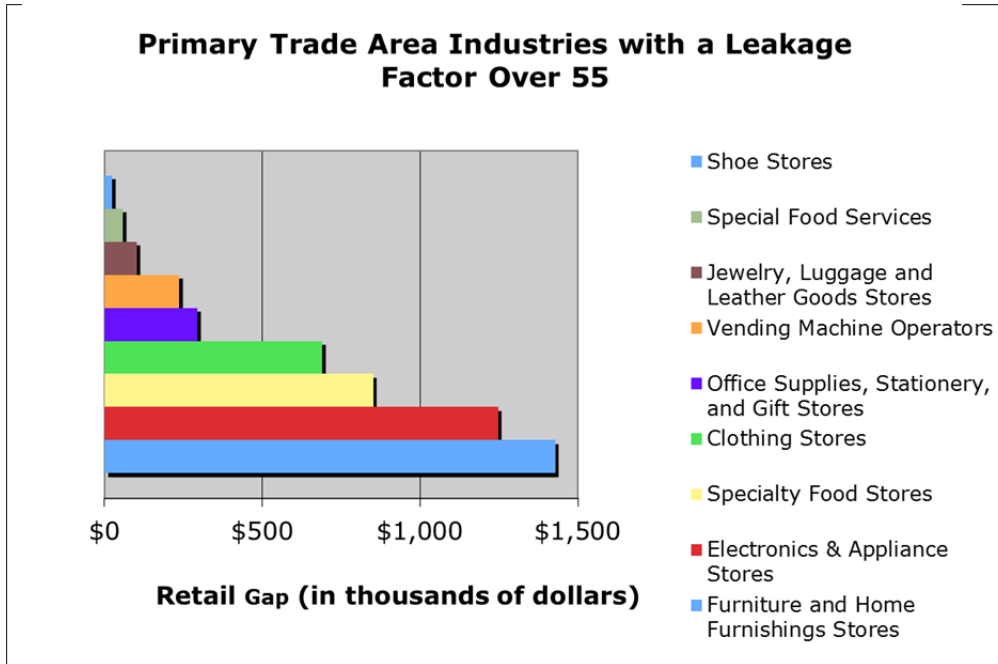
- Furniture and Home Furnishings Stores (\$1,427,555 retail gap)
- Specialty Food Stores (\$851,270 retail gap)
- Shoe Stores (\$24,014 retail gap)
- Jewelry, Luggage and Leather Goods Stores (\$102,344 retail gap)
- Office Supplies, Stationery, and Gift Stores (\$293,736 retail gap)
- Vending Machine Operators (\$236,640 retail gap)
- Special Food Services (\$58,542 retail gap)

Identifying the industries with a leakage factor of 100 is useful, but also misleading. Every single industry that had a leakage factor of one-hundred did not have a single business in the primary trade area. While this means that there is no competition in the area for potential businesses, one must also ask "Why are there no businesses in this industry in the primary trade area?" At this point it is useful to incorporate the Tapestry segments and public participation notes as well. Another question is "What would be appropriate in a traditional downtown?" Usually traditional downtowns do not have much space for warehouses and large stores, and are more tailored to smaller shops.

For these reasons we will also list industries with a leakage factor of 55 or above:

- Electronics & Appliance Stores (\$1,247,419 retail gap)
- Clothing Stores (\$690,178 retail gap)

Table 44 –Primary Trade Area – Industries with Expansion Potential



Secondary Trade Area

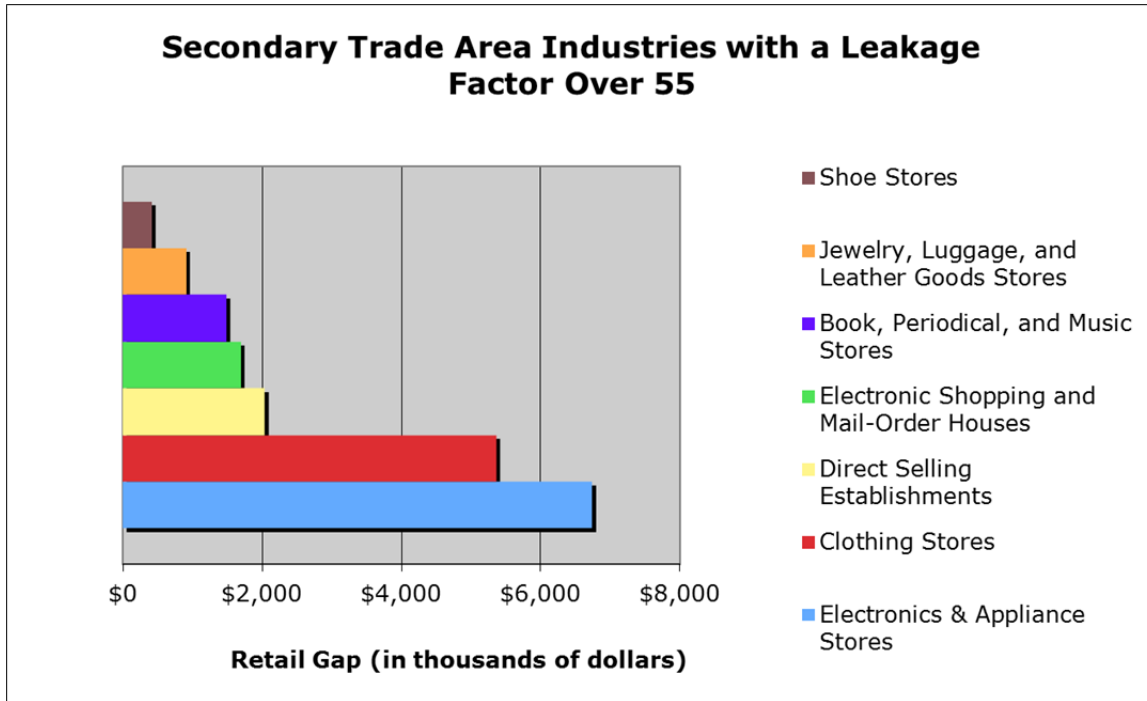
Another tool in determining which type of business will be best in downtown Portland is to assess the secondary trade area’s leakage and surplus factors. It is especially useful to see if the industries seemingly most successful in the primary trade area will receive support from the secondary trade area as well. The following industries had a leakage factor of one-hundred in the secondary trade area:

