

Identifying Marketing Strategies & Best Management Practices for the City of Eastpointe and the City of Mount Clemens



Jessica Besaw, Ashlee Crawford, Erica Fiasky, Angela Gougherty,
Kyle Gulock, Ashley Matt, Amanda Shomo

Project Scope

Clients

- Steve Horstman, Eastpointe: Economic Development Director, DDA Director
- Bonnie McInerney, Mount Clemens: Director of Community Development
- Terry Gibb, Macomb County: Natural Resources Program Director

Project Goal

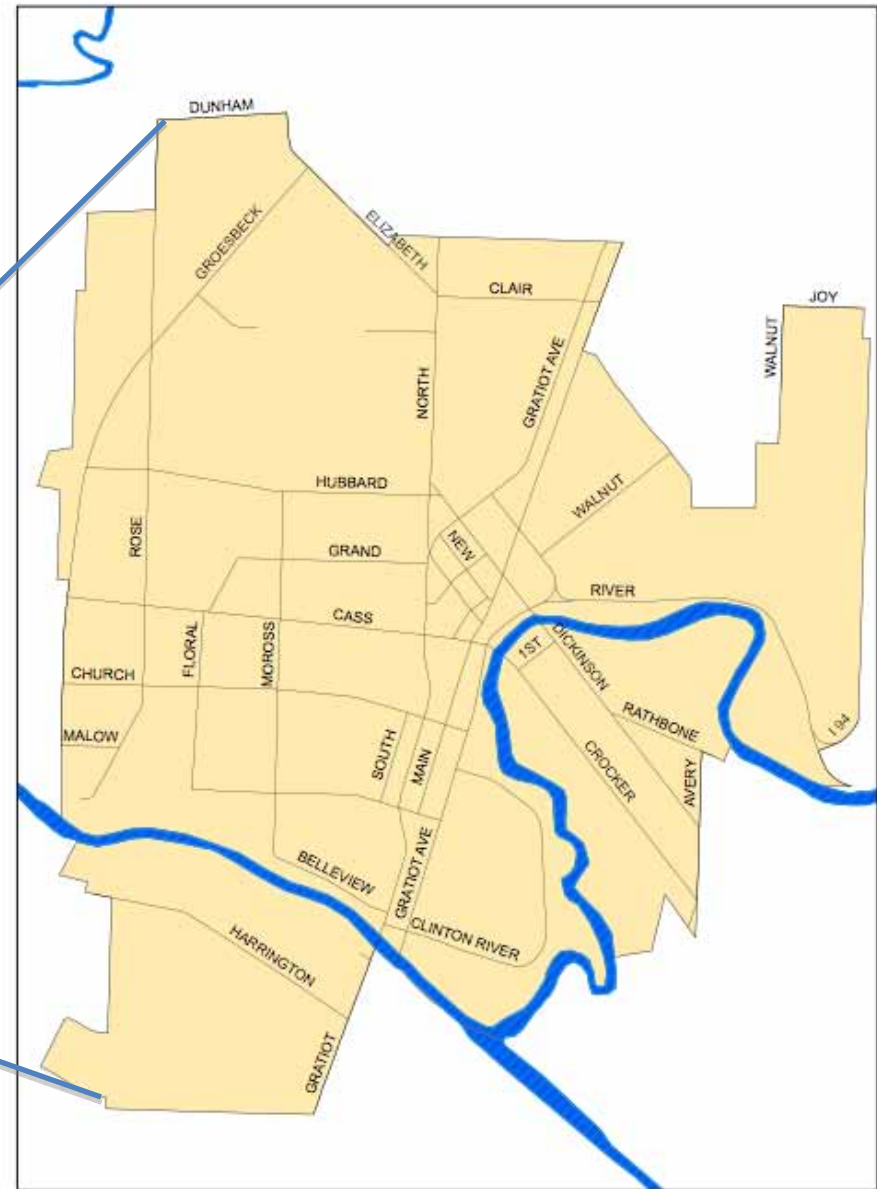
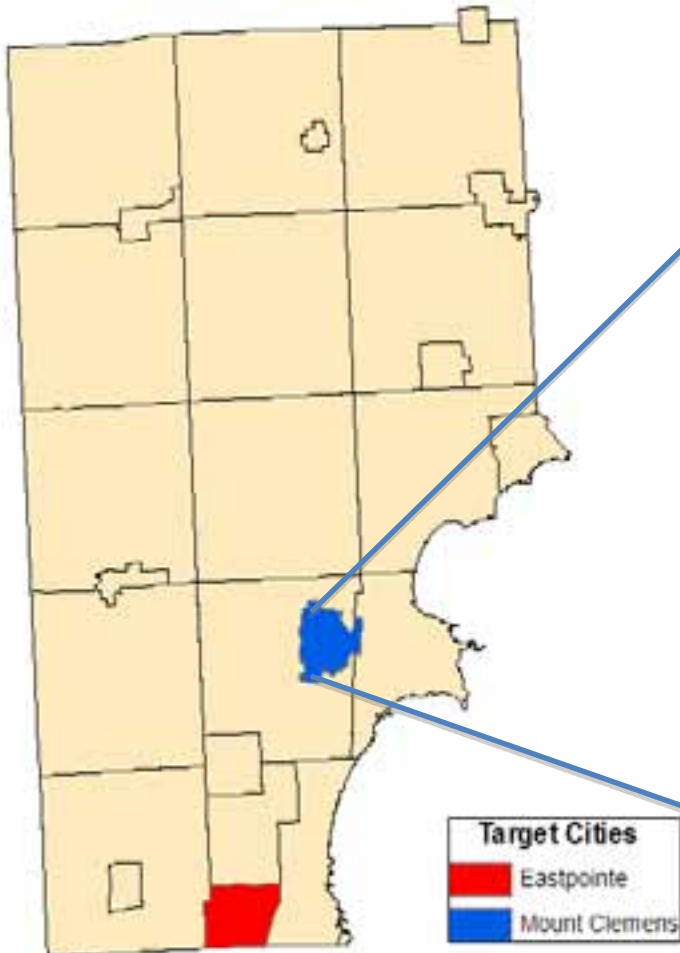
- Research and develop a “niche” marketing program for two communities with high foreclosures
- Develop marketing strategies and best management practices to attract new homeowners into Eastpointe and Mount Clemens

