



Economic Development Action Plan

City of Mt. Pleasant, Michigan

As a component of the six best practice strategies required for state certification as a Redevelopment Ready Community, this update to the City's 2008 Economic Development Action Plan includes a brief description of the City's history; demographic information; regional context; relationship to other plans and studies; and finally, priority economic development-related goals and strategies for achieving them.

Introduction

MT. PLEASANT'S REGIONAL ECONOMIC AND GOVERNMENTAL CONTEXT

Mt. Pleasant is located near the center of Isabella County in the middle of Michigan's Lower Peninsula, and serves as the County Seat. The Chippewa River runs through the community, which also sits at the crossroads of US-127 and M-20. The City is home to Central Michigan University (CMU) and consists of traditional neighborhoods, student residential areas, and an historic downtown. The City and Isabella County governments enjoy a strong and supportive relationship across a broad spectrum of areas, including projects which contribute to and strengthen the tax base of all jurisdictions.

The communities of Midland, Big Rapids, Clare, Ithaca, Alma, and St. Johns are all within 40 miles of Mt. Pleasant, which is within two and a half hours' driving time from all major Michigan market areas, including Detroit, Traverse City, Grand Rapids, Saginaw, and Lansing. Other major metropolitan areas such as Chicago, Cleveland, and Indianapolis are within 350 miles. Important regional partners include the 14 county Eastern Michigan Council of Governments (EMCOG) and Middle Michigan Development Corporation (MMDC), which is the only two-county economic development organization in the state, covering Isabella and Clare counties. In addition, the City works closely with the Charter Township of Union on a number of jointly beneficial initiatives. The Township boundaries completely surround the City and as a result, a close working relationship helps to avoid duplication of effort in many instances by both units of government.

The key demographics specific to the City of Mt. Pleasant are provided in Book 5 of this Plan.

Opportunities, Strategies, and Challenges

The City of Mt. Pleasant adopted its last Economic Development Action Plan in April, 2008. At that time, Michigan, along with the rest of the country, was entering what later became known as The Great Recession. In response, the City adopted a strategy of investing, rather than cutting, its way out of the downturn in the economy and based its plan on being more proactive to the needs of business. In addition the City Commission subsequently set aside approximately \$1.3 million in an Economic Development Fund (now the Economic Initiative Fund) for the purpose of investing in projects that bring an economic return to the City. The 2008 Economic Development Action Plan contained eight areas of focus:

- » A short term focus on economic development efforts along the Mission Street commercial corridor;
- » Becoming opportunistic across the City regarding economic development;
- » Communicating that the City is open for business in regard to good development projects;
- » Being flexible and nimble to address economic development opportunities;
- » Encouraging redevelopment and rehabilitation of existing sites served by existing infrastructure;
- » Continuing to support the City's role as the region's commerce and population center;
- » Increasing the tax base with new positive growth and redevelopment;
- » Enhancing the City's image as a good place to live and work.

While much has changed in the intervening years, Mt. Pleasant has fared better than many communities its size. However, it still faces challenges in a number of areas. These include attracting investment in new development; attracting new and retaining existing retailers; encouraging affordable housing options, including addressing the market for "Missing Middle" housing types; reducing the number of rental housing units in favor of increasing owner-occupied housing types; and other challenges that will be addressed in the Opportunities and Strategies below.

Mt. Pleasant's 2050 Master Plan has resulted in a community-wide effort to help shape and define the vision and direction of future development, including the City's economic development efforts. The Economic Development Action Plan, as an incorporated component of the Master Plan, reflects the revised economic development priorities identified by community stakeholders during the planning process.

Building on the 2008 Economic Development Action Plan, this 2019 Economic Development plan identifies three broad areas of Opportunity as outlined below. Each Opportunity includes a number of Strategies to further its accomplishment. Following this discussion, local and regional plans are identified which are related to and support the identified Opportunities and their related Strategies. Finally, a matrix outlines responsibilities for implementing the Strategies outlined in this plan.

Following the identification of Opportunities and Strategies, the plan includes a number of Challenges faced by Mt. Pleasant, as identified by stakeholders and staff. Many of these are addressed by the Strategies identified in the sections below. Most of the identified Challenges do not lend themselves to quick fixes and therefore require a longer-term commitment to the strategies identified to address them.

