





Downtown Hart

Hart, Michigan

Market Study

And Business Development Strategies

Summary Report

August 2012

Prepared for

Hart Main Street Program

Prepared by

Downtown Professionals Network

Batavia, Illinois

www.downtownpros.com

In Association With

Michigan Main Street Center

Michigan State Housing Development Authority

Lansing, Michigan



Downtown in View

Hart, a Michigan Main Street Community, is exploring and pursuing exciting opportunities for the Downtown Hart business district.

Hart Main Street, in conjunction with technical services and support provided by Michigan Main Street Center, spearheaded the Downtown Hart Market Study and Business Development Strategies project to identify opportunities and establish meaningful direction for current and future economic development and redevelopment strategies. Findings from the study provide a solid, market-driven basis for Downtown Hart business development and marketing initiatives based on demographic, socioeconomic and economic conditions and trends.

Stakeholders from a broad cross-section of the Hart community participated in the process. The findings and results provide a solid basis upon which local leaders, and stakeholders can make sound business decisions about the future of Downtown Hart.

This summary serves to highlight only a small sample of the knowledge and direction synthesized from analysis of data collected during the market study process. The diligent efforts undertaken by Hart Main Street leaders and volunteers to gather input, to study the data, and to initiate the development of a market-driven implementation strategy have prepared the organization and the community well by providing a public framework and a strong basis upon which the community can plan and act for the future.







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- EXECUTIVE SUMMARY -

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Hart on Display

Hart, Michigan is the county seat of Oceana County in Western Michigan. Hart is the traditional governmental and commercial center of this primarily agricultural county and is located within easy access to the lake communities of Pentwater and Silver Lake, which enjoy significant summer tourism seasons.

The Main Street Area, bounded by Hart Lake to the north, serves as the effective center of town, and indeed a center of commerce for other nearby communities and agricultural concerns. As an agricultural county seat, Hart has a history, as well as a present and future, as a multi-cultural community.

Downtown Hart, which has recently experienced some significant public and private reinvestment, is freshly connected to the waterfront at Hart Lake by the new Hart Commons, a public gathering place overlooking Hart Lake that is proving to be highly popular with local residents, and serves as a gathering place and an excellent stage for downtown activities and events.

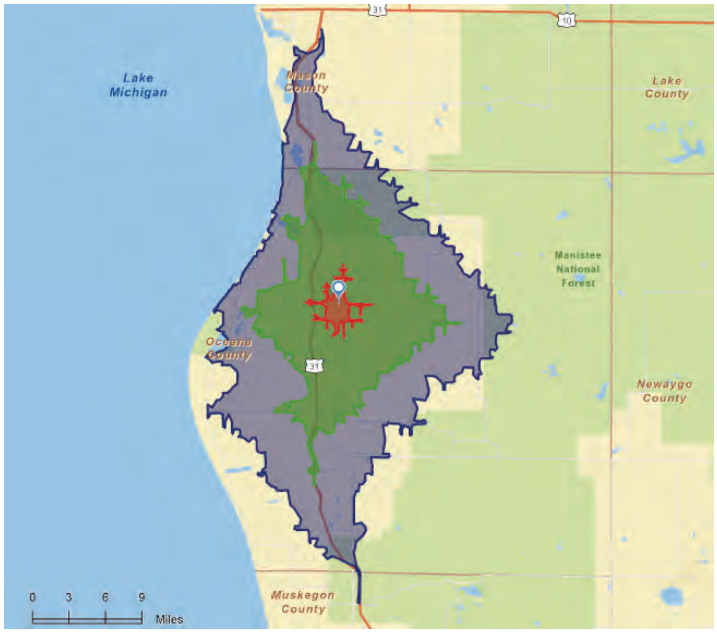
Immediately adjacent to, and even Intertwined with, the various commercial endeavors in downtown Hart are well maintained and pleasant residential neighborhoods. The downtown area also serves as the hub for local and area governmental services, including the county building, district and circuit courts, and the county Sheriff.

Downtown Hart is home to a mix of businesses that appear to be working as an aggregate to make Downtown Hart the hometown downtown for Oceana County. Retail offerings run the gamut from larger ticket items, such as furniture, to everyday grocery and hardware needs. Eating and drinking places range from a walk up ice cream shop, to an excellent downtown diner, to a very popular Mexican restaurant that is a county-wide draw.

Traffic is enhanced by the presence of the County government in the district, along with its attendant, associated, professional and service businesses, as well as by other service businesses, including everything from salons to financial services.

Downtown Hart Drive Time Markets

Fast Facts



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2010 Census	2,403	8,599	16,789
2011 Estimate	2,352	8,460	16,600
2016 Projection	2,287	8,234	16,248
Change: 2011 – 2016	-2.8%	-2.7%	-2.1%

Households	5 MIN	15 MIN	22.5 MIN
2010 Census	876	3,139	6,473
2011 Estimate	857	3,086	6,399
2016 Projection	829	3,014	6,317
Change: 2011 – 2016	-3.3%	-2.3%	-1.3%

Median HH Income	5 MIN	15 MIN	22.5 MIN
2011 Estimate	$28,485	$34,922	$37,254
2016 Projection	$30,861	$37,798	$40,925
Change: 2011 – 2016	+8.3%	+8.2%	+9.9%

Source: ESRI – Compiled from Census 2010 Summary Profile; and Demographic and Income Profile (2011 Data) Report.

Marketing & Promotion

Marketing and promotion activities will play a key role as part of Hart's long-term downtown enhancement program. The ability to appeal to targeted consumer segments through high quality marketing and promotional activities, orchestrated to expound upon downtown Hart's features, assets and attractions, can effectively help to build a positive image and, in essence, affect positive changes in the market.

Festivals and special events that enhance and maintain a strong sense of "local flavor" can deliver powerful messages and indelible, long-lasting images and impressions that provide emotional links to the past and nurture new traditions – and customers. Market study findings point to messages, activities and events oriented to married families with children, youth, and couples at or nearing retirement age that:

- Celebrate Hart's unique history and agricultural heritage
- Celebrate Hart's multicultural character and heritage
- Capitalize on distinct landmarks, assets and resources
- Emphasize a warm and welcoming "small town, safe & friendly, hometown" spirit
- Include hands-on activities and entertainment for all ages
- Provide opportunities for diverse groups to interact

Hart's Hispanic Heritage Celebration and Hart Sparks events serve as excellent examples and are effectively serving to celebrate those assets, features and people that make Hart a special place.

Beyond festivals and events, the market study provides direction for Hart Main Street in its continuing work with downtown and area visitor attractions, and the downtown business community, to expand regional and tourism-oriented marketing programs and advertising campaigns that feature the downtown area and, in particular, its events, as must see visitor attractions.

Cooperative advertising programs and cross-marketing efforts offer another means toward image enhancement efforts designed to convey a quality image of the downtown and to broaden the community's awareness as to the full range of products and services available from downtown businesses.





Downtown Housing

Consumer survey results lend support for the development, redevelopment or adaptive reuse of downtown housing of various styles in Downtown Hart. An impressive 44% of consumer survey participants answered "Yes" or Maybe" when asked if they would consider living in downtown Hart.

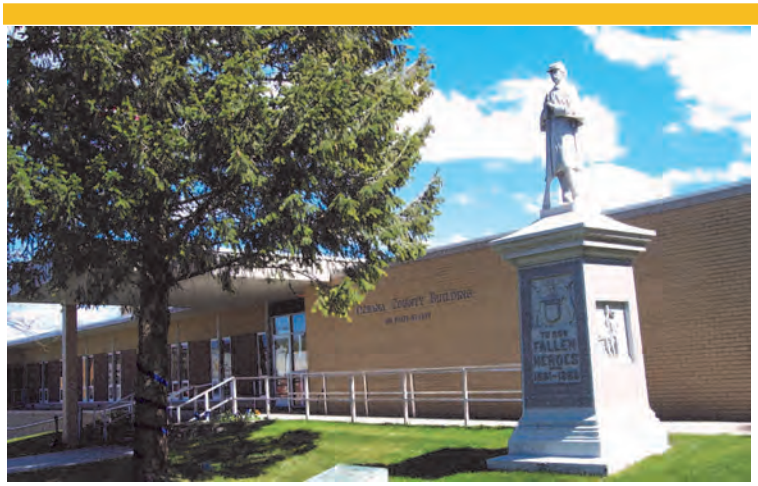
Q. Would you consider living in downtown Hart?

Response	Count	Percent
Yes	**39**	**22.2%**
Maybe	**39**	**22.2%**
No	**98**	**55.7%**

Downtown Hart Market Study | 2012; Percentages do not total 100% due to rounding.

The best prospects for new downtown housing might be directed toward the development of units that are quite different from the current inventory of housing options available in the broader community – including styles that might take advantage of the unordinary dimensions, layouts and materials found in the upper levels of downtown buildings to create distinguishable and even "funky" living and live/work spaces; and for higher-density mixed-use development at potential redevelopment sites in the downtown district and immediate surrounding area, and especially those sites with lake access and views.





Historic Preservation and Design

Historic preservation is a key element of most, if not all, successful downtown enhancement programs in the United States. Communities across the country have come to recognize that their historic resources are integral to maintaining a strong sense of place and a distinguishable identity in the market place.

The community's desire to see quality building improvements is bolstered by business survey returns showing 45% of respondents indicating plans to start or complete building improvements within the next year or two, and 29% indicating an interest in free or low-cost building improvement design services. The results suggest that guiding individual building improvements in order to achieve the desired effect for the district as a whole should be a high priority for the Hart Main Street Design Committee over the next few years.

Relatively simple projects designed to enhance and enliven the downtown's streetscape and public spaces, and to place "finishing touches" on the downtown, can have high impact. Examples include additional flowers and plantings, banners, flags and other decorative and interpretive elements that add color and help to tell the "downtown story." Decorative features might also be incorporated in streetscape furnishings and way-finding signage to extend design elements throughout the district and to help reinforce a sense of downtown as a unified district and a special place.

Sixty seven percent of consumer survey participants assigned a "high" or "moderate" priority level to potential projects aimed at improving wayfinding and directional signage in the downtown and surrounding area. While some of this work has just recently been completed, still more work remains.

Seventy five percent of consumer survey respondents rated parking in downtown Hart as "Stronger" or "Equal" to other shopping areas they frequent. Current parking supply appears to be adequate to meet demand, but must be monitored as development occurs and conditions change to best accommodate the short- and long-term parking needs of downtown Hart customers, residents and employees.

Business Development

Retail Targets

Market Study findings provide direction for various business types showing potential for expansion and recruitment. The implementation of business development strategies is part of a comprehensive, long-term downtown enhancement program that emphasizes business retention efforts and a series of initiatives that will make the downtown area an even more attractive place to do business and invest.

Retail expansion and recruitment targets capitalize and expand upon the downtown area's retail sector strengths and traffic generated by existing businesses. Examples of business types and merchandise lines showing potential for expansion and recruitment in Downtown Hart include:

- **Food Services and Drinking Places**
  - Full – Service Restaurants—Casual to Upscale
  - Limited-Service Eating Places
  - Drinking Places (Alcoholic Beverages)
- **Miscellaneous and Specialty Store Retailers**
  - Gifts , cards and novelties, possibly grouped with specialty food selections
  - Home-ware, kitchenware and gadgets
  - Locally grown and packaged food gift items
  - Import giftware with "South of the Border" flair
- **Sporting Goods, Hobby, Books & Music**
  - Hunting, fishing and outfitter gear and supplies
  - Local athletics team wear and gear
  - Bicycle sales and service
  - Book, periodical and music lines, possibly paired with gourmet coffee shop and/or specialty foods concepts

Downtown Office and Service Uses

Office and services uses in downtown Hart already play an important role in generating consistent traffic to support the district's economy and sense of vitality. Predictably, and especially due to the location of county government facilities and operations, office and service uses will continue to be important to downtown in the future. These uses should continue to be encouraged to locate in the downtown area and, where appropriate and applicable, Hart Main Street and its partners should work to locate these uses in buildings and spaces that are conducive to creating and maintaining a strong sense of retail vibrancy throughout the district.

For more information contact:

Hart Main Street
49 South State Street
P.O. Box 449
Hart, Michigan 49420
Telephone: (231) 301-8449
Website: www.hartmainstreet.org

Introduction

"Times they are a-changing"

The phrase, echoed throughout the decades, personifies the nature of changes in the economic landscape of traditional downtown and neighborhood commercial districts. Expanding retail competition, evolving technologies, and changing lifestyle trends continue to affect business opportunities and the ways in which people interact within the traditional downtown environment.

The key to improving the economic performance of the Hart downtown business district ultimately lies in the development and implementation of market-driven business improvement and marketing strategies that capitalize on local assets and emerging opportunities.

Hart Main Street Program, in conjunction with technical services and support provided by the Michigan Main Street Center, spearheaded the Market Study and Business Development Strategies project to promote an in-depth understanding of local and regional market conditions and trends impacting the downtown district's current economic performance and opportunities for the future. Information and direction gained throughout the market study and strategies development process will provide a sound basis for local decision-making processes and strategies aimed at enhancing downtown Hart.

Technical assistance provided by DPN to facilitate the study process is furnished by Michigan Main Street Center as part of a comprehensive "self-help program" that provides extensive training and technical assistance to select Michigan Main Street network communities. Local Hart Main Street project team members participated in a series of work sessions that provided guidance for the implementation of the Downtown Hart Market Study. Key steps in the process also included:

- The collection and review of background information.
- The analysis and summary of trade area demographic and economic data contained in ESRI reports.
- The performance of consumer surveys, business surveys, focus groups and a public workshop.

An extensive amount of information and data was compiled and analyzed throughout the course of the market study process. This report has been prepared to highlight key information and findings that could be particularly relevant to the community's ongoing downtown enhancement efforts.