Presentation Outline

1. Community Profile
2. Foreclosure Data
3. Community Assets & Potential Niche Market
4. Property Marketing Strategies
5. Community Marketing Strategies

Mount Clemens: Geography

Macomb County



Eastpointe: Community Summary

- Largely residential
 - Similar housing size and style
 - Parks within walking distance
 - Lots of recreational opportunities
- Downtown corridor
 - “The Gateway to Macomb County”
 - Close proximity to Detroit
 - High traffic flow
- Foreclosure
 - Difficult to retain property value and attract homebuyers
 - Losing residents



Mount Clemens: Community Summary

- Neighborhoods
 - Homes built in early 1900s
 - Rich history (mineral baths)
- Vibrant Downtown
 - Walkable
 - Clinton River
 - Variety of businesses
 - Macomb County's seat
- Foreclosure
 - Not affecting all neighborhoods
 - Affecting housing value and city's ability to market itself



Source: (<http://www.pbase.com/1moremile/image/60254408>)



Presentation Outline

1. Community Profile
2. Foreclosure Data
3. Community Assets & Potential Niche Market
4. Property Marketing Strategies
5. Community Marketing Strategies

What is foreclosure?

Foreclosure:

A process that allows lien holders to recover the amount owed on a defaulted loan by selling or taking ownership (repossession) of the property securing the loan.