OPPORTUNITY: EMPHASIZE AND ENCOURAGE REDEVELOPMENT AND REHABILITATION OF EXISTING SPACES AND STRUCTURES

Strategies:

- » Continue to invest in capital infrastructure projects:
 - Mission Street connector streets
 - Commercial district alley maintenance
 - Downtown parking lots
 - Broadway Street reconstruction west of Main
 - Streetscape improvements
- » Focus efforts to reduce the vacant and under-utilized properties downtown
- » Invest in downtown:
 - Façade improvement assistance including façade rendering grants and no-interest improvement loans
 - Fire safety program to encourage investment in more upper-story residential units
 - Address downtown infrastructure issues
 - Address parking allocation issues
 - Promote the use of Redevelopment Liquor Licenses where appropriate
- » Recognize the importance of CMU to the economy of Mt. Pleasant and continue to explore opportunities to work together on challenges and opportunities for both:
 - Engage with faculty, staff, and students to increase the awareness of opportunities to participate in community activities and invest in the success of the community:
 - Emphasize student engagement in the U. S. Census in order to include the student population in Mt. Pleasant's Census count
- » Recognize challenges facing the retail sector and explore resources to assist business owners with addressing these challenges:
 - Partner with property owners to cost share with infrastructure costs, parking, etc.
 - Work with developers to explore available alternatives which help control development costs in order to keep lease rates competitive for the Mt. Pleasant market
- » Prioritize infill over greenfield development opportunities and address potential barriers that might exist
- » Promote the City's identified Priority Development sites on a national, state, and local level in conjunction with Middle Michigan Development Corporation (MMDC)
 - Create a development plan for the Mt. Pleasant Center property and market it for potential development as appropriate
- » Implement the Mission Street Corridor study, as addressed in the Master Plan, which will guide future design considerations that prioritize the corridor's importance as a business corridor and not just a transportation corridor
- » Engage all stakeholders when planning development strategies
- » Continue to offer assistance when appropriate to close gaps in project financing, including the use of Brownfield TIF for qualified projects
- » Promote walkability and bikeability in new project designs

OPPORTUNITY: FOCUS EFFORTS TO PROMOTE JOB OPPORTUNITIES AND ATTRACT AND RETAIN TALENT

Strategies:

- » Partner with the CMU Research Corporation (CMU-RC) to promote entrepreneurship opportunities
- » Partner with MMDC and the Michigan Economic Development Corporation (MEDC) on commercial and manufacturing retention calls
 - Focus efforts to assist existing businesses with expansion plans or to retain them in the City
- » Partner with MMDC to promote the City's industrial parks to site selectors and developers to encourage development in the parks
- » Encourage development projects that contribute to a diversified housing stock
- » Work with MMDC and MichiganWorks! staff to attract and train qualified candidates for available positions
 - Use available programs to help employers with their existing staff training needs
 - Identify the types of businesses that would be the best fit for the community and would have market support; target these opportunities for attraction strategies
- » Pursue opportunities for additional beautification efforts which enhance quality of life experiences in the community
 - Events in the parks
 - Encourage public transportation options
 - Pursue opportunities to activate public spaces
- » Promote the opportunities available for continuing education
 - CMU
 - Mid-Michigan College
 - High school vocational education
 - Advanced certificate training institutions
 - Trade schools
 - Job fairs
 - Provide student internship opportunities
- » Engage with service groups
- » Promote community attributes important to those seeking employment opportunities
 - Mt. Pleasant as a safe community
 - Quality school system
 - Recreational opportunities
 - Cultural diversity
 - Lifelong learning opportunities
- » Highlight the advantages of the City opting-in to allow medical marihuana opportunities under state and local laws and licensing requirements

OPPORTUNITY: MARKET AND PROMOTE THE CITY AS A REGIONAL COMMERCE CENTER

Strategies:

- » Partner with the Public Relations Coordinator to communicate the City's story
 - Use the City's social media accounts to promote the City to internal and external stakeholders and visitors
 - Implement an area branding strategy with partner stakeholder participation that will identify Mt. Pleasant's unique characteristics and set the community apart from others
 - Explore other opportunities to engage the public to make them more aware of the community and what the City has to offer
- » Encourage staff involvement in state and regional boards and organizations to "tell our story" to others
- » City staff will promote the City when engagement opportunities present themselves
 - Includes residents and non-residents alike