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Behind the Study

Study Objectives

The study process was orchestrated to:

- Engage community and downtown stakeholders in an exploration of the market area and possibilities for the future of the Hart Main Street Area
- Identify conditions that are impacting the Main Street Area's economic performance
- Define the downtown's geographic trade area and profile the trade area's major consumer market segments
- Identify population and market trends in relation to potential business development and marketing strategies
- Identify potential business development opportunities and related business retention, expansion and recruitment strategies
- Assess potential for Downtown Hart housing opportunities

Key Planning Steps

The process behind the completion of the Downtown Hart Market Study engaged residents, businesspersons and community leaders in the exploration of opportunities for Downtown Hart's future. Key planning steps include:

- The collection and review of background materials and information, including a Downtown Marketing Study completed in 2005
- Planning and strategy sessions conducted with the local Downtown Hart Market Study project team comprised of Hart Main Street staff, volunteers and community leaders
- An open invitation Downtown Hart Town Meeting & Workshop
- A visual assessment of existing conditions in the downtown district and the surrounding area
- The performance of a field exercise to assist in determining the dimensions of the downtown's geographic trade area
- The procurement and analysis of trade area demographic, lifestyle and economic data
- The facilitation of primary research to examine specific development opportunities and potential marketing concepts

Stakeholders from a broad cross-section of the Hart community participated in the process to gain a solid understanding of Downtown Hart opportunities as they relate to current conditions, market characteristics and trends. The findings and results provide a solid basis upon which local leaders can make sound business decisions about the future of the Hart Main Street Area.

Downtown Professionals Network was retained by Michigan Main Street Center to facilitate the Downtown Hart Market Study and Business Development Strategies project.

DPN is a research and planning firm specializing in the revitalization and enhancement of traditional downtown and neighborhood business districts. Since its founding in 2000, DPN has evolved to serve a clientele that includes local, state and national economic development organizations located throughout the country.

The content of this document is based on an independent review of information and the observations, analyses and interpretations of DPN, working in partnership with Hart Main Street and Michigan Main Street Center project leaders.

Limitations and Disclaimers

Retail market analyses, their components (such as retail sales gap analyses) and derivative business development plans provide important guidance on how a commercial area should, theoretically, be able to perform and on the sales levels businesses should be able to achieve. However, a number of factors affect the actual performance of businesses and commercial areas, including the skills of the business operator, level of business capitalization, the quality of the physical environment, changes in overall economic conditions, the effectiveness of business and district marketing programs, and many other factors. The information in this report is intended to provide a foundation of information for making business development decisions, but it does not and cannot ensure business success.

As is true of all demographic, economic and market studies, our analysis' reliability is limited to the reliability and quality of the data available. Our research assumes that all data made available by and procured from federal, state, county, city, primary and third party sources is accurate and reliable.

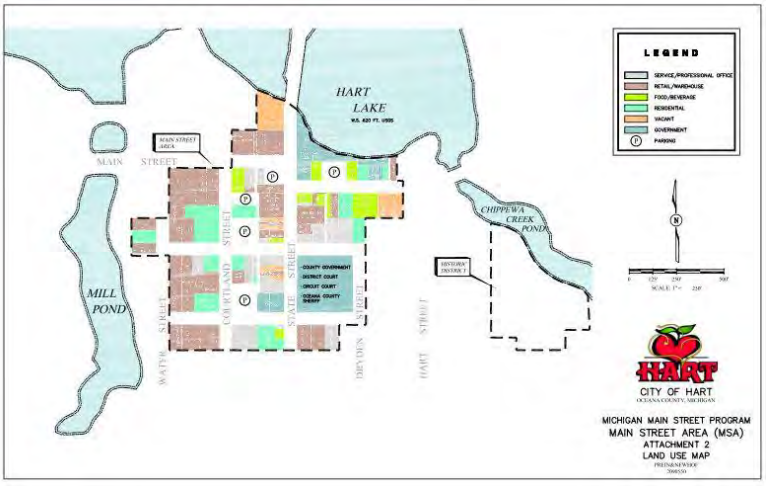
Because market conditions change rapidly and sometimes without warning, the information and opinions expressed here represent a snapshot in time and cannot predict or gauge future changes or results.

Background and Context

Hart, Michigan is the county seat of Oceana County in Western Michigan. Hart is the traditional governmental and commercial center of this primarily agricultural county and is located within easy access to the lake communities of Pentwater and Silver Lake, which enjoy significant summer tourism seasons.

The Main Street Area serves as the effective center of town, and indeed a center of commerce for other nearby communities, and for the surrounding agricultural concerns. As an agricultural county seat, Hart has a history, as well as a present and future, as a multi-cultural community.

The Main Street area encompasses an approximate six-block area, and sections of a further six blocks, composed of commercial, residential and historic spaces. The downtown area generally ranges east and west along Courtland and State Streets from Lincoln to Main Streets, and east and west along Main, Washington and Lincoln Streets from Water to Dryden Streets. Two blocks of downtown, just north of Main Street, border Hart Lake.



Hart's downtown, which has recently experienced some significant public and private reinvestment, is freshly connected to the Waterfront at Hart Lake by the new Hart Commons, a public gathering place overlooking the waterfront of Hart Lake that is proving to be highly popular with local residents, and that will serve as a gathering place and an excellent stage for downtown activities and events.

Immediately adjacent to, and even Intertwined with, the various commercial endeavors in downtown Hart are well maintained and pleasant residential neighborhoods. The downtown area also serves as the hub for local and area governmental services, including the county building, district and circuit courts and the county Sheriff.







Development Patterns

The downtown district's principal traditional retail corridor is located along State Street, where traditional two-story commercial buildings are arranged to form a streetwall that is inviting to pedestrians. Side streets are home to buildings that are less compactly arranged, including some larger destination retailers, such as Hegg's Furniture and Larson's Ace Hardware.

Two-way traffic exists throughout the district with few congestion issues experienced even on busy days.

The downtown could benefit from a comprehensive wayfinding signage system, particularly signage that will direct visitors to and from very nearby attractions such as John Gurney Park and the Historic District.

Sidewalks in the more walkable part of the district are of generous width, and on-street parallel parking buffers pedestrians from traffic. Parking is abundantly supplied throughout the Downtown District, both on street, and at the rears of buildings, and in public and private lots.





Aesthetics and Appearances

The buildings in the downtown area range in age from mid-19th century structures to contemporary buildings. While the district contains some architectural gems, and while several buildings have undergone recent updates and rehabilitation, there are a few properties that could benefit from façade improvements.

The overall appearance of the downtown area is attractive, clean, and well-maintained. State Street and alleys were resurfaced in 2010, and sidewalks are generally well-maintained and in good repair.

Residential areas surrounding the downtown district are generally of the same era as the downtown structures and for the most part well-maintained, though a few exceptions requiring attention exist.



Business Mix and Climate

The downtown district is home to a mix of businesses that appear to be working as an aggregate to make downtown Hart the hometown downtown for Oceana County. Retail offerings run the gamut from larger ticket items, such as furniture, to everyday grocery and hardware needs. Eating and drinking places range from a walk up ice cream shop, to an excellent downtown diner, to a very popular Mexican restaurant that is a county-wide draw.

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Downtown Hart Market Snapshot

Drive Time Study Geographies

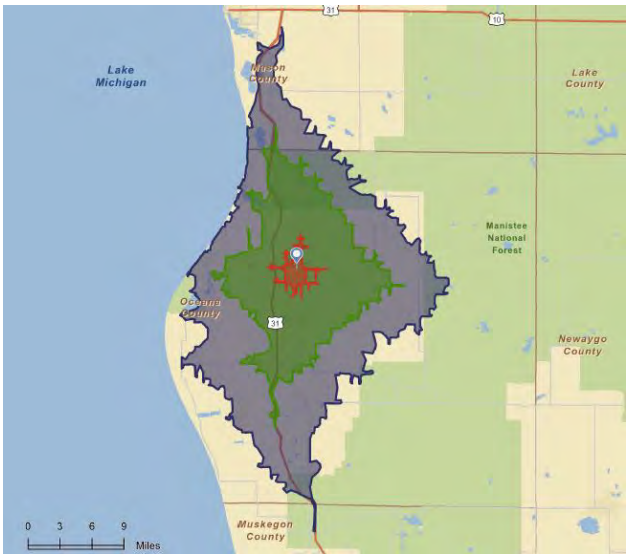
The market snapshot assembled for the Downtown Hart Drive Time Market is based upon information contained in a series of ESRI reports generated for a 5, 15, and 22.5 minute drive time area originating from the center of the downtown Hart business district.

The **five minute drive time** market profiles a "captive" resident and convenience-oriented market for downtown Hart. The population residing in the five-minute area would also be more likely access downtown on foot, bicycle and via other alternative modes of transportation. Demographic and psychographic data could be particularly useful for assessing performance and expansion opportunities for convenience and clientele-oriented businesses and uses, and for analyzing and profiling the composition of the current and potential downtown Hart area housing market.

The area plotted for the **fifteen minute drive time** geography includes areas that span along regional travel routes in the Hart vicinity and the western portion of Oceana County. Data and information for the fifteen minute drive time area could be helpful for comparing and contrasting the traits and characteristics of the five-minute "close to downtown" population with that in the wider local region – or what could represent a primary trade area for downtown Hart. The consumer profile for the fifteen minute drive time may also be indicative of the "comparison market" for Hart area service, retail and eating & drinking uses.

The **twenty-two and one-half minute drive time** area is more expansive and representative of a regional market, capturing rural areas along and in proximity to major highway routes, and stretching north and south along U.S. Highway 31 to enter Mason County and Muskegon County, respectively. Consumers in this regional market, all things being equal, may be more naturally inclined to frequent commercial areas in other communities, based on convenience. Opportunities for downtown Hart to capture consumers from the broader regional market, and to increase its retail market share, will most likely revolve around retail and service anchors; specialty retail and destination-oriented eating & drinking places; recreational attractions and venues; and events.

Note: A complete copy of the Downtown Hart Market Snapshot document prepared as part of this study has been provided under separate cover as a supplemental and reference document.



Downtown Hart Drive Time Markets

Fast Facts

Population	5 Minutes	15 Minutes	22.5 Minutes
2010 Census	2,403	8,599	16,789
2011 Estimate	2,352	8,460	16,600
2016 Projection	2,287	8,234	16,248
Change: 2011 – 2016	-2.8%	-2.7%	-2.1%
Households	**5 Minutes**	**15 Minutes**	**22.5 Minutes**
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2011 Estimate	857	3,086	6,399
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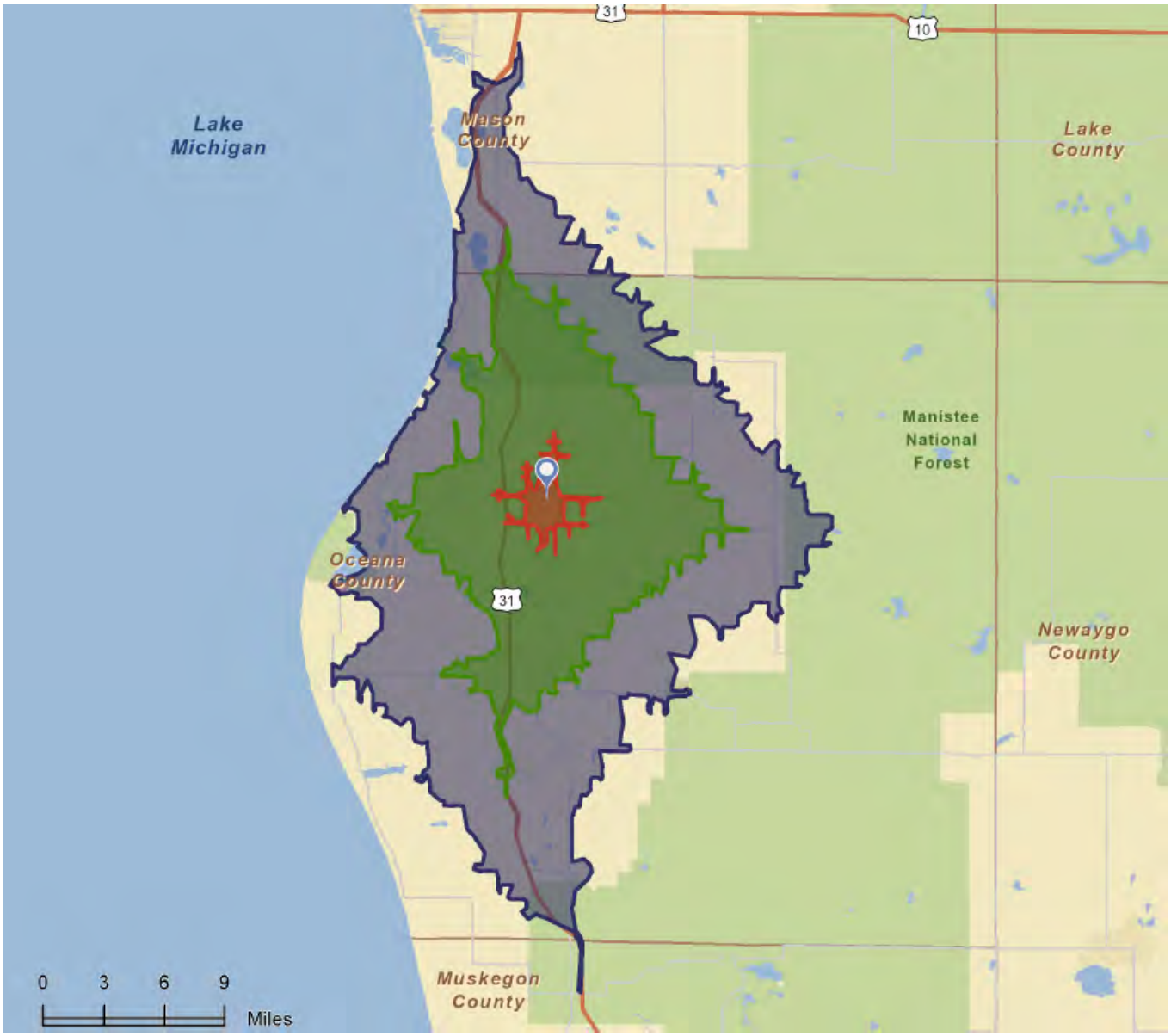


Reports generated and used to examine the Hart Drive Time Markets are based on ESRI data and include:

ESRI Census 2010 Summary Profile
Data from the Census 2010 and Census 2000 enables analysts to perform time-series studies, evaluate population changes, and assess the value of current sites and services.

ESRI Demographics and Income Profile - 2011
Built on 2010 counts and in 2010 geography, ESRI's updated demographics database provides current year estimates and 5-year projections for select demographic and income categories.

ESRI Retail Goods and Services Expenditures
Built on ESRI's 2011 Consumer Spending database, shows the amount that households spend in select products and services categories compared to national figures.

ESRI Tapestry Segmentation Area Profile
Tapestry classifies U.S. residential neighborhoods into 65 unique market segments based on socioeconomic and demographic characteristics.

ESRI Retail MarketPlace Profile
Retail MarketPlace data provides a measure of retail activity by trade area and compares retail sales to consumer spending by NAICS industry classification.

