

CITY OF OAK PARK
**STRATEGIC ECONOMIC
DEVELOPMENT PLAN**

INITIAL FINDINGS

OAK PARK, MI
NOVEMBER 2013

PLACE-BASED DEVELOPMENT

“Suburbanites want the amenities of an urban lifestyle (without actually living downtown).”

SOURCE: TEN PRINCIPLES FOR DEVELOPING SUCCESSFUL TOWN CENTERS



A vibrant city street at night, likely in a downtown area. The scene is filled with outdoor dining at various restaurants. People are seated at tables with black metal chairs, some eating and talking. The buildings are illuminated with warm interior lights and colorful neon signs. A prominent sign for 'HOUSE of BLUES COMPANY STORE' is visible on the left. String lights are strung across the street, adding to the festive atmosphere. The overall mood is lively and social.

ATTRACTING & RETAINING TALENT

“A community without place amenities will have a difficult time attracting and retaining talented workers and entrepreneurs, or being attractive to business.”

GOV. RICK SNYDER

ATTRACTING & RETAINING TALENT

“Quality of place is a deep driver of talent and where it settles. You can’t separate the two. Talent and quality of place go hand in hand.”

- CAROL COLETTA, ARTPLACE



ATTRACTING & RETAINING TALENT

2/3

of college
educated 24 to
35 year olds
choose where
they want to
live first and
then look
for a job.

SOURCE: "YOUNG, UNDEREMPLOYED AND OPTIMISTIC", PEW RESEARCH CENTER

WALKABLE URBAN PLACES

“Walkable urban development has pent up market demand that will take most of the next generation to satisfy.”

- CHRISTOPHER LEINBERGER,
BROOKINGS INSTITUTE



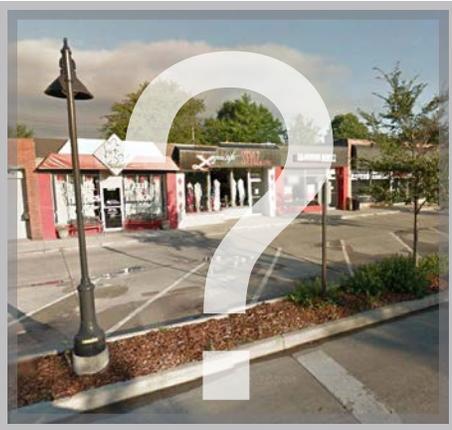


WALKABLE URBAN PLACES

“The new workforce no longer wants to be located in single-use office “parks”... they want to be located in dynamic mixed-use urban settings where they can mix and mingle, have multiple destinations to eat lunch or have dinner, (and) live nearby...”

- GEOFF DYER, BETTER! CITIES & TOWNS

OAK PARK IDENTITY



OAK PARK

Character: TBD



ROYAL OAK

Trendy mix of local, regional, and national retail



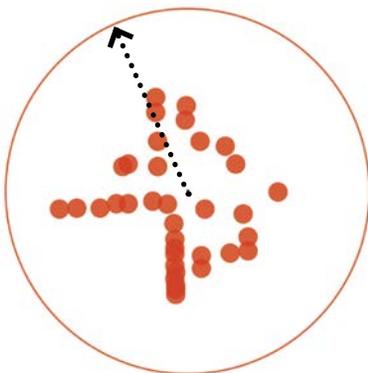
BIRMINGHAM

Upscale, specialty, and traditional retail

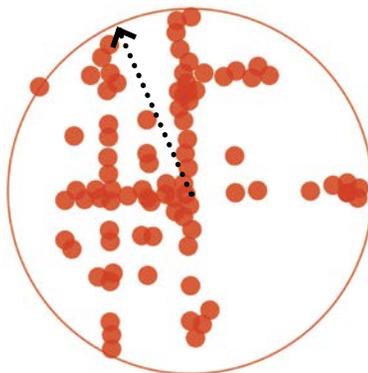


FERNDALE

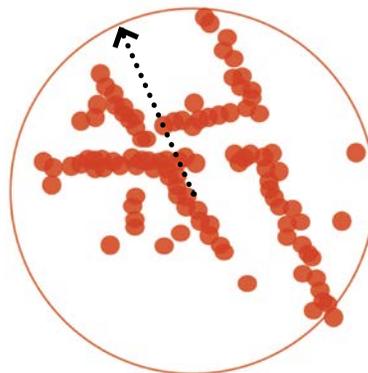
Retro-artistic retail



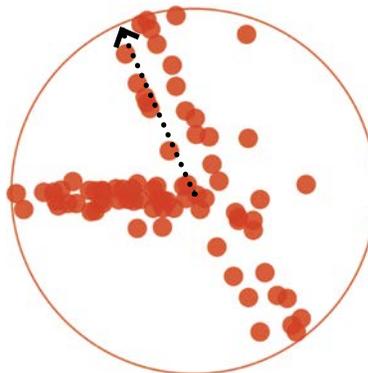
9 MILE & COOLIDGE
36 RETAIL AMENITIES



4TH AVE. & MAIN
144 RETAIL AMENITIES



PIERCE & MERRILL
96 RETAIL AMENITIES



9 MILE & WOODWARD
81 RETAIL AMENITIES

CHARACTER AND DENSITY COMPARISON OF RETAIL AMENITIES WITHIN A 1/4-MILE OF THE CENTER OF COMPETITIVE REGIONAL DOWNTOWN AREAS