The process can be initiated by:

- Lenders (mortgage)
- Local Governments (taxes)

The Foreclosure Process (Michigan)

1. Homeowner defaults on mortgage
2. Foreclosure Sale Scheduled (90+ days delinquent)
3. Notice of sale published weekly in newspaper for no less than 4 weeks
4. Public Auction at Courthouse
5. Sherriff's Deed Issued
 - REO
 - Private Purchaser
6. Redemption Period (6 months after sale)

*In Michigan, the typical foreclosure takes approximately 8 months.

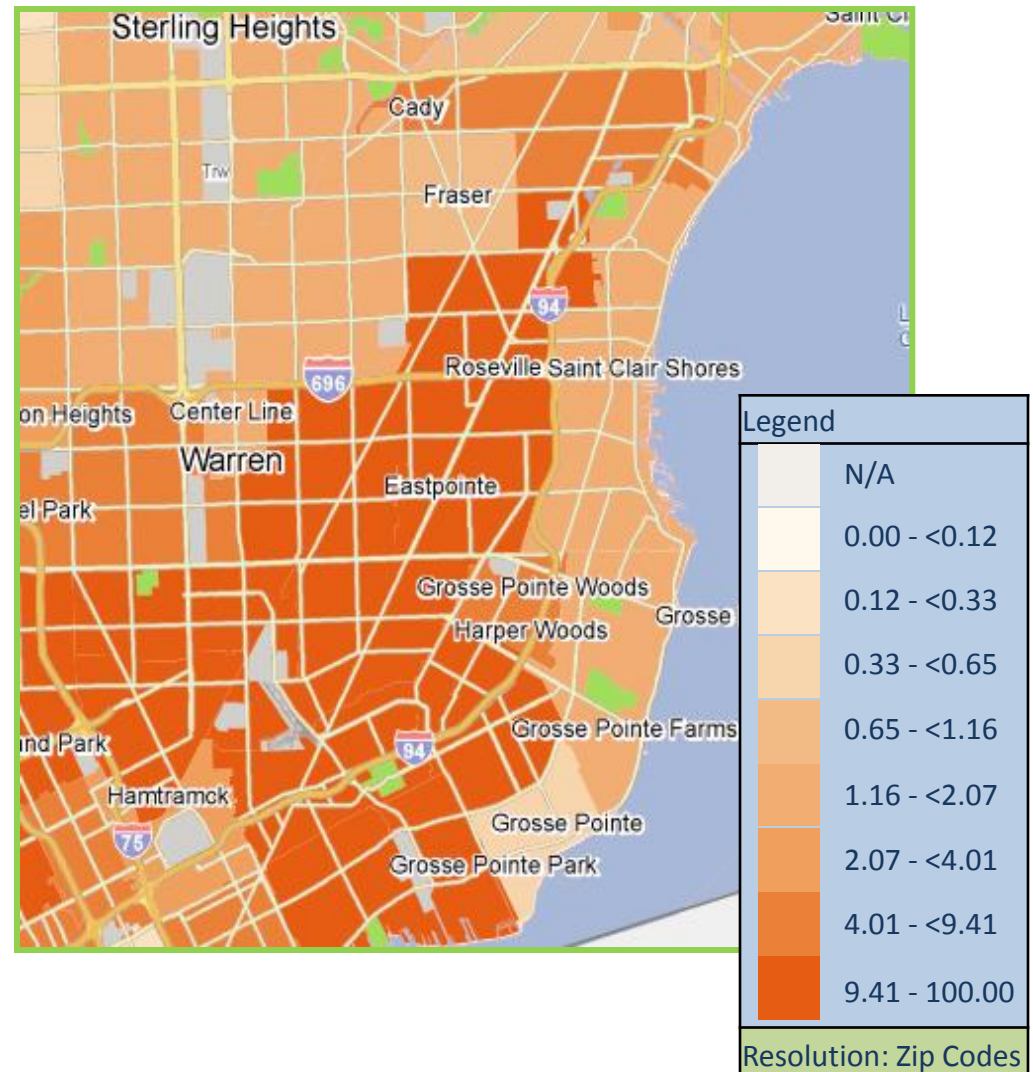
Eastpointe and Mount Clemens: Foreclosures and Sheriff Deeds