Demographic Snapshot

The demographic snapshot compiled for the Downtown Hart Drive Time Markets benchmarks and tracks changes in the marketplace. Analysis and comparison of data for the three drive time areas reveals some interesting characteristics and trends.

Population and Households

The population in the five minute drive time area grew by 7.8% from 2000 to 2010, while the fifteen and twenty—two and one-half minute drive time areas saw a decrease of 0.2% and 1.8%, respectively. Five-year 2011 – 2016 projections anticipate the population will decrease by about 2% to 3% at all drive time area geography levels, as compared to a 0.5% projected decrease in population for Michigan.

The number of households in drive time areas grew by about 0.5% to 3.5% from 2000 to 2010, with the largest rate of increase appearing at the 22.5-minute drive time level. Like projections for population, five-year 2011 – 2016 projections anticipate the number of households will decrease across all drive time areas, with projected rates of decrease ranging from 1.3% to 3.3%. Projected decreases in households are contrary to statewide trends, where the number of households is expected to grow by 0.1% from 2011 to 2016.

Consistent with the "Graying of America" phenomenon, median age continues to increase at all drive time geography levels – and for the statewide population. The median age for the population in the five minute drive time area is slightly less than that of the statewide population. Median age figures and projections for the 15- and 22.5-minute drive time areas are about one to five years higher, respectively, than figures and projections for the five minute drive time area and the Michigan population, with the highest figures shown at the 22.5-minute drive time level.

Demographic Snapshot	Downtown Hart Drive Time Areas			State of Michigan
	5 Minutes	15 Minutes	22.5 Minutes	
Population				
2000 Census	2,230	8,612	17,097	9,938,444
2010 Census	2,403	8,599	16,789	9,883,640
Change: 2000 - 2010	+7.8%	-0.2%	-1.8%	-0.6%
2011 Estimate	2,352	8,460	16,600	9,854,732
2016 Projection	2,287	8,234	16,248	9,801,082
Change: 2011-2016	-2.8%	-2.7%	-2.1%	-0.5%
Households				
2000 Census	872	3,093	6,253	3,785,661
2010 Census	876	3,139	6,473	3,872,508
Change: 2000 - 2010	0.5%	+1.5%	+3.5%	+2.3%
2011 Estimate	857	3,086	6,399	3,861,085
2016 Projection	829	3,014	6,317	3,864,336
Change: 2011-2016	-3.3%	-2.3%	-1.3%	+0.1%
Median Age				
2010 Census	38.1	40.0	42.9	38.8
2011 Estimate	38.4	40.3	43.1	38.9
2016 Projection	39.3	41.3	44.5	39.4

Source: ESRI – Compiled from Census 2010 Summary Profile; and Demographic and Income Profile (2011 Data) Report.

Lifestyle Profile

The ESRI Community Tapestry segmentation system classifies U.S. neighborhoods by 65 market segments using proven methodology introduced more than 30 years ago by the ACORN segmentation system. Segmentation and geodemographic systems are stable and reliable because the characteristics that define a neighborhood change slowly. The stability of a neighborhood comes from its fixed features: location, housing, transportation, schools, places of worship, and employment. Self-organization and self-perpetuation also figure into the stability of a neighborhood, patterns which we refer to as "keeping up with the Joneses."

U.S. consumer markets are different and diverse. Capturing the essence of each market to characterize those differences requires sorting the most accurate and powerful data available using a wide array of attributes. Each neighborhood is analyzed and sorted by more than 60 attributes including income, source of income, employment, home value, housing type, occupation, education, household composition, age, and other key determinants of consumer behavior. To capture the subtlety and vibrancy of the U.S. marketplace, data sources include Census 2000, proprietary ESRI BIS demographic updates, the Acxiom InfoBase consumer database, the Mediamark Research Inc. national consumer survey, and other sources.

Comparative View of Drive Time Area Household Segments

The following table shows and compares concentrations of the Tapestry household segments found within each of the downtown Hart drive time areas. The data shows an immediate divergence between the five and fifteen minute drive time areas: while the five minute drive time area is dominated by two Tapestry Segments (Heartland Communities and Hometown), these same segments rank only fourth and fifth, respectively, at the fifteen minute drive time level. The lifestyle profile for trade area households becomes more diverse at the 22.5-minute drive time level, where the Rural Resort Dwellers, Southern Satellites and Salt of the Earth segments, cumulatively, represent more than fifty percent of all drive time households.

Households	**5 Minute Drive Time**			**15 Minute Drive Time**			**22.5 Minute Drive Time**		
Tapestry Segment	Count	Pct.	Rank	Count	Pct.	Rank	Count	Pct.	Rank
50. Heartland Communities	393	43.0%	1	396	12.4%	4	396	6.0%	7
53. Home Town	391	42.8%	2	391	12.2%	5	391	6.0%	8
46. Rooted Rural	115	12.6%	3	724	22.6%	1	807	12.3%	4
25. Salt of the Earth	14	1.6%	4	312	9.7%	7	997	15.2%	3
32. Rustbelt Traditions	0	0.0%	--	490	15.3%	2	504	7.7%	6
31. Rural Resort Dwellers	0	0.0%	--	397	12.4%	3	1,370	20.9%	1
42. Southern Satellites	0	0.0%	--	385	12.0%	6	1,082	16.5%	2
15. Silver and Gold	0	0.0%	--	108	3.4%	8	718	10.9%	5
26. Midland Crowd	0	0.0%	--	2	0.1%	--	192	2.9%	9
37. Prairie Living	0	0.0%	--	0	0.0%	--	108	1.7%	10
Count/Pct of Area	**913**	**100.0%**		**3,205**	**100.0%**		**6,565**	**100.0%**	

Descriptions for the top eight Tapestry segments found within the drive time areas follow. Information on ESRI Tapestry methodology and applications, along with descriptions for Tapestry's 65 segments, are contained in the ESRI Community Tapestry Handbook available for download at http://www.esri.com/library/brochures/pdfs/community-tapestry-handbook.pdf.

Snapshot Descriptions of Prevalent Hart Drive Time Area Tapestry Segments

Segment 15 – Silver and Gold

	5 Minutes	15 Minutes	22.5 Minutes
Drive Time Households : Count – Pct. (Rank)	0 – 0.0% (--)	108 – 3.4% (8)	718 – 10.9% (5)

Demographic

With a median age of 60.1 years, *Silver and Gold* residents are the second oldest of the Tapestry segments. More than 70 percent are aged 55 years or older. Most residents have retired from professional occupations. Half of the households are composed of married couples without children. This segment is small, less than 1 percent of all US households; however, annual household growth is 2.35 percent since 2000. Residents of these neighborhoods are not ethnically diverse; 93 percent of them are white.

Socioeconomic

These are wealthy, educated seniors. Their median household income is $67,806, and their median net worth is $331,108. Fifty-six percent of the households still earn wages or salaries, half collect Social Security benefits, 63 percent receive investment income, and 35 percent collect retirement income. Labor force participation is 44 percent, well below the US level. The percentage of those who work from home is higher than the US worker percentage; nearly one-fourth of employed residents are self-employed, also higher than the US level.

Residential

Their affluence enables them to relocate to sunnier climates. More than 60 percent of these households are in the South, mainly in Florida. One-fourth are located in the West, mainly in California and Arizona. Neighborhoods are exclusive, with a median home value of $274,320 and a home ownership rate of 83 percent. *Silver and Gold* ranks second of the Tapestry segments for the percentage of seasonal housing. Because these seniors have moved to newer single-family homes, they are not living in the homes where they raised their children.

Preferences

Silver and Gold residents have the free time and resources to pursue their interests. They travel domestically and abroad including cruise vacations. They are also interested in home improvement and remodeling projects. Although they own the tools and are interested in home improvement and remodeling projects, they are more likely to contract for remodeling and housecleaning services. Active in their communities, they join civic clubs, participate in local civic issues, and write to newspaper or magazine editors. They prefer to shop by phone from catalogs such as L.L. Bean and Lands' End.

Golf is more a way of life than just a leisure pursuit. They play golf, attend tournaments, and watch The Golf Channel. They also go to horse races, bird watching, saltwater fishing, and power boating. They eat out, attend classical music performances, and relax with a glass of wine. Favorite restaurants include Outback Steakhouse, Cracker Barrel, and Applebee's.

Silver and Gold residents are avid readers of biography and mystery books and watch numerous news programs and news channels such as Fox News and CNN. Favorite non-news programs include detective dramas.

Demographic Traits	
Household Income:	Upper Middle
Median Age:	60.1
Family/Household Type:	Married Couples with No Kids
Housing Style:	Single Family/Seasonal
Employment Levels:	Retired/Professional/Management
Education Levels:	Some College; Bachelor's/Graduate
Ethnic Diversity:	White

Lifestyle Traits

1. Go boating and fishing
2. Own shares in mutual fund (bonds)
3. Attend classical music show/opera
4. Watch Golf Channel
5. Own/Lease luxury car

Segment 25 – Salt of the Earth

	5 Minutes	15 Minutes	22.5 Minutes
Drive Time Households : Count – Pct. (Rank)	14 –1.6% (4)	312 – 9.7% (7)	997 – 15.2% (3)

Demographic

Sixty-five percent of *Salt of the Earth* households are married couples with and without children. Twenty percent of the households are singles who live alone. The average household size of 2.6 people matches the US figure; the average family size of three is below the US value. The median age is 41.8 years. These neighborhoods are the least diverse of the Tapestry segments.

Socioeconomic

Although these residents are older, the labor participation rate is higher than that of the United States, and the unemployment rate of 9.6 percent is lower. They work in professional and managerial positions and unskilled labor jobs. Higher than average proportions work in skilled labor occupations. Approximately 20 percent of the workers are employed in the manufacturing sector. The median household income of $50,406, slightly lower than the US figure. At higher than national rates, residents supplement their wages with income from interest, dividends, rental properties, self-employment businesses, retirement plans, and Social Security benefits. The median net worth is $104,721. Forty-one percent of the residents aged 25 years and older have attended college; 15 percent have earned a bachelor's or graduate degree.

Residential

Although these neighborhoods are found in rural areas across the United States, nearly half are in the Midwest, with concentrations in Pennsylvania, Ohio, Indiana, and Michigan. The other half are in the South and Northeast. Eighty-four percent of the residents own their homes; the median home value is $124,189. Most of the housing is single family; 12 percent are mobile homes. Twenty-two percent of the homes were built before 1940.

Preferences

Salt of the Earth residents are settled, traditional, and hardworking. Independent and self-reliant, they tackle small home improvement and remodeling projects. They spend money and time on their flower and vegetable gardens and own the necessary tools to handle these chores successfully. Twenty-eight percent of the households own three or more vehicles including a truck; many own a motorcycle. One of Tapestry Segmentation's top segments for owning or leasing multiple vehicles, these residents prefer domestic vehicles and do their own maintenance. Most of them carry insurance policies to protect themselves and their families. They invest in annuities, certificates of deposit, and US savings bonds. Many families own two or more pets, either dogs or cats.

They eat out at family restaurants such as Bob Evans Farms or Cracker Barrel. Satisfying their sweet tooth, they often bake goodies at home. They go fishing, hunting, target shooting, and boating and work out on indoor exercise equipment such as stationary bikes and treadmills. They read fishing and hunting magazines. They listen to country music radio and follow NASCAR racing. Many households own a satellite dish so they can watch CMT and the Speed Channel. Favorite TV programs include auto racing, horse racing, truck and tractor pulls/mud racing, and weekly sitcoms.

Demographic Traits	
Household Income:	Middle
Median Age:	41.8
Family/Household Type:	Married Couple Families
Housing Style:	Single Family
Employment Levels:	Skilled/Professional/Management
Education Levels:	High School Grad; Some College
Ethnic Diversity:	White

Lifestyle Traits

1. Gardening, outdoor projects
2. Own CD longer than 6 months
3. Go hunting, target shooting
4. Watch CMT
5. Own a motorcycle

Segment 31 – Rural Resort Dwellers

	5 Minutes	15 Minutes	22.5 Minutes
Drive Time Households : Count – Pct. (Rank)	0 – 0.0% (--)	397 – 12.4% (3)	1,370 – 20.9% (1)

Demographic

These neighborhoods are found in pastoral settings in rural nonfarm areas throughout the United States. Household types include empty-nester married couples, singles, and married couples with children. The median age is 47.6 years; more than half are aged 55 and older. Most residents are white in these low-diversity neighborhoods.

Socioeconomic

Although retirement beckons, most of these residents still work. The median household income is $47,120, slightly below the US level. Six percent of those who are employed work at home, twice the US rate. Because so many residents are aged 65 and older, receipt of retirement income and Social Security benefits is common. More than two-fifths collect investment income; approximately 20 percent receive self-employment income. Nearly one in four residents aged 25 years and older holds a bachelor's or graduate degree; half of the residents have attended college. The median net worth is $104,741, slightly below the US median.

Residential

The number of households in these small, low-density neighborhoods is growing at 1.5 percent annually. Seventy-eight percent of the housing is single-family structures; 15 percent is mobile homes. Home ownership is at 81 percent; the median home value is $181,197. Of the Tapestry segments, *Rural Resort Dwellers* has the highest percentage of seasonal housing, 16 times higher than the national level.

Preferences

These residents live modestly and have simple tastes. They often work on home improvement and remodeling projects and own garden equipment to maintain their yards. They cook and bake at home. Many households own multiple pets, particularly dogs and cats. Riding lawn mowers and satellite dishes are familiar sights in these areas, along with multiple vehicles, including a truck.

Active participants in local civic issues, residents also belong to environmental groups, church and charitable organizations, fraternal orders, unions, and veterans' clubs. They go hiking, boating, canoeing, hunting, fishing, horseback riding, and golfing. They listen to country radio and watch Animal Planet, CMT, BBC America, the National Geographic Channel, and primetime dramas on TV. The older residents focus on their general health care, prescription medications, and financial- and retirement-related matters. Many residents actively manage or plan their investments and retirement savings. The self-employed residents are more likely to have IRAs than 401(k) plans.

Demographic Traits	
Household Income:	Middle
Median Age:	47.6
Family/Household Type:	Married Couple w/No Kids
Housing Style:	Single Family: Mobile Home/Seasonal
Employment Levels:	Professional/Management/Skilled/Service
Education Levels:	Some College
Ethnic Diversity:	White

Lifestyle Traits

1. Do woodwork and furniture refinishing
2. Have overdraft protection
3. Do target shooting
4. Watch Rodeo/bull riding on TV
5. Own an ATV/UTV

Segment 32 – Rustbelt Traditions

	5 Minutes	15 Minutes	22.5 Minutes
Drive Time Households : Count – Pct. (Rank)	0 – 0.0% (--)	490 – 15.3% (2)	504 – 7.7% (6)

Demographic

These neighborhoods are primarily a mix of married-couple families, single parents, and singles who live alone. With a population of 8.4 million, this segment is one of Tapestry Segmentation's largest. The median age is 36.7 years, just below the US median. There is little diversity in these communities.

