

# Downtown Market Strategy

Prepared for:  
The City of Albion, MI

*Final Report*

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## 1.0 Executive Summary

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### 1.1 Introduction

The City of Albion and its Downtown Development Authority (DDA) has retained Anderson Economic Group to develop a market strategy for its downtown. This Downtown Market Strategy analyzes the development potential for the community with an emphasis on economic catalysts to benefit retail. Our report also addresses housing options in the downtown.



### 1.2 Conclusions and Recommendations

We recommend specific projects the City should undertake in two categories:

1. Long Term Economic Catalysts
2. “Quick Hit” Action Items

The following recommended objectives are aimed at facilitating the long-term economic growth of Downtown Albion. These tasks will not be easy or may not produce immediate results, but are the most critical for creating and maintaining a favorable business climate in the downtown. We have identified four long-term objectives that can serve as catalysts for downtown economic growth:

1. Physically link the downtown and Albion College through redevelopment
2. Create a compelling destination to pull traffic off I-94 at Eaton Street
3. Diversify the downtown retail mix and achieve critical mass through aggressive business recruitment
4. Turn-around the community image through aggressive marketing and promotion

The four Long Term Economic Catalyst objectives are listed in order of importance and timing for improving the downtown. Each objective is highly important to the downtown's success, therefore they should be worked on collectively in order to build on the benefits from one objective to another. However, it is important that sufficient time and energy be devoted to each objective.

In addition, we have identified two items that the City and DDA should implement near term. While these projects may not have as great an economic impact as items in the next section, they are easier to implement and can quickly produce positive results. We recommend undertaking these two "quick hit" action items, which are described in greater detail on page 23 of our report:

1. Create a Business Improvement District (BID)
2. Revitalize the Facade Improvement Program

As you know, economic growth never happens overnight, and considerable time, dedication, human resources, public and private funding, and cooperation are essential to successfully carry out and complete these major initiatives. Many project steering committees make admirable attempts at accomplishing far too much with too few resources. For this reason, it is essential that a few Major Initiatives be prioritized, that goals are clear and measurable, and that the steering committee remain dedicated and focused.

We strongly recommend that the City of Albion and its DDA focus first on the top two major initiatives - linking the downtown with Albion College and pulling traffic off I-94 - before expending significant effort on other initiatives. These two initiatives present the greatest opportunity for a positive, long-term economic impact in downtown Albion. In addition, the successful completion of these initiatives will serve as the groundwork for further downtown projects and promotions. Simply put, these initiatives need to be completed before other projects can reach their full potential.

Given the recent trends on the local, regional, state, and national levels, the composition of economic structures are changing. Manufacturing has been on a steady decline, as has been witnessed in Albion and the State of Michigan alike. The overall economy is shifting to knowledge and service sectors, which places an even greater importance on institutions like Albion College in supporting the community's economic future. The College remains a steady and growing employer in the community while other sectors are in decline.

This is not to say that the College is the sole economic engine for the community. Manufacturing may be down in Albion, but it is not out. New facilities and expansions have been planned in Albion, and a large number of area residents are employed in the manufacturing sector.

Meanwhile, retail has the opportunity to expand to meet the demand of local residents and draw in shoppers from a larger region. This is particularly the case given Albion's ideal location mid-way between Jackson and Marshall. Rather than viewing nearby cities as direct competitors, Albion should consider its role in the region, and capitalize on opportunities to tap into retail activity flowing through that region.

However, the College should play a central role in leading the local economy, and its potential should be leveraged to bolster the retail sector of the community. The College should serve as an incubator for new businesses, as young minds at the institution teamed with experienced educators and area residents use fresh ideas to develop products and services.

To conclude, the community - The City, DDA, Chamber of Commerce, Albion College, service agencies, businesses, schools, churches, civic organizations, and citizens - all need to work together in these major initiatives and other projects to improve the local economy, community image, and sustain a favorable quality of life in Albion.

### **1.3 Retail Analysis**

Although retail development continues to be drawn to Eaton Street, at the Interstate 94 interchange, a sufficient amount of opportunity remains for retail growth downtown. While large national chains are not supportable or desirable for the downtown, ample opportunity exists for local entrepreneurs.

In completing the supply /demand analysis, we determined that there is opportunity for nearly 57,000 square feet of new retail growth in the following categories, and significant opportunity to better meet the wants and needs of resident families, college students, and visitors to Albion. The following points highlight the opportunity for new retail in Albion:

- Furniture Stores - 2,000 Sq Ft.
- Home Furnishing Stores - 1,500
- Electronics & Appliances - 2,500
- Building Material & Supplies - 2,500
- Lawn & Garden Equipment & Supplies - 1,500
- Grocery & Convenience - 10,000
- Health & Nutrition - 4,500
- Apparel - 4,000
- Hobby Stores - 2,500
- Books and Music - 2,000
- Novelty & Gift Stores - 1,500
- Arts, Entertainment, Amusement, & Recreation - 10,000

- Accommodations - 6,000
- Full Service Restaurants - 2,000
- Limited Service Eateries - 1,000
- Drinking Establishments - 1,000
- Personal Care Services - 1,000
- Dry cleaning & Laundry Services - 1,000

Each unique category is discussed in greater detail in the section “Market Gap and Opportunity” on page 37.

#### **1.4 Housing and Other Items**

Our assessment of housing in downtown Albion indicates that there are some quality units available for rent in the downtown. In the section “Housing Assessment” on page 49, we present two recommendations for improving the number and quality of rental options in the downtown:

- The City should establish builder incentives and assistance programs to encourage the development of upper level apartments throughout the downtown
- Albion College should establish a limited amount of student housing in the downtown

In addition to the major initiatives, quick hit items, and retail opportunity recommendations, we suggest incorporating the following marketing tools to improve and promote the downtown:

- Regularly update the DDA web site devoted to news and upcoming activities in the downtown, promoting merchants, and marketing the downtown to area residents and visitors
- Be pro-active and creative with promotions to make the district attractive to existing tenants and prospective retailers
- Pursue business retention before recruitment to make it clear that existing merchants are valued and wanted
- Talk to your existing retailers and valued businesses to improve retention and recruitment efforts
- Carefully consider the recommended retail mix for the downtown
- Inventory local resources and amenities as a tool to impress potential new businesses
- Tune in to the competition and learn from their efforts
- Maintain a current consumer guide with a map, coupons, and information on downtown businesses

- Recruit and utilize volunteers routinely for successful promotional efforts
- Utilize matchmakers and local business expertise to approach prospective developers and businesses
- Advertise in any vacant windows to increase visibility
- Build a network of referrals for business recruitment efforts
- Practice cross-promotion among businesses by directing customers to other stores where their needs will be met
- Identify and pursue market niches to improve the retail mix
- Consider creative adaptive re-use of older buildings to preserve historic charm
- Hold merchant workshops to discuss methods and techniques and solve problems
- Create and enforce strict sign ordinances to improve the aesthetic appeal of the downtown

## 1.5 About the Authors

Anderson Economic Group, LLC (AEG) provides consulting services in market assessments, feasibility studies, and community and regional economic analyses. AEG has expertise in a variety of planning sectors that include industrial parks, economics, public policy, retail strategies, and residential development. For information about our firm and biographical sketches of the authors, visit [www.AndersonEconomicGroup.com](http://www.AndersonEconomicGroup.com).

### *Disclaimer and Limits*

It is recommended that this Downtown Market Strategy not be used as the sole basis for real estate ventures, development, financing or leasing by the City of Albion, private developers, or prospective retail tenants and businesses within the area. Actual site, building, parking, utility, environmental, grading, civil engineering, architectural plans and construction documents are not included within the scope of this work. The City should work closely with Hamilton Anderson Associates to address these and all related planning considerations.

*For additional information or clarification regarding anything in this report, please contact Ms. Sharon M. Vokes or Mr. Cameron L. Van Wyngarden at Anderson Economic Group.*

*- END OF EXECUTIVE SUMMARY -*

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## 2.0 Project Background and Purpose

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### 2.1 Study Purpose

The City of Albion and its Downtown Development Authority (DDA) has retained Anderson Economic Group (AEG) to develop an economic and marketing strategy for its downtown. This analysis identifies several significant projects for facilitating future retail growth in the downtown, and related strategic considerations.

This report presents our recommendations and comprehensive strategy for the downtown based on our experience, research, market tour and field analysis, demographic overview, and assessment of local economic factors. Our conclusions are based on current market supply by commercial and business category, qualified by consumer demand, and also reflect the market position of the downtown within the entire local market and region.

### 2.2 Statement of the Problem

Downtown Albion currently has a sluggish retail climate with vacancies and weak retail mix. This situation is further complicated by a local economy that is still recovering from a large number of recent job losses in the manufacturing, health care, and retail sectors.

However, the district benefits from a row of traditional downtown buildings that is well balanced in density and scale, and has symmetry on both sides of the street. The traditional shopping district is primarily aligned along Superior Street, which is the main north/south thoroughfare through the core of the community.

Albion has interest in pulling traffic off Interstate 94, which carries an average daily traffic count of over 30,000 vehicles between Jackson and Marshall. However, the downtown retail environment is not as strong as it was in the past, and pulling potential customers off the Interstate 94 corridor has proven challenging. Recent events such as the closing of Kmart has added to the dilemma.

A declining retail environment in the downtown is not a unique problem to Albion. As with many communities across Michigan and the nation, Downtown Albion has experienced gradual erosion of its retail base over the last three decades. The following items highlight some of the specific issues facing downtown Albion:

- Residents are traveling to other markets to shop, including Jackson, Marshall and Battle Creek
- Local retailers have “shifted” to Eaton Street near the I-94 interchange
- The community has experienced population and economic decline in recent years
- The community faces an “image problem”, and has issues with low self-esteem

This document details our recommended strategy for bringing life back into downtown Albion. Our recommendations address the retail potential of the downtown, specific actions that should be taken, and a comprehensive strategy for downtown improvement.

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## 3.0 Recommended Strategy

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### Introduction

Downtown Albion holds favorable potential for retail growth and development beyond its current level. The following section will outline some specific projects and guidelines for catalyzing redevelopment in the community. While most of these tasks require action from the City, some will require private investment and public/private cooperation.

We recommend specific projects the City should undertake in two groups:

1. Long Term Economic Catalysts
2. “Quick Hit” Action Items

These projects are described in greater detail in the following sections of our report.

### 3.1 Long Term Economic Catalysts

This section of our report describes each of the Long Term Economic Catalysts we have recommended to revitalize downtown Albion. While these projects are listed in order of relative importance, all are vital for achieving the full potential of the downtown.

#### 3.1.1 Strengthen Connections between the Downtown and Albion College

It is our understanding that the City and Albion College have discussed ways to connect the College to the community, both physically and socially. We applaud this effort, and make the following recommendations to continue the process.

##### *CASS STREET CORRIDOR*

The Cass Street corridor is the most direct route downtown from the heart of Albion College's campus. This three block stretch from the edge of campus to Superior Street is currently lined with a mix of single family homes, apartments and retail/office space. While this route is the most direct, it is not the most pedestrian friendly, especially at night. The lighting is poor, the railroad crossing has no guard, in places there are sidewalks on only one side of the street, and the unkempt nature of some of the homes lend to a perception of an unsafe neighborhood. We recommend improving this corridor through a combination of land use changes and improvements to the pedestrian walkway.