CHALLENGES: FACING MT. PLEASANT

- » The retail sector is changing, including competition from online sales, and changing consumer spending habits and preferences. This creates a challenge to retain existing establishments or attract new retail tenants as properties are built or become vacant, especially in auto-oriented "big box" or "strip retail" developments.
- » The CMU student population is present in the community for only 9 months of the year, placing a strain on businesses that rely on this market segment to remain open for the full year.
- » Graduating CMU students are a potential untapped resource; efforts should be made to provide appropriate job opportunities and a supportive entrepreneurial environment to retain them in the community.
- » Annual fluctuations in on-campus CMU student enrollment affect planning for sales and inventory estimates for area businesses, which in turn impact profitability
 - Trend of declining enrollment numbers impacts many facets of the local economy
 - The decline in the college-age demographic cohort results in more competition for incoming freshman enrollments at CMU, placing more pressure on all stakeholders to market and attract students to the community
- » Adequate, consistent marketing efforts of Mt. Pleasant in general, and downtown specifically, are lacking
- » There is a disconnect between MDOT's objectives and the City's and businesses' vision for the Mission Street Corridor
 - MDOT views Mission primarily as a transportation corridor
 - City/business community views Mission as a business corridor which greatly impacts the taxable value of the City
- » Adequate parking downtown is perceived to be a problem
- » Mt. Pleasant contains a high percentage of renter-occupied housing units compared with other similarly sized communities (62%)
 - Rental rates in the Mt. Pleasant market area are depressed compared with other communities, limiting the amount of investment developers can make in a project and still remain profitable
 - Desire to increase the number of owner-occupied housing units
 - Desire for more diversified and affordable housing choices
 - There is a demonstrated unmet demand for "Missing Middle" or "professional-oriented" housing
- » Differential which exists between the City and township tax rates (the township is substantially lower)

Consistency with Local and Regional Plans

It is important to be sensitive to the goals and objectives of other local and regional plans in order to avoid duplicating activities and to coordinate efforts. There are a number of such documents related to this Economic Development Action Plan which are summarized below.

REGIONAL COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDS)

The regional CEDS document is designed to provide baseline information, development strategies, and projects for stakeholders throughout the 14 county federally designated economic development region. Requirements of the CEDS document are proscribed by the US Department of Commerce, Economic Development Administration. The current plan was adopted in 2016.

RELATED ELEMENTS:

- » Grow the regional economy through business retention, recruitment, and marketing efforts that support long-term economic resiliency and sustainability
- » Leverage the Region's institutions of higher education, major corporations, medical complexes, and innovation assets
- » Create a strong pipeline of talent to support the region's current and future employers
- » Make strategic infrastructure investments that improve the Region's economic competitiveness and resiliency
- » Strengthen the quality of place and reduce the vulnerabilities to create an attractive environment for existing and future residents

CAPITAL IMPROVEMENT PLAN

By its Charter, the City is required to prepare a five year Capital Improvement Plan (CIP) each year. Projects must appear in the CIP in order to be budgeted for in the current and subsequent years. To be included in the CIP, a project must have a useful life of at least ten years, and cost in excess of \$5,000. Information from the strategies and priorities in the approved Master Plan, the City Commission-approved vision statement, the Parks and Recreation Master Plan, the TIFA districts' development plans, and input from various other Boards and Commissions is used to create the CIP.

RELATED ELEMENTS:

- » Industrial Park South retention pond improvements
- » Mission Street re-investment capital support
- » Mission Street traffic and pedestrian safety
- » Downtown fire safety program
- » Downtown streetscape improvements
- » Downtown parking lot maintenance and reconstruction

CITY COMMISSION GOALS

Each year the City Commission and management staff hold a retreat to discuss upcoming goals for the coming year, as well as to review, reaffirm, and/or modify previously identified goals. The below goals are those most recently identified by the City Commission related to economic development strategies.

RELATED ELEMENTS:

- » Stable funding from a diverse tax base
- » Where shopping, dining, and entertainment options thrive
- » Economic opportunities for businesses offering competitive wages are readily available
- » Well maintained, livable, and desirable neighborhoods
- » Focus on downtown success and growth by increasing the number of people living and visiting downtown
- » Offer diversified owner-occupied housing options

DEPARTMENTAL STRATEGIC INITIATIVES

As part of the annual budget process, each City department must prepare a document detailing their major goals, over and above the normal expectations of the job, for the coming year. Each goal must detail implementation strategies, partners necessary for accomplishing the goal, stakeholders which need to be consulted, and expected completion dates. Progress on each goal is reported on twice during the year. Above are representative economic development-related goals from across several City departments.

RELATED ELEMENTS:

- » Explore development opportunities for the 300 acre Mt. Pleasant Center site
- » Update the Economic Development Action Plan on a regular basis
- » Expand the City's tax base and increase the number of residents downtown
- » Maximize infill development opportunities
- » Continue to disseminate the results of the Target Market Analysis for housing to developers
- » Engage in a downtown parking allocation analysis
- » Analyze the cost/benefits of downtown events
- » Create and fund a downtown fire safety program to allow more conversions of upper story spaces to residential units
- » Complete certification as a Redevelopment Ready Community