Socioeconomic

The median household income is $51,378, slightly below that of the US median. Half of the employed residents work in white-collar jobs. For years, these residents sustained the manufacturing industry that drove local economies. Now, the service industry predominates, followed by manufacturing and retail trade. The median net worth is $82,469. Their education attainment is improving; more than 84 percent of residents aged 25 years and older have graduated from high school, 15 percent hold a bachelor's or graduate degree, and 44 percent have attended college.

Residential

The backbone of older industrial cities in the Great Lakes border states, residents of these neighborhoods live in modest, single-family homes. Home ownership is 72 percent. The relatively low median home value of $94,696 is because nearly two-thirds of the housing was built before 1960.

Preferences

These residents stick close to home; for years, they've lived, worked, shopped, and played in the same area. Not tempted by fads, they stick to familiar products and services. They drive domestic cars. They will spend money on their families, yard maintenance, and home improvements. They will hire contractors for special projects such as the installation of roofing, carpet, and flooring.

These financially conservative residents prefer to bank at a credit union and have personal savings. They might carry a personal loan and hold low-value life and homeowner's insurance policies. They're frugal and shop for bargains at Sam's Club, JCPenney, and Kmart. They go online weekly to play games and shop.

They go bowling, fishing, and hunting and attend car races, country music shows, and ice hockey games. They're big TV fans; they watch sitcoms and sports events. They also subscribe to cable and watch it regularly. Favorite channels are truTV, the Game Show Network, and the Disney Channel.

Demographic Traits	
Household Income:	Middle
Median Age:	36.7
Family/Household Type:	Mixed
Housing Style:	Single Family
Employment Levels:	Skilled/Professional/Management/Service
Education Levels:	High School Grad; Some College
Ethnic Diversity:	White

Lifestyle Traits

1. Buy children and baby products
2. Use credit union
3. Do painting, drawing
4. Watch Cable TV
5. Own/Lease Domestic Vehicle

Segment 42 – Southern Satellites

	5 Minutes	15 Minutes	22.5 Minutes
Drive Time Households : Count – Pct. (Rank)	0 – 0.0% (--)	385 – 12.0% (6)	1,082 – 16.5% (2)

Demographic

Found primarily in the rural South, *Southern Satellites* households consist of married couples with and without children; 22 percent are singles. The median age of 38.5 years is near the US median of 37. This segment has low diversity; 87 percent of the residents are white.

Socioeconomic

The median household income is $39,720; the median net worth is $52,671. Sixty percent participate in the labor force, slightly below the US percentage. Most households earn income from wages and salaries; 28 percent receive Social Security benefits. The manufacturing and service industry sectors provide most of their jobs. Educational attainment is lower than the national level; 16 percent of residents aged 25 years and older have not graduated from high school.

Residential

Eighty percent of these households are in the South. Primary housing types in these neighborhoods are newer single-family dwellings for two-thirds of the households; 30 percent live in mobile homes. The home ownership rate is 81 percent; the median home value is $86,547. Nearly two-thirds of the housing was built after 1969. Vacancy rates are slightly above average.

Preferences

These rural residents enjoy country life. Fishing and hunting are two favorite leisure activities, and *Southern Satellites* residents spend money for magazines, clothes, and gear related to these interests. Because cable is not always available, many residents own satellite dishes.

Many own pets. They work in their vegetable gardens and might own equipment such as riding mowers and tillers to help with outdoor chores. Most households have two or more vehicles to meet their transportation needs; they prefer domestic cars, and many drive trucks.

They consider themselves to be politically conservative. They read newspapers and magazines infrequently; however, they listen to country radio and watch fishing programs, NASCAR races, and country music programs on TV. Owning personal computers and going online from home isn't important to these residents.

Demographic Traits	
Household Income:	Lower Middle
Median Age:	38.5
Family/Household Type:	Married-couple Families
Housing Style:	Single Family; Mobile Home
Employment Levels:	Skilled
Education Levels:	No HS Diploma; High School Graduate
Ethnic Diversity:	White

Lifestyle Traits

1. Shop at Wal-Mart
2. Use full-service bank
3. Do gardening, go hunting
4. Listen to country music
5. Own/Lease truck

Segment 46 – Rooted Rural

	5 Minutes	15 Minutes	22.5 Minutes
Drive Time Households : Count – Pct. (Rank)	115 – 12.6% (3)	724 – 22.6% (1)	807 – 12.3% (4)

Demographic

The population of the *Rooted Rural* segment is slightly older, with a median age of 42.6 years; 50 percent are older than age 55. Married-couple families dominate these rural neighborhoods; however, 23 percent are singles who live alone. More of the married-couple families are empty nesters than those who have children. There is little ethnic diversity in the *Rooted Rural* segment; almost 90 percent of the residents are white.

Socioeconomic

The median household income for this segment is $37,952; the median net worth is $60,202. The labor force participation of 56 percent is below the national level. One-third of the households receive Social Security benefits. Although the agricultural industry is more prominent in this market than at the US level, many employed residents work in the service and manufacturing industry sectors. More than three in four people aged 25 or more have graduated from high school; 12 percent hold a bachelor's or graduate degree.

Residential

Although *Rooted Rural* neighborhoods are located in rural areas throughout the country, more than three-fifths of the households are found in the South. Housing types include single-family dwellings (70 percent of households) and mobile homes (26 percent). Home ownership is at 81 percent; the median home value is $95,084. Most of the housing units were built after 1970. A higher proportion of seasonal housing contributes to higher vacancy rates in these neighborhoods. Local residents tend to move infrequently.

Preferences

Rooted Rural residents are do-it-yourselfers. These settled families take pride in their homes and keep busy with home improvement and remodeling projects. They also take pride in their gardens, regularly buying lawn and garden insecticides, flower and vegetable seeds, and plants. Typical of their rural lifestyle, many have a lawn or garden tractor and ATVs and own an assortment of tools. They prefer domestic vehicles; most households own or lease a truck. Typically, a household member handles vehicle maintenance. Many homes have pets.

When families eat out, they prefer Ryan's Family Steakhouse, but they generally prepare meals at home with fresh vegetables from their gardens. Many homes own a separate freezer to store their produce. They shop for groceries and buy their favorite Folger's coffee at Winn-Dixie, Piggly Wiggly., or a Wal-Mart Supercenter.

They hunt, fish, ride horseback, attend country music concerts, and go to car races. They read hunting and fishing magazines and listen to country music and auto racing on the radio. Many have a satellite dish so they can watch rodeo/bull riding, truck and tractor pulls, reality TV, auto races, and fishing programs as well as a variety of shows on CMT.

Demographic Traits	
Household Income:	Lower Middle
Median Age:	42.6
Family/Household Type:	Married-Couple Families
Housing Style:	Single Family; Mobile Home
Employment Levels:	Skilled/Professional/Management/Service
Education Levels:	No HS Diploma; High School Grad
Ethnic Diversity:	White

Lifestyle Traits

1. Own dog(s)
2. Use full-service bank
3. Go hunting, fishing, horseback riding
4. Watch rodeos/tractor pulls on TV
5. Own ATV/UTV

Segment 50 – Heartland Communities

	5 Minutes	15 Minutes	22.5 Minutes
Drive Time Households : Count – Pct. (Rank)	393 – 43.0% (1)	396 – 12.4% (4)	396 – 6.0% (7)

Demographic

Young singles who live alone and married-couple families dominate the *Great Expectations* market, although all household types are represented. The median age is 33.3 years. Some residents are just beginning their careers or family lives. Compared to the US figures, this segment has a higher proportion of residents who are in their 20s and a higher proportion of householders younger than 35 years. The ethnic diversity and racial composition of this segment are similar to US levels.

Socioeconomic

The median household income of $40,243 and the median net worth of $21,548 are lower than the US values. Nearly half of the population aged 25 years and older has some postsecondary education; 18 percent hold a bachelor's or graduate degree. Labor force participation rate is 66 percent; most of the jobs come from the manufacturing, retail, and service industry sectors.

Residential

Great Expectations neighborhoods are located throughout the country, with higher proportions in the Midwest and South. Half own their homes; half rent. More than half of the households are single-family dwellings; approximately 40 percent are apartments in low- or mid-rise buildings. The median home value is $100,315. Most of the housing units in these older suburban neighborhoods were built before 1960.

Preferences

Great Expectations homeowners are not afraid to tackle smaller maintenance and remodeling projects, but they also enjoy a young and active lifestyle. They go out to dinner and to the movies. They do most of their grocery shopping at Wal-Mart Supercenters, Aldi, and Shop 'n Save. They throw Frisbees; play softball and pool; go canoeing; watch horror, science fiction, and drama films on DVD; and listen to country music, classic rock, and sports on the radio. They watch dramas, auto racing, and the evening news on TV. They occasionally eat at Arby's and Dairy Queen. They shop at major discount and department stores. They rarely travel. Focused on starting their careers, they're not investing for their retirement years.

Demographic Traits	
Household Income:	Lower-Middle
Median Age:	33.3
Family/Household Type:	Couples; Singles
Housing Style:	Single Family; Apartments
Employment Levels:	Manufacturing/Retail/Service
Education Levels:	College
Ethnic Diversity:	Similar to US

Lifestyle Traits

1. Young & Active Lifestyle
2. Watch horror/sci-fi/drama
3. Eat out, go out to movies
4. Rarely travel
5. Career focused

Segment 53 – Home Town

	5 Minutes	15 Minutes	22.5 Minutes
Drive Time Households : Count – Pct. (Rank)	391 – 42.8% (2)	391 – 12.2% (5)	391 – 6.0% (8)

Demographic

Home Town households are a mix of married-couple families, singles who live alone, and single-parent families. With a median age of 34.5 years, this is a slightly younger market than the United States as a whole. However, one in three is aged 65 years or older. Many families encompass two generations who have lived and worked in the community; their children plan to do the same. Seventy-two percent of the residents are white; 15 percent are black.

Socioeconomic

The median household income is $33,823; the median net worth is $20,574. Although 73 percent of households derive income from wages and salaries, some rely on Supplemental Security Income and public assistance for support. The manufacturing, retail trade, and service industry sectors are the primary sources of employment for these residents. Unemployment in this segment is 14.9 percent. Overall, educational attainment is lower for *Home Town* than for the United States. Only 8 percent hold a bachelor's or graduate degree; 31 percent have attended college.

Residential

Change is rare in these low-density, settled neighborhoods, located primarily in the Midwest and South. *Home Town* residents may move from one house to another, but they seldom cross the county line. Seventy-three percent of homes are single-family dwellings, and 11 percent are two- to four-unit structures. Home ownership is at 58 percent; the median home value is $63,863. The average gross rent is two-thirds of the US average. Because the population in these neighborhoods hardly grows, new construction is scarce. Most of the housing was built before 1970.

Preferences

Home Town residents savor their quasi-country lifestyle by spending time outdoors fishing and playing football. Indoors, they play video games or watch TV favorites such as courtroom programs, wrestling, or reality shows. Internet access and cell phone use are less important here than in other markets.

They shop for groceries at Kroger, Aldi, and Wal-Mart Supercenters. They buy clothes at discount department stores such as Wal-Mart and Kmart, typically located in small local malls. When they eat out, they go to Bob Evans and Ryan's family restaurants or fast-food places.

Demographic Traits	
Household Income:	Lower Middle
Median Age:	34.5
Family/Household Type:	Mixed
Housing Style:	Single Family
Employment Levels:	Skilled/Service
Education Levels:	No HS Diploma; High School Grad
Ethnic Diversity:	White

Lifestyle Traits

1. Play football, go fishing
2. Have personal education loan
3. Attend country music performance
4. Watch syndicated TV
5. Own/Lease domestic vehicle

Retail Market Performance

ESRI's Retail MarketPlace data provides a direct comparison between retail sales and consumer spending by industry. To capture a snapshot of an area's retail market place, the leakage and surplus factor summarizes the relationship between supply (retail sales by businesses) and demand (consumer spending by household). Deviations from potential sales may reveal areas of opportunity in the trade area's retail sectors, keeping in mind any extenuating circumstances that may be driving the results.

ESRI uses the North American Industry Classification System (NAICS) to classify businesses by their primary type of economic activity. Retail establishments are classified into 27 industry groups within Retail Trade sector, and four industry groups within the Food Services & Drinking Establishments subsector. To estimate sales, the Retail MarketPlace database combines a number of data sources, including

- Census Bureau's Census of Retail Trade (CRT)
- Census Bureau's Nonemployer Statistics (NES)
- ESRI's demographic data
- *info*USA's business database
- Bureau of Labor Statistics

All estimates of actual sales (supply) reflect current dollars derived from receipts of businesses primarily engaged in selling merchandise. Potential sales (demand) is estimated by using ESRI's consumer spending data which provides estimated expenditures for more than 700 products and services that are consumed by U.S. households. The estimate of a trade area's demand is based upon estimated expenditures by households within the trade area.

Leakage within a specified trade area represents a condition where supply is less than demand. Retailers outside of the trade area are fulfilling demand for retail products. Surplus within a specified trade area represents a condition where supply exceeds the area's demand. Thus retailers are attracting customers that reside outside the trade area.

Sales Surplus and Leakage Estimates

Total Retail Trade and Food & Drink estimates for the drive times show sales surpluses ranging from approximately $2.3 million for the fifteen minute drive time to $17.1 million for the five minute drive time, while the 22.5-minute drive time shows overall sales leakage of approximately $17.1 million. The estimates, particularly for the five minute drive time, are suggestive of a local retail sector with strong pull, and further suggest that businesses in the five minute drive time area – largely representative of those located within Hart's municipal boundaries – are effectively capturing sales from residents located outside the five minute drive time areas. The figures are also likely driven by spending of visitors, seasonal residents and migrant workers.