REGIONAL CONTEXT



CENTRALLY LOCATED
WITHIN METRO-DETROIT

BENEFITS FROM
CONVENIENT FREEWAY
ACCESS

OAK PARK WITHIN THE METRO-DETROIT REGION

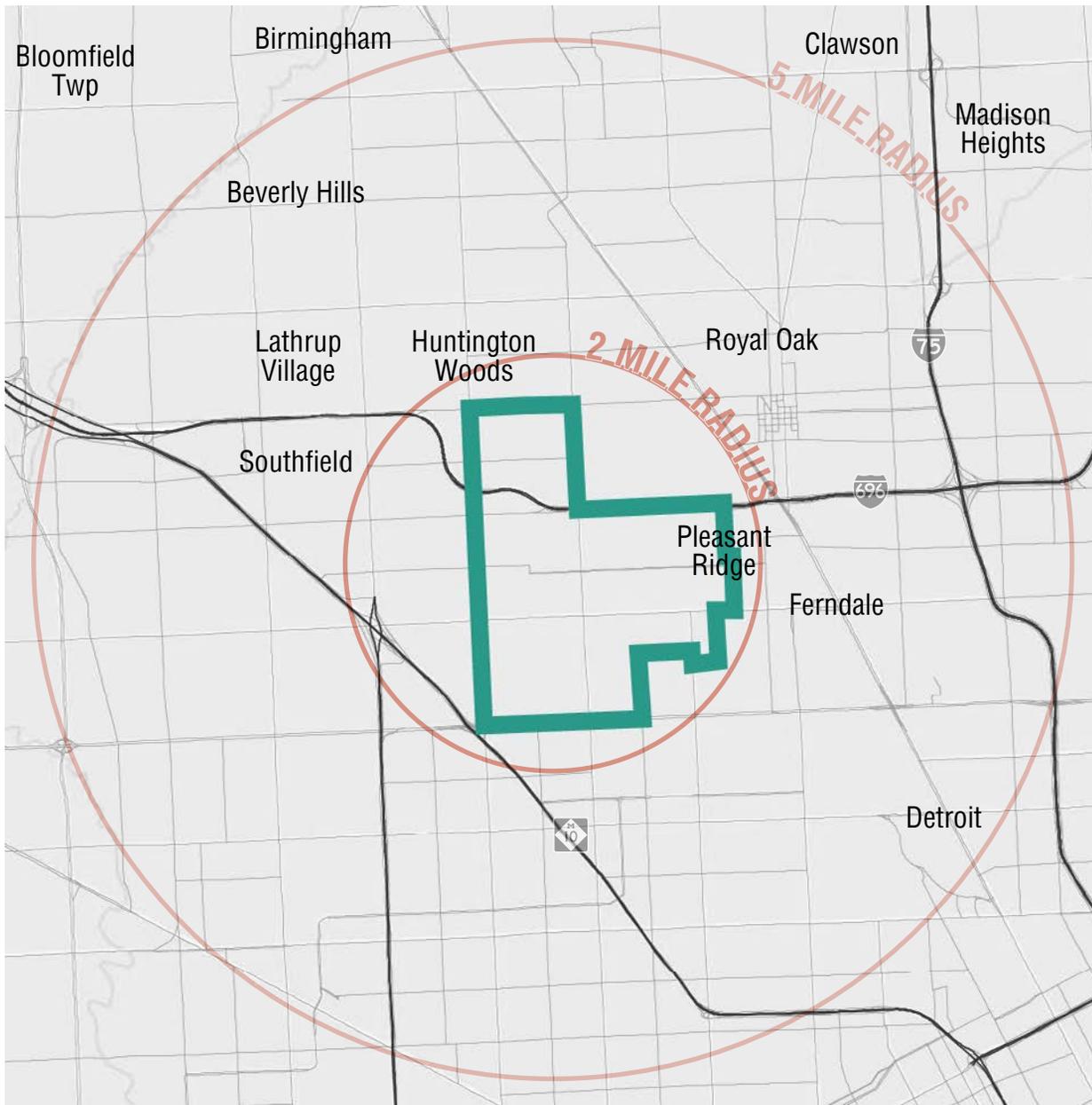
LOCAL CONTEXT

HISTORY:

The city was incorporated in 1945, and with a residential population of over 32,000 is known for its tight-knit neighborhoods, tree-lined streets and high quality municipal services. The city spans 5.17 square miles and is predominantly comprised of single-family residences.

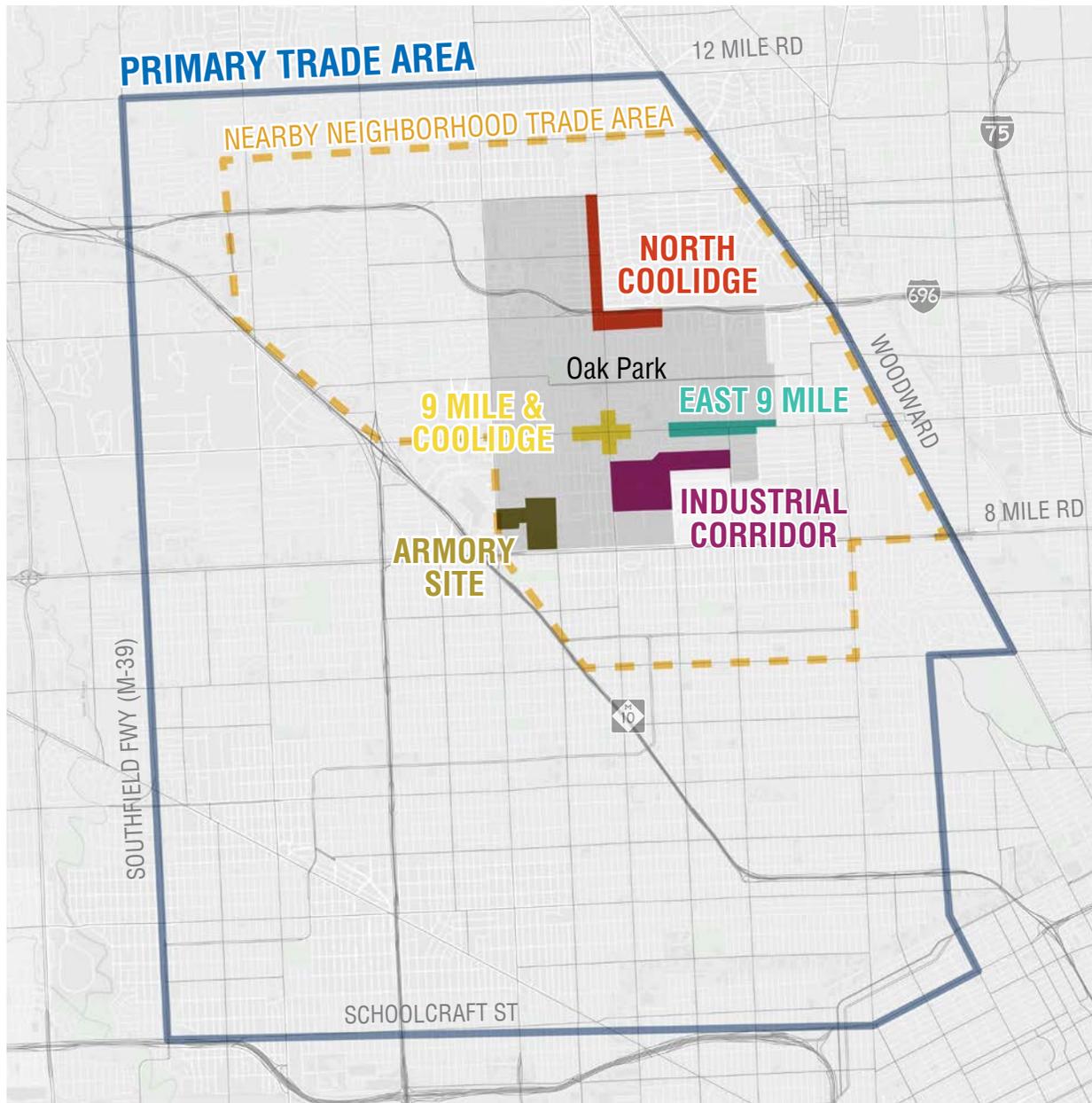
With a stable population and central location in the Metro-Detroit area, Oak Park is an appealing location for new commercial development, and the community desires to attract businesses and firms amenable to the needs of residents and able to lure consumer demand from throughout the region. Furthermore, the community wishes to build upon assets such as affordable housing and convenient freeway access to offer amenities that will retain and attract young, talented individuals.

ALMOST ALL OF OAK PARK'S RESIDENTS ARE WITHIN 2 MILES OF THE CITY CENTER.



OAK PARK IS BORDERED BY DETROIT TO THE SOUTH AND OTHER SUBURBAN MUNICIPALITIES TO THE NORTH, EAST, AND WEST.