- Eastpointe Foreclosures in 2007: 556
- Mount Clemens Foreclosures in 2007: 168

	Number of Sheriff Deeds	Number of Sheriff Deeds	Number of Sheriff Deeds	Foreclosures	Foreclosures	%Change (03-07)
	2003	2004	2005	2006	2007	
Eastpointe	135	151	216	239	556	311.85%
Mount Clemens	53	46	65	67	168	216.98%

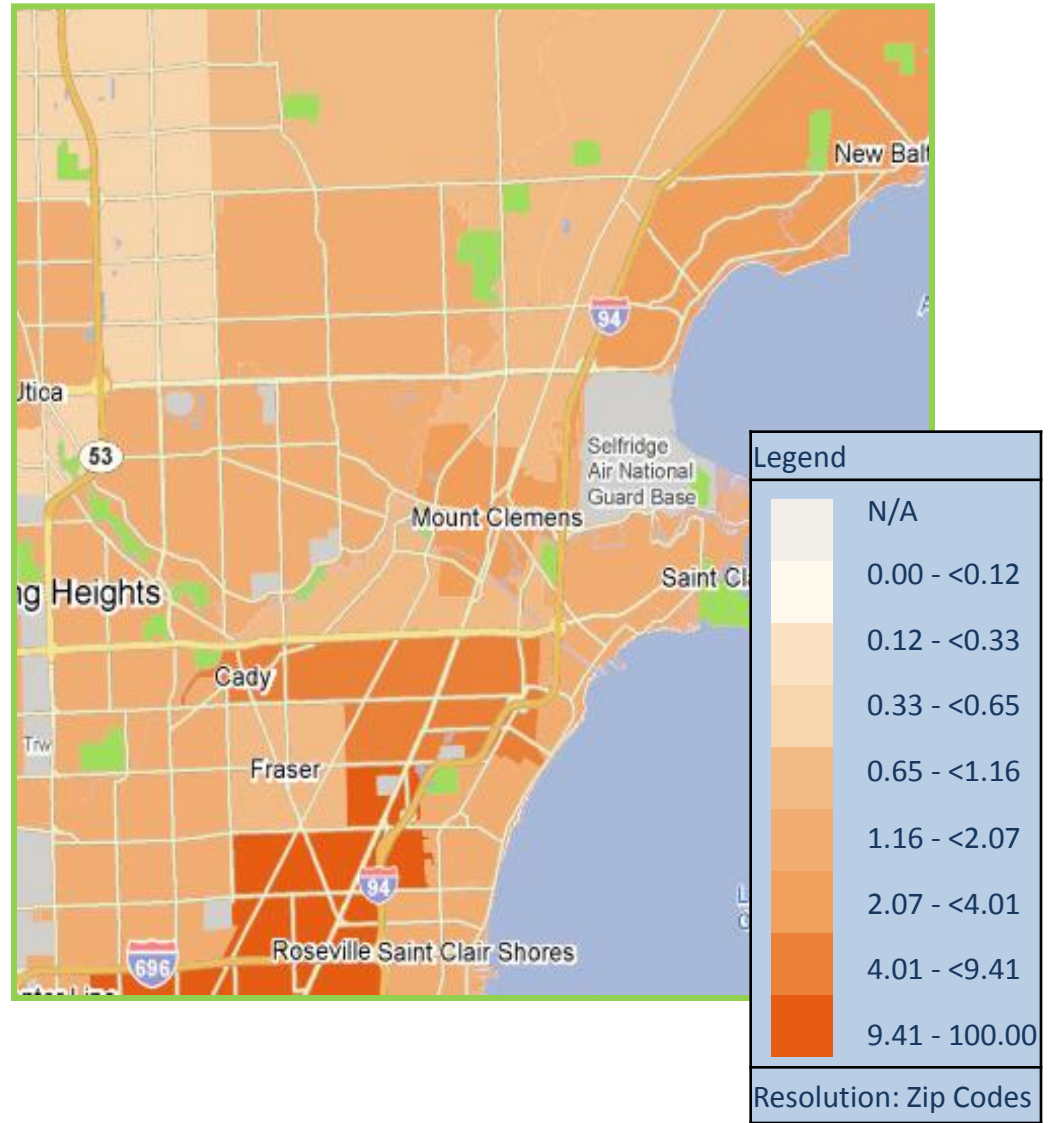
Eastpointe: Composite Foreclosure Needs Score