ESRI Sales Surplus and Leakage Estimates	**5 Minutes**	**15 Minutes**	**22.5 Minutes**
NAICS Code: Business Description	Surplus/(Leakage)	Surplus/(Leakage)	Surplus/(Leakage)
Total Retail Trade and Food & Drink (NAICS 44 – 45, 722)	$17,095,153	$2,292,711	($17,066,013)
Total Retail Trade (NAICS 44 – 45)	$17,998,851	$6,619,413	($7,060,955)
Total Food & Drink (NAICS 722)	($903,698)	($4,326,702)	($10,005,058)

Drive time estimates show sales surpluses in Total Retail Trade estimated at about $18 million and $6.6 million in the five and fifteen minute drive time areas, respectively; and sales leakage of more than $7 million for the 22.5-minute drive time area. Estimates for Food & Drink sector sales, in comparison to projected demand, show sales leakage occurring at all drive time levels ranging from about $900,000 in the five minute drive time to more than $10 million in the 22.5-minute drive time.

The following table presents a detail of sales surplus and leakage estimates for 27 industry groups in the Retail Trade sector and for the four industry groups within the Food Services & Drinking Places subsector for the Downtown Hart drive time markets.

Downtown Hart • ESRI Retail MarketPlace Report Summary | Sales Surplus and Leakage Estimates

	5 Minutes	15 Minutes	22.5 Minutes
NAICS Code: Business Description	Surplus/(Leakage) Estimate	Surplus/(Leakage) Estimate	Surplus/(Leakage) Estimate
Total Retail Trade and Food & Drink (NAICS 44 – 45, 722)	$17,095,153	$2,292,711	($17,066,013)
Total Retail Trade (NAICS 44 – 45)	$17,998,851	$6,619,413	($7,060,955)
Total Food & Drink (NAICS 722)	($903,698)	($4,326,702)	($10,005,058)
441: Motor Vehicle & Parts Dealers	($1,344,223)	($8,982,914)	($17,789,121)
4411: Automobile Dealers	($1,282,889)	($8,859,442)	($16,959,858)
4412: Other Motor Vehicle Dealers	($173,914)	($547,044)	($835,848)
4413: Auto Parts, Accessories, and Tire Stores	$112,581	$423,572	$6,585
442: Furniture & Home Furnishings Stores	$472,883	($5,625)	($479,803)
4421: Furniture Stores	$281,139	($293,247)	($970,544)
4422: Home Furnishings Stores	$191,745	$287,620	$490,742
443/4431: Electronics & Appliance Stores	($1,927)	($817,346)	($2,317,832)
444: Bldg Materials, Garden Equip. & Supply Stores	$53,106	($798,507)	($2,101,919)
4441: Building Material and Supplies Dealers	($123,568)	($724,631)	($2,055,497)
4442: Lawn and Garden Equipment and Supplies Stores	$176,674	($73,875)	($46,422)
445: Food & Beverage Stores	$7,528,197	$4,346,428	($3,287,846)
4451: Grocery Stores	$8,099,790	$5,974,932	($810,786)
4452: Specialty Food Stores	($537,821)	($1,522,530)	($2,495,209)
4453: Beer, Wine, and Liquor Stores	($33,773)	($105,975)	$18,149
446/4461: Health & Personal Care Stores	$1,279,062	$879,461	($1,785,162)
447/4471: Gasoline Stations	$1,827,911	$1,603,506	$15,713,878
448: Clothing and Clothing Accessories Stores	($493,055)	$2,096,725	$1,394,445
4481: Clothing Stores	($391,758)	($1,469,024)	($2,103,526)
4482: Shoe Stores	($4,443)	($17,889)	($61,770)
4483: Jewelry, Luggage, and Leather Goods Stores	($96,853)	$3,583,638	$3,559,741

— See data sources and notes on page 19.

Downtown Hart • ESRI Retail MarketPlace Report Summary | Sales Surplus and Leakage Estimates

Summary | ESRI Sales Surplus & Leakage Estimates	5 Minutes	15 Minutes	22.5 Minutes
NAICS Code: Business Description	Surplus/(Leakage) Estimate	Surplus/(Leakage) Estimate	Surplus/(Leakage) Estimate
451: Sporting Goods, Hobby, Book, and Music Stores	($83,150)	($496,840)	($720,089)
4511: Sporting Goods/Hobby/Musical Instrument Stores	($82,284)	($493,435)	($701,807)
4512: Book, Periodical, and Music Stores	($866)	($3,405)	($18,282)
452: General Merchandise Stores	$9,073,813	$9,833,746	$4,577,396
4521: Department Stores (Excluding Leased Depts.)	($402,315)	($751,931)	($3,291,512)
4529: Other General Merchandise Stores	$9,476,128	$10,585,677	$7,868,908
453: Miscellaneous Store Retailers	($259,796)	($1,277,042)	($95,435)
4531: Florists	$14,619	$12,932	$767
4532: Office Supplies, Stationery, and Gift Stores	($101,334)	($379,397)	($544,539)
4533: Used Merchandise Stores	$27,551	$4,673	($22,030)
4539: Other Miscellaneous Store Retailers	($200,631)	($915,249)	$470,369
454: Nonstore Retailers	($53,970)	$237,820	($169,467)
4541: Electronic Shopping and Mail-Order Houses	($1,231)	($5,054)	($128,617)
4542: Vending Machine Operators	($3,196)	$246,030	$84,008
4543: Direct Selling Establishments	($49,544)	($3,157)	($124,858)
722: Food Services & Drinking Places	($903,698)	($4,326,702)	($10,005,058)
7221: Full-Service Restaurants	($425,622)	($3,265,443)	($6,993,299)
7222: Limited-Service Eating Places	($282,258)	($615,969)	($2,317,332)
7223: Special Food Services	($69,061)	($228,503)	($367,778)
7224: Drinking Places (Alcoholic Beverages)	($126,756)	($216,789)	($326,649)

Data Source: ESRI Retail MarketPlace Profile, 2010.

Data Note: The polarity of surplus/leakage estimates shown in this report (as compared to those shown in the original ESRI reports) have been reversed to show a surplus as a positive value, and to show a leakage as a negative value. The Retail Gap (Sales Surplus/Leakage) represents the difference between Retail Potential and Retail Sales. A positive value represents a surplus in retail sales, often indicating a market where customers are drawn in from outside the defined trade area.

Community Participation

The process behind the completion of this study was orchestrated to provide opportunities for Hart area residents and business persons to provide ideas and input that form the basis for this study's findings and directions for downtown economic development and enhancement strategies. Public participation opportunities included:

- The performance of a consumer survey conducted as an online survey and as an intercept survey performed at various locations in the downtown Hart area. A total sample of 189 consumer survey questionnaires was compiled.
- The performance of a business survey completed by 41 downtown Hart businesses.
- Focus groups, conducted with a variety of Hart area business and consumer groups
- An open invitation Town Meeting & Workshop

Following is a categorized, capsule summary of key results and findings relevant to downtown redevelopment and revitalization topics and initiatives explored throughout the course of this study.

Market Region

Local Hart residents, as well as residents from throughout the county, are an important part of the downtown Hart economy and efforts geared toward enhancing day-visitor related attractions in the downtown stand to benefit area businesses. The "pull" of downtown Hart as a county-wide or regional destination is evident in survey respondent origin results, with 46% of intercept survey respondents identifying a non-Hart Zip Code.

Q1. In what Zip Code is your residence located?						
Zip Code - Residence	**Intercept Sample**		**Online Sample**		**Total Sample**	
49420 – Hart, MI	31	54.4%	78	59.5%	109	58.0%
49436 – Mears/Silver Lake, MI	4	7.0%	14	10.7%	18	9.6%
49455 – Shelby, MI	8	14.0%	8	6.1%	16	8.5%
49449 – Pentwater, MI	1	1.8%	8	6.1%	9	4.8%
49446 – New Era, MI	3	5.3%	3	2.3%	6	3.2%
Other (20 other unique)	10	17.5%	20	15.3%	30	16.0%
Total	**57**	**100.0%**	**131**	**100.0%**	**188**	**100.0%**

Hart businesses very clearly appear to recognize the critical role that Hart and Hart area residents play in the sustainability of the downtown economy, with 95% of business survey respondents identifying "local/regional Hart residents" as their primary customer base. The findings are somewhat consistent with consumer intercept survey results that show more than 75% of respondents indicated that they live less than ten miles from the downtown Hart district. Approximately 46% of intercept survey respondents indicated they live less than 5 miles from the downtown district, almost 24% indicated they live more than ten miles from the downtown district, and 18% reported they work in downtown Hart.

Q2. How far is your residence located from downtown Hart?						
Distance - Residence	**Intercept Sample**		**Online Sample**		**Total Sample**	
A. I live downtown	6	10.3%	25	19.4%	31	16.6%
B. Less than 5 miles	21	36.2%	47	36.4%	68	36.4%
C. 5 to 10 miles	17	29.3%	30	23.3%	47	25.1%
D. More than 10 miles	14	24.1%	27	20.9%	41	21.9%
Total	**58**	**100.0%**	**129**	**100.0%**	**187**	**100.0%**

Attraction

Consumer survey results show deviations in the usage patterns of downtown by online survey respondents (those who may or may not be using the downtown) and intercept survey respondents (who are known to be using the downtown). Online survey respondents visit the downtown area more frequently to do errands or business at an office or service provider, while intercept survey show a higher frequency of visits for shopping and eating, drinking and entertainment purposes.

OS4/IS5. How often do you (go/come) to downtown Hart to do errands and/or business at an office or other service provider?						
Frequency – Errands, Office, Service Provider	**Intercept Sample**		**Online Sample**		**Total Sample**	
A. Daily	12	21.1%	34	26.4%	46	24.7%
B. 1 or 2 times per week	26	45.6%	62	48.1%	88	47.3%
C. 1 or 2 times per month	10	17.5%	23	17.8%	33	17.7%
D. 1 or 2 times per year	3	5.3%	8	6.2%	11	5.9%
E. Seldom or never	6	10.5%	2	1.6%	8	4.3%
Total	**57**	**100.0%**	**129**	**100.0%**	**186**	**100.0%**

OS5/IS6. How often do you (go/come) to downtown Hart for eating, drinking and/or entertainment?						
Frequency – Eating, Drinking & Entertainment	**Intercept Sample**		**Online Sample**		**Total Sample**	
A. Daily	9	15.8%	6	4.7%	15	8.1%
B. 1 or 2 times per week	15	26.3%	37	28.7%	52	28.0%
C. 1 or 2 times per month	22	38.6%	59	45.7%	81	43.5%
D. 1 or 2 times per year	7	12.3%	17	13.2%	24	12.9%
E. Seldom or never	4	7.0%	10	7.8%	14	7.5%
Total	**57**	**100.0%**	**129**	**100.0%**	**186**	**100.0%**

OS6/IS7. How often do you shop in downtown Hart?						
Frequency – Shopping	**Intercept Sample**		**Online Sample**		**Total Sample**	
A. Daily	4	6.9%	7	5.4%	11	5.9%
B. 1 or 2 times per week	22	37.9%	41	31.8%	63	33.7%
C. 1 or 2 times per month	14	24.1%	46	35.7%	60	32.1%
D. 1 or 2 times per year	6	10.3%	15	11.6%	21	11.2%
E. Seldom or never	12	20.7%	20	15.5%	32	17.1%
Total	**58**	**100.0%**	**129**	**100.0%**	**187**	**100.0%**

Cumulative sample results show survey respondents visit the downtown area most frequently for the purpose of doing errands or business at an office or service provider, with more than 72% of survey respondents indicating they visited the downtown for those purposes at least once a week. About 36% of respondents visit the downtown for eating & drinking, and entertainment purposes on a daily or weekly basis, and approximately 40% indicated they shop in downtown Hart on a daily or weekly basis. The figures are particularly strong for repeat visits, suggesting that downtown businesses have effectively nurtured the existing downtown consumer base to be regular, repeat customers.

The findings could be directly related to business survey results that showed business owners and managers cited "Reputation" and "Customer Service" as top reasons for customers to do business with them. This is reflective of qualities, benefits and client-oriented practices that, as opposed to commodities, are nurtured through time, experience and interaction.

Q.5: Which one of the following best describes the main reason for customers to do business with you?		
Response	**Count**	**Percentage**
A. Selection & variety	2	6.1%
B. Customer service	9	27.3%
C. Convenience	1	3.0%
D. Price of goods & services	4	12.1%
E. Reputation	13	39.4%
F. Other	4	12.1%
TOTAL	**33**	**100.0%**

Survey patterns suggest that the downtown's strength currently lies in its day-to-day attraction as a county-wide or regional hub, its demonstrated ability to attract repeat customers, and the attraction and traffic generated by office and service uses to help sustain the downtown's retail and food service uses. So, too, the frequency of visits for restaurants and eating & drinking establishments is relatively strong and indicative of an existing or evolving niche in the marketplace. The relative strength of the food services cluster, and the attraction of entertainment-oriented events, could also point to opportunities for the expansion of food service and entertainment-oriented uses that will further establish the downtown's destination-oriented position in the market.

Business development strategies should target for expansion and recruitment business types that are compatible with, and could benefit from, traffic generated by existing high-traffic generating service, retail and restaurant business types. Downtown marketing and public relations efforts might seek to expand on the sense of the downtown as *the region's* traditional downtown business district with "real stuff for real people." Such an approach should be designed to nurture a strong sense of downtown Hart identity and Hart brand-loyalty by encouraging cross-marketing efforts through frequent, multi-channel communications that keep local residents apprised of positive changes, available goods and services, and new experiences to be enjoyed in the downtown area.

Media Preferences and Effectiveness

Survey findings on the media preferences of consumers in the Hart area can provide direction for effective business and downtown marketing, promotion and cooperative advertising strategies. The information can also provide direction for communicating news and proposals for changes and improvements in the downtown area.

OS8/IS9. Of the following, which two (2) media and information sources do you use most often to get Hart area news, and information about Hart events and businesses?						
Media Sources	**Intercept Sample**		**Online Sample**		**Total Sample**	
A. Newspaper	46	85.2%	139	73.8%	139	77.2%
B. Shoppers Guide	13	24.1%	28	11.9%	28	15.6%
C. Television	3	5.6%	6	2.4%	6	3.3%
D. AM/FM Radio	8	14.8%	19	8.7%	19	10.6%
E. Yellow Pages	4	7.4%	6	1.6%	6	3.3%
F. Direct Mail	1	1.9%	5	3.2%	5	2.8%
G. Internet Website(s)	4	7.4%	31	21.4%	31	17.2%
H. Email Marketing	1	1.9%	11	7.9%	11	6.1%
I. Social Media (Facebook, Twitter, etc.)	4	7.4%	60	44.4%	60	33.3%
J. Other	4	7.4%	17	10.3%	17	9.4%
K. None	4	7.4%	7	2.4%	7	3.9%

Data Note: Multiple responses allowed. Percentages based number of participants responding to question; percentages do not equal 100%.