- Shoe Stores (\$416,974 retail gap)
- Electronic Shopping and Mail-Order Houses (\$1,696,126 retail gap)

While the Shoe Stores industry has a high leakage factor in both the primary and secondary trade areas, Electronic Shopping and Mail-Order Houses does not even have a market in the primary trade area. Because of this, we will also list industries with a leakage factor of fifty-five or above:

- Electronics & Appliance Stores (\$6,751,716 retail gap)
- Clothing Stores (\$5,370,825 retail gap)
- Jewelry, Luggage, and Leather Goods Stores (\$909,567 retail gap)
- Book, Periodical, and Music Stores (\$1,491,821 retail gap)
- Direct Selling Establishments (\$2,045,104 retail gap)

Table 45 –Primary Trade Area – Industries with Expansion Potential



As mentioned before, some of the industries listed above (such as Direct Selling Establishments) have limited potential in the primary trade area. Others, like Books, Periodical, and Music Stores have a surplus factor in the primary trade area of \$40,172. Portland is already bringing in money from surrounding communities; adding another similar business may increase competition.

However, a few industries have positive leakage factors over fifty-five in both the primary and secondary trade areas. They are: Shoe Stores, Electronics and Appliance Stores, Clothing Stores, and Jewelry, Luggage, and Leather Goods Stores. Again, it must be stressed that although leakage factors for certain industries are high, other factors such as local opinions and square footage requirements must be taken into account as well. However, ESRI’s Retail MarketPlace data is another tool that will greatly help Portland decide which business is best for its downtown.

Recommendations for Future Development

Several data gathering techniques have been used throughout this market analysis in order to develop an understanding of possible market expansion possibilities in Portland's downtown. These methods included conducting a focus group to develop a SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis based on citizens' responses, creation of a business survey, analyzing Census data, and conducting a gap analysis of sales leakage/surplus based on ESRI data. When combined, the results of these methods showed strong evidence of the things that downtown Portland is doing well, in addition to the things that could help the city center become more successful.

Branding

It appears that Portland is catering to the needs of small businesses, as data shows that they tend to remain in one location for quite some time. The business survey shows that almost 70% of participants have been established in their current location for over 5 years, and over 48% have been in their current location for over ten years. These businesses are calling Portland their home and many wish to grow and prosper in Portland in the future. The city needs to show commitment to these businesses by helping to attract new visitors and consumers to the downtown. The business survey shows that 78% of businesses are looking to expand upon their current operations, and there exist many opportunities for downtown businesses to come together to market the city as a whole. There are many reasons why Portland's businesses are owned by residents of the community; the downtown needs to show surrounding communities those reasons.

Analysis in this study finds that a threat to the expansion of downtown Portland is the lack of name recognition that Portland has within the region. Portland should consider creating an identity: an intimate community of people and commerce which truly care about one another. Many benefits may be derived by developing a common image for which downtown Portland's businesses to market around. Place branding specialists Moilanen and Rainisto have compiled an extensive list of the benefits of branding cities, which includes such advantages as creating emotional ties for the customer to the place, connecting personnel and business partners so that it is possible to develop stronger relationships and ensure long-term investments, and perhaps most importantly, differentiating a place from its competitors (2009).

Market Capture through Extended Business Hours

Also important to the community of Portland is the ability to maintain interest in the businesses that currently inhabit downtown retail space, yet Portland is missing businesses that cater to the schedules of many of its residents. Many focus group participants said that although they like the retail opportunities that the downtown has to offer, they would spend even more time and money in downtown establishments if the businesses were open after they were done with work, dinner, and after-school activities. In a contrast of opinion, just three of the twenty-nine businesses who responded to the business survey planned to expand their hours of operation within the next one to two years. These results suggest some miscommunication between Portland residents and the business community. Since the information gathered from the survey and focus group provides just a sample of the desires and opinions of Portland residents, additional public participation forums and surveys in the future will help to identify future community goals.

Nearby, Lansing has profited from extending its business hours a bit later in the evening, resulting in increased nightlife opportunities for young and old residents alike. In the past, Lansing businesses has assumed that because the majority of the people who were downtown were only there for work (and consequently left after 5 PM), that there was no market for later store hours. However, upon realizing

that they were able to capture the evening business of people who *were* still downtown (Cooley Law School and Lansing Community College students), the extended business hours and are now leading revitalization efforts in the downtown by creating a safe, fun, and casual atmosphere (Lansing Economic Development Corporation). Lansing's later hours of operation even draw people from Portland who are looking for entertainment after normal operating hours.

Portland does not currently have the clientele base for evening activities that Lansing does. However, if the city is losing evening patronage opportunities to neighboring communities, it is at least worth investigation into options for remaining open later. One foreseeable reason that later operating hours have not happened is that the small business owners of Portland simply cannot afford to stay open for longer periods of time. If this is indeed the case, the city should explore avenues that may make it more viable for businesses to remain open for an extra hour or two each day, even if it is for a short time. This way, businesses could determine whether or not extended hours would be beneficial for them.