TRADE AREAS



PRIMARY TRADE AREA, NEARBY NEIGHBORHOOD TRADE AREA, AND OAK PARK STUDY AREAS.

PRIMARY TRADE AREA:

The primary trade area is defined by topography, vehicular access, strength of retail competition and residential growth patterns instead of standardized “drive-times.” The potential of large development at the Armory site presents broadens the primary trade area to the west and south. Due to the strong retail gravitational pull east and north of the site in Ferndale, Royal Oak, and along Telegraph Road north of I-696, the primary trade area is limited by Woodward Avenue and 12 Mile Road.

CONSUMERS INSIDE THE PRIMARY TRADE AREA WILL ACCOUNT FOR 70 - 80% OF THE TOTAL SALES CAPTURED BY RETAILERS IN THE ARMORY SITE AS WELL AS THE OTHER STUDY AREAS.

NEAR NEIGHBORHOOD TRADE AREA:

The near neighborhood trade area contains the consumers most likely to frequent retailers in the 9 Mile & Coolidge, 9 Mile East, North Coolidge, and Industrial Corridor study areas.

PRIMARY TRADE AREA DEMOGRAPHICS

POPULATION

268,200 2013
262,700 2018
 PREDICTED POPULATION



MEDIAN HOUSEHOLD INCOME

40,200 2013
48,900 2018
 PREDICTED HH INCOME



EDUCATION

26%
 BACHELOR'S DEGREE
 OR HIGHER

\$75K+ INCOMES

22.5%
 INCOMES GREATER
 THAN \$75,000

MEDIAN AGE

39.4
 YEARS OLD

LIFESTYLE TYPES

EX-URBANITES

3.9% PRIMARY TRADE AREA MARKET SHARE
 10,600 POPULATION
 82,000 MEDIAN HOUSEHOLD INCOME
 2.5% NATIONAL MARKET SHARE

COZY & COMFORTABLE

8.1% PRIMARY TRADE AREA MARKET SHARE
 21,800 POPULATION
 59,200 MEDIAN HOUSEHOLD INCOME
 2.2% NATIONAL MARKET SHARE

FAMILY FOUNDATION

42.3% PRIMARY TRADE AREA MARKET SHARE
 116,900 POPULATION
 38,400 MEDIAN HOUSEHOLD INCOME
 0.8% NATIONAL MARKET SHARE

METRO CITY EDGE

10.1% PRIMARY TRADE AREA MARKET SHARE
 29,200 POPULATION
 29,200 MEDIAN HOUSEHOLD INCOME
 0.9% NATIONAL MARKET SHARE

MODEST INCOME

10.1% PRIMARY TRADE AREA MARKET SHARE
 26,700 POPULATION
 20,500 MEDIAN HOUSEHOLD INCOME
 0.9% NATIONAL MARKET SHARE

EMPLOYMENT SECTORS

6.6%
 MANUFACTURING

14.1%
 RETAIL TRADE

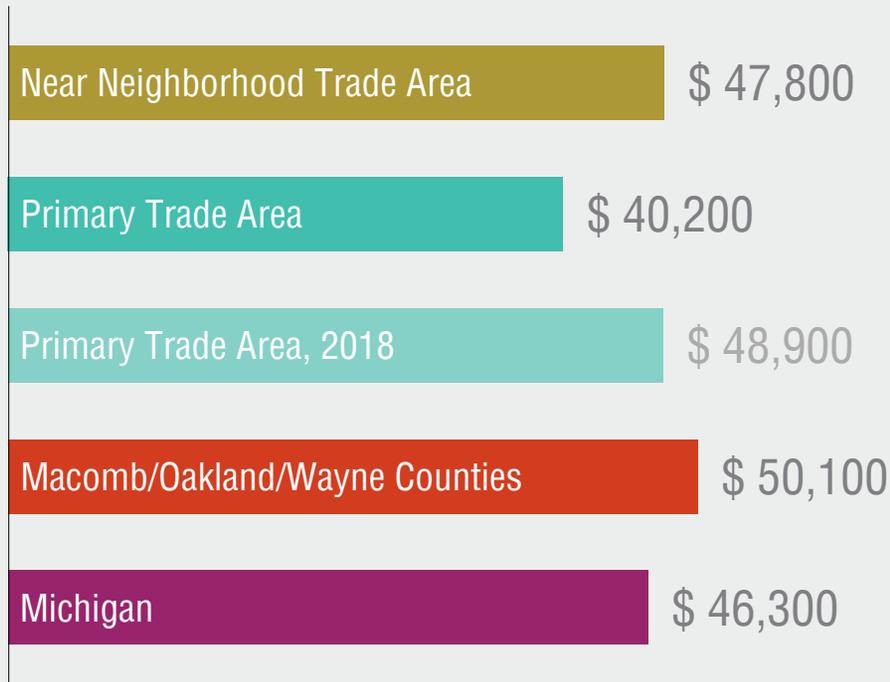
52.7%
 SERVICE SECTOR

6.2% FINANCE, INSURANCE & REAL ESTATE
 5.3% WHOLESALE TRADE
 4.9% GOVERNMENT
 4.6% CONSTRUCTION
 2.7% TRANSPORTATION
 1.6% COMMUNICATION
 1.0% AGRICULTURE AND MINING
 0.3% UTILITY

ECONOMIC BOOST FROM NEW RETAIL COULD CREATE POSITIVE DEMOGRAPHIC CHANGES

MEDIAN HOUSEHOLD INCOME

2013 MEDIAN HOUSEHOLD INCOME



THE MEDIAN HOUSEHOLD INCOME OF \$40,200 IN THE PRIMARY TRADE AREA IS MODEST COMPARED TO REGIONAL AND STATE LEVELS; HOWEVER, IT IS ESTIMATED TO INCREASE AT AN ANNUAL RATE OF 3.98 PERCENT TO \$48,900 IN 2018.

SOURCE: OAK PARK MARKET STUDY (GIBBS PLANNING GROUP, NOVEMBER 2013)

EMPLOYEE EXPENDITURE

ANNUAL RETAIL IMPACT

134,530 EMPLOYEES
WITHIN 10-MINUTE DRIVE
TIME FROM ARMORY SITE



\$193.4 M

PREPARED FOOD & BEVERAGES**

\$69.6 M

RETAIL GOODS**

\$22.2 M

GROCERY PURCHASES**

\$33.8 M

CONVENIENCE ITEMS**

\$ 319.1 M TOTAL
\$319.1 MILLION IS TOTAL ANNUAL IMPACT

**Information based on 134,530 employees within a ten-minute drive time from primary trade area and Armory site.

NEW RETAIL DEVELOPMENT +
FILLED VACANCIES WITHIN 5
STUDY AREAS COULD
POTENTIALLY CAPTURE:

\$ 51.4 M

51.4 MILLION IN ANNUAL SALES FROM
10-MINUTE DRIVE TIME EMPLOYEES IN
2013

\$ 55.3 M

GROWING TO 55.3 MILLION BY 2018

**GPS estimates that new retail development and filled vacancies in the five study areas could potentially capture as much as \$51.4 million in annual sales from 10-minute drive time employees in 2013, growing to \$55.3 million by 2018.