The row of single family houses on the north side of Cass street east of Monroe should be improved. This could be done through the College, or by the City and local lending institutions approaching these house owners with pre-packaged home improvement incentives. In addition, a neighborhood association should be created to raise awareness by house owners of the benefits of properly maintaining their property.

On the south side of Cass, we recommend that Citizens Lumbertown relocate to Eaton Street for strategic reasons that will directly benefit the business, Albion, and this major initiative. This is further explained in the next section "Citizen's Lumbertown" on page 12. This business should relocate and this parcel should be converted into residential use by Albion College or a private developer.

*MICHIGAN AVENUE CORRIDOR*

Currently, Michigan Avenue corridor is perceived as the “safest” route from campus to downtown at night. This is likely due to a higher volume of traffic, better lighting, and buildings that are in better condition. This corridor is also the major east-west route through the eastern half of Albion.

Michigan Avenue has a stretch of commercial use that extends from the downtown and flows nicely into the neighborhoods and College campus to the east. The one unsightly characteristic of this otherwise attractive corridor are the vacant structures on the north-west corner of Michigan and Monroe, specifically a vacant gas station and restaurant. However, this is one of the best redevelopment opportunities in downtown Albion. We recommend that the site be razed and redeveloped into a 10,000 square foot retail facility that is targeted at college students. We believe establishing student-oriented retail along this area will draw the students into the downtown, by leading them down the Michigan avenue corridor.

*DOWNTOWN*

Downtown Albion must become more attractive to College students to keep their discretionary spending in the community. This can be done by recruiting businesses that cater to their wants and needs, as well as creating an environment that is more inviting and accepting of student lifestyle. This includes reconsidering the restriction on bicycles and rollerblades on the sidewalks. The City and DDA could consider placing bike racks on side streets in the downtown, allowing shoppers to reach downtown by bicycle, but preventing bikes on the sidewalks of Superior Street.

*CITY - COLLEGE RELATIONSHIPS*

Albion College and the City should continue their efforts to improve town/gown relationships in the community. Everyone involved should be applauded for their efforts to integrate College students into the downtown and the community. We recommend these efforts be continued, and supplemented with additional programs to weave these two communities together.

We recommend the College establish a small number of student housing in the downtown, possibly 10 to 15 units to begin with. This could be done through a College program that integrates downtown living with a year-long course that studies communities. This program could have a mentor that lives downtown with a select number of students that are chosen to participate in the program. The course could require regular meetings to discuss issues of community life and require papers and research.

### 3.1.2 Improve the Interstate 94 Interchange / Eaton Street Corridor

Over the years, the number of retail businesses has increased near the I-94 / Eaton Street interchange. The reasons for this are clear, as businesses that locate in this area can pull customers from the highway while still retaining their customer base in Albion. A number of vacant buildings and parcels currently line this important gateway corridor. The implications for the downtown are that visitors may leave Albion before seeing the downtown.

It is most beneficial to the downtown to have the majority of traditional shops in that district. However, other types of business can help the community and downtown by locating near highway interchanges. This includes businesses like auto dealerships, hotels, large building supply stores, gas stations, fast food, and similar convenience-type retail.

For example, having a large retail destination such as Pamida near the interchange helps attract shoppers from neighboring communities. However, it is up to the City and its downtown merchants to draw shoppers just a little further south to the downtown. This can be accomplished through appropriate wayfinding signage and aggressive marketing strategies.

Downtown Albion has a fortunate situation of being geographically close to and easily accessible from the Eaton Street Corridor. This encourages residents and visitors to visit both areas in a single shopping trip. This advantage should be capitalized upon by creating more visual and mental connections between the two retail corridors through signs, streetscaping, and shared promotions. These two areas should be working together as a retail community, not as competing retail corridors.

We recommend the City of Albion and the DDA actively recruit quality tenants that are appropriate for the Eaton Street Corridor and highway interchange, and enhance the overall retail draw of the community. The increased vitality of this corridor will provide a positive impact on the downtown.

*CITIZEN'S LUMBERTOWN*

The first new retail tenant we recommend for the I-94 interchange involves the relocation of Citizens Lumbertown to Eaton Street. Our analysis indicates that there is greater sales opportunity for building supplies in Albion, and the relocation and expansion of the current lumberyard is a perfect fit. In comparison, Citizen's current location is not well suited for retail use and does not provide enough space for the lumber yard's current operations. A relocation to a more spacious, easy to access, and highly visible location on Eaton Street will help the lumberyard experience an increase in sales.

While it may not seem beneficial to remove a business from the downtown, the potential for Citizens Lumbertown to increase sales at a new location will derive benefits for other businesses as residents will be less inclined to travel to Jackson or Marshall for building supplies. A location near an Interstate 94 interchange will also help attract shoppers from outside the Albion community.

Citizen's Lumbertown could hold on to some of their nostalgic appeal by moving one of the smaller historic buildings from their current site. This structure could be used as a promotional stage in front of the store and remind shoppers of their historical roots in Albion.

**FIGURE 1.** This structure could be moved and restored in a new retail location



*LIMITED ASSORTMENT GROCER*

Our retail market analysis indicates an opportunity for another grocery store in Albion. Given the demographic and socioeconomic conditions in Albion along with the format of the current grocery store, we recommend this opportunity be met through a limited assortment grocery store like Aldi's or Save a Lot that focuses on value. Even though Save a Lot has recently left the market, there remains an opportunity for a replacement store with a similar format, assuming good service levels, effective store management, and competitive merchandise and pricing strategies.

This format of grocery store is complementary to the current Felpaush store, as shoppers frequently cross-shop between limited assortment grocers to find values, and full service grocers to find specialty items and service. The values provided by the limited assortment grocery store also help intercept some local shoppers from leaving the community for groceries. By keeping the shoppers in Albion, the full service grocer benefits from local residents cross-shopping between establishments.

These two grocers together would serve as a strong retail anchor for the Eaton Street corridor and as an attraction for shoppers from smaller communities in the area. This combination could potentially pull shoppers from Springport, Parma, and Homer that would otherwise shop in Jackson. Due to this symbiotic relationship that often develops between similar stores with distinct price points, we recommend the limited assortment grocer locate adjacent to or within close proximity of the Felpaush store.

Alternatively, this store could be located closer to the downtown, providing a value-oriented grocery store within walking distance of the Albion residents who are in the greatest need of this type of retail. While a downtown location would be feasible, this location would not have some of the cross shopping benefits offered by a location near the current Felpaush store. One potential downtown location would be along Michigan Avenue, near Superior Street. This intersection has the highest traffic volume downtown, which increases the visibility for the store.

*REGIONAL DESTINATION FACILITY*

The next step is to create a major regional destination to capitalize on the benefits of Interstate 94; something that can market itself as “The largest store in Southern Michigan” and offering a unique shopping experience. This could include a vintage car showroom, Mega hobby shop that offered an indoor racing track for remote control (RC) model car enthusiasts, small airstrip for model airplane enthusiasts, etc., children’s petting zoo, or similar unique concepts with a regional draw. This retailer must be significant enough to serve as a regional draw to attract visitors to the Albion area.

Another potential regional attraction would be a family fun center, catering to area families, college students, and visitors traveling on I-94. This facility could offer miniature golf, batting cages, go-karts, an indoor rock climbing wall, laser tag, paintball, skate park, or arcade, but should differentiate itself from Full Blast in Battle Creek to avoid direct competition within the same region. This facility must be visible and easily accessible from the Interstate to attract those passing by.

*REMOVE OBSTACLES TO REDEVELOPMENT*

Although the number of vacant buildings along Eaton Street is few, their presence creates a visual deterrence for visitors that might otherwise visit the downtown. Currently, the most visible concern is the vacant Ponderosa restaurant building on the west side of Eaton Street, next to the I-94 exit.

The visual deterrence created by this one parcel in its prominent position is enough to set the wrong tone for the corridor and the entire community. Optimally, the property would be sold and developed into a new business. At a minimum, the pylon for the previous sign should be taken down.

The current availability of the large empty box behind (west) this parcel presents an opportunity for a larger scale project. These parcels should be redeveloped together into a monumental development that pulls visitors off I-94. The high visibility and easy access of this location makes it an ideal location for a regional destination similar to those mentioned in the previous section.

While this parcel would seem to have a high level of demand due to its prominent location near the exit, past problems with the parcel’s owner may have created a hindrance to its redevelopment. If communication has completely broken down and continuing negotiations seem unlikely between the City and parcel owners, then we recommend the City use its influence to force action on this property.

*DOWNTOWN SIGNAGE*

We recommend that a number of signs be placed along the Eaton Street corridor to lead visitors to the downtown. These signs should be easy to read and give simple directions to direct traffic to shops and parking. These signs should follow the theme for downtown signs, which will be discussed in a later section.

### 3.1.3 Improve and Diversify Downtown Retail Mix

The current retail mix in downtown Albion is heavily weighted in a few categories like furniture, used merchandise, limited service eateries, and personal care services, but relatively light in other categories like apparel, sporting goods, hobby shops, and full-service restaurants. Some of this is due to local economic conditions, but it is also attributable to a lack of a comprehensive retail mix that can be found in malls and successful downtowns.

We recommend that the Albion DDA actively recruit new business to fill gaps and niches in Albion's retail mix. While these efforts are often difficult and time consuming, potential and existing businesses will need local support and encouragement to see the opportunity and assume the inherent risk of opening a new establishment.

We also recommend that the DDA work to encourage retail clustering in the downtown. In other words, the DDA should encourage businesses that work well together to locate near one another to create better cross-shopping opportunities. For example, a new clothing store should try to locate itself near the Kids N Stuff museum to take advantage of the museum's regional draw of children and parents. If someone would like to open a new video arcade, they should consider locating near the theater or another existing business that would attract the same type of customers.

This type of clustering leads shoppers to make unplanned stops at stores they walk past on their way to their destination. Or, that shopper may decide to make a return visit to the downtown based on something they saw in a window. This type of marketing uses the drawing power of each individual business to create better visibility for neighboring businesses, similar to a shopping mall.

The length of Superior Street creates the opportunity for a number of small clusters in the downtown. These clusters should not be exclusively one type of retail, in fact, some mixing of retail types is beneficial for introducing shoppers to new stores. However stores in a particular cluster should be located near each other to make it easy for shoppers to walk from one store to another of the same retail type.

Downtown Albion should also focus on the needs of Albion College students, who often leave town to shop. These students are looking for items like clothing, books, electronics, inexpensive furniture, and services like entertainment and eating establishments.

We have identified some of the best opportunities for new businesses in Downtown Albion in the section "Market Gap and Opportunity" on page 37. This section describes the opportunity that exists for the downtown in 19 retail categories.

### 3.1.4 Improve Community Image through Aggressive Marketing and Promotion

The City of Albion currently has multiple images and slogans that attempt to define one community. The Smart Community, Friendliest College Town in the Midwest, Sister City to Noisy-le-Roi, France. While these and other phrases may describe Albion, they do not market the image of the community in a way that is truly intriguing to visitors.

We recommend creating a new cohesive, comprehensive marketing plan for the entire Albion community, which should then be implemented by the DDA in its promotional efforts. This effort should create an image in the minds of residents and visitors that represents what Albion is, and what it would like to be.