Other communities have attempted to build a relationship between businesses and the community by holding weekly events in which all businesses remain open at night-time. For example, every summer the DDA of Traverse City hosts a weekly "block party" on the downtown main street for six weeks, called Friday night live. The goal of the event is to bring the local resident downtown to take pleasure in family fun, entertainment, and to enjoy the merchandise of the local shops. 2011 will be its twentieth consecutive year, and continues to draw vast crowds every Friday night. Each Friday consist of a different theme, including a jazz night, classic car night, and the Art fair. The most popular theme is the street sale, in which local businesses bring their merchandise into the streets and provide sale prices. Other attractions include street performers, vendors, and live music. The event is an affordable and informal way to attract families and young adults to the downtown, and provides the main street business with a surge of customers and sales. Portland has the diversity of businesses and the organizational resources to create a similar summer-long celebration, as well as a community who has expressed interest in such an event.

In addition to exploring the option of extending business hours downtown, Portland should explore online marketing options. Online marketing is an innovative and cost effective way to spread the word about what Downtown Portland has to offer. Specifically, this will cater to the younger populations which Portland is trying to retain and attract from other areas. Portland Main Street's current usage of Facebook and Twitter is a very effective marketing tool. The Main Street's website is a great place to find out more about downtown events and businesses. However, it could benefit from the collaboration with the City of Portland's website, which is likely to get more traffic. The sites could work in tandem to provide information that may not otherwise be found. Additionally, the creation of an all-encompassing website could help attract modern young professionals who expect to be able to research a place from one site.

Increased Recreation and Entertainment Options

Expanding the desired clientele base would be helpful for downtown Portland. Currently, the area is lacking in establishments that are attractive to active families and young professionals that are looking

for recreational opportunities in the downtown. While downtown Portland does have shops and eating establishments, it lacks businesses that promote entertainment and activity. Providing businesses that allow for entertainment and activity have the opportunity to make downtown Portland more holistic and therefore more successful.

Updating the opera house would provide an amenity that is not normally found in communities such as Portland. According to a Portland Opera House Feasibility Study conducted in 2009, at this time the opera house is in a state of disrepair. It is in need of new lighting, restrooms, flooring and walls, just to name a few. However, because of the opera house's distinct architecture and history, it may be worthwhile to salvage the building. The feasibility study states the following possible uses for the Portland Opera House: opera house, community gathering space, music venue, art gallery, museum and dinner theater (www.coolcities.org).

One option is to follow the path of the Lafayette Theater located in Lafayette, Indiana. Like Portland's opera house, the theater sat in disrepair in Lafayette's downtown for decades. While Lafayette Theater was once popular, it had been driven out of business by newer, larger theaters located in the suburbs. In the late 1990's and early 2000's the local community began to state an interest in revitalizing the theater because of its historical significance (www.lafayettetheater.com).

In 2006 the Lafayette Theater reopened as an event center. By removing the seating and updating the building's amenities, it is now possible to hold weddings, music concerts, dinner theaters, proms and more in this architecturally significant place. This idea could apply to the Portland Opera House – by removing the seating, restoring the building, and adding specific amenities like a wet bar, the Opera House has the opportunity to serve the community as an aesthetically pleasing, original event center.

Along with entertainment, physical recreation is needed in Portland as well. Because recreation is a strong point in both the Tapestry Segmentation and Consumer Spending data sets, it would make much sense to promote recreation activities in the downtown. The Looking Glass and Grand River, at this point, seem to be underutilized. Offering recreation on Portland's greatest natural assets would certainly benefit the city.

According to *Pure Michigan* (Michigan's official travel and tourism website), Michigan has many natural amenities including coastline, lakes and mountains that allow for outdoor activities and make the state popular for outdoor enthusiasts to visit. By providing outdoor recreational opportunities, Portland would be able to join the many cities and towns that profit from this type of tourism. Examples of activities downtown Portland could introduce include fishing from the boardwalk or a canoe rental.

However, before providing services on its rivers, Portland should consider conducting a study of the rivers and their banks. This study should analyze many different aspects of the Looking Glass River and Grand River, including the physical layout of the rivers (depth, width, current speed, etc.), which can determine what type of activities are feasible for the conditions. If conditions are appropriate for rafting, it would be nice to see an event like a raft race tied into a summer festival, like the town of Watertown, WI does for its Riverfest festival each year (Watertown Daily Times). A city-wide race with a finish line in downtown Portland could be the type of activity that would draw large crowds to the area to watch friends and families compete.

Lastly, a possible study would take into account water pollution. The amount of pollution will decide how active people can be with Portland's waters. The Environmental Protection Agency has guidelines on the amount of pollution a body of water has versus the activities allowed in that body of water,

dictating if it is safe to swim, fish or canoe in the rivers.

Oftentimes, passive recreation and patronage of restaurants go hand in hand, and the information provided in this study shows that the people of Portland enjoy eating away from home. Portland should capitalize on unifying these elements together in its promotion of the downtown. During the day, establishments on the boardwalk should be promoting themselves as places to take a break, just a short ride off of the river trail. These same businesses could offer creative solutions to late evening dining, as well. Creating dinner-and-a-show packages for nights out on the town would not only be beneficial for multiple businesses in town, but would allow for a compromise between restaurant owners (who do not wish to stay open late) and citizens, who seek entertainment after dinner. Using the boardwalk as a place to gather, eat and enjoy the river could be a major draw for Portland.