SOURCE: OAK PARK MARKET STUDY (GIBBS PLANNING GROUP, NOVEMBER 2013)

ESTIMATED SUPPORTABLE RETAIL

TOTAL SUPPORTABLE RETAIL SUMMARY

507,500 SF
SUPPORTABLE IN 2013

514,600 SF
SUPPORTABLE IN 2018

46-69
NO. OF STORES

| RETAIL | 2013 SUPPORTABLE | 2018 SUPPORTABLE | NO. OF STORES |
|------------------------------------|-----------------------------|-----------------------------|---------------|
| General Merchandise | 203,500 _{SF} | 206,400 _{SF} | 2-4 |
| Department Stores | 46,100 _{SF} | 46,700 _{SF} | 1 |
| Grocery & Food Stores | 83,400 _{SF} | 84,600 _{SF} | 3-5 |
| Pharmacy | 17,300 _{SF} | 17,500 _{SF} | 2-3 |
| Hardware Store | 15,600 _{SF} | 15,800 _{SF} | 2-3 |
| Miscellaneous Stores | 14,300 _{SF} | 14,500 _{SF} | 4-6 |
| Electronics & Appliance | 12,100 _{SF} | 12,300 _{SF} | 5-8 |
| Sporting Goods Stores | 10,200 _{SF} | 10,300 _{SF} | 1-2 |
| Furniture & Home Furnishings Store | 8,900 _{SF} | 9000 _{SF} | 2-3 |
| Office & Gift Stores | 7,500 _{SF} | 7,600 _{SF} | 2-4 |
| Apparel & Shoe Stores | 5,500 _{SF} | 5,600 _{SF} | 4-5 |
| Auto Parts & Accessories Stores | 4,600 _{SF} | 4,700 _{SF} | 1 |
| Lawn & Garden Stores | 2,400 _{SF} | 2,500 _{SF} | 1 |
| Books & Music Stores | 2,100 _{SF} | 2,100 _{SF} | 1-2 |
| RETAIL TOTALS | 434,600_{SF} | 440,700_{SF} | 33-50 |

| RESTAURANT | 2013 SUPPORTABLE | 2018 SUPPORTABLE | NO. OF STORES |
|------------------------------|----------------------------|----------------------------|---------------|
| Full-Service Restaurants | 35,400 _{SF} | 35,900 _{SF} | 5-7 |
| Limited-Service Eating Place | 29,800 _{SF} | 30,200 _{SF} | 6-8 |
| Special Food Services | 4,200 _{SF} | 4,300 _{SF} | 1-2 |
| Bars & Pubs | 3,400 _{SF} | 3,400 _{SF} | 1-2 |
| RESTAURANT TOTALS | 72,800_{SF} | 73,800_{SF} | 13-19 |



RETAIL ANALYSIS

SUPPORTABLE RETAIL

514,600 SF

\$189.9 MILLION
SALES BY 2018



RESTAURANTS: 66,100 SF



APPAREL & SHOES: 5,600 SF



GENERAL MERCHANDISE: 203,500 SF



PHARMACY: 17,500 SF



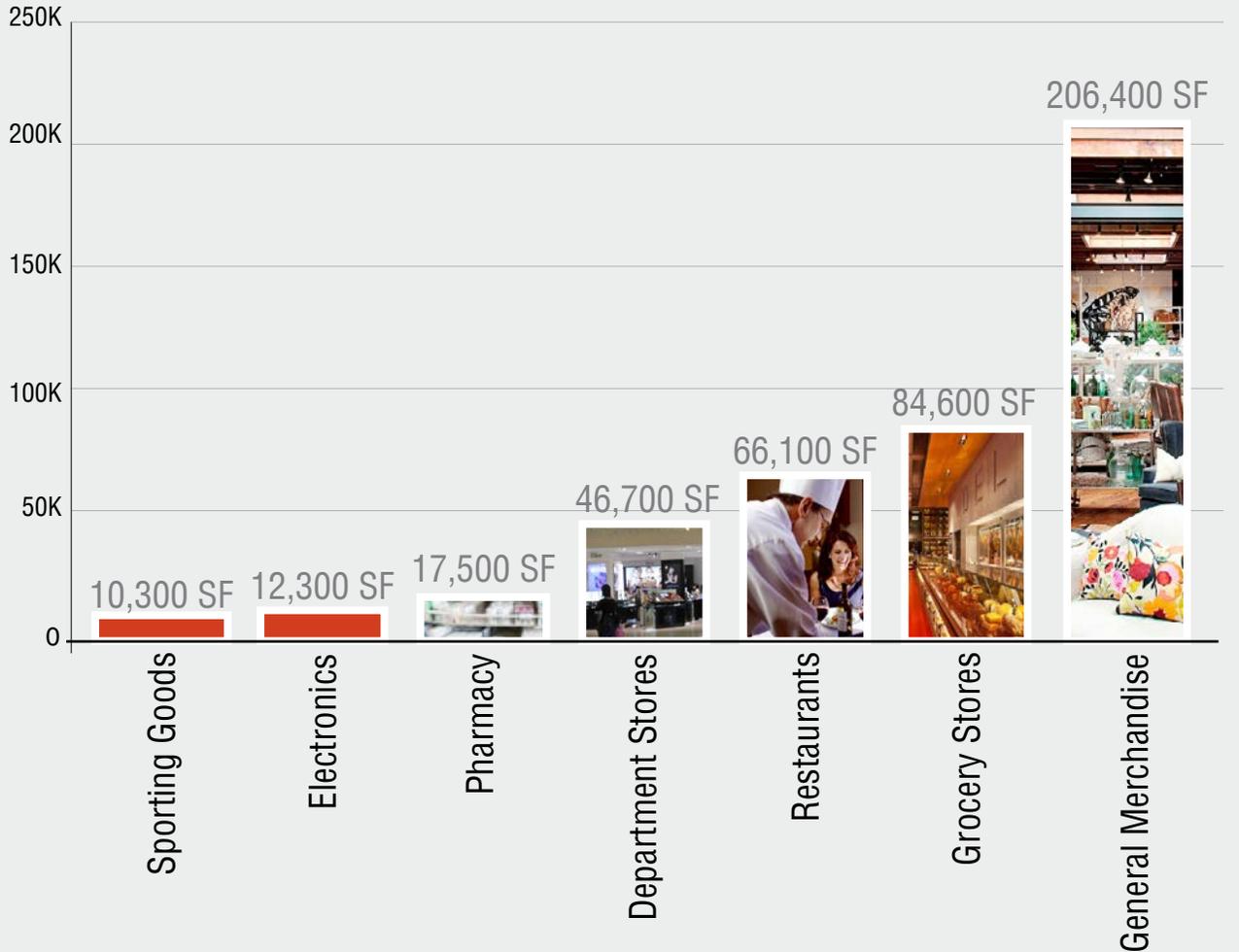
DEPARTMENT STORES: 46,700 SF



GROCERIES: 84,600 SF

SUPPORTABLE RETAIL

SUPPORTABLE RETAIL TYPES



TOP THREE RETAIL TYPES:

GENERAL MERCHANDISE

This demand could be met by attracting a large-format retailer such as Costco, Sam's Club or Walmart to the Armory Site.