The community has done a good job of adapting the phrase “The Smart Community” throughout its promotional efforts. However, the phrase lacks action and direction, and while residents and visitors alike may not think that Albion is an unintelligent community, frankly, people aren’t buying into the current phrase.

We recommend a fresh and focused approach in a new marketing phrase that continues to focus on the role of the College in the community. This phrase should clearly convey action and a progressive climate in the community. We recommend identifying one word or phrase that captures the intellectual spirit of the College, the hard-working ethos of the community, and the drive to improve.

Here are a few examples to help the community get started:

- Accomplish it in Albion
- Achieve in Albion
- Learn what Albion is About
- A is for Achievement
- Albion in Action
- Learning for the Future
- Learning for Growth
- Aspire in Albion

While we have made a few suggestions for the direction of a new phrase, we recommend a process that incorporates a high level of community involvement for the creation and selection of a new slogan. A high level of community input and involvement in the process will result in a higher level of buy-in by area residents for the final product.

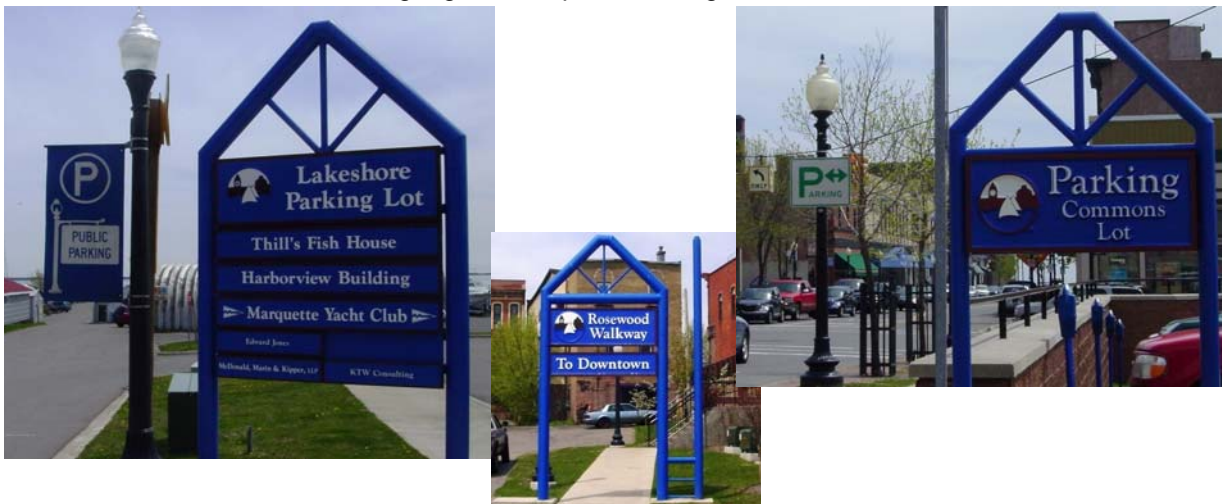
### *CREATE A DOWNTOWN SIGNAGE PROGRAM*

Downtown Albion is a charming location with historic structures, friendly salespeople, and views of the Kalamazoo River. The problem is, not enough people know about it. The City of Albion along with the Chamber of Commerce and downtown merchants need to create a consistent plan to market the City and its downtown.

Once the City has decided on its image and phrase, it should be used to update all signs throughout the community. Street signs and directional signs could carry the new logo, as well as wayfinding signs throughout the downtown.

The following pictures are examples of downtown wayfinding signs from Marquette, Michigan that should be implemented in downtown Albion. Notice the consistency, friendly font, and use of a City logo.

**FIGURE 2.** Downtown Signage in Marquette, Michigan



Similar to Marquette, the City of Albion should focus on some specific locations for large directional signs to lead visitors to the downtown. The first and most important location is at the Interstate 94 / Eaton interchange. Visitors must be aware of the downtown before it can become a destination. Wayfinding signage should also be placed at the intersection of Eaton and Austin Streets to guide visitors downtown.

Wayfinding signage should also be implemented to lead Albion College students downtown. Signs can indicate to students, parents, and visitors the desired pedestrian route downtown and lead them to various destinations. These signs could also include informational or historical plaques that inform visitors of interesting items such as the mural advertisements on downtown buildings or the history of structures along the way.

*REGULARLY MAINTAIN A WEBSITE & LINK TO ALBION COLLEGE*

The internet is a growing source of information for businesses and shoppers. The marketing done on a web site can be as crucial as any other marketing for the downtown. Although the Albion DDA has its own website, it does not appear to be updated frequently.

This website should be used as a tool to inform merchants, shoppers and visitors about downtown Albion. This web site should provide a directory of all merchants in the downtown and a means of contacting them. It should also provide maps and guides to visitors as well as inviting photographs of events and activities.

The website should also include links to all other websites of community groups and institutions, including Albion College. This type of guidance and cross-marketing can better inform website visitors of the community amenities Albion has to offer.

Web site maintenance does not have to be an overwhelming burden. We recommend hiring a firm or individual to maintain the website, and create a professional appearance. The DDA may also consider hiring a College or high school student to do this work to save on costs.

*INCREASE PROMOTIONAL EFFORTS*

The DDA should increase the number and variety of promotional efforts downtown and coordinate promotional efforts with retailers on Eaton Street. These promotions do not have to be large scale events similar to the Festival of the Forks, but could include smaller promotional efforts such as a “Fall Sales Fest” where merchants extend their hours on a Friday and Saturday and offer promotional discounts to attract shoppers.

In approaching promotional efforts, the DDA and downtown businesses need to think of themselves as an open air mall, working in conjunction to set store hours and promotional efforts. The DDA Director should be authorized to serve as the “mall manager,” guiding special sales and promotions and negotiating best business practices among the various merchants.

The Downtown should also work to coordinate promotional efforts with businesses on Eaton Street and elsewhere in the community. For example, if the auto dealers join together for a city-wide promotion, the downtown should be holding a promotion on the same day. The auto dealers’ promotion and advertising will likely draw shoppers from a wide region, hoping to find a good bargain on a car. Even if they don’t find the auto deal they were looking for, they shouldn’t leave Albion empty-handed.

More promotional efforts are needed to draw in College students, parents, and visitors of the College. The downtown should capitalize on every major event on the College's calendar, including Homecoming, Parent's weekend, major athletic tournaments and events, graduation, etc. The downtown should incorporate these themes into their sales promotions and market themselves to the potential shoppers that have already come to town.

*IMPROVE WINDOW DISPLAYS AND MERCHANDISE DISPLAYS*

A number of businesses should work on their own self promotion efforts through better merchandise displays in the store, merchandise selection, and facades. We have selected specific examples and have listed them along with their improvement needs in the table below. This list is not intended to be all-inclusive, and all businesses in the downtown should be conducting regular self-assessments and strive to learn and implement best business practices including effective marketing and service levels.

**TABLE 1.** Needed Improvements for Ten Selected Businesses

<b>Business</b>	<b>New or Improved Sign</b>	<b>Better Window Display</b>	<b>Better Merchandise Display</b>	<b>Facade Improvement</b>
<b>Lautenslauger Lipsey</b>	A better sign will make this look like a higher quality business	Install bigger windows and remove bars to display merchandise	Display merchandise as customers might use it in their home	Replace boarded windows on upper levels
<b>Bohm Theater</b>		Need more attractive displays of upcoming movies and show times		Improve the entrance to be more inviting
<b>Lawrence's Used &amp; New</b>	A new, bigger sign will help shoppers locate the store	Use window displays to attract shoppers into the store	Display merchandise in a more attractive manner	Replace boarded windows on upper levels
<b>Young's Apparel</b>	Update sign to look more modern and stylish	Remove yellow tinting screens		A fresh coat of paint would improve the appearance
<b>Cascarelli's Conference Room</b>	Add a sign to market the facility	Use windows to advertise the facility, mimic window displays from restaurant		Improve the facade, at minimum a new coat of paint. The facade on this building detracts from the nice facade on the restaurant
<b>Sanders Sleep Gallery</b>		Remove mattresses leaning against the window	Improve merchandise displays to entice shoppers	
<b>Michigan Works Office</b>	Need a sign to help clients find the office	Use the display windows to provide information to residents		Improve the entrance to make it more inviting to clients
<b>Sanders Furniture</b>		Improve window displays to attract customers	Display merchandise as customers might use it in their home	Facade should match the rest of the building to the north
<b>Chamber of Commerce</b>		Should improve window displays to serve as a model for other businesses to follow		

*UTILIZE THE KALAMAZOO RIVER*

The Kalamazoo River is a recreational asset for the City of Albion, and can be useful in attracting some curiosity seekers to Albion's downtown. It is evident through the numerous riverside parks and annual Forks Festival that the community recognizes this fact. However, visitors often do not realize that the river runs through the downtown, due to the structures constructed over the resource.

While we believe that the river should be better utilized as an attraction to downtown Albion, it is of lower priority than the other recommendations in this report. The river can serve as an attraction, but only after other items have been addressed to make the downtown more appealing to residents, students, and visitors. While the river is attractive and an asset for the downtown, it is not particularly unique.

We recommend that the City of Albion continue efforts to improve the utilization of the river through river trails and canoe boat launches throughout the City. The City should also consider removing the structure that spans the river on the west side of Superior Street if the opportunity arises, provided that any existing tenant can be retained in new, modern space.

*ADDITIONAL DOWNTOWN MARKETING EFFORTS*

The City of Albion and its downtown should focus on significantly improved signage to pull visitors off Interstate 94. There are currently no signs promoting Albion or its downtown along I-94, and travelers unfamiliar with the area do not realize they are passing anything other than the retail establishments at the Eaton Street interchange.

A highway billboard should be created along Interstate 94 to draw travelers off the highway and into the downtown. The sign can be as simple as "Visit Downtown Albion", but it should look professional and be easily readable from the highway. An appropriate space should be found in advance of the Eaton Street exit in either direction.

Additional marketing tools are described later in this section in "Downtown Marketing Tools" on page 24.

## **3.2 “Quick Hit” Action Items**

We have identified two items that the City and DDA should implement near term. While these projects may not have as great an economic impact as items in the next section, they are easier to implement and can quickly produce positive results. We recommend undertaking these two “quick hit” action items:

1. Create a Business Improvement District (BID)
2. Revitalize the Facade Improvement Program

### **3.2.1 Create a Business Improvement District (BID)**

The City of Albion should designate and create a Business Improvement District (BID) or Principal Shopping District (PSD) for the retail core of the downtown. The BID/PSD could be funded through a variety of sources, including grants, donations, City funds, or levying a special assessment on property in the district.

The purpose of this District would be to maintain public spaces within the district through activities such as snow removal, tree trimming, and planting and maintaining flowers. Other activities could be added at the discretion of the BID or PSD Board, including improving pedestrian pathways, constructing parking structures, and promoting economic development in the district.

### **3.2.2 Revitalize the Facade Improvement Program**

The DDA should revitalize the facade improvement program to assist building owners with improvements to their buildings. The program includes guidelines and methods for restoring and preserving historic structures. While this program has been in existence for some time, it has been fairly inactive recently due to a lack of funding. The program should partner with local banks to establish low-interest loans to assist owners with their repairs.