***** "Other" responses: Coffee shop; Coffee time; Face-to-face contact with friends/associates; Main Street program; My coworkers who read the paper/word of mouth; OHJ; People; Word of mouth (9).

Newspaper, followed by Shoppers Guide, was cited as the most used media source by intercept survey participants responding to the question, "Of the following, which two media sources do you use most often to get Hart area news and information about Hart events and businesses?" Online survey respondents also selected newspaper most frequently, but were much more likely to cite Social Media as a top media and information source, selected as the second most popular source by 44% of online survey participants (as compared to only 7% on intercept survey respondents).

By comparison, Newspaper (40%) and Direct Mail (25%) were cited most frequently by business survey participants as the media or advertising sources their business found most effective, followed by Yellow Pages (23%).

Downtown Hart Business Survey Q10

Of the following media and direct marketing resources, which two (2) are most effective for your business?

Response	Count	Percentage
A. Newspaper	16	40.0%
B. Shoppers Guide	0	0.0%
C. Television	1	2.5%
D. AM/FM Radio	7	17.5%
E. Yellow Pages	9	22.5%
F. Direct Mail	10	25.0%
G. Internet Website	8	20.0%
H. Email Marketing	3	7.5%
I. Social Media (Facebook, Twitter, etc.)	8	20.0%
J. Other*	10	25.0%
K. None	1	2.5%

Data Note: Multiple responses allowed. Percentages shown based upon number of respondents. Percentages do not total 100%.

* "Other" responses: Word of mouth (4); Word of mouth & referrals; Brochures; Signage; Chamber web; Referrals; Our brand.

The comparison of consumer and business survey media rankings shows some consistencies between media sources that consumers rely on for news and information, and those deemed most effective by downtown business survey respondents, although there are some deviations in the samples. For example, while area consumers indicated that Direct Mail was the very last source of information they rely upon, business survey results ranked it as the second most effective means of marketing and advertising.

Consumers and business owners agree overwhelmingly on their first choice, Newspaper. These results suggest that the local newspaper is well read, and the findings might provide direction for certain downtown businesses and for Hart Main Street as they consider possibilities for reaching new audiences through both individual and cooperative marketing & advertising efforts. Notably, 37% of business survey respondents indicated that they would consider participating in a downtown Hart cooperative advertising or marketing program, suggesting that the timing for a concerted campaign that utilizes and experiments with newspaper and other various media, and especially social media, could be opportune.

Internet Marketing and E-Commerce

The ranking of media preferences demonstrates the growing influence of the Internet and social media applications as a news resource, for researching products and services, and for communicating with clients. The Internet can be a particularly valuable resource for businesses because it provides the potential for businesses to expand their trade area well beyond local or regional geographies. Businesses with collectible, specialty, and custom merchandise lines, in particular, can use the Internet to market to the entire United States or even globally. Even traditional retailers and business carrying "staple" products are reaping benefits as, more and more, consumers use the Internet to "shop and compare" products and services, and then use the Internet – in much the same way previous generations of consumers used the Yellow Pages – as a resource to find a local outlet or vendor where they can make their purchase.

The majority of downtown Hart business survey participants have established a presence on the Internet, with 26 businesses (63.4% of survey respondents) indicating that their business has an Internet website, and 23 businesses (56.1%) indicating that their business has a Facebook page. Eight businesses (20.0%) identified their website as being one of their most effective media or advertising sources.

Downtown Hart's marketing and cooperative advertising efforts should consider how the Internet and various E-commerce, online directories and social media applications might be most effectively used to communicate with consumers and to further downtown promotional goals. The growing popularity of Facebook, for example, as an effective source to communicate with clients is evident in consumer survey results that show more than 33% of all respondents, and 44% of online respondents who currently may or may not be users of the downtown, selected Social Media as one of their top two sources for Hart area news and information.

Business development efforts must also consider how the growing influence of the Internet and E-Commerce might impact local business retention, expansion and recruitment strategies – both positively and negatively. Specialty businesses that otherwise might **not** be sustainable if left to rely exclusively on the local trade area, but that have product lines conducive to E-Commerce, may be candidates for expansion and recruitment. Conversely, consideration must be afforded as to how E-Commerce might pose competition for existing and targeted businesses, and growing trends which see consumers using brick & mortar retailers as merely a showroom to view and touch products, then shopping the same products online and transacting their purchase with online vendors offering the same products at the lowest price.

Competitive Comparison

Consumer survey participants were asked to compare downtown Hart to other places they frequently shop and do business. Based on the frequency of "stronger" responses, downtown Hart's strengths and competitive advantages versus the competition appear to include:

Item/Feature	Percent Rating as "Stronger"
▪ Convenience	49.2%
▪ Customer Service	43.3%
▪ Parking Convenience	36.2%
▪ Cleanliness	36.2%

Based on the frequency of "weaker" responses, downtown Hart's liabilities and competitive disadvantages as perceived by area consumers include:

Item/Feature	Percent Rating as "Weaker"
▪ Selection & Variety	80.9%
▪ Prices & Value	48.3%

Marketing and business development efforts should seek to capitalize on those features already "known" as being strengths and having appeal among trade area consumers, and might also seek to promote and demonstrate downtown features that will help to overcome consumers' negative perceptions.

Business development and marketing strategies should also build on those strengths, positive features and places that the downtown is already associated with and "known for" which, according to focus group participants, include:

- ► Asparagus Festival
- ► Bike trail
- ► Car show
- ► Courthouse/County Seat
- ► Fireworks over the lake
- ► Good place to work
- ► Grocery store/restaurant in back
- ► Gun shop
- ► Hardware store
- ► Hart Lake
- ► Hegg's
- ► La Fiesta
- ► Only stoplight in Oceana County
- ► Safety/Security
- ► Small and "old-timish"

The very best marketing and image enhancement strategies capitalize on strengths to overcome challenges, limitations and negative perceptions. Workshop participants offered the following when asked to list the best things about downtown Hart today:

- Aesthetics
- Business friendly
- Business with regional draw
- Events that are walkable from home
- Friendly people
- Hart Commons
- Hart Lake
- Hart Main Street
- Hometown appeal
- Involvement
- John Gurney park
- Lakefront/Commons area
- Local ownership & involvement
- Parking
- Pretty area – lake, trees
- Rail Trail
- Restaurants – Corner Bakery, La Fiesta
- Revitalization

Downtown Priorities

Consumer and business survey respondents tend to share similar views in considering priorities for possible downtown revitalization efforts. Both groups place a high value on efforts to create incentives for new and expanding businesses in the downtown area – ranked as a "High Priority" by 79% of consumer survey respondents and by 78% of business survey respondents. Efforts to stage additional festivals and special events in the downtown area also received high marks, with 51% of consumer survey respondents and 54% of business survey respondents assigning this item a "High" priority level.

Downtown Hart Consumer Survey OS 11.1 – 11.5/ IS 12.1-12.5 | Downtown Hart Business Survey Q17.1 – Q17.5

Would you place a high, moderate or low priority on possible downtown Hart enhancement efforts to:

	Consumer Survey			Business Survey		
	High	Moderate	Low	High	Moderate	Low
Restore and preserve the downtown Hart's historic character?	42.5% (3)	42.5%	12.3%	42.9% (3)	34.3%	17.1%
Improve wayfinding and directional signage in the downtown and surrounding areas?	25.3% (5)	41.6%	27.5%	38.9% (4)	44.4%	13.9%
Stage additional festivals and special events in the downtown area?	50.8% (2)	35.8%	9.5%	54.1% (2)	37.8%	2.7%
Create incentives for new and expanding businesses in downtown Hart?	78.8% (1)	18.5%	2.2%	77.8% (1)	13.8%	2.8%
Improve and/or create more housing in the downtown area?	27.0% (4)	27.0%	37.6%	29.7% (5)	45.9%	18.9%

Notes: Ranking of "High" value frequency among survey group/items shown in parentheses. "No Opinion" responses omitted from table.

Input regarding priorities for the downtown district generally aligns with suggestions offered by consumer and business survey respondents when asked, "What is the first thing that should be done to improve downtown Hart?" Economic Restructuring initiatives, dominated by business recruitment and business development related topics, were cited most frequently, followed closely by design-oriented subjects and topics.

Downtown Hart Consumer Survey Q OS 13 & IS 14 | Downtown Hart Business Survey Q18

What is the first thing that should be done to improve downtown Hart?

Category/Topic	Consumer Survey		Business Survey	
	Count	Percent	Count	Percent
Category: Economic Restructuring	**65**	**42.2%**	**9**	**32.1%**
– Add/Recruit Business	40	26.0%	3	10.7%
– Business Development - General/Other	17	11.0%	1	3.6%
– Develop/Improve Housing	2	1.3%	1	3.6%
– Programs and Incentives	6	3.9%	3	10.7%
– Other/Undefined	0	0.0%	1	3.6%
Category: Design	**57**	**37.0%**	**10**	**35.7%**
– Building/Façade Improvements	21	13.6%	2	7.1%
– General Appearances/Maintenance/Cleanliness	13	8.4%	2	7.1%
– Other/General/Undefined	3	1.9%	1	3.6%
– Parking and Traffic	5	3.2%	2	7.1%
– Streetscape and Public Spaces	15	9.7%	3	10.7%
Category: Promotion	**17**	**11.0%**	**4**	**14.3%**
– Events and Attractions	11	7.1%	2	7.1%
– Marketing	4	2.6%	2	7.1%
– Store Hours	2	1.3%	0	0.0%
Category: Organization	**0**	**0.0%**	**2**	**7.1%**
Category: Other/Undefined	**15**	**9.7%**	**3**	**10.7%**

Data Note: Summary of most frequent responses, categorized by topic and shown based on frequency.

Business Opportunities

Surveys were among a number of tools used to help identify and gauge the potential for business expansion and recruitment prospects in downtown Hart. The information is helpful in assessing business opportunities and in identifying possible gaps in the downtown business mix.

Consumer survey responses to the open ended question, "What specific types of new business would you patronize in downtown Hart?" could provide additional insight and help to gauge how the trade area might respond to various types of new and expanded business types. The following table displays a categorized listing of suggestions for the most frequently cited business types.

OS7/IS8. What specific type of new business would you patronize in downtown Hart?

Category/Subcategory	Intercept Sample		Online Sample		Total Sample	
Sporting Goods, Hobby, Books and Music	**10**	**23.8%**	**50**	**42.7%**	**60**	**37.7%**
– Books and Music	3	7.1%	16	13.7%	19	11.9%
– Hobbies, Arts & Crafts	1	2.4%	11	9.4%	12	7.5%
– Sporting Goods	6	14.3%	22	18.8%	28	17.6%
– Toys and Games	0	0.0%	1	0.9%	1	0.6%
Eating and Drinking Places	**12**	**28.6%**	**47**	**40.2%**	**59**	**37.1%**
– Drinking Places	1	2.4%	3	2.6%	4	2.5%
– Food Services – Ethnic Cuisine	0	0.0%	5	4.3%	5	3.1%
– Limited Service Eating Places	4	9.5%	15	12.8%	19	11.9%
– Other Food Services	1	2.4%	1	0.9%	2	1.3%
– Restaurants	6	14.3%	23	19.7%	29	18.2%
Clothing and Clothing Accessories	**10**	**23.8%**	**27**	**23.1%**	**37**	**23.3%**
– Clothing - Other/General/Undefined	10	23.8%	22	18.8%	32	20.1%
– Jewelry Stores	0	0.0%	1	0.9%	1	0.6%
– Shoes	0	0.0%	4	3.4%	4	2.5%
Specialty and Miscellaneous Retail	**8**	**19.0%**	**27**	**23.1%**	**35**	**22.0%**
– Cards, Gifts and Stationery	4	9.5%	13	11.1%	17	10.7%
– Florists	0	0.0%	3	2.6%	3	1.9%
– General/Other/Undefined	2	4.8%	2	1.7%	4	2.5%
– Kitchen and Housewares	1	2.4%	1	0.9%	2	1.3%
– Office Supplies	0	0.0%	6	5.1%	6	3.8%
– Pets and Pet Supplies	1	2.4%	2	1.7%	3	1.9%
Food and Beverage Stores	**3**	**7.1%**	**15**	**12.8%**	**18**	**11.3%**
– General/Other/Undefined	0	0.0%	1	0.9%	1	0.6%
– Grocery and Supermarkets	1	2.4%	4	3.4%	5	3.1%
– Natural/Organic/Health Foods	0	0.0%	3	2.6%	3	1.9%
– Specialty Foods	2	4.8%	7	6.0%	9	5.7%

— Continued on page 28; See data notes on page 28.

Continued from previous page

OS7/IS8. What specific type of new business would you patronize in downtown Hart?						
Category/Subcategory	**Intercept Sample**		**Online Sample**		**Total Sample**	
Entertainment and Recreation	**3**	**7.1%**	**14**	**12.0%**	**17**	**10.7%**
– Amusements and Games	2	4.8%	2	1.7%	4	2.5%
– General/Other/Undefined	0	0.0%	5	4.3%	5	3.1%
– Movie Theaters/Theatres	1	2.4%	7	6.0%	8	5.0%
Used Merchandise	**6**	**14.3%**	**7**	**6.0%**	**13**	**8.2%**
– Subcategory: Antiques and Collectibles	3	7.1%	3	2.6%	6	3.8%
– Subcategory: General/Other/Undefined	3	7.1%	4	3.4%	7	4.4%

Data Note: Multiple responses allowed. Percentage based on number of participants responding to question; percentages do not equal 100%. Summary of most frequent responses, categorized and shown based on frequency. Complete list of categorized raw data responses provided as supplemental data.