- Composite Foreclosure Needs Score: 14.17
- Ranked 27 among all cities in Michigan
- Eastpointe ranks first among the highest risk of foreclosure in Macomb County



Mount Clemens: Composite Foreclosure Needs Score

- Needs Score: 2.97
- Ranked 113 among all cities in Michigan.
- Ranked seventh among the neediest in Macomb County



Presentation Outline

1. Community Profile
2. Foreclosure Data
3. Community Assets & Potential Niche Market
4. Property Marketing Strategies
5. Community Marketing Strategies

Eastpointe: Community Assets

- Community Center
- Senior Citizen Center
- Children's Garden
- Chapaton Boat Ramp



Source: (<http://www.yelp.com/biz/childrens-garden-eastpointe>)



Source: (<http://www.yelp.com/biz/childrensgarden-eastpointe>)



Source: (<http://www.eastpointeplayers.org/Tickets.htm>)

Eastpointe: Potential Niche Market

- Senior Citizens (Aged 65+)

Amenity	Currently offered in Eastpointe
Community and Senior Centers	✓
Delivery Services	✓
Volunteer Services (for assistance in home maintenance, shopping, etc.)	
Outdoor gardens and parks	✓
Handicap Accessibility	
Public Transit (Bus System)	✓
Access to Healthcare	✓

Mount Clemens: Community Assets

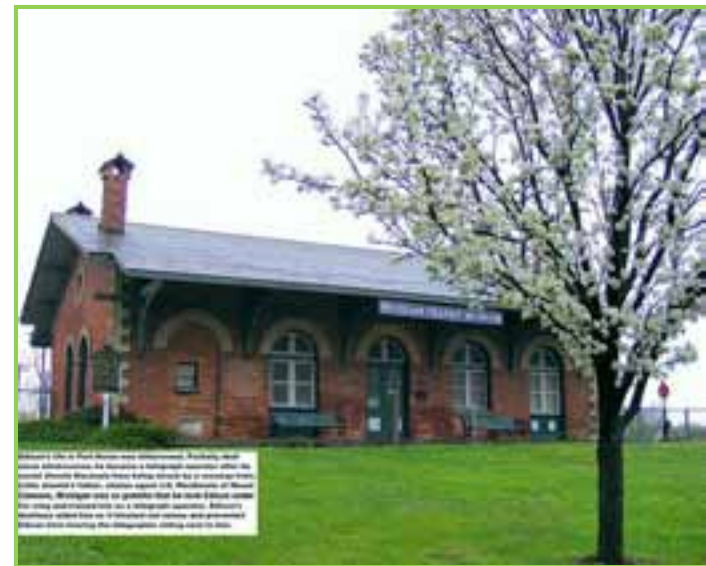
- The Clinton River
- Traditional Downtown
- Farmers Market
- Crocker House Museum
- Anton Art Center
- Michigan Transit Museum



Source: (<http://www.michigan.org/Property/Detail.aspx?p=B8229>)



Source: (<http://www.metromodedia.com/cities/mountclemens/default.aspx>)



Source: (<http://www.flickr.com/photos/ripizzo/2468439840/>)

Mount Clemens: Potential Niche Market

- Young Professionals

Amenity	Currently offered in Mount Clemens
Diversity and Tolerance (“Feeling Welcome”)	✓
Affordable Housing	✓
Entertainment Opportunities	✓
Outdoor Entertainment & Recreation	✓
Cultural Events	✓
Shopping & Retail Options	✓
Walkability	✓
Downtown Housing Options	✓