### 3.3 Community Planning and Public Spaces

In addition to the previously discussed major projects, some other minor projects can be undertaken to enhance and improve downtown Albion. These include:

- Allow bicycles and roller blades on the sidewalks downtown. Restricting bikes limits the modes of transportation available to some College and high school students and may prevent them from visiting the downtown.
- Market Public Restrooms in the downtown for shoppers and visitors to use. This is especially important on holidays when many public buildings are closed.
- Trim the trees along Superior Street to allow a clear view of business signs. As these trees mature, trim the lower branches that mask store signs to allow shoppers a better view of the retail offerings in the downtown.
- Introduce more public art into the downtown to improve aesthetics, and encourage the development of art galleries.
- Push for improved train service in Albion. Amtrak has service in Albion, but the route to the west is inconvenient to most travelers. Work with Amtrak to encourage more efficient routes to Albion.

### 3.4 Downtown Marketing Tools

This section of our report addresses several specific action items that apply generally or to larger portions of the downtown, but are highly recommended to catalyze economic growth and improvements for the community. These projects may not be entirely new to Albion, but it is essential that they be documented as specific action items that should be addressed proactively.

1. *Be organized:* Before a concerted marketing or business recruitment and retention effort can start, the community should get organized. Active and motivated merchant groups can accomplish more with a single focus than with multiple, overlapping efforts.

2. *Regularly update a web site:* A majority of Michigan cities and many Downtown Districts/Associations have their own regularly maintained web site. Downtown Albion should update its own web site on a regular basis to keep the content fresh and informative. Residents and visitors will stop checking a website if they feel that it is incorrect or out of date. This space should be devoted to news and upcoming activities in the downtown, promoting merchants, and marketing the area to area residents and visitors alike. This site should also link to other websites from the Albion community including Albion College.

3. *Be pro-active and creative with promotions:* An active downtown organization should have an identity and logo, and should produce events and organize promotions that make the downtown attractive to existing tenants and prospective retailers. Events like the annual Festival of the Forks should be prominently marketed and connected to the downtown, and maps for the event should clearly denote the downtown shopping district.

4. *Pursue business retention before recruitment:* Even more than recruitment, retention is critically important to downtowns. Before new tenants are recruited, it must be clear that existing merchants are valued and wanted.

5. *Talk to your existing retailers and valued businesses:* One way to work on retention and recruitment simultaneously is through effective communication with existing merchants. Focus group sessions are helpful, but sometimes it is necessary to go door-to-door for one-on-one discussions, or to conduct phone interviews. This way, you can discover wants and needs, and learn of the biggest challenges confronted by current retailers.

6. *Carefully consider the appropriate retail mix:* Use the information from your existing retailers to think carefully about tenant mix. Downtown Albion currently has a mix of retail and service based businesses. The location of these businesses relative to one another is also important. Strong retail corridors have a number of stores in a row without being broken up by too many service based businesses. Business clustering is important for getting visitors to become cross-shoppers.

7. *Recruit and pursue new retailers:* Retailers consider a variety of criteria when choosing a location, including population and income, parking options, community image, traffic counts and vehicular speed, proximity to other retail and competition, access and visibility, and jurisdictional growth policies. All of these and related factors should be considered when approaching new tenants.

8. *Inventory local resources and amenities:* Inventory your resources so you can impress potential new businesses. The community should be prepared to brag about its active downtown merchants group, market strategy, water resources, recreation and parks, redevelopment plans, streetscape and scenscape facade program, high school, library, museum and other resources.

9. *Tune into the competition:* Competing markets are often pursuing the same prospective retail recruits. You not only need to be aware of them, but also to learn from them as well. The City leaders, DDA Director, Chamber Director and downtown merchants should know Marshall, Jackson and Battle Creek. They should be very aware of events, organizations and agencies, and promotional web sites in the surrounding communities.

10. *Maintain a current consumer guide:* Another excellent recruitment and retention piece is a consumer guide which is distributed to all downtown employees and visitors. Such a guide is often accompanied by a map, and can provide coupons and information on downtown restaurants, entertainment and retailers, their hours of operation and location. Publication costs can be paid for through advertising. These consumer guides should be distributed to incoming first-year College students as part of a “Welcome to Albion” packet.

11. *Recruit and utilize volunteers routinely:* Several successful business recruitment and retention programs use volunteers to visit businesses, in addition to salaried city staff members. Volunteers may be downtown merchants, or leaders from local libraries, museums and associations. High school or College students may even be recruited as part of a class program.

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

13. *Advertise in any vacant windows:* Instead of leaving bare and dirty windows in vacant space, create a city-wide and easily recognizable Information Poster in the window with a general description of the available space/property and place the poster in the window for passersby. Also, with the permission of the property owner, the vacant window space can be used for holiday decorations, showcasing art from local artists or from children at the area schools, or advertising events occurring at Albion College.

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

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

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

- A group of customers such as teens, college students, independent entrepreneurs; young professionals; impulse shoppers and pass-by visitors;
- Specific kinds of goods or services, such as furniture, home furnishings, children’s clothing, or entertainment;
- A shopping environment like a pedestrian mall, a unique museum (like Kids ‘n Stuff), waterfront pavilion (on the Kalamazoo River) which becomes a destination in and of itself.

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

18. *Merchant Workshops:* A variety of workshops should be held on a regular basis to discuss methods and techniques merchants can use to increase sales. Topics to be covered include store hours, leaving the best parking for customers, customer service techniques, marketing techniques, etc. These workshops can be led by a local merchant(s) or outside experts can be brought in. Time should be provided for an open discussion for merchants to share ideas.

19. *Improved Signage:* Better signs are needed to guide visitors around downtown. This includes signs for parking, public amenities (public bathrooms, pay phones, etc.), gateway signs, etc. These signs should include a common color theme and logo, preferably one that represents the City and the College. In addition, sign ordinances should be created and enforced to ensure that signs are uniform and attractive and enhance the downtown aesthetics.

20. *Streetscaping and Scenescaping:* Continue the streetscaping and scenescaping efforts throughout the downtown. Push for a distinct, uniform look throughout the downtown by addressing not only signage (as described above), but also pedestrian-friendly amenities like benches, bike racks, small urban parks or pocket-parks, etc.

21. *Avoid Negative Signage:* Negative signs such as “No dogs allowed” or “No rollerblades in store” create a negative atmosphere that can effect the shopping experience for a patron, even if the sign does not apply to them. Consider rephrasing these signs in a positive manner to present a more welcoming entrance to the store.

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## 4.0 Supply - Demand Analysis

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To determine the retail potential for downtown Albion, we have conducted a rigorous supply - demand analysis of the trade area. In the following sections we will describe our approach to the supply - demand analysis, indicate the supply, define the demand, and present the opportunity for new retail in the downtown.

### 4.1 Approach and Methodology

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

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

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

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

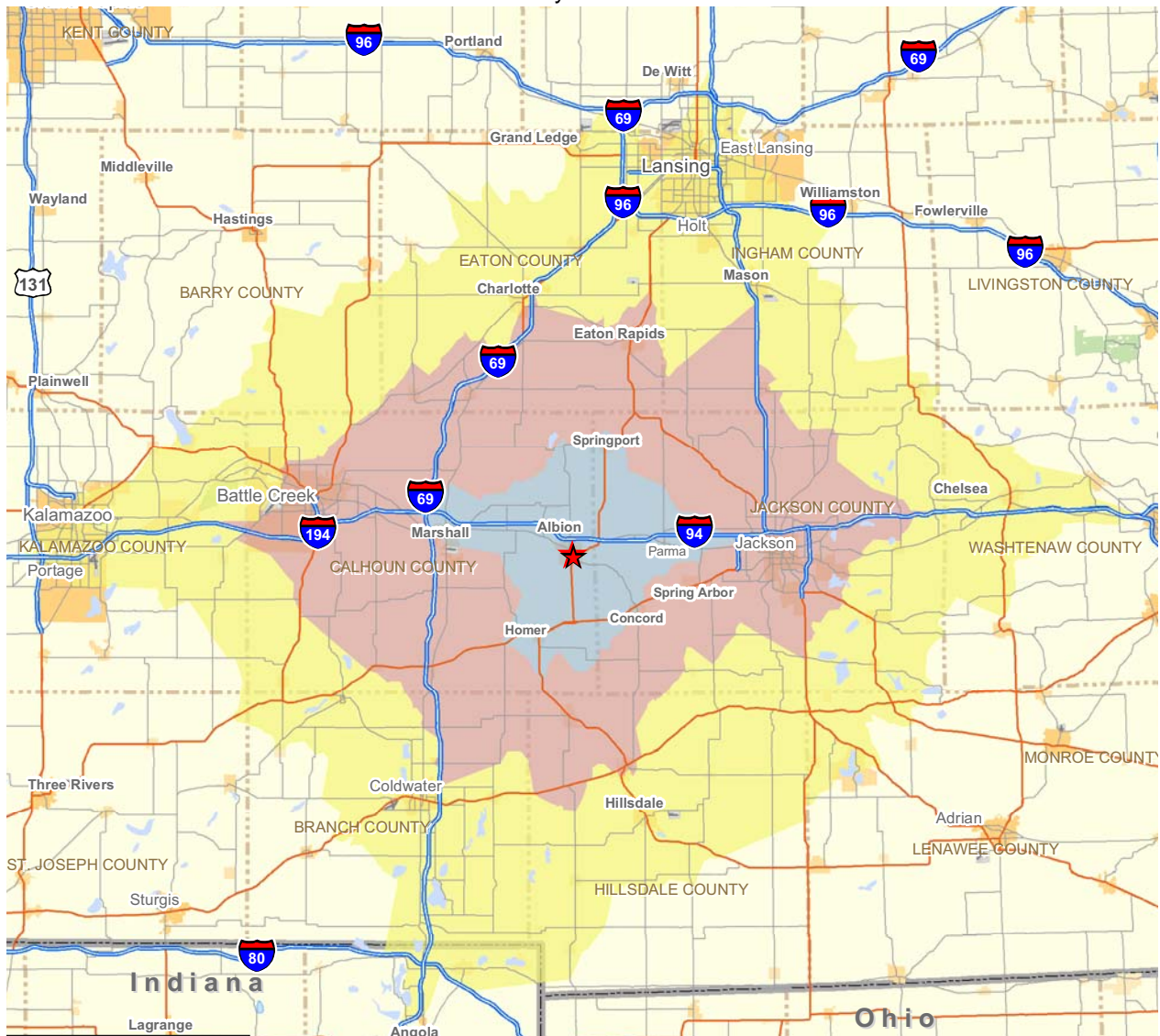
The "build it and they will come" principle applies only when local supply does not yet meet the market demand. However, resident expenditure potential does increase with gains in population, households and labor force, and particularly with increases in income levels. These fundamental rules, when applied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

## 4.2 Trade Area Delineation

As an essential step in our quantitative supply - demand analysis, we have delineated an Effective Trade Area based on a number of market factors and conditions. These include the locations of competing shopping destinations, distribution of population and income levels, physical and socio-economic barriers, transportation networks and corresponding drive-time distances.