Addition of Specialty Stores

Additional commercial opportunities abound, according to much of the ESRI data compiled in this study. However, not all of the suggestions make perfect sense for Portland. For example, the data shows that an electronics and appliance store could be successful in downtown, with a retail gap of over \$1.2 million in the primary trade area and \$6.7 million in the secondary trade area for these types of businesses. However, the city would like to keep a traditional downtown feel, and locating a large appliance store downtown would take away from this feel. The downtown would be better equipped to house a specialty electronics store that could cater to the city's population of do-it-yourselfers.

On the other hand, some suggestions from the data make perfect sense in the downtown; specialty food stores, which were suggested by almost every data source, have great potential in Portland. They have a high retail gap of \$851,270 in the primary trade area, and many participants in the focus group commented on the lack of this business type in Portland. Specialty food stores also indirectly relate to Tapestry Segmentation's suggestion that eating out is important to citizens of Portland and Consumer Spending's suggestion that the people of Portland enjoy food away from home. A specialty food store would be able to provide high-end food products found in restaurants that people could take home.



Figure 18 – Michigan's award-winning wines, 2010

An option for downtown Portland is a wine shop. According to *Entrepreneur*, the wine industry has grown 115% nationwide since 1995, with estimated revenue of \$26 billion in 2006. Its biggest customers are baby boomers and young professionals (aged 21 to 29), which creates a wide market. The benefit of a wine shop is that it provides many opportunities for revenue besides selling wine in-store. Other options include educational in-home tastings, wine bars, online wine sales and sales of related products (Wilson 2006).

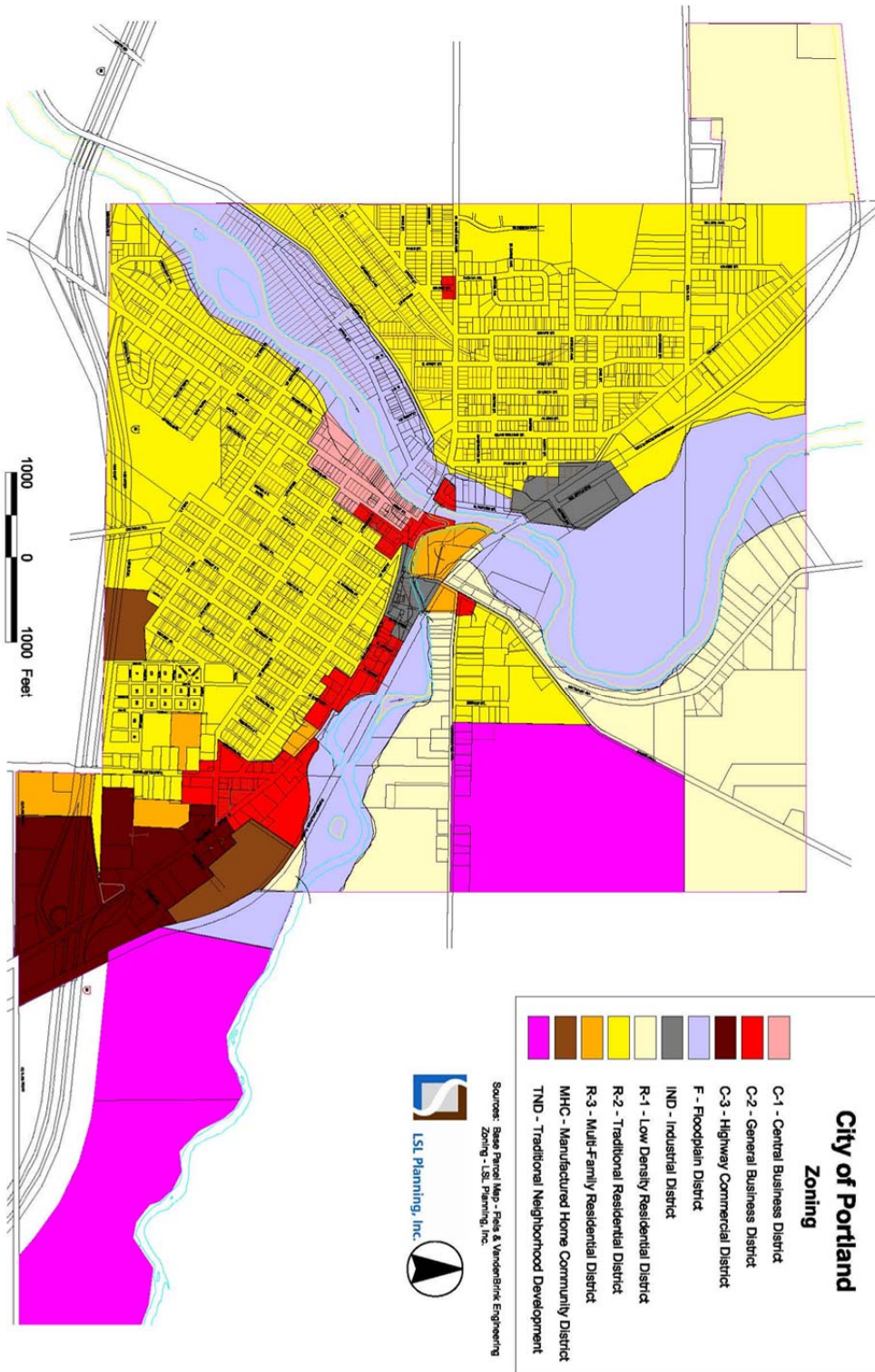
With local wineries gaining popularity in Michigan, Portland has many options of quality locally made wine to sell in a specialty food store. Vineyard area has increased by 60% in the state in the last ten years, and now Michigan is the fourth largest grape-growing state in America. Although most vineyards are located along Lake Michigan, wineries are starting to pop up in Southeastern Michigan and the Upper Peninsula (Pure Michigan Travel 2011).