GROCERY STORES

A local grocer with a willingness to offer kosher products would be best. Potential tenants include Busch's, Hillers, or Hollywood Market. One grocery store should be located at the Armory with another in the Arts & Culture district. Or the second grocer may be a combination of small, niche grocers as found in the Nine Mile and Coolidge study area.

RESTAURANTS

Full service restaurants totaling 35,900 SF could include Applebee's, Bagger Dave's, Buddy's Pizza, IHOP, Noodles & Company, Olive Garden, Ram's Horn, Red Lobster, Salvatore Scallopini, and What Crepe? Limited service restaurants totaling 30,100 sf could include Boston Market, Bruegger's, Chicken Shack, Fazoli's, Jimmy John's, Potbelly's or Qdoba. Two-thirds of this demand should be placed in the Armory, with the remainder spread throughout the other study areas.



SOURCE: OAK PARK ECONOMIC DEVELOPMENT PLAN, RETAIL MARKET ANALYSIS PREPARED BY GIBBS PLANNING GROUP

GOALS & OBJECTIVES

- PROMOTE WALKABILITY
- ATTRACT YOUNG PROFESSIONALS
- ATTRACT FAMILIES
- PROVIDE ATTRACTIVE AMENITIES WITHIN WALKING DISTANCE OF RESIDENTIAL AREAS, CREATE AFFORDABLE HOUSING
- BETTER WAYFINDING AND SIGNAGE FROM FREEWAY, BETTER FREEWAY CONNECTIONS AND ESTABLISHMENT OF DESTINATION SHOPPING FOR RESIDENTS AND REGION.

FIVE CATALYST DEVELOPMENT PROPOSALS MUST ALIGN WITH RETAIL AND COMMERCIAL IDENTITY OF OAK PARK

ARMORY SITE

350-420K

SQUARE FEET
OF SUPPORTABLE RETAIL

**ELEVEN MILE +
COOLIDGE
HIGHWAY**

20-30K

SQUARE FEET
OF SUPPORTABLE RETAIL

**INDUSTRIAL
DISTRICT**

10K

SQUARE FEET
OF SUPPORTABLE RETAIL

**NINE MILE +
COOLIDGE
HIGHWAY**

30-40K

SQUARE FEET
OF SUPPORTABLE RETAIL

**NINE MILE
EAST**

20-30K

SQUARE FEET
OF SUPPORTABLE RETAIL



Oak Park is a vibrant community
with retail potential.

2013 RETAIL POTENTIAL

507,500 SF of additional space with
potential to generate over:

\$ 174.8M

2018 RETAIL POTENTIAL

514,600 SF of additional space with
potential to generate over:

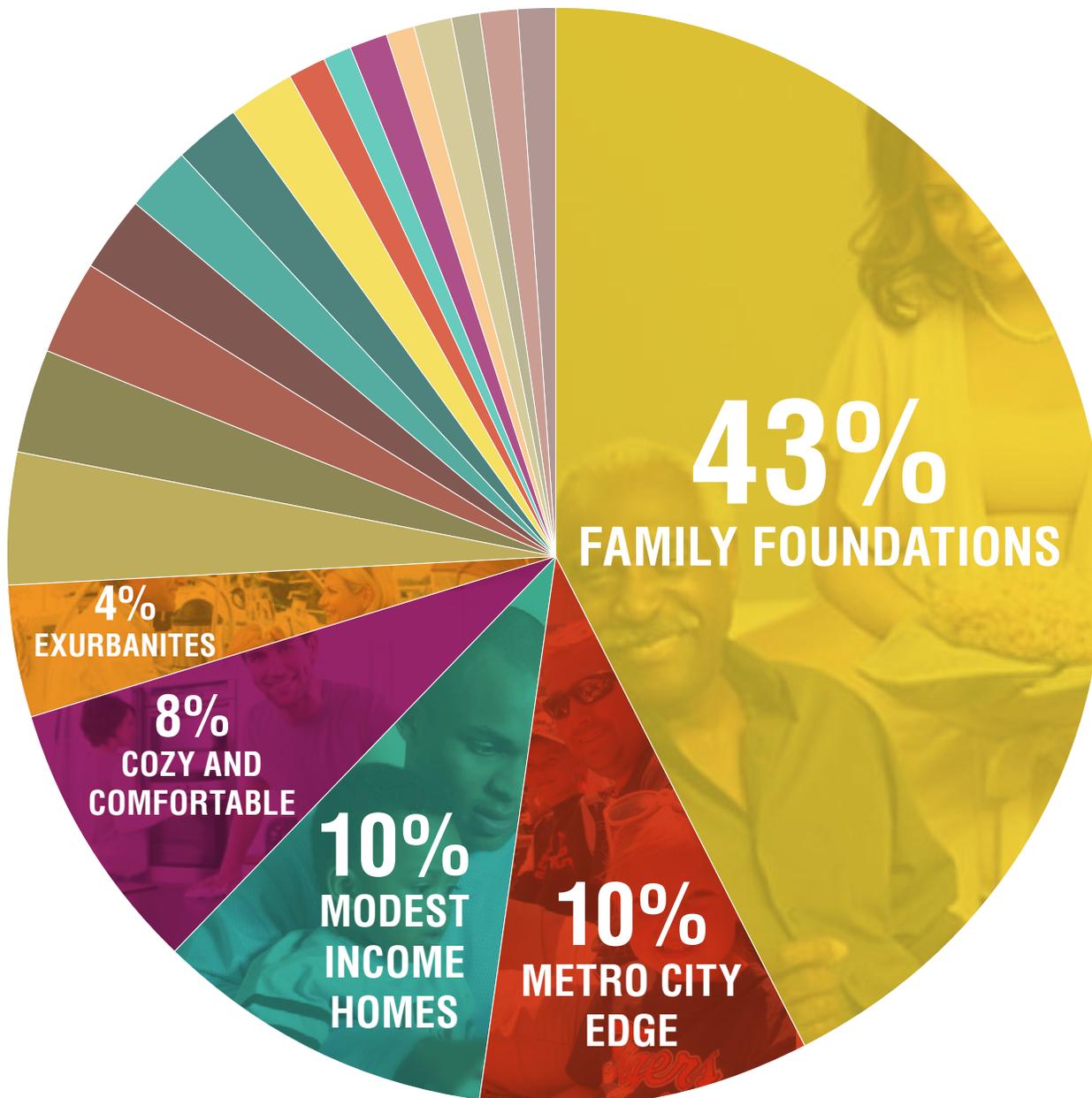
\$ 187.9M

45 + 70 NEW RESTAURANTS & RETAIL

SOURCE: OAK PARK MARKET STUDY (GIBBS PLANNING GROUP, NOVEMBER 2013)

“TAPESTRY” LIFESTYLES

THE TOP 5 TAPESTRY LIFESTYLE GROUPS PORTRAY A CLUSTER OF AGING RESIDENTS AND ESTABLISHED, COMMUNITY-ORIENTED FAMILIES IN THE PRIMARY TRADE AREA.