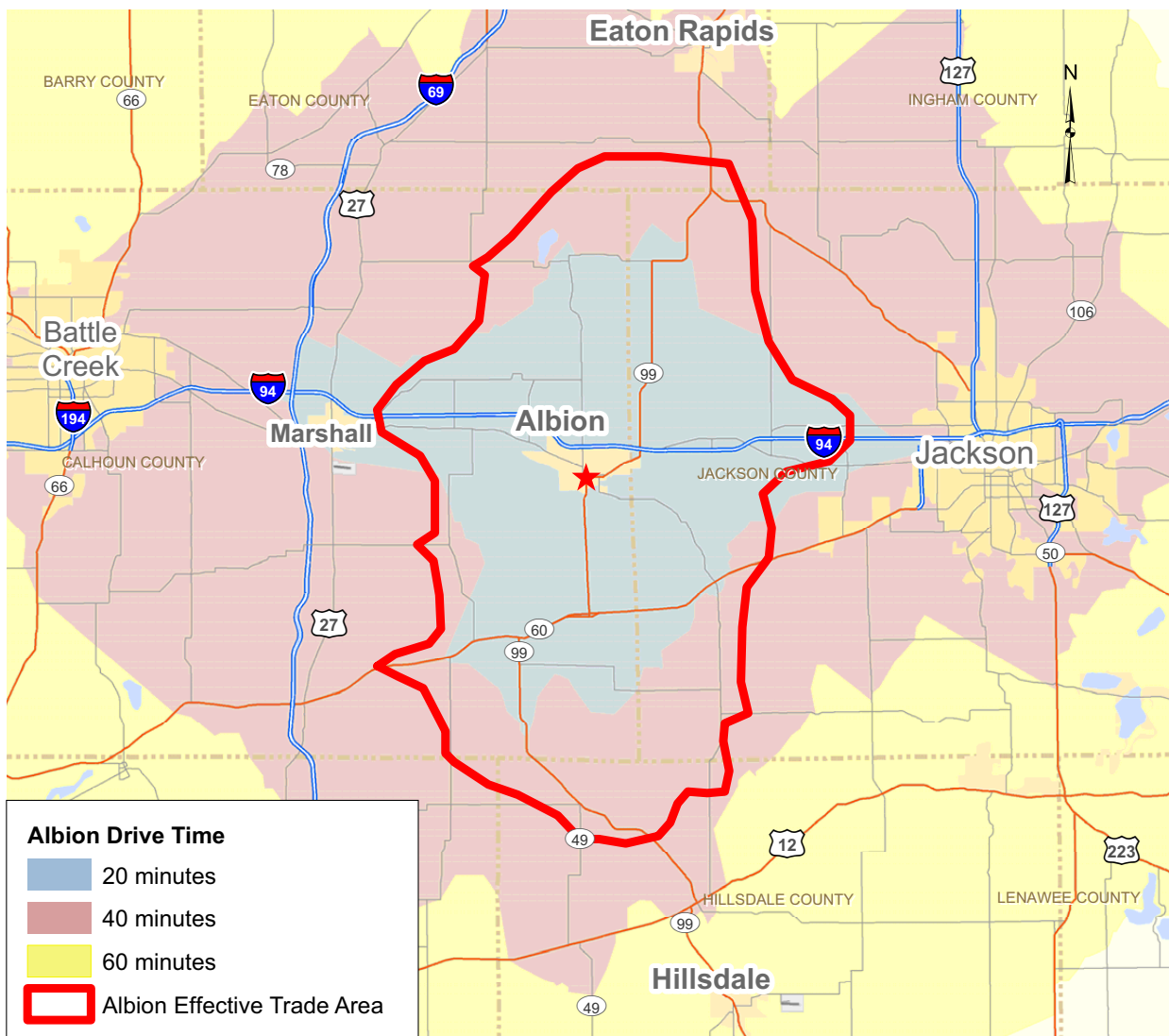
We have generated a drive-time analysis for downtown Albion at 20, 40, and 60 minute intervals. While the results of this computer-generated analysis tend to be conservative in terms of distance traveled within a certain time frame, they are consistent and provide an accurate basis for delineating the trade area. Map 1 on page 30 displays the drive time results for downtown Albion.

**MAP 1. Albion 20/40/60 Minute Drive Time Analysis**



Based on our review of the market, the downtown’s full potential, highway linkages, and the drive time analysis, we have determined an Effective Trade Area. As displayed in Map 2 below, this area includes Springport to the north, Parma to the east, Homer and Concord to the south, and extends west to Marshall.

**MAP 2. Downtown Albion Effective Trade Area**



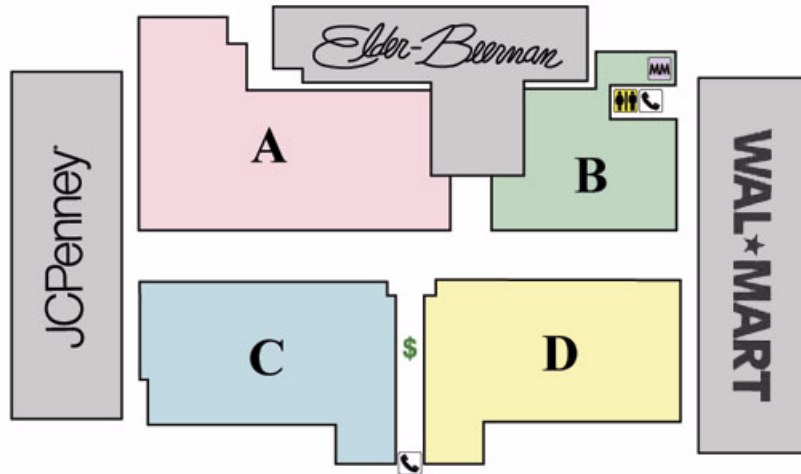
This trade area has been delineated with consideration of likely shopping patterns. For example, shoppers tend to gravitate toward urban centers that are either closer or provide greater shopping opportunities. For this reason, the trade area boundary lies roughly half way between Albion and neighboring urban centers, including Jackson and Marshall. However the trade area has a wider range to the north and south, as there are few communities with comparable retail draw in those areas.

### 4.3 Supply - Regional Shopping Destinations

Shopping opportunities outside of the trade area attract residents with retail shops that may not be available locally. While some shoppers may head north to Lansing or west to Marshall or Battle Creek, a majority travel east to Jackson. The larger population base of these cities enables more retail options and attracts shoppers from hours away for items they may not be able to find in their home market.

Regional shopping centers such as Westwood Mall and Jackson Crossing Mall in Jackson and Lakeview Square Mall in Battle Creek offer retail choices that are not available in the Albion trade area. Stores like Elder Beerman, Marshall Field's, and Barnes & Noble offer higher end merchandise and selection that attracts shoppers from a wide region. Figure 3 Displays the store layout of Westwood Mall in Jackson.

**FIGURE 3.** Store Diagram of Westwood Mall in Jackson



#### 4.4 Supply - Albion Trade Area

Albion provides a retail core within its mostly rural trade area. With the exception of retail clusters in Homer, Concord, Parma, and Springport, the majority of retail activity in the area is located in or near Albion.

While downtown Albion serves as the geographic and civic hub of the region, a large portion of the City's retail activity is located to the north of the City along Eaton Street near the Interstate 94 interchange. This has been a consistent trend over the past few decades as new retailers enter the market and locate where they have the best access to highway traffic and where large tracts of land were available for development. The retailers located in this corridor include:

**TABLE 2.** Eaton Street / Interstate 94 Retail Corridor

<b>General Merchandise</b>	<b>Automotive</b>	<b>Restaurants</b>	<b>Services/Other</b>
Colortyme Rent to Own	Albion Motors Ford	Arby's	Approved Cash Advance
Dollar General	Albion Tire City	Burger King	Best Western Albion Inn
Family Dollar	Auto Zone	Frosty Dan's	Curves
Pamida	Bob Frahm Chevrolet	McDonald's	Felpaush Food Center
Radio Shack	Fast Track Gas	Paradise Inn	Jolly Green Junction
Rent a Center	Marathon Gas	Pizza Hut	Videotime
Tractor Supply Co.	Speedway Gas	KFC	Don & Nancy's Computer Shop
Goodwill		Peter's Place	

An additional retail corridor is located on the east end of the City along Clark Street. Retailers in this area include Albion Motors (Dodge-Chrysler-Jeep), Young's Pharmacy, and The Short Stoppe. This corridor is not as strong a retail location as downtown or Eaton Street, and should not be seen as a potential threat to the downtown.

## 4.5 Supply - Downtown Albion

As part of our supply inventory, we have assembled lists of traditional retailers and services in downtown Albion. These businesses can be found in the table below. As shown in the list, downtown Albion currently has a mix of retail, services and eating establishments. This mix is important, as residents and visitors that come downtown for one particular store or service may be enticed to cross-shop and extend the duration of their stay. It should be noted that very few of these businesses cater to the needs of local College students.

**FIGURE 4.** Retail and Service Businesses in Downtown Albion

A Place for You Hair & Body Salon	Dickerson Music Company	Palmer House Inn Bed & Breakfast
Agape Family Center	Discount Dave's Furniture	Park Place Apts
AIM Thrift Center	Dollar General	Parks Drug Store
Albion Appliance Svc.	Domino's Pizza	Performance Automotive of Albion, Inc.
Albion Auto Mart	Dove & Hickey PLC	Piccadilly Café
Albion City Hall	Edward Jones Investments	Post Office
Albion Community Foundation	Family Health Center	Pound, D.D.S., Nick
Albion EDC / DDA / Greater Albion Alliance	Fedco Super Liquor	Rick's New and Used
Albion Express Lube	Foxy Nails	Riley-Rowley-Weeks Agency
Albion Floor Covering	Fria & Solis Law Office	Riverside Video
Albion Historical Society	G. Pahl Photographer	Saldana Styles
Albion Hometown Hardware	Gardner Casters and Wheels	Sanders Furniture & Appliance, Inc.
Albion Medical Associates, P.C.	Gerry's Beauty Shop	Secretary of State
Albion Muffler & Brakes	H & R Block	Semco Gas
Albion Paint Spot	Holdridge Agency, Farm Bureau Insurance	Sleep Gallery - Sanders
Albion Paint Spot, Inc.	Homestead Savings Bank, F.S.B.	Snack Shop
Albion Public Library	Hungry Howies Pizza & Subs	Snug Barber Shop
Albion Senior Center	Illusions Hair Design	State Farm Insurance
Albion Shell	Images Tanning	Stumpus, Lane D.D.S.
Amtrak / Greyhound	Ismon House	Sublimation Station
Anna's House of Flowers	James Gamble Associates - Masons	Subway Sandwiches & Salads
Art Craft Press	Judy Warren, DDS	Sunsations
Bellisima Bridal Boutique (coming soon)	Kids 'N' Stuff	Superior Barber Shop
Betty's Beauty Nook	Lautenslager & Lipsey, Inc	Sweet Tooth
Body Shop	Lawrence Used & New Furniture	Telephone Company
Books & More	Liesure Hour Club	The Barbell Club
Brown's Upholstery & Furniture	Little Red Lunchbox	The Body Shop Tattoo & Body Piercing
Cascarelli's Conference Room	Lopez Taco House	The Machine Center
Cascarelli's of Albion	Mascot Sports	The Phoenix Restaurant & Lounge
Casper, Wilson, Wilson, & Holmes (acct)	Michigan Works!	The Recorder / Morning Star Shopping Guide
Century 21	Moore & Marsh	The Square Deal Pawn Palace
Chamber of Commerce	Moose Lodge	Thompson's Brake Service
Charlie's Tavern	Mower Agency	Top Notch Barber Shop
Chemical Bank Shoreline	Murray, Tymkew & Associates, Inc.	Tuck, Garrison and Moore
Citgo/PS Food Mart (Folk Oil Company)	New Bohm Theatre	United Educational CU
Citizens Bank	New China Restaurant	Vision Care Plus
Citizens Lumbertown	New Day Inc. (women's health center)	Wishing Well Gifts
Comtronics	Now Fashions & Variety	Wolf's Auto Repair
David's Cleaner World	One Hour Martinizing	Young's Apparel- Men & Women
Dee's Bunch a Stuff		

*Source: Info USA, Albion Chamber of Commerce, AEG*

## 4.6 Demographic Analysis

Calhoun County has experienced limited but steady population growth that has trailed the State of Michigan and neighboring Counties since 1990. Between 1990 and 2000, Calhoun County grew at an annual rate of 0.1%, while the State grew at 0.7%. Between 2000 and 2004, Calhoun County grew at 0.2%, the State at 0.7%.