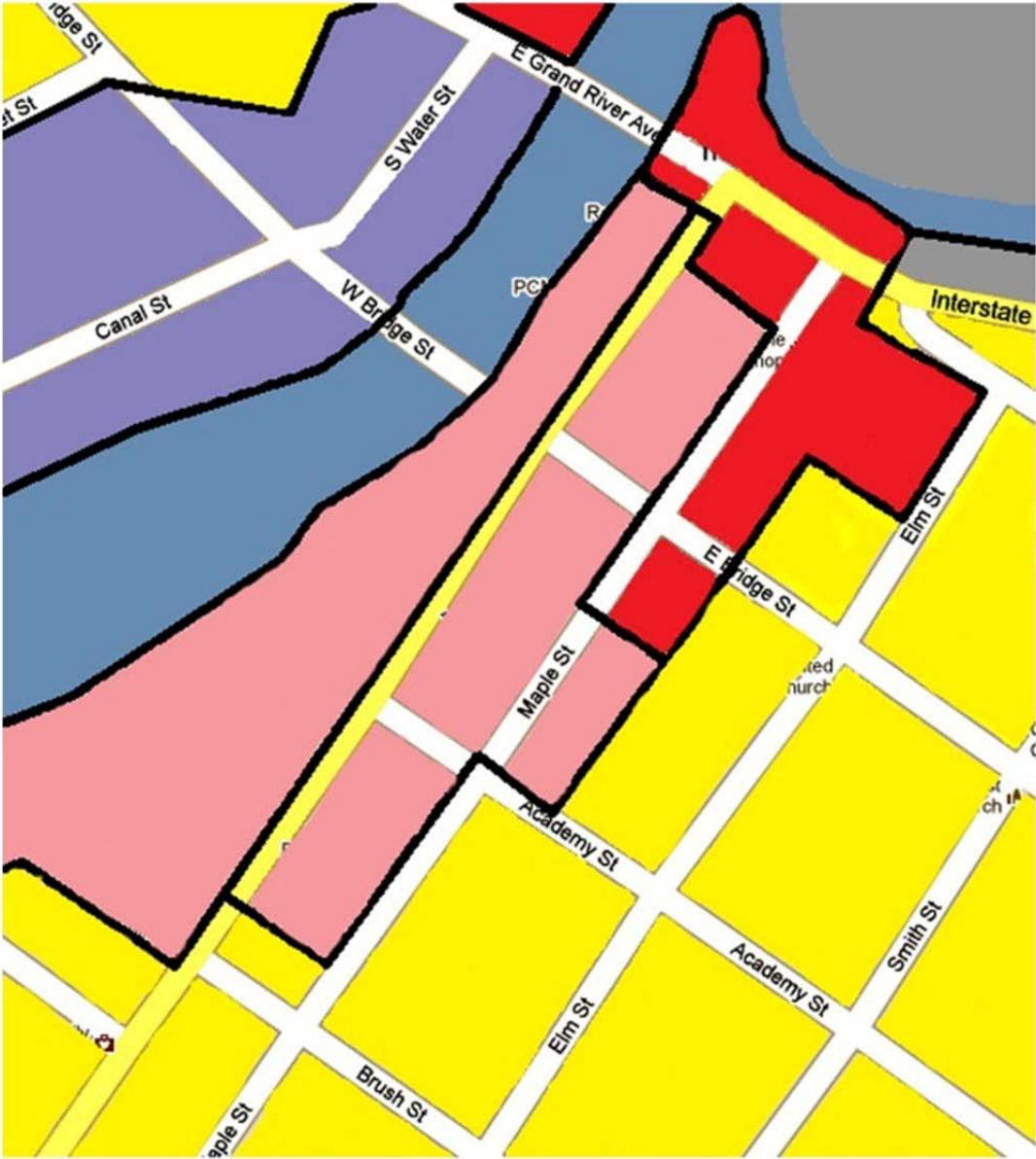
Because of Michigan's growth in the wine industry, tourist associations have begun to promote its wealth of wineries. In Traverse City (the winery hub of Michigan), many wineries hold monthly events. Wine associations have created multiple "wine trails" – trips that travel to multiple Michigan cities to visit their wineries. While Portland itself is not known for wine production, the demand for wine-related products and services is growing quickly. The lack of suppliers and quality wine shops in the area means that the downtown could fill the hole in market demand for such products if it so desired.

Conclusion

Many exciting and promising opportunities exist for downtown Portland businesses as the city progresses, and the community is poised to support business growth in the area. The addition of a comprehensive brand strategy would convey to surrounding communities the sense of pride that exists within Portland, as well as the unique opportunities that exist downtown. A portion of what makes Portland's downtown unique in the region is the existence of many classically styled and culturally significant buildings that create an air of historic value. Also important to the community of Portland is the ability to maintain interest in the businesses that currently inhabit downtown retail space, yet Portland is missing businesses that cater to the schedules of many of its residents. Expanding the business hours of existing businesses would increase the vitality of downtown Portland, and potentially expand the clientele base. Expanding hours of operation also opens unique collaboration opportunities between businesses, and Portland should capitalize on unifying dining and recreational elements together in its promotion of the downtown. Finally, the addition of specialty stores could boost interest in downtown as well.