SOURCE: OAK PARK MARKET STUDY (GIBBS PLANNING GROUP, NOVEMBER 2013)

STUDY AREAS

Could serve the neighborhood with some revitalization

NORTH COOLIDGE

9 MILE & COOLIDGE

EAST 9 MILE

Most potential for a walkable shopping cluster

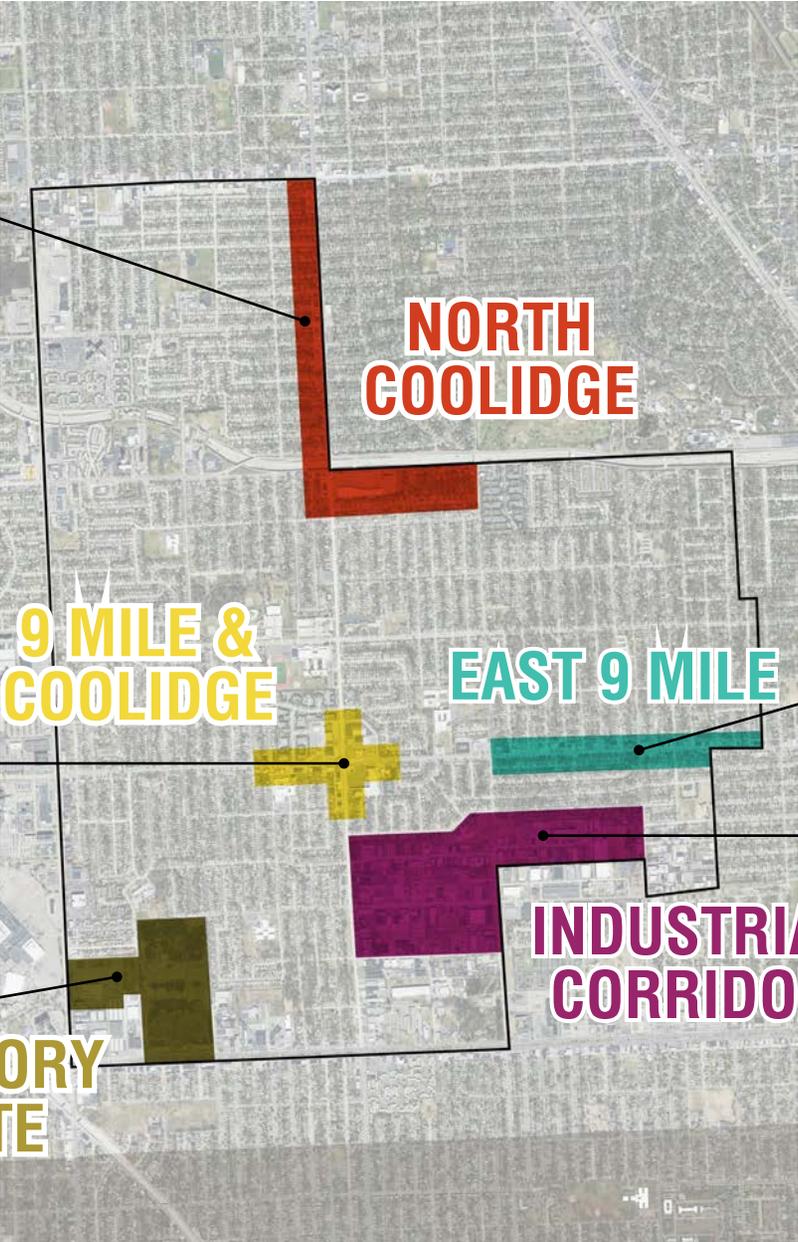
Oak Park's main neighborhood shopping cluster

Potential market to serve daytime workers

INDUSTRIAL CORRIDOR

Potential for new, large-scale development with regional attraction

ARMORY SITE



CITY OF OAK PARK AND THE FIVE STUDY AREAS

9 MILE & COOLIDGE



EXISTING RETAIL MIX:

- Shopping plazas
- Auto-oriented, convenience retail
 - Drive-thru
 - Gas station
 - Dollar stores
 - Supermarket
 - Restaurants
 - Auto repair
 - Liquor stores
 - Laundromat
- Check cashing
- Pharmacies
- Thrift store
- Personal service



EST. SUPPORTABLE RETAIL:
 30,000 - 40,000 SF
 10 - 12 stores

SOURCE: GPG, GOOGLE EARTH

9 MILE EAST

EXISTING RETAIL MIX:

- Traditional neighborhood retail
 - Hardware store
 - Auto parts
 - Dollar store
 - Laundromat
 - Gas stations
- Medical/dental offices
- A number of full- and limited-service restaurants
 - Offices
- Childcare facilities
- Local shops



EST. SUPPORTABLE RETAIL:
 20,000 - 30,000 SF
 5 - 10 stores

SOURCE: GOOGLE EARTH

NORTH COOLIDGE HWY



SOURCES: GOOGLE EARTH, BING MAPS



EXISTING RETAIL MIX:

- Several stand-alone buildings
 - Personal service
 - Medical/dental offices
- Neighborhood retail
 - Auto repair
 - Liquor stores
- Daycare facilities
- Private schools
- Restaurants
- Vacant anchor store in Parkwoods Plaza

EST. SUPPORTABLE RETAIL:
 20,000 - 30,000 SF
 5 - 10 stores

INDUSTRIAL DISTRICT

EXISTING RETAIL MIX:

- Light industrial uses
- Convenience store



EST. SUPPORTABLE RETAIL:
10,000 SF
2 - 4 stores

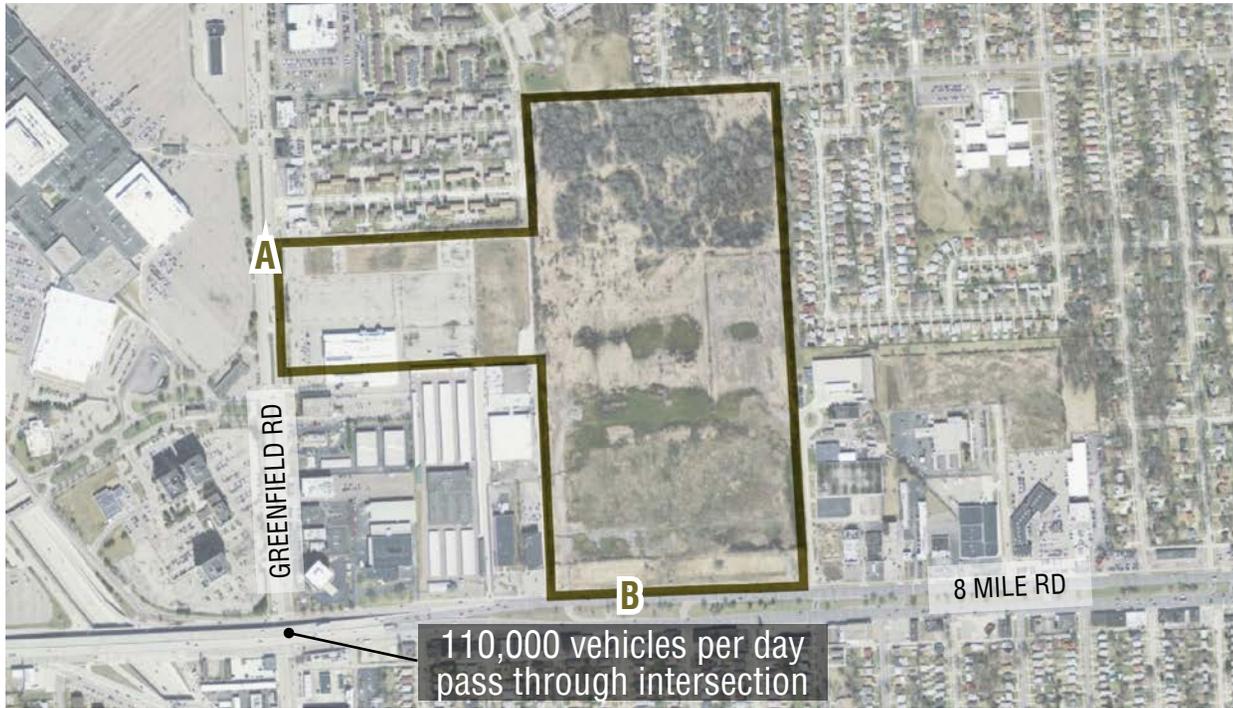
SOURCES: GOOGLE EARTH

THE ARMORY

CHARACTER:

The brownfield site is located near Eight Mile and Greenfield Roads and is the most eminent location available for new retail development within the city. Regional connectivity is available from both M-39 (Southfield Freeway) and M-10 (The Lodge), with local access from Eight Mile Road and Greenfield Road. The large site has the potential for critical mass development, which could attract consumers from throughout the region, but existing conditions should be studied to determine how vehicular access and visibility could be improved around the site.

The site was remediated to light industrial standards after the Armory building was demolished.



SOURCE: GOOGLE EARTH

**POTENTIAL FOR
NEW, LARGE-SCALE
DEVELOPMENT WITH
REGIONAL ATTRACTION**

THE ARMORY

EXISTING RETAIL MIX:
None (Vacant)

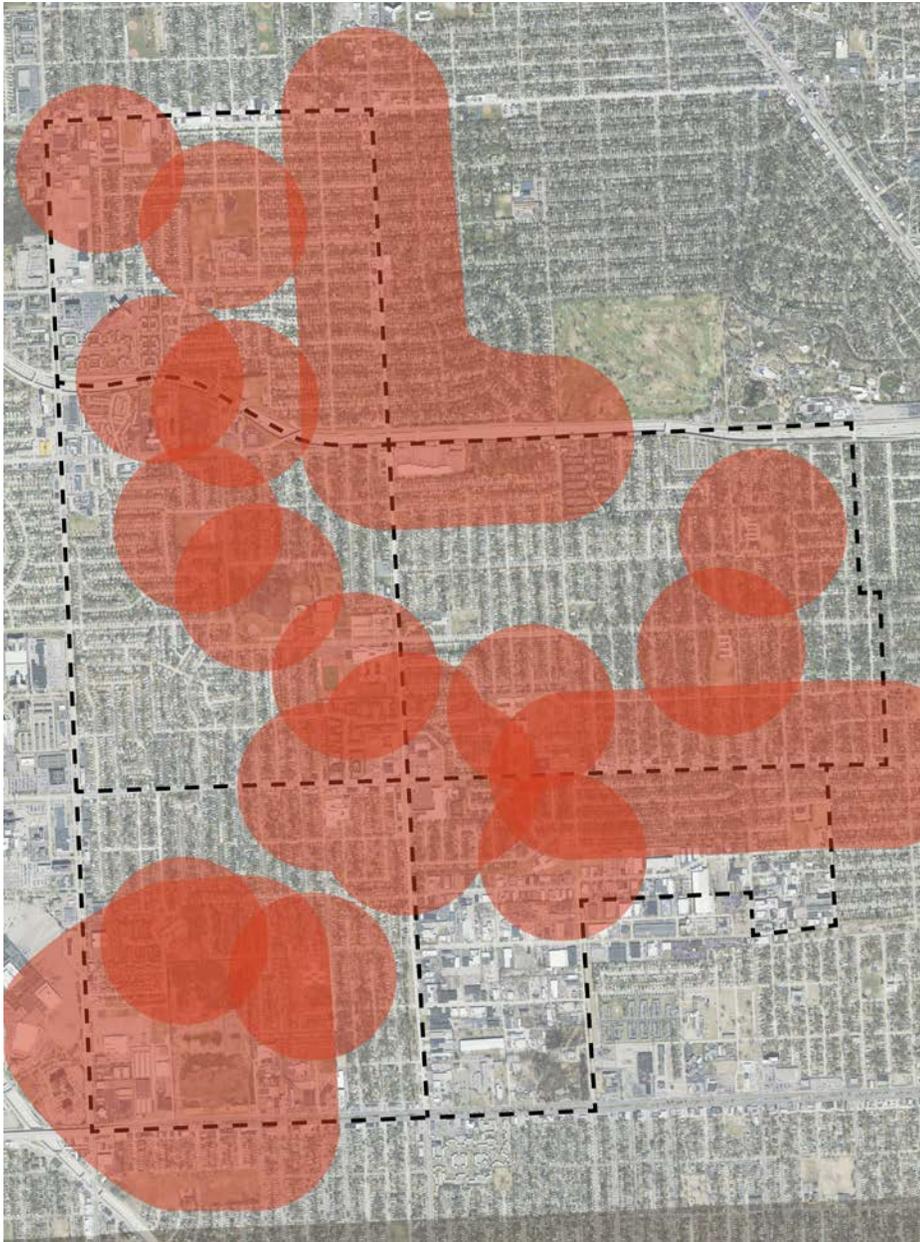


SOURCE: GOOGLE EARTH

EST. SUPPORTABLE RETAIL:
350,000 - 420,000 SF
26 - 33 stores

NEIGHBORHOOD WALKABILITY

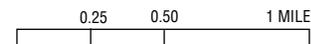
NEIGHBORHOOD AREAS WITHIN WALKING DISTANCE TO EXISTING/FUTURE COMMERCIAL CLUSTERS AND PARKS ARE LIKELY TO BE THE MOST DESIRABLE HOMES IN TERMS OF PROXIMITY TO AMENITIES.



LEGEND

● 5 Minute Walking Distance (1/4-Mile)

⋯ Oak Park Neighborhoods



WALKING DISTANCE TO PARKS AND COMMERCIAL AREAS

CITIZEN ENGAGEMENT & PRIORITY ASSESSMENT

COMMUNITY IMAGE COMPONENTS

OAK PARK IS RATED **MORE ENJOYABLE FOR SENIORS AND FAMILIES** THAN FOR MARRIED COUPLES AND CHILDREN.



OAK PARK OVERALL SCORE: 67
MICHIGAN (MI) OVERALL SCORE: 61

The City has very solid performance when compared against MI, regional, and national benchmarks.