Calhoun County also grew less quickly than neighboring Branch, Hillsdale, Eaton and Jackson Counties during the same time frame, as shown on the table below. Eaton County had the largest rate of growth from 1990 to 2000 at 1.1% annually. Population growth in the Albion Effective Trade Area (ETA) has mirrored the growth in Calhoun County between 1990 and 2004.

**FIGURE 5.** Population and Per Capita Income Table

	Michigan	Calhoun County	Branch County	Hillsdale County	Eaton County	Jackson County	ETA
<b>POPULATION</b>							
1990 Total Population (census)	9,295,297	135,982	41,502	43,431	92,879	149,756	32,050
2000 Total Population (census)	9,938,444	137,985	45,787	46,527	103,655	158,422	32,463
2004 Total Population	10,203,863	138,914	46,981	48,222	107,942	162,967	32,712
2009 Total Population	10,543,750	139,993	48,575	50,447	113,137	168,782	33,230
CAGR 1990-2000	0.7%	0.1%	1.0%	0.7%	1.1%	0.6%	0.1%
CAGR 2000-2004	0.7%	0.2%	0.6%	0.9%	1.0%	0.7%	0.2%
CAGR 2004-2009	0.7%	0.2%	0.7%	0.9%	0.9%	0.7%	0.3%
1990 Median Age	32.6	33.9	33.4	32.6	32.9	33.4	31.9
2000 Median Age	35.5	36.4	36.7	36.5	36.4	36.6	35.1
2004 Median Age	36.4	37.3	37.5	37.5	37.3	37.7	36.1
<b>PER CAPITA INCOME</b>							
1989 Per Capita Income (census)	\$14,154	\$12,729	\$11,033	\$11,198	\$14,896	\$12,556	\$10,709
1999 Per Capita Income (census)	\$22,168	\$19,230	\$17,552	\$18,255	\$22,411	\$20,171	\$16,971
2004 Per Capita Income	\$25,281	\$21,526	\$19,412	\$20,682	\$25,356	\$22,731	\$19,413
2009 Per Capita Income	\$29,976	\$24,714	\$21,664	\$23,697	\$29,237	\$26,261	\$22,024
CAGR 1989-1999	4.6%	4.2%	4.8%	5.0%	4.2%	4.9%	4.7%
CAGR 1999-2004	3.3%	2.9%	2.6%	3.2%	3.1%	3.0%	3.4%
CAGR 2004-2009	3.5%	2.8%	2.2%	2.8%	2.9%	2.9%	2.6%

Source: ESRI, with AEG calculations; CAGR - Compound Annual Growth Rate

Growth in Per Capita Income for Calhoun County also trailed the State and neighboring Counties from 1989 to 1999, although the dollar amount remains higher than Branch and Hillsdale Counties. While per capita income in Calhoun County grew at a declining rate between 1999 and 2004, it still outpaced Branch County and nearly kept pace with Jackson and Eaton Counties.


Growth in Per Capita Income for the ETA has outpaced Calhoun County from 1989 through 2004, however the actual dollar amount remains lower for the ETA than for the County. In 2004, the per capita income for the Albion ETA was \$19,413 compared to \$21,526 for Calhoun County and \$25,281 for the State of Michigan.

## 4.7 Demand - Expenditure Potential

The demand evaluation of our retail analysis involves a comparison of resident income levels to those of the region, with the portion of income that is actually spent on each retail category in the trade area (*transacted* expenditures) compared to the portion of income that is more typically spent on each retail category within the region or State (resident expenditure *potential*).

By calculating the portion of local expenditures being captured by existing retailers, it can be determined which categories have remaining sales potential. A comparison of these results to supply by retail category would enable us to identify opportunities for additional shops, merchants or businesses. The following table lists the 2002 expenditures for several retail categories for Calhoun County and the State of Michigan. This serves as the basis of comparison for retail potential within the trade area.

**FIGURE 6.** Michigan and Calhoun County - Retail Expenditures for 2002

 <b>2002 Economic Census</b>	<b>2002</b>	<b>2002</b>	<b>2002</b>	<b>2002</b>	<b>2002</b>	<b>2002</b>
	<b>MICHIGAN</b>	<b>MICHIGAN</b>	<b>MICHIGAN</b>	<b>CALHOUN CO</b>	<b>CALHOUN CO</b>	<b>CALHOUN CO</b>
	<b>Transacted</b>	<b>\$ / Capita</b>	<b>PCI</b>	<b>Transacted</b>	<b>\$ / Capita</b>	<b>PCI</b>
	<b>Sales(\$Thous.)</b>	<b>(\$)</b>	<b>(%)</b>	<b>Sales(\$Thous.)</b>	<b>(\$)</b>	<b>(%)</b>
<b>Total Retail Trade</b> (not a summation)	<b>\$109,350,139</b>	<b>\$11,003</b>	<b>45.7%</b>	<b>1,398,422</b>	<b>\$10,080</b>	<b>48.8%</b>
Furniture stores	\$1,761,836	\$177	0.7%	18,880	\$136	0.7%
Home furnishings stores	\$1,309,515	\$132	0.5%	12,605	\$91	0.4%
Electronics & Appliances	\$2,898,501	\$292	1.2%	20,658	\$149	0.7%
Appliance, Television & Other Electronics	\$2,382,809	\$240	1.0%	16,579	\$119	0.6%
Building material & supplies dealers	\$8,376,942	\$843	3.5%	123,510	\$890	4.3%
Lawn & Garden Equipment & Supplies	\$1,053,358	\$106	0.4%	14,849	\$107	0.5%
Supermarket & Other Grocery	\$10,688,226	\$1,075	4.5%	123,751	\$892	4.3%
Convenience stores	\$1,073,036	\$108	0.4%	12,102	\$87	0.4%
Health & Personal Care	\$6,621,439	\$666	2.8%	84,515	\$609	3.0%
Pharmacies & Drug Stores	\$5,742,985	\$578	2.4%	77,473	\$558	2.7%
Cosmetics, Beauty Supplies & Perfume	\$188,723	\$19	0.1%	2,267	\$16	0.1%
Other Health & Personal Care (nutrition)	\$415,679	\$42	0.2%	2,869	\$21	0.1%
Gasoline Stations	\$8,729,068	\$878	3.6%	146,580	\$1,057	5.1%
Clothing & Clothing Accessories	\$4,917,700	\$495	2.1%	44,448	\$320	1.6%
Clothing Stores + Shoes	\$3,442,862	\$346	1.4%	24,942	\$180	0.9%
Children's & Infants Clothing	\$220,187	\$22	0.1%	1,669	\$12	0.1%
Jewelry, luggage, & leather goods stores	\$760,536	\$77	0.3%	10,257	\$74	0.4%
Sporting Goods, Hobby, Book & Music Stores	\$2,719,002	\$274	1.1%	25,024	\$180	0.9%
Arts, Entertainment & Recreation	\$4,715,019	\$474	2.0%	30,250	\$218	1.1%
Performing Arts, Spectator Sports & Related	\$1,338,193	\$135	0.6%	5,451	\$39	0.2%
Amusement, Gambling, Recreation, Bowling	\$3,159,883	\$318	1.3%	19,041	\$137	0.7%
Fitness & Recreational Sports	\$451,808	\$45	0.2%	2,965	\$21	0.1%
Bowling Centers	\$198,477	\$20	0.1%	3,089	\$22	0.1%
Foodservices & Drinking Places	\$10,328,451	\$1,039	4.3%	149,740	\$1,079	5.2%
Full service restaurants	\$4,678,360	\$471	2.0%	63,123	\$455	2.2%
Limited service eating places	\$4,318,147	\$434	1.8%	71,023	\$512	2.5%
Special Foodservices	\$789,913	\$79	0.3%	8,548	\$62	0.3%
Drinking places (alcoholic beverages)	\$542,031	\$55	0.2%	7,046	\$51	0.2%
Personal Care Services (hair & nail; diet & weight)	\$686,881	\$69	0.3%	5,049	\$36	0.2%
Drycleaning & Laundry Services	\$637,894	\$64	0.3%	10,171	\$73	0.4%

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## 5.0 Market Gap and Opportunity

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Our recommendations for downtown Albion reflect our analysis of the retail expenditure data for 19 unique categories and an assessment of the downtown's ability to intercept sales from its own area residents and surrounding communities. We evaluated the share of income that 'typical' shoppers spend in each category, and compared this resident expenditure potential to the retail supply within the project's effective trade area to identify any market *gaps*.

We have also qualified the opportunity for a variety of other unique market considerations, including site and locational characteristics, local economics, and significant retail events. We also examined strategic considerations and retail concepts like clustering, critical mass, synergy, connectivity, merchandise mix, import / export, and sales transfer, impact or "cannibalization."

Based on the results of our supply - demand analysis and qualified by our visits to the market, we have determined that there is support for nearly 57,000 square feet of additional retail space in the downtown Albion trade area. Table 7, "Downtown Albion Opportunity by Retail Category," on page 38 displays the number, square feet, and potential tenant types for various retail categories that present opportunity for growth in downtown Albion.

The results of our analysis represents the best opportunity for a successful new store or expansion. However, this opportunity is based on the assumption that the business is well-run and follows the recommendations presented in this report. In addition, while this analysis identifies the best opportunity for new or expanded retail, it does not mean that retail categories not mentioned in this section will necessarily be unsuccessful. The success of any business depends on a number of factors and market conditions, especially the management of the operation.