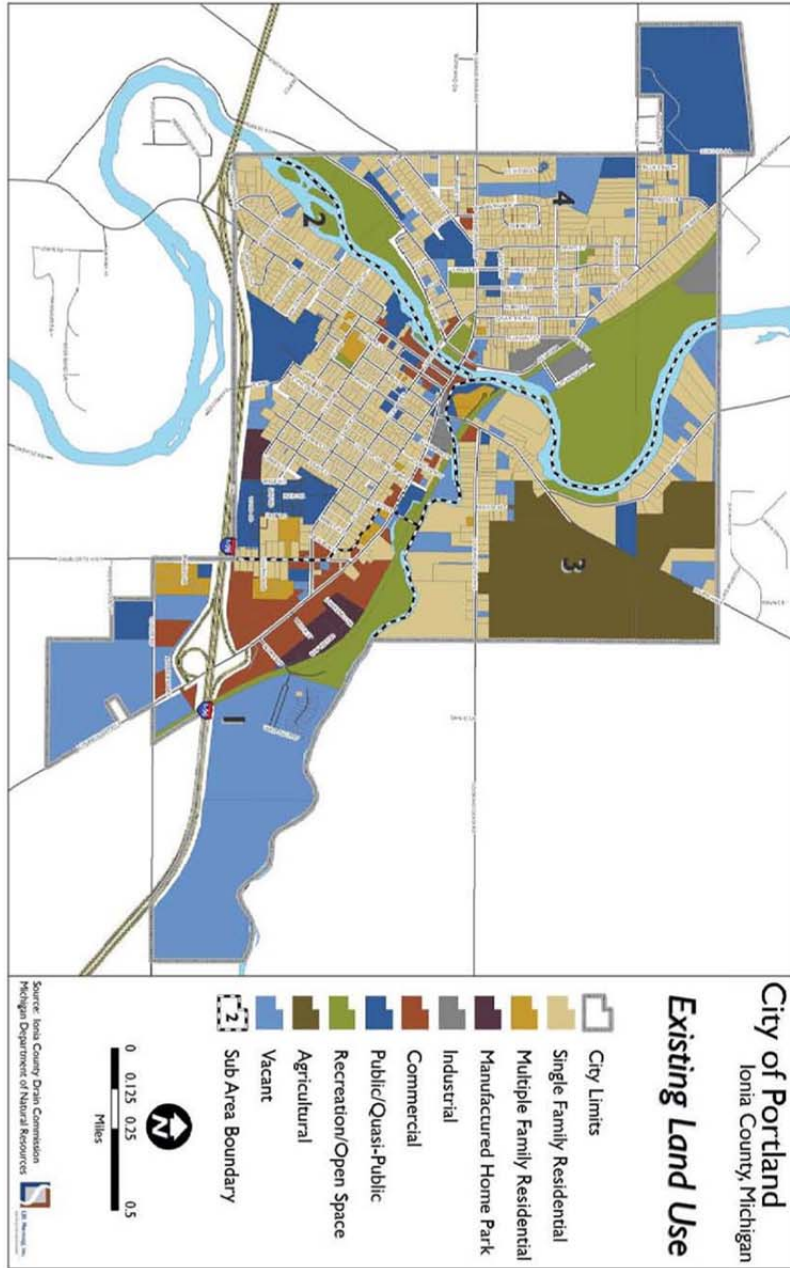
Appendix A – Portland Zoning Map





Appendix B – Land Use Plan Map

Map 3 Existing Land Use



Appendix C – Secondary Trade Area Tapestry Segments

L11-25 Salt of the Earth	
Number - Percent: Primary Trade Area Households	0 – 0.0%
Number - Percent: Secondary Trade Area Households	2,731 – 17.8%
Median Age	41.5 years
Dominant Household/Family Type	Married couples with/without children; singles living alone
Median Household Income	\$51,080
Median Net Worth	\$105,690
Percentage of Home Ownership	84%
Median Home Value	\$125,418
<p>Summary: <i>Salt of the Earth</i> households comprise of either married couples with and without children or singles that live alone. Although these residents are older, they have a high labor participation rate. Jobs include professionals and managers, but sources of income also include dividends, rental properties, and self-employment schemes. Over half of <i>Salt of the Earth</i> neighborhoods reside in the Midwest. Residents are settled, traditional, and self-reliant. They spend time and money on their vegetable gardens, domestic vehicles, and indoor exercise equipment.</p>	





L07-48 Great Expectations	
Number - Percent: Primary Trade Area Households	0 – 0.0%
Number - Percent: Secondary Trade Area Households	1,026 – 6.7%
Median Age	33.2 years
Dominant Household/Family Type	Singles who live alone; married-couple families
Median Household Income	\$38,790
Median Net Worth	\$20,643
Percentage of Home Ownership	50%
Median Home Value	\$102,241
<p>Summary: The <i>Great Expectations</i> market is full of residents just beginning their careers in their 20's with a higher proportion of residents younger than 35. Almost half of this population has some type of post-secondary education. Although neighborhoods are located throughout the country, most are in the Midwest and South. Only 50% of residents own homes. Others rent apartments in low-rise buildings. <i>Great Expectations</i> residents enjoy a young and active lifestyle. They shop at bargain supermarkets. Hobbies include playing pool and listening to classic rock.</p>	

L2-13 In Style	
Number - Percent: Primary Trade Area Households	0 – 0.0%
Number - Percent: Secondary Trade Area Households	775 – 5.1%
Median Age	39.9 years
Dominant Household/Family Type	Professional couples; married-couple families
Median Household Income	\$71,177