Focus group participants provided additional perspective for potential business opportunities in their responses to the questions, "What's missing downtown?" and "What type of new or expanded business has the best chance to succeed in downtown Hart?" Examples of relevant responses include:

- Boat rentals
- Books, new and used, with coffee bar
- Books with local artwork and coffee
- Café with music and local talent
- Cheese shop
- Clothes
- Coffee shop with karaoke
- Craft consignment
- Evening activities - families
- Farmer's market
- Gifts
- Hispanic cultural center/activities/events
- Incubator center with related specialty nooks
- Movies
- Oceana store – Starting Block to test products
- Office supplies & business services
- Outfitter, hunting & fishing
- Sewing/Crafts/Scrapbooking
- Sporting goods, hunting, fishing, guns
- Sports equipment
- Teen clothing
- Theater, performances/music
- Tractor supply
- Video games
- Youth "hang out"/social center

Business concepts developed and identified as "top prospects" by work groups at a public workshop held in the course of this study included:

- Floral/Gift shop – floral arrangements, Michigan made or local gifts
- Oceana Made – artisan gifts and foods, year round favorites, locally produced, extend retail year
- Gifts – gifts, kitchen, household
- Small hall for gatherings, small weddings – unique
- Michigan Product Store – Starting Block goods, ag/farm products, goods made in Michigan
- Variety Store – drygoods, fabrics, crafts, office supply

Business Climate

Certain business survey results provide a general indication of the existing business climate in the Hart downtown district and the potential for existing downtown area businesses to expand. Survey findings, along with ESRI data, can provide direction for business retention and expansion efforts, including possibilities for providing business assistance and programs that could catalyze private reinvestment and positive changes in the downtown area. The business survey questionnaire was completed by 41 businesses.

Business Ownership and Tenure

Ownership status and the tenure of businesses in the downtown area provide an indication of the business district's stability, the market's ability to sustain businesses, and the commercial district's appeal as a place for investors and entrepreneurs. The Hart downtown district appears to have a balanced mix of owner- and renter-occupied business locations, with 62.5% of business survey participants indicating that they own their business location.

Seventy-one percent of downtown businesses participating in the survey have existed in the downtown area for ten or more years – a figure that is very high, and could be viewed as an indicator of stability in the downtown business mix, but that also suggests the need for a certain level of succession planning given that 21 businesses (51%) indicated they have been operating for 20 or more years.

Q.3: How long has your business existed in downtown Hart?		
Response	**Count**	**Percentage**
A. Less than 1 year	4	9.8%
B. 1 to 4 years	5	12.2%
C. 5 to 9 years	3	7.3%
D. 10 to 20 years	8	19.5%
E. 20+ years	21	51.2%
TOTAL	**41**	**100.0%**

Results are also suggestive of a downtown that attracts new entrepreneurs and investors as evidenced by the fact that 9 respondents (22%) indicated their business has existed in downtown Hart for 4 years or less.

Potential Business Expansion and Assistance

The retention and expansion of existing businesses is a key to successful downtown business development and recruitment efforts. Business survey results show that 54% of participants ascribe a "high likelihood" or "some likelihood" to the potential for their business to expand within the next one or two years.

Q.11: Which of the following best describes the potential for your business to expand within the next 1 or 2 years?		
Response	**Count**	**Percentage**
A. High likelihood	6	15.4%
B. Some likelihood	15	38.5%
C. Low likelihood	12	30.8%
D. No likelihood	6	15.4%
TOTAL	**39**	**100.0%**

Business survey participants also provide insight on possible changes that could occur within the downtown area and the business mix based on selections from a list of possible changes and modifications. The frequency of businesses indicating plans to expand their business (27%), increase marketing (36%), increase their number of employees (24%), expand store inventory (21%), and start or complete building improvements within the next year or two (45%) are positive economic indicators for downtown Hart. Only two businesses indicated plans to close their business, and two businesses responding indicated plans to sell their business in the next year or two.

Q.12: In the next year or two, do you plan to change or modify your business in any of the following ways?

Response	Count	Percentage
A. Expand your business	9	27.3%
B. Down-size your business	1	3.0%
C. Expand hours of operation	3	9.1%
D. Decrease hours of operation	1	3.0%
E. Increase marketing	12	36.4%
F. Decrease marketing	0	0.0%
G. Expand store inventory	7	21.2%
H. Decrease store inventory	0	0.0%
I. Increase number of employees	8	24.2%
J. Decrease number of employees	0	0.0%
K. Start and/or complete building improvements	15	45.5%
L. Relocate your business in the downtown	1	3.0%
M. Move your business out of the downtown	3	9.1%
N. Sell your business	2	6.1%
O. Close your business	2	6.1%
P. Other	3	9.1%

Data Note: Multiple responses allowed. Percentages shown based on 33 participants responding to question. Percentages do not equal 100%

Direction for possible Hart downtown business assistance and programs that could help to promote positive changes and catalyze investment is provided by business survey respondents indicating whether they would be inclined to use various types of programs and incentives. Forty-six percent of respondents reported an interest in tax credits, 33% of respondents indicated an interest in a low-interest line of credit/payment program, and 29% indicated an interest in free/low-cost building improvement design services.

Q.13: Would you be inclined to use any of the following business programs and incentives?

Response	Count	Percentage
A. Business management consultations	1	4.2%
B. Business marketing consultations	4	16.7%
C. Business assistance seminars	2	8.3%
D. Low-interest line of credit/payment	8	33.3%
E. Low-interest building improvement loans	4	16.7%
F. Tax credits	11	45.8%
G. Free/low-cost building improvement design services	7	29.2%
H. Assistance to sell your building and/or business	4	16.7%
I. Other	3	12.5%

Data Note: Multiple responses allowed. Percentages shown based on 24 participants responding. Percentages do not equal 100%

Complementary Business Opportunities

Business survey participants were provided an opportunity to identify complementary business opportunities for downtown Hart by listing up to three types of new business that, located near them, would help their business generate more revenue. The categorized results are displayed in the following table.

Q.10: What type of new businesses, located in downtown, would help your business and/or have the best chance to succeed in downtown Hart?

Category (Subcategory)	Count	Percent
Category: Specialty and Miscellaneous Retail	**14**	**53.8%**
– Cards, Gifts, Novelties and Stationery	12	46.2%
– Florists	1	3.8%
– Other/Undefined	1	3.8%
Category: Sporting Goods, Hobbies, Books and Music	**9**	**34.6%**
– Books and Music	2	7.7%
– Hobbies, Arts and Crafts	2	7.7%
– Sporting Goods	4	15.4%
– Toys and Games	1	3.8%
Category: Entertainment and Recreation	**8**	**30.8%**
– Attractions and Facilities	4	15.4%
– Festivals and Events	2	7.7%
– Movie Theaters/Theatres	2	7.7%
Category: Clothing and Clothing Accessories	**7**	**26.9%**
– Clothing – General/Other	5	19.2%
– Clothing – Children's	1	3.8%
– Shoes	1	3.8%
Category: Eating and Drinking Places	**7**	**26.9%**
– Delis, Cafes and Grills	2	7.7%
– Limited Service Eating Places	2	7.7%
– Restaurants	3	11.5%
Category: Food and Beverage Stores	**4**	**15.4%**
Category: Retail – General/Other/Undefined	**3**	**11.5%**

Data Notes: Summary of most frequent responses, categorized for tabulation purposes and shown based on frequency. Up to three responses allowed per questionnaire. Percentage based on number of participants answering question; percentages do no total 100%. Raw data listing of responses provided as supplemental data.

Business Mix and Occupancy Levels

The Hart downtown district features a well-balanced business mix that includes general merchandise and specialty retailers, eating & drinking establishments, services businesses, professional offices and civic facilities. A breakdown of the area's business inventory by general business type and estimates of square feet occupancy demonstrates the diverse nature of the business mix and the district's multi-use characteristics.

Summary of Building Space Utilization in Downtown Hart		
Business Type:	**Est. Sq. Ft**	**Pct. Of Area**
Retail - General, Miscellaneous and Specialty	60,222	37.7%
Retail - Food Services & Drinking Places	9,400	5.9%
Subtotal: Retail Uses	**69,622**	**43.6%**
Service	30,276	18.9%
Warehouse/Industrial	7,224	4.5%
Exempt (Government, Museum, Non-profit, etc.)	42,205	26.4%
Residential	884	0.5%
Vacant	9,552	5.9%
Subtotal: Service, Exempt, Vacant & Other Uses	**90,141**	**56.2%**
Estimated Total: Building Sq. Ft. in Downtown Hart	**159,763**	**100.0%**
Data source: Hart Main Street, 2012. Percentages may not total 100% due to rounding.		

Downtown Leasing and Sales Data

Data on downtown leasing rates and sales volume collected through the business survey can provide key economic data that can be shared with potential business prospects and investors considering opportunities in downtown Hart. The data can also be used as a benchmark to measure changes and progress stemming from Hart downtown enhancement and economic development initiatives.

Data on downtown square foot rent expenses is severely limited by the sample size, with only eight businesses providing information on annual rent per square foot expense. Based on the limited sample, results indicate that annual rent per square foot expenses for ground level commercial spaces is most highly concentrated in a range of less than $6 per square foot, not including utilities, with four of the eight businesses responding within this range. Based on the sample, albeit small, median annual rent per square expense is estimated in a range of $5 to $7 per square foot, and average annual rental rates are estimated to range from about $4.89 to $6.67 per square foot, not including utilities. No survey respondents reported an annual rate of more than $10 per square foot. The Economic Restructuring committee should work in the future to collect data on annual square foot rent expenses to benchmark and track the data, and to share with prospective investors and business persons.

Survey results show that annual sales per square foot span the broadest spectrum of ranges, from less than $50 per square foot, to more than $300 per square foot. Based on a sample of 13 businesses responding, annual sales per square foot are concentrated the more than $300 per square foot category, with 5 of 13 businesses reporting in that bracket. Based on the survey sample, median annual sales per square foot are estimated in a range of $200 to $250 per square foot, and average annual sales per square foot for all business types reporting are estimated to lie within a range of $183 to $246 per square foot. Like annual rent per square foot data, sales per square foot data should continue to be collected and tracked in the future to gauge changes in the downtown's business climate and retail performance.

Estimating Retail Market Share and Potential

Estimates of retail trade area potential sales and actual sales from ESRI reports, along with estimates of square feet for various retail business types from the building/business inventory compiled by Hart Main Street, can be analyzed to provide an indication of downtown Hart's current market share. The estimate of market share can be used to assess opportunities for retail strength and growth opportunities.

Potential sales is an estimate of the amount of money that could be spent on retail goods and services by residents within a defined trade area based on the area's income, households, population and other variables. Potential and actual sales estimates for the Retail and Food & Drink categories in the fifteen minute drive time area, as reported in the 2010 ESRI Retail MarketPlace Profile report, are shown in the following table:

ESRI Estimates of Potential and Actual Sales for Retail and Food & Drink – 15 Minute Drive Time Area

Category/NAICS	Potential Sales Estimate	Actual Sales Estimate
Retail (44-45)	$53,529,658	$60,149,071
Food & Drink (772)	$7,243,862	$2,917,160
Total	**$60,773,520**	**$63,066,231**

Estimates based on 2010 data. Actual sales estimate sales to consumers by establishments. Sales to businesses are excluded. Demand (retail potential) represents the expected amount spent by consumers at retail establishments. Supply and demand estimates are in current dollars.

Sources: ESRI Retail MarketPlace Profile Report.

Market share estimates are based on the calculation of estimates for sales per square foot and square feet of commercial space in each category. The estimate of market share uses what could be considered a conservative estimated and blended average of $215 per square foot in annual retail sales based on figures reported by business survey participants. The blended figure recognizes the wide range in sales per square foot that will be generated by different retail and food & drink business types.

An estimate of market share can be calculated by dividing a trade area's potential sales and actual sales by the estimate of sales based on square feet. The calculation of market share for the Hart downtown district uses the estimate of square feet occupied by Retail and Food & Drink establishments based on the building and business inventory compiled by Hart Main Street Program at the time of this study. The estimates used to calculate estimated sales and market share for the fifteen minute drive time area are shown in the following table.

Estimated Market Share of 15 Minute Drive Time Area Potential and Actual Sales

Category	Square Feet (From Inventory)	Estimated Sales (SF x $215)	Est. Share of 15M Potential Sales	Est. Share of 15M Actual Sales
Retail	60,222	$12,947,730	24.2%	21.5%
Food & Drink	9,400	$2,021,000	27.9%	69.3%
Total: Retail, Food & Drink	**69,622**	**$14,968,730**	**24.6%**	**23.7%**

Data Sources: ESRI; Downtown Hart Business Survey (2012); and Hart Main Street.

A comparison of estimates for potential and actual sales in the fifteen minute drive time area indicates that downtown Hart retail establishments are capturing an estimated 24.2% of potential and 21.5% of actual fifteen minute drive time area estimated retail sales. Sales and capture estimates for downtown Hart Food & Drink establishments show downtown establishments capturing an estimated 27.9% and 69.3% of estimated potential and actual sales in the fifteen minute drive time area, respectively. The dramatic difference in estimated market share for potential and actual sales in the Food & Drink category is attributable to substantial sales leakage estimated at more than $4.3 million occurring in Food & Drink category sales in the fifteen minute drive time area. On a positive note, the astounding high rate of capture in Food & Drink sector estimated actual sales, at 69%, is a sure indication of sector strength and the existence of a solid niche.

Estimates of Potential Expansion

The existing strengths of the downtown business mix and its strong performance in the Food & Drink sector are assets that must be capitalized upon as part of a retail growth strategy. The comprehensive downtown enhancement effort being spearheaded by Hart Main Street Program will also play a key role in attracting consumers and, ultimately, increasing the downtown's market share. However, because it will take time to implement some of the key strategies and projects that will make downtown Hart an even more appealing place for consumers and investors, and given current challenges to expansion related to capital markets and other economic trends beyond the control of Hart, a conservative estimate of potential retail expansion may be most appropriate.

A conservative 5-year estimate for Retail and Food & Drink sectors expansion could be based on a goal of increasing the downtown's overall market share of fifteen minute drive time area actual sales by 5% to 10% (about 1% to 2% per year). If the goal of a 5% to 10% five-year rate of increase in fifteen minute drive time area market share were to be achieved, the current market share of actual sales would increase from the current estimate of 23.7% to approximately 24.9% to 26.1%. Using this 5-year local market share increase-based scenario, and based on constant dollars, downtown Hart could potentially support from about 3,400 to 7,000 square feet of new and expanded Retail and Food & Drink uses.