**FIGURE 7.** Downtown Albion Opportunity by Retail Category

		<b>2005 Albion Opportunity (Square Feet)</b>	<b>2010 Albion Opportunity (Square Feet)</b>
<b>NAICS</b>	<b>2002 Economic Census</b>		
4421	Furniture stores	2,000	2,500
4422	Home furnishings stores	1,500	2,000
4431	Electronics & Appliances	2,500	3,000
4441	Building material & supplies dealers	2,500	3,000
4442	Lawn & Garden Equipment & Supplies	1,500	2,000
44512	Grocery & Convenience stores	10,000	12,000
44619	Health, Nutrition & Personal Care	4,500	5,000
448	Clothing & Clothing Accessories	4,000	5,000
4511	Sporting Goods & Hobby Stores	2,500	3,000
4512	Books, Periodical & Music Stores	2,000	2,500
453	Miscellaneous Store Retailers	1,500	1,500
71	Arts, Entertainment & Recreation	4,000	4,500
713	Amusement & Recreation	6,000	7,500
72111	Hotels & Motels	6,000	7,000
7221	Full service restaurants	2,000	2,500
7222	Limited service eating places	1,000	1,500
7224	Drinking places (alcoholic beverages)	1,000	1,000
8121	Personal Care Services (hair & nail; diet & weight)	1,000	1,500
8123	Drycleaning & Laundry Services	1,000	1,000
<b>SUMMATION</b>		<b>56,500</b>	<b>68,000</b>

Source: 1997 and 2002 Census of Retail Trade with AEG forecasts and analysis.

## 5.1 Furniture Stores

Albion has opportunity for up to 2,000 square feet of new or expanded space for new furniture merchandise. Given the number of existing furniture stores in Albion, and the relatively small amount of new space potential, this opportunity would be best filled by expanding the merchandise lines and floor space of the existing retail locations or one new specialty shop.

A new store could specialize in a specific type of furniture or one specific product. The store should offer a unique product that is not offered at other stores in Albion. One possibility for a specialty store could offer unfinished wood furniture including bed-room sets, bookcases, desks, tables, chairs, entertainment centers and other wood furniture. Current and new stores should also focus on the needs of College students, including ready-to-assemble furniture, mattresses, small dressers, computer desks, etc.

This furniture is sold unstained, painted, or varnished, allowing the customer to finish the piece in the style they prefer. This furniture is often much lower in cost than traditional finished furniture, allowing do-it-yourself shoppers to save money by completing their own projects.

The current furniture stores in Albion would greatly benefit from enhancing their window and merchandise displays on the showroom floor. The current display of merchandise has furniture crammed in tight rows with little room to envision the furniture in a home setting. These stores would greatly benefit from improving their merchandise floor displays to better market the merchandise to customers.

## **5.2 Home Furnishings**

Albion has opportunity for up to 1,500 square feet of new or expanded space in Home Furnishings. Home Furnishings are defined as merchandise that is used to decorate or furnish a home, but does not include furniture. This does include floor covering, window treatments, lighting fixtures, cabinets and hardware, etc.

This opportunity would be best met through an expansion of current home furnishing stores, or with one new specialty store. This new store could specialize in illumination, window treatments, paint and wallpaper, etc. This store should focus on service and unique product to compete with larger national chain stores that will be able to offer products at a lower price.

An expanded home furnishings store should also provide merchandise that would be of interest to College students, including lamps, wall coverings, and “cool” art.

## **5.3 Electronics and Appliances**

Albion has opportunity for up to 2,500 square feet of new or expanded space in electronics and appliances merchandise lines. This opportunity could be met through one new store, or the expansion of current stores. We recommend that any new or expanded business emphasize service and selection to their customers. This business could offer customized installation of home theater or stereo equipment and provide the expertise and advise for selecting the best system for the customer’s needs.

An overlooked electronics merchandise line are items like personal digital music players, commonly known as MP3’s. These items are popular with College and high school students as well as mature shoppers that desire the latest technology.

## 5.4 Building Materials and Supplies

Albion has opportunity for up to 2,500 square feet of new or expanded space in building materials and supplies. We recommend this opportunity be met through a relocation and expansion of Citizen's Lumbertown. Citizen's current location is not well suited for retail use and does not provide enough space for the lumber yard's current operations. A relocation to a more spacious, easy to access, and highly visible location on Eaton Street will help the lumberyard experience an increase in sales.

While it may not seem beneficial to remove a business from the downtown, the potential for Citizens Lumbertown to increase sales at a new location will derive benefits for other businesses as residents will be less inclined to travel to Jackson or Marshall for building supplies. A location near an Interstate 94 interchange will also help attract shoppers from outside the Albion community.

Citizen's Lumbertown could hold on to some of their nostalgic appeal by moving one of the smaller historic buildings from their current site. This structure could be used as a promotional stage in front of the store and remind shoppers of their historical roots in Albion.

## 5.5 Lawn and Garden Equipment and Supplies

Albion has opportunity for up to 1,500 square feet in lawn and garden equipment and supplies. Due to the seasonal nature of lawn and garden retail, this opportunity would be best filled by an expanded lawn and garden area at an existing retailer or in combination with other comparable merchandise lines. This opportunity could also be met through a relocation and expansion of Citizen's Lumbertown with the addition of a garden center.

## 5.6 Grocery and Convenience Stores

Albion has opportunity for over 10,000 square feet in grocery and convenience stores. Given the demographic and socioeconomic conditions in Albion along with the format of the current grocery store, we recommend this opportunity be met through a limited assortment grocery store like Aldi's or Save a Lot that focuses on value. This limited assortment grocer would not offer as many premium items such as a bakery, deli, or a full selection of produce, but instead would focus on providing value and lower prices to customers.

This format of grocery store is complementary to the current Felpaush store, as shoppers frequently cross-shop between limited assortment grocers to find discounts and full service grocers to find specialty items and service. The values provided by the limited assortment grocery store also help keep local shoppers from leaving the community to shop at stores such as Wal-Mart Supercenter or Meijer in Jackson. By keeping the shoppers in Albion, the full service grocer benefits from local residents making their specialty foods purchases locally.

Due to this symbiotic relationship that often develops between the two stores, we recommend the limited assortment grocer locate right next to Felpaush on Eaton Street. These two grocers together would serve as a strong retail anchor for the Eaton Street corridor and as an attraction for shoppers from smaller communities in the area. This combination could potentially pull shoppers from Springport, Parma, and Homer that would otherwise shop in Jackson.



We understand that until recently there was a Save a Lot location in Albion. We believe this franchise closed due to management decisions, and that there is ample opportunity for the same chain or a similar operation to reopen in the Albion market.

## 5.7 Health and Nutrition

Albion has opportunity for up to 4,500 square feet of new or expanded space for health and nutrition items. We recommend that this opportunity could be met through one new store offering health foods, organic produce, and other nutritional items including vitamins and nutritional supplements, aroma therapy items, a wide variety of fresh produce and a deli and salad bar.

We also recommend that this store locate downtown, possibly on the vacant parcel at the northwest corner of Superior and Porter Street. A new facility should be constructed in a manner that is consistent and conducive to a downtown atmosphere with a brick facade and minimal setback.

This location on a busy corridor would provide excellent visibility and access for the business, as well as being within walking distance of Albion College and a number of residents. This location would be a good retail location for the store as well as creating another anchor for the downtown district.

## 5.8 Apparel

Albion has opportunity for up to 4,000 square feet of new or expanded apparel retail. This opportunity is spread across a variety of sub-categories, including men's, women's, and family clothing stores. This opportunity could be met by up to three stores, or could be combined into a few, larger retailers.

Family clothing presents the greatest apparel opportunity in Albion. A number of apparel categories could be combined to provide opportunity for up to 4,000 square feet in family apparel with items like menswear, infants and children's clothes, fleece and flannel, sporting apparel, and youth fashions. These stores should also cater to the College crowd that often prefer items like jeans, t-shirts, fleece, and casual brand names.

There is opportunity for a Children's clothing store to benefit from the regional drawing power of the Kids 'N Stuff Children's museum. This store should be located in very close proximity to the museum, preferably next door, to best benefit from the regional draw provided by the museum. This store could carry a full line of new children's clothing, as well as quality used clothing. The store could also sell children's bedroom furniture, toys, games, and other items that target the same age demographic, but should be primarily focused on children's clothing.

The key for small, independent apparel stores is to offer higher levels of service, unique selections of merchandise, and special promotions. Independent and local clothing stores need to give shoppers a compelling reason to shop the traditional downtown district as well as more contemporary malls.

In addition, there is potential for up to 1,500 square feet of shoe store space is possible in Downtown Albion. This opportunity could be met in an expanded area in an existing store offering athletic, dress, or casual shoes, or work boots. This store could also sell luggage and leather goods.

## **5.9 Sporting Goods and Hobby Store**

Albion has opportunity for up to 2,500 square feet of new or expanded space for a sporting goods or hobby store. This opportunity could be filled by a bicycle shop, specialty collectables store specializing in a number of items such as quilting and knitting supply, comic books and trading cards, sports memorabilia, kites, games, model cars, planes, trains and ships, or other collectables.

## **5.10 Books and Recorded Music Store**

Albion has opportunity for up to 2,000 square feet of new or expanded space selling books, recorded music, and similar items. We recommend that this opportunity be met through one new store that specializes in merchandise catered to a specific category of shoppers.

A store that focuses on religious books, music, greeting cards, and other related items would be a good fit for downtown Albion. This store could offer specialized merchandise that isn't often found in many bookstores, and should specialize in service by assisting customers in finding the materials they request, including special orders for books and music.

Existing and new bookstores should also cater to College students, offering books covering a number of interests including art, architecture, science, technology, travel, sports, etc. These stores should also compete with the College bookstore by selling new and used textbooks for students, and offering to buy back used textbooks at the end of the semester.

## **5.11 Miscellaneous Retail Store (Office Supply, Gift, Novelty, Souvenir)**

Albion has opportunity for up to 1,500 square feet of new or expanded space for miscellaneous retail, including office supplies, gifts, novelty items, and souvenirs. We recommend this opportunity be combined with the opportunity for books and music to create one new religious bookstore that also carries a line of gifts, souvenirs, and novelty items with religious themes.

## 5.12 Arts, Entertainment, and Recreation

Albion has opportunity for up to 10,000 square feet of new or expanded space for arts, entertainment, and recreation. This opportunity could be met through a number of venues including a family fun center.

Due to the volume of traffic passing through the region on I-94, a family fun center is supportable in Albion. This venue could offer a number of attractions, and should include an indoor facility to allow for year-round use by local residents, College students, and visitors. This facility could include an indoor rock climbing wall, laser tag, paintball, a skate park, a video arcade, miniature golf, go-karts, and batting cages, however it should avoid having too much overlap with activities offered at Full Blast in Battle Creek.

This venue should not be located downtown, but should be located immediately off Interstate 94 and visible from the highway for its regional draw to be sufficient to support the establishment. While this establishment would not be located downtown, it would help downtown merchants by drawing travelers off of I-94 and into Albion.

## 5.13 Hotel

Albion has opportunity for up to 6,000 square feet of new or expanded space for accommodations. We recommend that this opportunity be met through a new business that focuses on quality and service. This facility could have up to 20 rooms and should cater to mature guests such as parents of Albion College students.

While this facility should offer high levels of service, hospitality, and cleanliness, particular amenities such as a pool or exercise facility are not necessary. Amenities should include a full breakfast, nicely decorated lobby, quiet nooks for reading or conversations, and courteous, hospitable staff.

To keep overhead costs low, this inn should be run similar to a very large bed and breakfast, with the owner/manager living on site. Additional staff could be hired to assist with housekeeping duties.

