

Portland: A Downtown Market Study

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Strengths

- Good geographical location between Lansing and Grand Rapids
- River Trail
- Safety
- Variety of businesses

Weaknesses

- Businesses close early
- Not enough entertainment options
- "Bedroom Community"
- Better usage of riverfront and boardwalk

Opportunities

- Opera House
- Successful business incubation
- Food specialty stores
- Attract a younger crowd

Threats

- Loss of population, especially younger population
- Sprawl
- Community hesitation to change

Focus Group
 The focus group was an attempt to gain perspective from citizens about the state of Portland's downtown, including discussion of what the area is doing well, and what things need improvement.

ESRI
 A specific representation of industries with surpluses and leakages will pinpoint which businesses will be best in Portland. In general, one might focus on an industry with a high leakage factor. This is because high leakage factors represent the idea that while people in the area have high spending patterns in an industry, the businesses they shop at are probably not within the primary trade area.

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

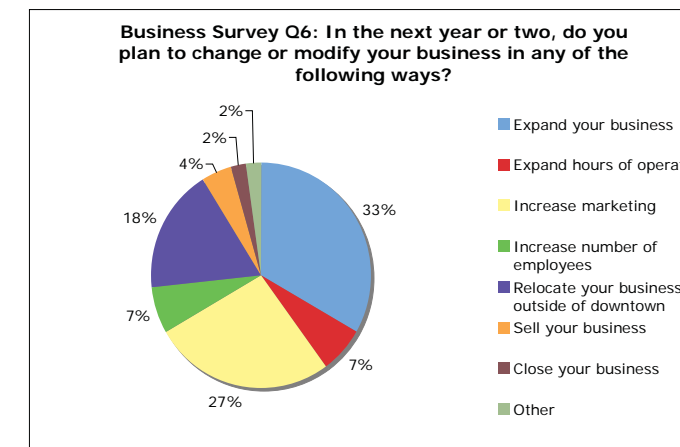
Methods & Findings

Study Objectives

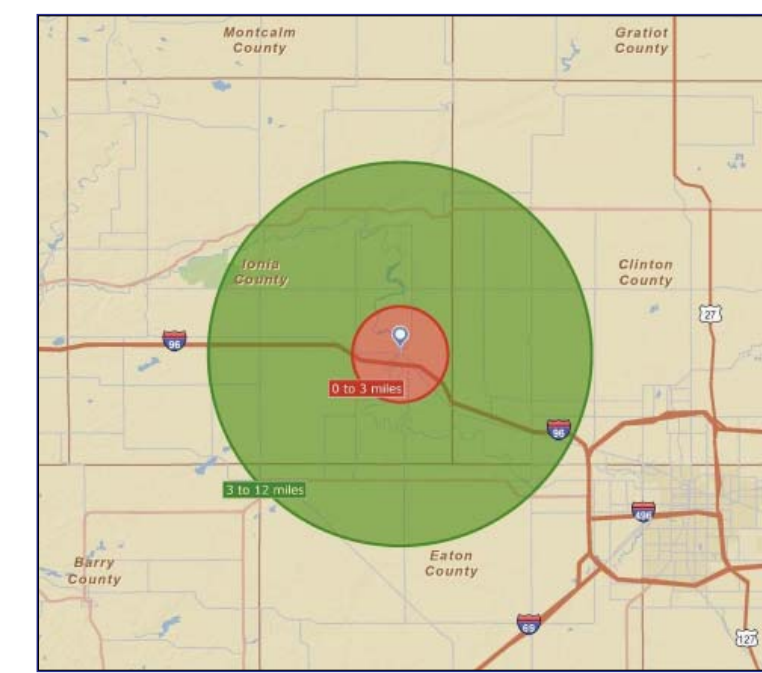
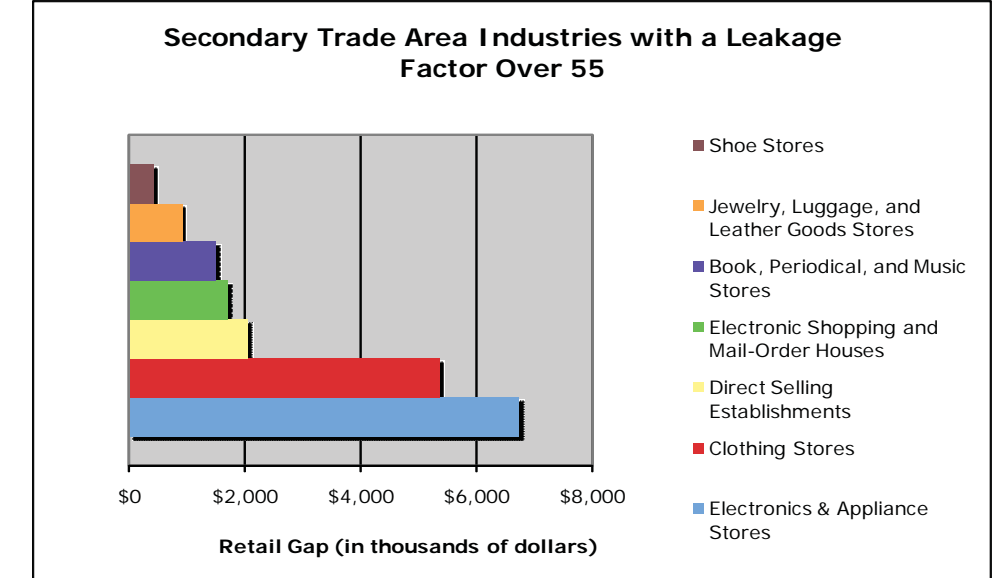
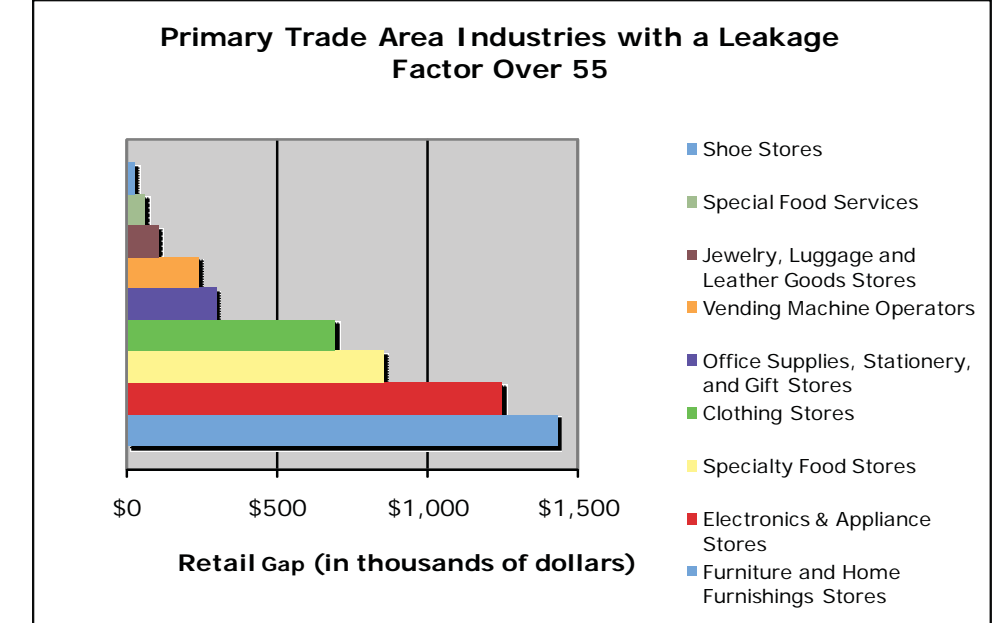
- The Michigan State University Practicum group was commissioned to facilitate this market study for Downtown Portland. The study was organized to:
- Define Downtown Portland's primary and secondary trade areas from which it draws the majority of its customers
 - Engage community members and business owners in conversation regarding the potential directions for the Downtown to pursue in the future
 - Inventory the existing building stock, including its commercial and residential spaces
 - Identify population and market trends within the above-defined trade areas