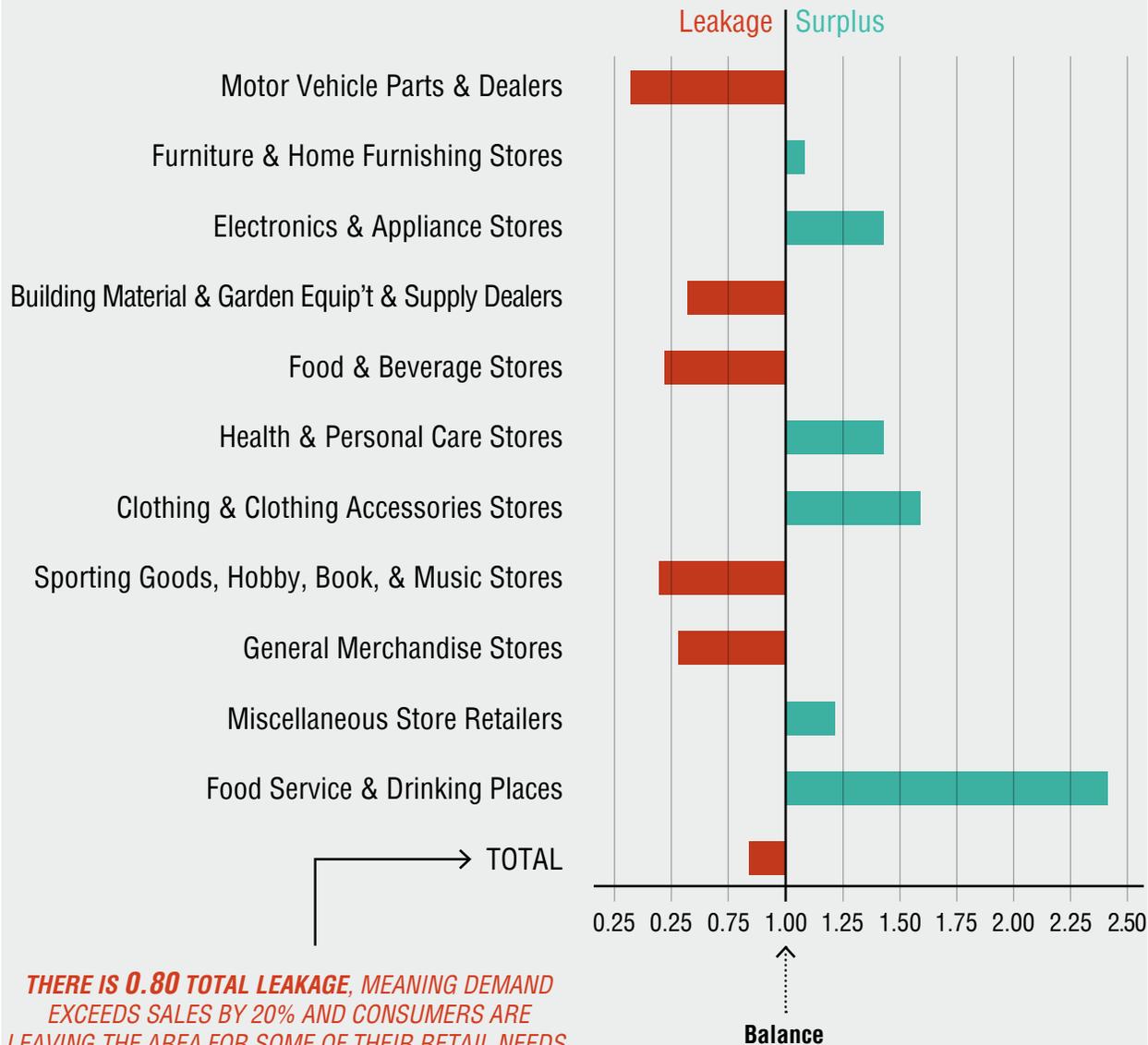
AREAS WHERE IMPROVEMENT CAN HAVE SIGNIFICANT IMPACT:

- Parks / Recreation
- Public Schools
- Economic Health
- City Government Management

SOURCE: CITY OF OAK PARK CITIZEN ENGAGEMENT & PRIORITY ASSESSMENT (JUNE 2012 DRAFT, COBALT COMMUNITY RESEARCH COBALT COMMUNITY RESEARCH)

RETAIL LEAKAGE/SURPLUS ANALYSIS

LEAKAGE / SURPLUS INDEX BY MAJOR STORE TYPES



WHAT IS IT?

A quantitative analysis of a community's retail opportunities. The analysis is sometimes called "a gap analysis" or "a supply and demand analysis".

"RETAIL LEAKAGE" MEANS...

...that residents are spending more for products than local businesses capture. Retail sales leakage suggests that there is unmet demand in the trade area and that the community can support additional store space for that type of business. However, retail leakage does not necessarily translate into opportunity. For example, there could be a strong competitor in a neighboring community that dominates the market for that type of product or store.

"RETAIL SURPLUS" MEANS...

...that the community's trade area is capturing the local market plus attracting non-local shoppers. A retail surplus does not necessarily mean that the community cannot support additional business. Many communities have developed strong clusters of stores that have broad geographic appeal. Examples of these types of retailers include: sporting goods stores, home furnishing stores, restaurants, and other specialty operations that become destination retailers and draw customers from outside the trade area.

SOURCE: BUXTON RETAIL LEAKAGE AND SURPLUS ANALYSIS

COMMUNITY VISIONING RESULTS

WHAT *IS* OAK PARK TO YOU?

A “family city” with affordable, great starter homes.

Friendly! Neighbors get to know each other.

High quality city services.

Close to other cities with amenities; a convenient location in the region.

WHAT *SHOULD* OAK PARK BE?

Pedestrian and bicycle friendly with more quality paths and destinations

A showcase for art in public areas and in galleries.

High quality city services.

Attractive to young professionals and young couples with kids.

WHO ATTENDED?



**YOUNG COUPLES W/O KIDS
PARENTS W/ YOUNG KIDS**



**OLDER, LONG-TIME
RESIDENTS**



SOME BUSINESS OWNERS

MAJOR ASSETS:

- + Good restaurants that have been around for years
- + Good businesses - not too expensive
- + Book Beat – best independent book store in Oakland County
- + Vaccination clinics encourage community
 - + Good # of parks
- + David Shepard park is central and very big
 - + 4th of July parade is top in the tri-county
 - + Winterfest is great for families
 - + Oak Park HS’s new track
 - + Neighbors cut grass of empty homes
 - + Block clubs

MAJOR CONCERNS:

- Bedroom community
 - People work and play in other places
 - Schools not as good as they used to be
 - Houses are small/potentially unattractive
 - Parks need maintenance and patrolling
 - Better communication needed for block clubs
 - Panhandling at 696 and Greenfield
 - Rodent issues
- Shoes on power lines signify drug dealings
- Disconnect between North & South Oak Park
 - Currently no sidewalk cafes or sandwich boards allowed
 - Too many dollar stores
 - New Master Plan needed
- Without things to do, young people (with / without families) will leave

SOURCE: OAK PARK COMMUNITY VISIONING (MARCH 2013)