This motel should be located near the College, preferably on Michigan Avenue to increase visibility and ease of accessibility. While a location near the College is most beneficial when there are events at the College, this facility will have to market itself to compensate for its distance from an interchange on Interstate 94. However, if this facility is well-managed, the benefits of locating near the College should far outweigh the disadvantages of distance from the interstate.

### 5.14 Full-Service Restaurant

Albion has opportunity for up to 2,000 square feet of new or expanded space for a full service restaurant. We recommend this opportunity be combined with the opportunity for a drinking establishment (listed below) to create one new fine dining restaurant in downtown Albion. While alcohol should be served at this facility, it should be by the glass in the dining room, not at a bar.

This restaurant should serve the finest food in Albion without becoming too costly or extravagant. This restaurant should cater to business lunches and dinners, College students looking for a place to bring their parents to dine, couples celebrating anniversaries and other occasions, as well as other patrons who enjoy fine dining in an upscale atmosphere.

The facility should be attractive in a quiet atmosphere, with white tablecloths and cloth napkins. We recommend utilizing an existing historic structure in the downtown and revitalizing its aesthetic charm and appeal.

### 5.15 Limited-Service Establishment (Deli, Coffee Shop)

Albion has opportunity for up to 1,000 square feet of new or expanded space in limited service dining. We recommend this opportunity be met through a new downtown coffee shop that may also serve bagels, muffins, sandwiches, etc. and provide a warm and cozy seating area. This facility should also consider providing free wireless internet access, otherwise known as a “wi-fi hotspot.”

This type of establishment can bring new energy to the downtown through the increased foot traffic, attracting new shoppers downtown. This facility could serve to introduce new patrons to the downtown, including College students and faculty that may not normally visit the downtown or think of it as a place they would like to shop. This increased traffic and flow of new patrons will help neighboring businesses by increasing the visibility of the downtown.

**FIGURE 8.** Examples of Beaner's Coffee Shops in downtown settings



This coffee shop should be a locally owned franchise of a larger regional chain. We recommend Beaner's, a growing chain of coffee shops based in mid-Michigan that is currently undergoing aggressive expansion. Beaner's franchises often adapt well to existing downtown structures and could utilize a current vacant facility. This coffee shop should be located on Superior Street, but should also have a rear entrance near ample parking.

### **5.16 Drinking Establishments**

Albion has opportunity for up to 1,000 square feet of new or expanded space for drinking establishments. We recommend this opportunity be met in conjunction with the opportunity for full-service dining through the creation of a new fine dining restaurant, as explained above.

### **5.17 Personal Care Services (Hair and Nail Salons, Diet & Weight)**

Albion has opportunity for up to 1,000 square feet of new or expanded space in personal care services. Most of the current barber shops and hair salons cater to mature full-time residents. Therefore, we recommend one new store that caters to a younger crowd, including College students and teens. This business should encourage walk-ins and should offer quality haircuts at affordable prices in a modern and youth oriented atmosphere.

### **5.18 Dry cleaning & Laundry Services**

Albion has opportunity for up to 1,000 square feet of new or expanded space in dry cleaning and laundry services. Because this category is a service, and does not sell retail merchandise, it does not make sense for an existing business to expand its store area. Therefore, we recommend this opportunity be met through existing businesses, through an expansion of hours or services provided such as delivery or pick-up to Albion residents to meet the opportunity for expanded dry cleaning and laundry services.

## 6.0 Office Space Assessment

Much of Albion's current utilized office space is in facilities that may originally have been or is also suitable as retail space. This is especially true in the downtown, where a number of lawyers, accountants, insurance agents, and medical professionals have established offices in traditional downtown storefronts.

While this is an acceptable use of space, the downtown would have a stronger retail environment if a higher proportion of street front space is occupied by retail-oriented businesses. For this reason, we recommend that a minimal number of vacant street front retail space be occupied by new businesses that are not retail oriented. This includes medical offices, law firms, accountants, insurance agents, real estate agents, service organizations, churches, etc.

To create additional office space for new or expanding businesses, we recommend that upper levels of existing facilities be utilized for office space, where feasible. In an optimal situation, a business such as an insurance agency would have a street level storefront location to serve as the front door reception, and meeting space for their clients, but additional office space should be located above on the second level.

**FIGURE 9.** H & R Block is an example of a service business that should utilize vertical space



An example of better use and organization of office space is found in the Homestead Bank building. Three levels of this building are utilized for office space, which creates a cluster of financial based businesses. This type of office clustering should be encouraged.

Any construction of new office space should be restricted to the side streets to the west of Superior, optimally along Porter street. Any new facility should fit the look of the downtown, meaning it should be at least two stories in height, should have a brick facade, and should have zero setback from the street.

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## 7.0 Housing Assessment

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### 7.1 Current Downtown Housing Situation

Downtown Albion currently has a mix of housing options that includes traditional single-family homes, second and third floor apartments above retail/office space, and buildings used entirely for apartments. Overall, housing options in the downtown are few and of mixed quality. This is due to a number of factors, including the cost of renovating and updating older buildings into quality downtown apartments and the wide availability of affordable housing throughout the community.

Conventional single-family houses are readily available and relatively affordable throughout the community. The combination of affordable single family houses with the recent market of low interest mortgages makes home ownership an attractive, and sometimes less expensive option than renting. Albion is not unique in its downtown housing situation. Throughout Michigan and much of the Midwest, land is readily available and at a relatively low cost. This creates pressure for development in communities to grow “out” instead of “up”.

While some building owners have taken the initiative to create upper level apartments, a large number of the buildings downtown remain vacant on the upper levels. These building owners may balk at renovating the space into apartments because they do not see the demand for the space, or they do not see the endeavor as profitable after making the necessary renovations.

### 7.2 Housing Recommendations

After speaking with building owners, residents, and students and faculty at Albion College, we believe that there is opportunity for expanded housing options in the downtown, especially in the form of upper level apartments above retail space. Albion can do a number of things to improve the quantity and quality of housing in its downtown. The following section will describe steps that can be taken to make these improvements.

The City of Albion has already taken steps in the right direction by lifting the ban on downtown housing for the City. This action has already allowed a number of residential units to be established in the downtown. The City should continue in this effort by working with current and potential building owners to inform them of the potential opportunity as well as the potential difficulties and requirements for creating residential units in existing buildings.

The City should work to inform and educate current and potential building owners of the procedures and requirements that are necessary to create a legal residential unit. This includes a full explanation of the permit process, all inspections that are necessary, and a realistic expectation of how long it will take to proceed through these steps. The City should also look for ways to expedite the process and make it easier for building owners to comply with all of the requirements. This will not only encourage a larger number of renovation projects, but should also discourage temptation for unapproved residential units that may be in violation of residential codes and requirements.

The City should also educate building owners of the potential setbacks in their renovation process, including all necessary upgrades of utilities, structural components, fire safety requirements, applicable handicap accessibility requirements, and any other item that might potentially hinder the renovation. The City should be up front about these issues to avoid frustration or incomplete projects that might be caused by these unexpected issues. In doing so, the City will create a stronger rapport with building owners that will reap benefits of cooperation over time.

To further encourage the renovation and creation of downtown residential units, the City should designate parking spaces that are reserved by residents of downtown units. These spaces should be located within close proximity to the apartments, but should not include any on-street parking. Further, downtown residents should not park on-street for a period longer than two hours, to ensure that this parking is available for retail customers.

Finally, the City should consider creating financial incentives for the further renovation and creation of downtown residential units. These incentives could come in the form of waived permit and inspection fees, low-interest loans for renovation, or other programs funded through State and Federal grants. These incentives urge building owners to improve their property and make use of currently vacant space.

Although there appears to be sufficient demand for downtown units from year-round residents of Albion, the City may also consider a partnership with Albion College to create some student housing units in the downtown. These student units could be offered by the College for course credit, as students study and examine the aspects of life in a small community with great diversity.

Increased housing options are beneficial for the overall vitality of the downtown. Having residents live downtown increases the foot traffic and activity in the area, which helps the downtown feel like a place where people would like to be. Increased activity also increases the perception of safety, as shoppers and visitors would have less concerns about walking alone, especially in the evening.

Finally, the downtown must provide things to do and create a viable “night-life” atmosphere. A downtown that closes at 5pm does not attract those who want to live in an environment that is active and engaging. If the downtown is quiet after sunset, it does not present any advantage to live there versus any other neighborhood in town. Coffee shops, taverns, and places with live music are places where people will visit and stay for lengths of time. These types of businesses add activity to a downtown and create a sense of liveliness that will attract others and create a desire to live downtown.

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## 8.0 Traffic Assessment

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### 8.1 Current Downtown Traffic Situation

From a retail perspective, Downtown Albion is fortunate to have the community's major north/south route run directly through the downtown. This ensures that a large volume of vehicles, both local residents and regional traffic, pass by the front doors of many of Albion's businesses. However, this also means that truck traffic passes through the downtown, creating unwanted noise, exhaust, and wear and tear on the brick paved street.

The challenge for the City of Albion, is to retain the local and visitor traffic on Superior Street through downtown, while removing the large trucks that are just passing through the area on their way to Interstate 94 or other destinations. Due to Superior Street's status as a State Trunkline, the City of Albion does not have the ability to restrict truck traffic through the downtown without creating a trunkline route for the trucks, which would potentially draw other traffic away from the downtown as well.

### 8.2 Traffic Recommendations

We do not recommend creating a new state trunkline or bypass around Albion to remove the truck traffic from the downtown. Overall, this would be detrimental to the downtown as much of the regional traffic would be drawn away from the downtown.

We do recommend promoting alternative truck routes through Albion that take the burden off of Superior Street and reduce wear and tear on the brick pavement. These alternative routes are already in place, and the City already has signs indicating their location. We recommend promoting and marketing these routes to increase their use and educate truck drivers of their existence. This can be done through larger, more prominent truck route signs, improving intersections to make them more "truck friendly", and publishing maps with desired truck routes through the City.

The current truck route signs are relatively small white rectangle signs with "Truck Route" in black print. These signs can be easily overlooked by drivers, especially those who are unfamiliar with the City. We recommend creating larger signs and displaying them prominently to catch the attention of drivers looking for the most efficient route through the City.

We also recommend altering some intersections to make them easier for large trucks to make turns. These changes include designated turning lanes, reduced on-street parking at the corners, and ensuring the timing of stoplights give trucks sufficient time to turn.

We recommend creating and publishing a map that indicates the recommended truck routes through the City. This map should clearly mark and indicate the routes preferred by the City, as well as streets where truck traffic is not allowed, and indicate the benefits for drivers that take these routes, which may include less stoplights and stop signs, less congestion, fewer and easier turns, or a shorter route. These maps should be printed and distributed free of charge at area truck stops, rest areas, fast food restaurants, and other locations that truck drivers might visit. These maps should also be sent to trucking firms to educate drivers and route designers on the benefits of alternative routes.

Overall, traffic flows easily through downtown Albion, with an average of 6,200 trips a day along Superior and few points of congestion. Currently, the biggest deterrent to traffic flow in downtown Albion is the railroad crossing near the prominent intersection of Superior and Michigan, on the north end of the downtown. While passing trains stop traffic and tie up this busy intersection, their frequency and duration are small and only cause minor disruptions to traffic flow. In addition, the cost of mitigating this difficulty by altering the road or tracks would greatly outweigh the benefits derived from the alteration.