Presentation Outline

1. Community Profile
2. Foreclosure Data
3. Community Assets & Potential Niche Market
4. Property Marketing Strategies
5. Community Marketing Strategies

Property Marketing Strategies

- Organize home buyer fairs and house tours
 - Stockton, California
 - Atlanta, Georgia



Source:

(<http://www.realestate4gilbert.com/Blogs/home.aspx>)



Source: bloomberg.net

Property Marketing Strategies Cont'd

- Develop a Blight Eliminating Committee
 - make a to-do list to repair or demolish blighted or abandoned buildings
 - inspectors place fines on maintenance ordinances that are being violated
- Land Bank Formation
 - Tax-foreclosed are assembled and redeveloped



Property Marketing Strategies Cont'd

- Form Rehabilitation Partnerships
 - Community Development Corporation (CDC)
 - Community Development Financial Institution (CDFI)
 - Community Housing Development Organization (CHDO)
 - Other 501(c)3 Nonprofit Organizations



Presentation Outline

1. Community Profile
2. Foreclosure Data
3. Community Assets & Potential Niche Market
4. Property Marketing Strategies
5. Community Marketing Strategies

Community Marketing Strategies

- Maintain a website that offers extensive information on neighborhoods, home-buying incentives, and other matters of interest to potential residents
 - Baltimore, Maryland
 - Allegan, Michigan



Source: cityofallegan.org



Source: (<http://www.livebaltimore.com/>)

Community Marketing Strategies Cont'd

- Target marketing efforts towards specific demographic and/or geographic areas which expand economic investment for the city
 - Salt Lake City, Utah
 - Charlotte, North Carolina
 - State of New Jersey



Source: self-help.org/about-us



Source: saltlakemagazine.com

Community Marketing Strategies

Cont'd

- Provide information on financial incentives offered by the city
 - Richmond, Virginia
 - Hartford, Connecticut



Source: livehartford.org



Source:(http://www.hartford.gov/housing/programs/Gap_financing/Gap_Financing_SL-96147.htm)

Community Marketing Strategies Cont'd

- Recruit real estate agents, title insurance companies, and others to become part of the marketing effort
 - Non-profit Real Estate Brokerage

- Generate positive word-of-mouth advertising by engaging residents as “city ambassadors” -
 - Zeeland, Michigan



Source: ci.zeeland.mi.us

Community Marketing Strategies

Cont'd

- Prepare and distribute themed promotional materials, such as banners, bumper stickers, and license plates



Source: (<http://www.suncityaz.org/news.htm>)

- Work with neighborhoods to mesh marketing efforts with a citywide strategy

Community Marketing Strategies

Cont'd

- Work to mesh financial incentives with chosen marketing strategies
 - State of Florida
 - State of California



Source: calhfa.gov



Source: floridacommunitydevelopment.org

Conclusion

By understanding community demographics, foreclosure trends, and community assets it is possible for each city to develop a strategic plan towards attracting and retaining new residents as well as prevent the loss of property



Questions?

Acknowledgements

- We would like to thank the following people for devoting their time, energy and expertise to this endeavor:
- Steve Horstman, Economic Development Director, DDA Director, City of Eastpointe
- Bonnie McInerney, Director of Community Development, City of Mount Clemens
- Terry Gibb, Natural Resources Program Director, MSU Extension, Macomb County, Board of Commissioners
- John Paul Rea, Associate Planner, Macomb County Department of Planning and Economic Development
- Michael Rozny, Program Manager, Community Development Services Division, Department of Planning & Economic Development
- Zenia Kotval, Professor, Urban Planning Practicum, Michigan State University
- Rex LaMore, Professor, Center for Community and Economic Development
- Beata Ndovie, School Of Planning, Design & Construction
- Hamilton Anderson Associates