Median Net Worth	\$188,492
Percentage of Home Ownership	69%
Median Home Value	\$224,030
<p>Summary: In Style residents live in the suburbs but prefer a city lifestyle. Professional couples predominate, and more than two-thirds of households do not have children. Employment is concentrated in finance, insurance, and technical services. In Style neighborhoods are located in metropolitan areas across the country. Housing was built within the last 30 years. In Style residents are computer savvy, as they go online daily do their banking, research real estate information, and book travel. They enjoy looking toward the future and eating healthy to control their weight</p>	

L11-42 Southern Satellites	
Number - Percent: Primary Trade Area Households	0 – 0.0%
Number - Percent: Secondary Trade Area Households	574 – 3.7%
Median Age	38.1 years
Dominant Household/Family Type	Married couples with/without children; singles
Median Household Income	\$39,969
Median Net Worth	\$52,475
Percentage of Home Ownership	81%
Median Home Value	\$87,166
<p>Summary: Southern Satellites, consisting of married couples and singles, are located primarily in the rural South. Most households earn income from wages and salaries, although 28 percent receive Social Security benefits. Southern Satellites enjoy country life, such as fishing and hunting on a warm day. Because cable is not always available, many own satellite dishes. Residents own pets, read the local newspaper, and watch country music programs.</p>	

Appendix D – Primary Trade Area Tapestry Segments

<p>17 Green Acres</p> 	<p>18 Cozy and Comfortable</p> 	<p>26 Midland Crowd</p> 	<p>32 Rustbelt Traditions</p> 
<p>L2 Upscale Avenues U10 Rural I Married-Couple Families 41.0 Upper Middle Prof/Mgmt/Skilled Some College Single Family White</p>	<p>L2 Upscale Avenues U8 Suburban Periphery II Married-Couple Families 42.3 Upper Middle Prof/Mgmt Some College Single Family White</p>	<p>L12 American Quilt U10 Rural I Married-Couple Families 37.2 Middle Skilled/Prof/Mgmt HS Grad; Some College Single Family; Mobile Home White</p>	<p>L10 Traditional Living U5 Urban Outskirts I Mixed 36.7 Middle Skilled/Prof/Mgmt/Srvc HS Grad; Some College Single Family White</p>
<p>Do gardening, woodworking Have home equity credit line Attend country music shows Watch auto racing on TV Drive 20,000+ miles annually</p>	<p>Dine out often at family restaurants Have personal line of credit Shop at Kohl's Listen to sporting events on radio Own/Lease minivan</p>	<p>Own pets Have personal line of credit Go hunting, fishing Read hunting/fishing magazines Own/Lease truck</p>	<p>Buy children's and baby products Use credit union Do painting, drawing Watch cable TV Own/Lease domestic vehicle</p>



Downtown Portland 2011 Market Analysis

Business Survey

Hello! We are a group of Michigan State University students working to update a Market Analysis for the Portland Main Street program. This survey is being presented to you, as a Main Street district business owner, to determine your thoughts, feelings, and attitudes towards downtown Portland.

We appreciate your help in gathering this information. We want you to know that although your information will be used to assist us with this analysis, your identity will remain confidential. Please note that we do not ask for your name, your businesses name, or any personal information.

Thank you for your assistance in this analysis – this information will be analyzed and included in our report. If you have any questions or comments, please do not hesitate to contact Ann Sojka at (765) 412-6212 or DDA Director Patrick Reagan at (517) 647-5027.

1. What is your **primary** type of business? *(Please circle one)*
 - a. Retail
 - b. Service
 - c. Professional/ Office
 - d. Financial/ Banking

- e. Food and Beverage
- f. Other

2. How long have you been operating your business in your current location?

3. What is the total square footage of your business? _____

4. If you rent or lease, what is your average rental payment?

5. How many people do you currently employ? _____

6. In the next year or two, do you plan to change or modify your business in any of the following ways? (*please circle all that may apply*)

- a. Expand your business
- b. Downsize your business
- c. Expand hours of operation
- d. Decrease hours of operation
- e. Increase marketing
- f. Decrease marketing
- g. Expand store inventory
- h. Decrease store inventory
- i. Increase number of employees
- j. Decrease number of employees
- k. Relocate your business outside of the downtown
- l. Relocate your business to another community
- m. Sell your business
- n. Close your business
- o. Other

7. In your opinion, why do people choose to shop in downtown Portland? _____

8. In your opinion, why do people tend to shop outside of Portland? _____

9. Which of the following best describes the potential for your business to expand in the next 1-2 years? *(Please circle one)*

- a. High Likelihood
- b. Some Likelihood
- c. Low Likelihood
- d. No Likelihood

10. What types of other businesses would you like to see in downtown Portland? *(Please circle no more than two)*

- a. Retail
- b. Service
- c. Professional/Office
- d. Financial/Banking
- e. Food/Beverage

11. What business types does Portland have enough of already? *(Please circle one)*

- a. Retail
- b. Service
- c. Professional/Office
- d. Financial/Banking
- e. Food/Beverage

12. What is the first thing that should be done to revitalize downtown Portland? _____

Thank you for your assistance! We will visit your business on Friday, January 28 to collect this survey. Again, please feel free to contact either Ann Sojka at (765) 412-6212 or Patrick Reagan at (517) 647-5027 if you have any questions regarding this survey.

Downtown Portland 2011 Market Analysis:

Focus Group

We are a group of Michigan State University students working to update a Market Analysis for the Portland Main Street program. Through this focus group, we are hoping to determine your thoughts, feelings, and attitudes towards downtown Portland.