Project Methodology

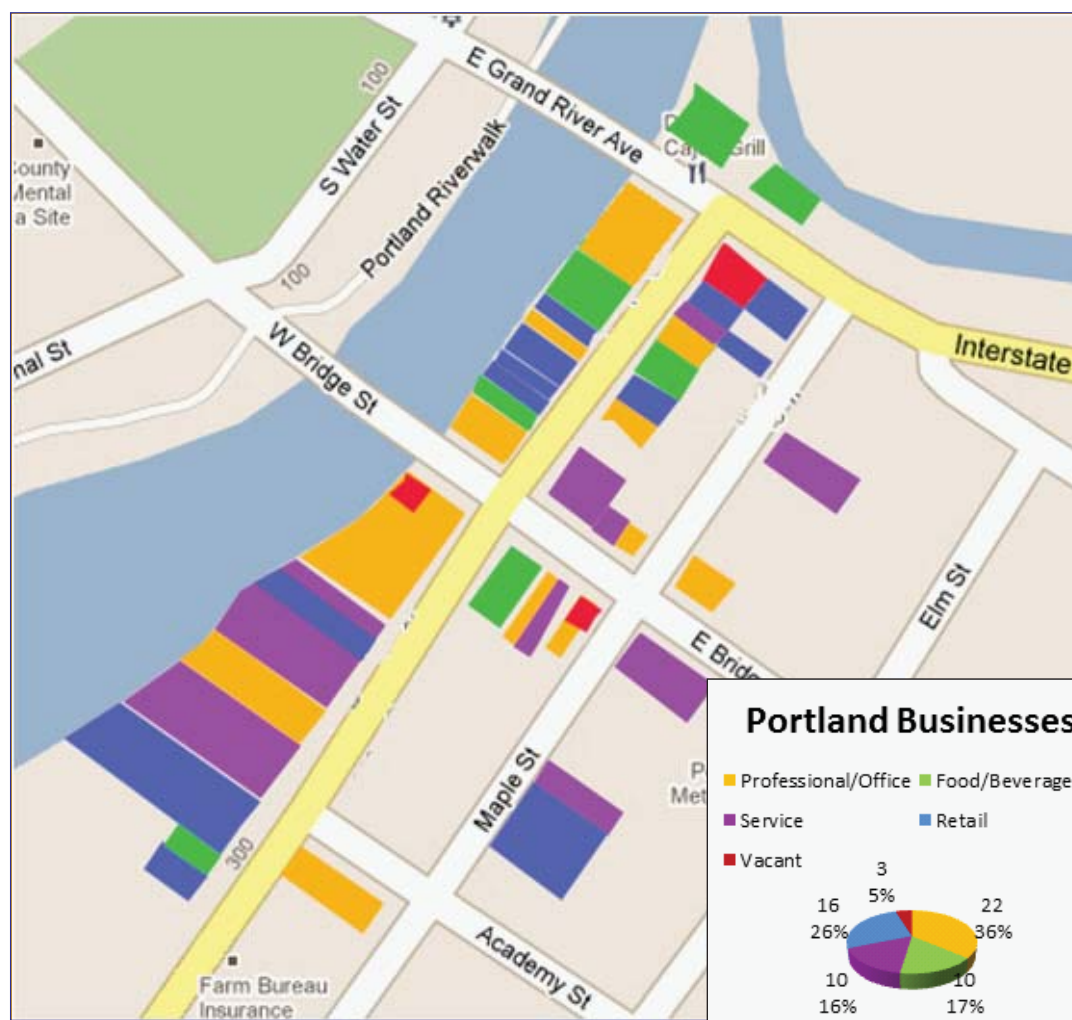
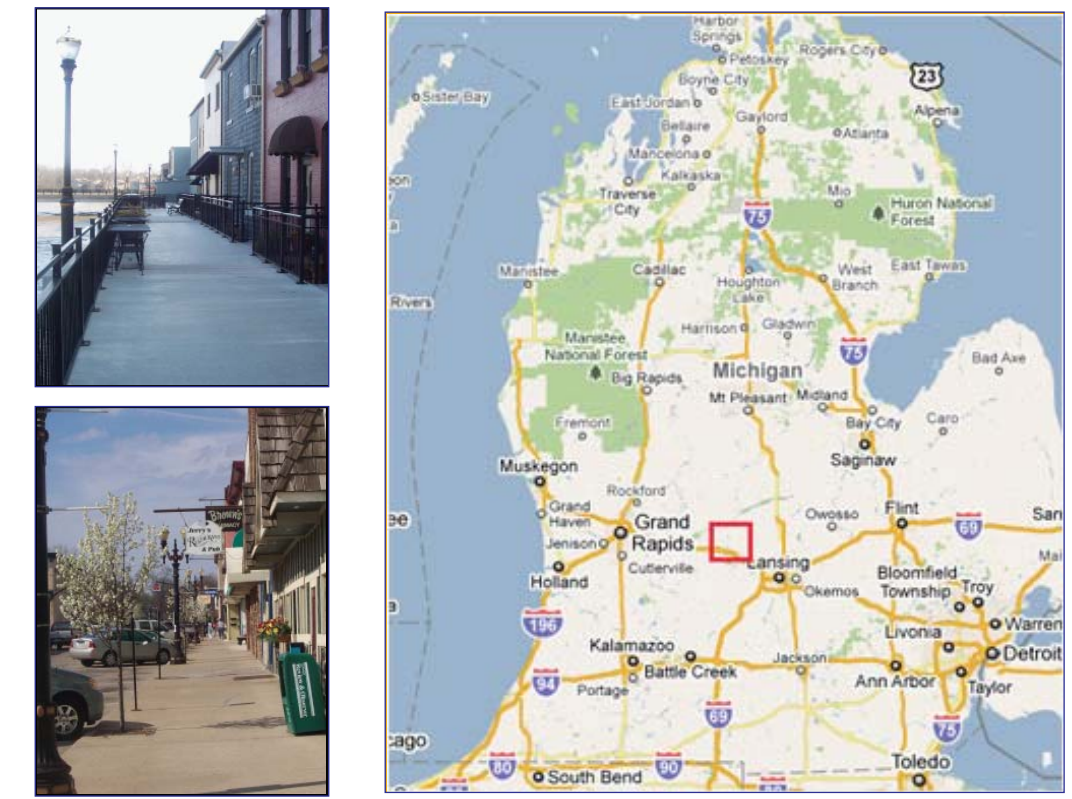
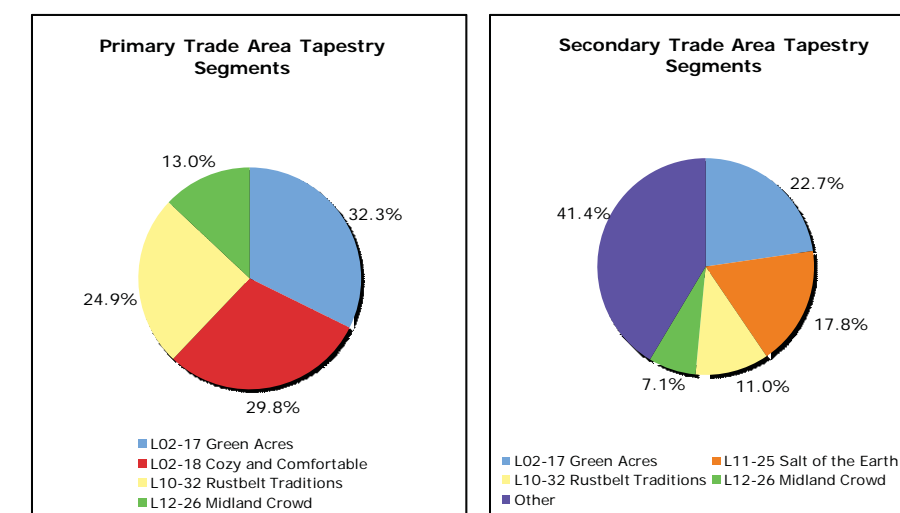
- The completion of this market study was predicated on the engagement of community members, business owners, and community leaders in the exploration of opportunities for the future development of Downtown Portland. Key steps taken in this analysis include:
- Site visits/visual assessment
 - A written survey distributed to businesses within the downtown area
 - A focus group to understand the community's perspective
 - The procurement of ESRI data that explains trade area demographics, lifestyle, and economic data
 - The collection and review of background materials



Business Survey
 The majority of businesses responding indicated that they plan on expanding their business or increase marketing.



Tapestry
 *They strive to be fiscally responsible and appreciate do-it-yourself projects.
 *They enjoy watching television, playing various sports, eating at family restaurants and outdoor activities.



Highlights
 Downtown Portland is a quiet, comfortable commercial space with Midwestern charm (far left). The boardwalk, while currently under used, is an attractive space with recreational and commercial opportunities. The streetscape is highlighted by the clock tower on the corner of Bridge St. and Kent St. (above), as well as street trees that add color and scale to pedestrians (above left). The iron truss bridge on Bridge Street (below) serves not only as a vehicle and pedestrian thoroughfare, but as a landmark and symbol of Portland.



The Downtown

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

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

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

Recommendations

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

17 Green Acres L2 Upscale Avenues U10 Rural / Married-Couple Families 410 Upper Middle Prof/Mgmt/Skilled Some College Single Family White Do gardening, woodworking Have home equity credit line Attend country music shows Watch auto racing on TV Drive 20,000+ miles annually	18 Cozy and Comfortable L2 Upscale Avenues U8 Suburban Periphery II Married-Couple Families 42.3 Upper Middle Prof/Mgmt Some College Single Family White Dine out often at family restaurants Have personal line of credit Shop at Kohl's Listen to sporting events on radio Own/Lease minivan	32 Rustbelt Traditions L10 Traditional Living U5 Urban Outskirts I Married-Couple Families 36.7 Middle Skilled/Prof/Mgmt/Srvc HS Grad, Some College Single Family White Buy children's and baby products Use credit union Do painting, drawing Watch cable TV Own/Lease domestic vehicle	26 Midland Crowd L12 American Quilt U10 Rural / Married-Couple Families 37.2 Middle Skilled/Prof/Mgmt HS Grad, Some College Single Family, Mobile Home White Own pets Have personal line of credit Go hunting, fishing Read hunting/fishing magazines Own/Lease truck
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Increased Recreation and Entertainment Options

- *Currently, the area is lacking in establishments that are attractive to active families and young professionals that are looking for recreational opportunities in the downtown.
- *Updating the opera house would provide an amenity that is not normally found in communities such as Portland. According to a Portland Opera House Feasibility Study conducted in 2009, at this time the opera house is in a state of disrepair. However, because of the opera house's distinct architecture and history, it may be worthwhile to salvage the building.
- *Because recreation is a strong point in both the Tapestry Segmentation and Consumer Spending data sets, it would also make much sense to promote recreation activities in the downtown.
- *Portland should consider conducting a study of the rivers and their banks. This study should analyze many different aspects of the Looking Glass River and Grand River, such as river width, number of fish species, and pollution.



Market Capture through Extended Business Hours

- *Important to the community of Portland is the ability to maintain interest in the businesses that currently inhabit downtown retail space, yet Portland is missing businesses that cater to the schedules of many of its residents.
- *Since the information gathered from the survey and focus group provides just a sample of the desires and opinions of Portland residents, additional public participation forums and surveys will help to identify future community goals. It is worth investigation into options for remaining open later.
- *One possible reason that later operating hours have not happened is that the small business owners of Portland simply cannot afford to stay open for longer periods of time. The city should explore avenues that may make it more viable for businesses to remain open for an extra hour or two each day, even if it is for a short time.



Addition of Specialty Stores

- *Specialty food stores, which were suggested by almost every data source, have great potential in Portland. They have a high retail gap of \$851,270 in the primary trade area, and many participants in the focus group commented on the lack of this business type in Portland.
- *Data suggests the addition of an electronics shop, and while there is not potential in downtown for a large electronics chain, a small specialty store would satisfy the needs of do-it-yourselfers in the city.

Branding

- *The business survey shows that 78% of businesses are looking to expand upon their current operations, and there exist many opportunities for downtown businesses to come together to market the city as a whole.
- *Analysis in this study finds that a threat to the expansion of downtown Portland is the lack of name recognition that Portland has within the region. Portland should consider investing into the city as a brand: an intimate community of people and commerce which truly care about one another.
- *The development of some ideological concept that businesses could rely on in the future could be helpful in reaping some of the benefits outlined above.



For More Information, visit:

- www.spcd.msu.edu
- www.portlandmainstreet.org
- www.portland-michigan.org



*Another option for success in downtown Portland is a wine shop. With local wineries gaining popularity in Michigan, Portland has many options of quality locally made wine to sell in a specialty food store. Tourist associations have also begun to promote its wealth of wineries, including Michigan's official tourism association Pure Michigan.