Thank you for your assistance in this analysis – this information will be analyzed and included in our report.

Please identify your feelings regarding the following aspects of Downtown Portland:

Strengths:

Weaknesses:

Opportunities:

Threats:

Appendix G – Sales Surplus/Leakage Data

NAICS Code: Business Description	Primary Trade Area			Secondary Trade Area		
	Retail Gap	Businesses	Factor	Retail Gap	Businesses	Factor
Total Retail Trade and Food & Drink (NAICS 44-45, 722)	\$25,628,505	50	23.8	\$76,187,619	236	11.4
Total Retail Trade (NAICS 44-45)	\$24,252,774	30	26.6	\$53,228,551	170	9.1
Total Food & Drink (NAICS 722)	\$1,375,731	20	8.4	\$22,959,068	66	29.2
Motor Vehicle & Parts Dealers: 441	\$5,749,512	5	27.6	\$41,715,921	23	37.8
Automobile Dealers: 4411	\$5,302,862	1	30.0	\$35,667,172	10	37.1
Other Motor Vehicle Dealers: 4412	\$267,100	2	15.1	\$4,026,493	2	50.1
Auto Parts, Accessories, and Tires Stores: 4412	\$179,550	2	12.8	\$2,012,256	11	32.3
Furniture & Home Furnishings Stores: 442	\$1,427,554	0	100.0	\$3,785,225	10	25.7
Furniture Stores: 4421	\$781,926	0	100.0	\$3,302,325	3	36.7
Home Furnishings Stores: 4422	\$645,628	0	100.0	\$482,900	7	8.4
Electronics & Appliance Stores: 443/4431	\$1,247,419	3	74.8	\$6,751,716	11	66.5
Bldg. Materials, Garden Equip. & Supply Stores: 444	\$1,112,194	4	34.0	(\$22,129,363)	29	-46
Building Material and Supplies Dealers: 4441	\$1,057,663	4	33.9	(\$22,698,703)	24	-48.9
Lawn and Garden Equipment and Supplies Stores: 4442	\$54,531	1	36.3	\$569,340	5	33.4
Food & Beverage Stores: 445	(\$67,208)	3	-0.3	\$775,102	20	0.7
Grocery Stores: 4451	(\$951,095)	2	-5.1	(\$2,707,629)	14	-2.6
Specialty Food Stores: 4452	\$851,270	0	100.0	\$1,593,483	3	29.6
Beer, Wine, and Liquor Stores: 4453	\$32,617	1	3.4	\$1,889,248	3	51.1
Health & Personal Care Stores: 446/4461	\$672,161	2	37.9	(\$5,393,195)	10	-24.9
Gasoline Stations: 447/4471	(\$1,583,141)	3	-7.3	(\$4,905,144)	13	-4.3
Clothing and Clothing Accessories Stores: 448	\$816,536	1	86.1	\$6,697,366	5	80.2
Clothing Stores: 4481	\$690,178	1	84.0	\$5,370,825	3	84.5
Shoe Stores: 4482	\$24,014	0	100.0	\$416,974	0	100

Jewelry, Luggage, and Leather Goods Stores: 4483	\$102,344	0	100.0	\$909,567	2	57.7
Sporting Goods, Hobby, Book, and Music Stores: 451	(\$45,443)	2	-9.0	\$1,689,034	12	41.5
Sporting Goods/Hobby/Musical Instrument Stores: 4511	(\$5,271)	1	-4.4	\$197,213	11	8.7
Book, Periodical, and Music Stores: 4512	(\$40,172)	1	-10.4	\$1,491,821	1	82.4
General Merchandise Stores: 452	\$14,404,906	1	81.5	\$23,513,083	9	19.1
Department Stores Excluding Leased Depts.: 4521	\$4,693,048	0	100.0	\$960,044	2	1.6
Other General Merchandise Stores: 4529	\$9,711,858	1	74.8	\$22,553,039	7	34.9
Miscellaneous Store Retailers: 453	\$281,644	6	33.6	\$3,174,440	26	45.8
Florists: 4531	(\$16,996)	3	-6.0	\$150,033	5	12.8
Office Supplies, Stationery, and Gift Stores: 4532	\$293,736	0	100.0	\$1,175,186	7	44.8
Used Merchandise Stores: 4533	\$7,865	1	13.1	\$94,636	6	23.5
Other Miscellaneous Store Retailers: 4539	(\$2,961)	2	-1.5	\$1,754,585	8	64.2
Non-store Retailers: 454	\$236,640	0	100.0	(\$2,445,634)	2	-17.5
Electronic Shopping and Mail-Order Houses: 4541	\$0	0	0.0	\$1,696,126	0	100.0
Vending Machine Operators: 4542	\$236,640	0	100.0	\$6,186,864	2	-60.6
Direct Selling Establishments: 4543	\$0	0	0.0	\$2,045,104	1	99.9
Food Services & Drinking Places: 722	\$1,375,731	20	8.4	\$22,959,068	66	29.2
Full-Service Restaurants: 7221	\$1,467,744	13	20.0	\$13,614,089	30	39.7
Limited-Service Eating Places: 7222	(\$582,658)	6	-7.1	\$5,383,465	21	15.7
Special Food Services: 7223	\$58,542	0	100.0	\$1,530,430	5	30.7
Drinking Places - Alcoholic Beverages: 7224	\$432,103	1	51.4	\$2,431,084	10	47.2

Data Notes: The Leakage/Surplus Factor presents a snapshot of retail opportunity. A positive value represents 'leakage' of retail opportunity outside the trade area. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area. The Retail Gap represents the difference between Retail Potential and Retail Sales.

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