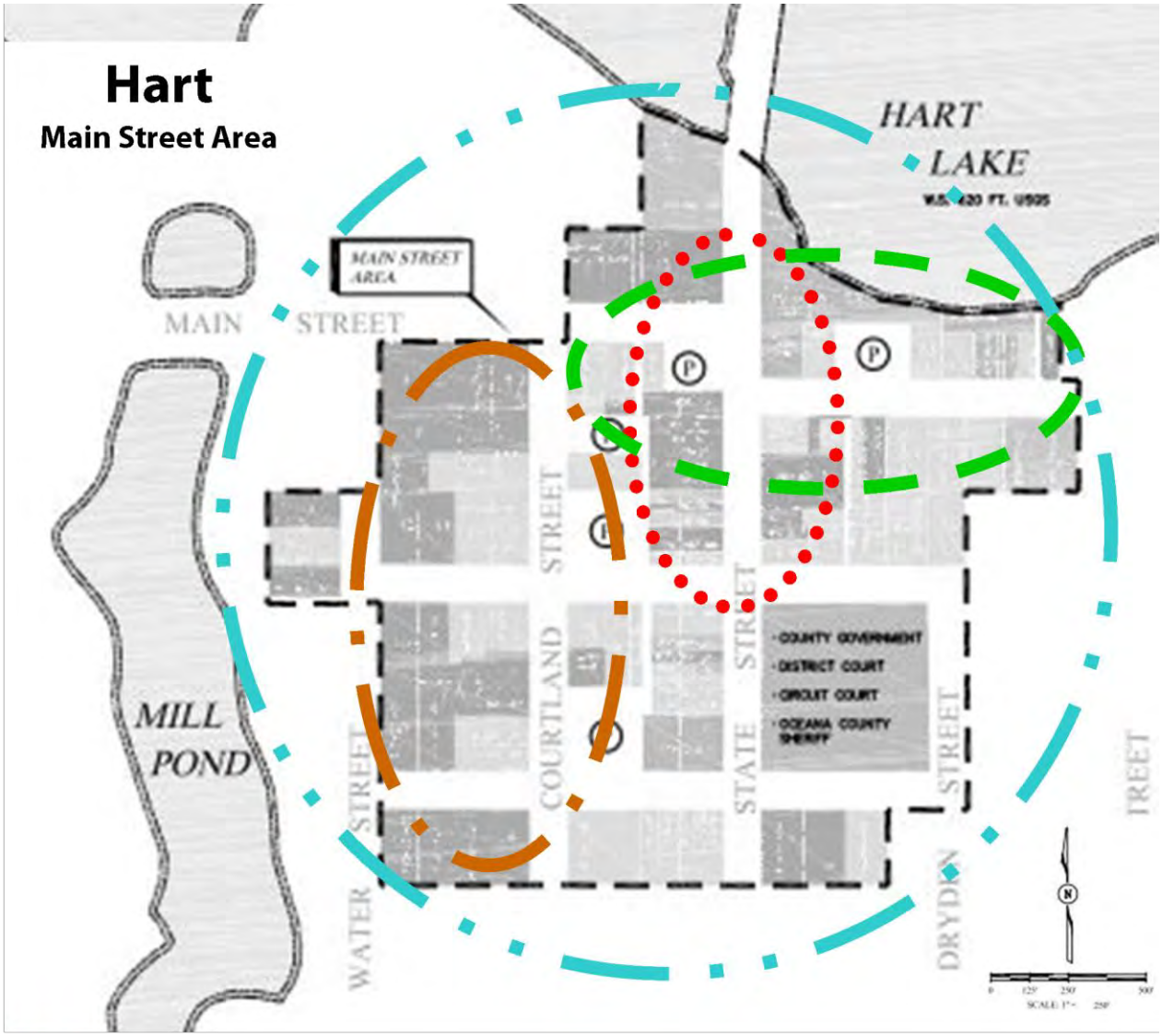
Calculation of Potential Sales Growth and Additional Floor Space at 24.9% Market Share (15M Drive Time)		
2010 Estimate of Actual Sales (Supply) – 15 Minute Drive Time Area	$	63,066,231
Times: Proposed Market Share at 5% Increase		24.9%
Equals: Total Sales Generated	$	15,717,167
Less: Current Sales Estimate	$	14,968,730
Equals: Increase in Sales Generated	**$**	**748,437**
Divided by: Estimated Average of Sales per Square Foot	$	215
Equals: 5-Year Estimate of Additional Floor Space Supported		**3,481**

Calculation of Potential Sales Growth and Additional Floor Space at 26.1% Market Share (15M Drive Time)		
2010 Estimate of Actual Sales (Supply) – 15 Minute Drive Time Area	$	63,066,231
Times: Proposed Market Share at 10% Increase		26.1%
Equals: Total Sales Generated	$	16,465,603
Less: Current Sales Estimate	$	14,968,730
Equals: Increase in Sales Generated	**$**	**1,496,873**
Divided by: Estimated Average of Sales per Square Foot	$	215
Equals: 5-Year Estimate of Additional Floor Space Supported		**6,962**

While the calculations shown above use actual data and numbers available at the time of the study they may, in some instances, serve more appropriately as examples for calculating potential expansion. More conservative or aggressive estimates for growth might be calculated and be considered reasonable and attainable based on more innate, local knowledge of current trends and actual development occurring within the downtown district, the community, and the surrounding area.

Business Clustering Concept

Clustering concepts emphasize and promote groupings of compatible and complementary businesses while still maintaining the mixed-use nature of an interesting and vibrant business district. A business clustering concept for the Hart Main Street Area is simple and straight-forward based on existing development patterns, the relatively small confines of the district, and clusters that are already apparent or evolving.



Core Retail and Pedestrian Zone
Impulse retail* and traditional retail; eating & drinking places.

Dining, Entertainment and Recreation Zone
Eating & drinking places and entertainment venues; recreational-oriented businesses and uses; and uses oriented to Hart Lake,

Home, Farm & Auto Zone
Home improvements and hardware; farm supplies; auto and equipment supplies; and home & farm related services.

Service, Office and Institutional Zone
Perimeter, infill and upper level service, service-oriented retail, office and institutional uses.

* Examples of "Impulse Retail" merchandise lines include: Cards, Gifts, Novelties & Stationery; Apparel and Accessories; Arts and Crafts; Toys, Hobbies and Collectibles; Specialty Foods; Bakery and Pastry; Bookstores; Home Furnishings and Décor; and Music and Video.

Business clustering strategies – and related business recruitment strategies – should target compatible and complementary businesses for vacancies and potential redevelopment sites as a means of enhancing the downtown as a mixed-use district that provides a variety of shopping, dining and entertainment experiences, and that capitalizes on both retail and non-retail activity generators.

Clustering concepts should not be viewed to suggest that any area should be entirely exclusive to a single business type or use. In fact, the mixed-use nature of a traditional downtown commercial district provides opportunity for retail and non-retail business types to share space and clients, and is part of what makes for a diverse, eclectic, entertaining and interesting downtown experience.

The development and advancement of business clustering concepts provides direction for business expansion and recruitment efforts by capitalizing on strengths in the existing downtown business mix and by focusing on opportunities to expand uses that will help to strengthen the downtown's position in the market.

Clustering concepts and strategies proposed in this study offer a focused, strategic approach to business development efforts that could ultimately enhance the downtown's economic performance. The concept serves as a guide for business expansion and recruitment efforts. The effective implementation of clustering strategies can:

- Provide consumers broad selection and variety in a single convenient location or area
- Allow a business district to function more like a single economic unit, as opposed to a series of unrelated and highly independent or destination-oriented businesses
- Encourage consolidated shopping trips and foot traffic by providing the opportunity to conveniently make purchases at more than one business and to satisfy a number of shopping and service needs in a single trip
- Increase consumer spending as the appropriate mix of businesses develops to offer more goods and services that appeal to targeted consumer groups
- Increase impulse and up-sell buying patterns by shoppers at businesses that have been clustered to offer complementary goods and services

While the clustering concept for downtown Hart is very simple and can be used as a helpful tool to guide expansion and recruitment efforts, existing development patterns and the relatively small confines of the district also present challenges to its implementation. For the short term, and possibly even for the long-term, targeting and "placement" of prospects in downtown Hart is most likely to be highly targeted based on neighboring businesses and uses, and the suitability and adaptability of the district's relatively small number of properties and spaces to meet specific prospect needs and criteria. As part of an ongoing business development and facilitation strategy, it will be important for Hart Main Street's economic restructuring committee to become familiar with each property and space in order to effectively facilitate a match that serves to enhance chances for each prospect's success and, ideally, advances the business clustering concept.

Targets

Retail Uses

Market research findings provide general direction for various retail business types and merchandise lines that could be prime candidates and appropriate for expansion and recruitment within the Hart Main Street Area. Business types and merchandise lines that might be considered "top prospects" for expansion and recruitment, based on the downtown area's existing business mix, trends in the marketplace and related findings from public input, consumer and business surveys, and the sales surplus & leakage analysis performed as part of this study include:

1. Food Services & Drinking Places (NAICS 722)

- Price Points: All
- Subcategories & Merchandise Lines:
  - NAICS 7221 – Full – Service Restaurants – Casual to Upscale
  - NAICS 7222 –Limited Service Eating Places
  - NAICS 7224 – Drinking Places (Alcoholic Beverages)
- Target Markets: Local and Regional Residents; Downtown Employees; Visitors
- Notes: Analysis of Sales Surplus & Leakage and Market Share estimates reveal leakage in all drive time areas and in all subcategories of the Food Services & Drinking Places category. What is not reflected in the sales surplus and leakage estimates is the extraordinarily high market share calculated for downtown area food & drink establishments – calculated at 69% of estimated actual sales in the fifteen minute drive time area. Calculated market share figures point to a solid cluster and niche for downtown Hart with still more room for growth and expansion, especially when considered along with sales gaps in the Food Services & Drinking Places category at the five minute drive time of $903,000, at the fifteen-minute of $4.3 million, and at the 22.5 minute of $10 million. Both consumer and business survey respondents bolster this possibility by ranking restaurants at or near the top of those business types they would most desire to see added and expanded in the downtown district. Already supplied with one very popular ethnic restaurant, bar food, a diner, pizza restaurant, ice cream stand and other limited service eateries, the most immediate opportunity might be a full service family-style restaurant. Popular concepts endorsed by study participants include a coffee shop with free WiFi, and possibly carrying books, music, baked goods and other specialty food lines.

2. Miscellaneous Store Retailers (NAICS 453)

- Price Points: Middle to Upper
- Subcategories & Merchandise Lines:
  - NAICS 4532 – Office Supplies, Stationery & Gift Stores
- Target Markets: Local and Regional Residents; Visitors; Ecommerce Markets
- Notes: Consumer survey results indicate strong support for gifts, office supplies and novelty items. Sales leakage of $101,000 at the five minute, $379,000 at the fifteen-minute, and $544,000 at the 22.5-minute drive time suggests opportunity exists for the expansion and/or recruitment of gift, card, and novelty items in the downtown. Concepts appearing to show the best opportunity for success based on study data might also extend into and be grouped with Specialty Foods category merchandise lines (NAICS 4452) and include food-based gift items, locally grown and packaged as gifts or offered through a co-op model; and home-ware and kitchenware lines that capitalizes on the national cooking craze, while simultaneously mixing well with the downtown's destination furniture store(s). These concepts might also incorporate classes, demonstrations, gallery kitchen concepts, and special services geared toward gourmet home cooking trends and busy, highly active lifestyles. Downtown Hart's multicultural strength should not be ignored when considering the addition of gifts and food-based gifts. With a popular Mexican restaurant, a successful Mexican grocer, and a significant Hispanic population, import giftware with a "south of the border" flair, as well as Mexican foods – such as Salsa, or spice blends branded and packaged as gift lines – might hold strong and distinctive possibilities for the district, as well as for Internet marketing and Ecommerce applications.

Sporting Goods, Hobby, Book & Music Stores (NAICS 451)

- Price Points: All
- Subcategories & Merchandise Lines:
    - NAICS 4511 – Sporting Goods, Hobby, Musical Instrument Stores
    - NAICS 4512 – Book, Periodical & Music Stores
- Target Markets: Local and Regional Residents; Downtown Employees; Visitors
- Notes: A top pick with consumer survey respondents, the addition of a sporting goods store seems especially relevant for downtown Hart, situated as it is both on a Lake and at the terminus of a significant bike trail. Targeted merchandise and product lines include fishing gear, hunting supplies, and outfitter apparel and accessories, with concepts complementing existing male-oriented businesses and clusters (i.e., home and farm, hardware, auto parts, etc.). Other product lines and concepts for consideration include local team wear and gear commonly used in youth sports. The addition of a bike shop, including bike repairs, is also a strong possibility. ESRI retail reports show sales leakage of $82,000 at the five minute drive time, $493,000 at the fifteen minute drive time, and $701,000 at the 22.5 minute drive time in the Sporting Goods, Hobby & Musical Instruments sub-category. Book, periodical and music stores might best be seen as merchandise-line opportunities to be paired with highly popular proposals for downtown coffee shop concepts, Although sales leakage amounts reported in these categories are relatively small, opportunities and prospects appear heightened based on: comparatively large amounts of leakage occurring in the Limited Service Eating Places category; opportunities to incorporate complementary retail lines (i.e., used books, music CDs, kitchenware, spices & gadgets, etc.); strong demand expressed by local survey, focus group and workshop participants; and appeal for visitors and tourists.

The retail business targets and “top prospects” listed here should serve as a starting point. Hart Main Street Program’s Economic Restructuring Committee should infuse local knowledge and expertise into the process of analyzing market information contained in this study to further develop profiles for business types and uses which are a good fit for downtown Hart, and which appear to have the very best chance to succeed. This will be an ongoing process, and the list of “top prospects” should be continuously reviewed, updated and refined over time, and as conditions change.

Office and Service Uses

The office and service sector plays a very important role in generating consistent traffic for the downtown area, as evidenced by the fact that 72% of consumer survey respondents indicated they visit the downtown area on a daily or weekly basis to do errands or business at an office or service-related business.

Trends and projections anticipating small decreases in the drive time area's population and number of households through 2016 might ordinarily suggest little or no new demand for service and office uses in the downtown district. However, certain trends could serve to essentially change the behavior of the market and generate demand for additional office and service uses including:

- Continued transition to a service-oriented society.
- Existing and evolving niches comprises of personal services and personal care providers; financial, insurance and real estate services; medical services; and legal services revolving around Oceana County facilities and operations.
- Increasing demand for personal care and medical services related to the "Graying of America" phenomenon.
- An increase in the downtown population that could result, in the long-term, from the adaptive re-use of downtown commercial building's upper levels, and the potential for redevelopment of vacant and underutilized sites in and surrounding the Main Street Area, and especially along the lakefront, that might be candidates for higher density residential and mixed use projects.
- The downtown, as home to the county seat, has special appeal to office and service businesses – and even beyond those businesses attracted by county government facilities and operations – the appeal of downtown for office and service uses will continue to grow as success is realized through the community's downtown enhancement efforts, even to the extent that existing office and service businesses currently located in other parts of the trade area and surrounding communities will seek to relocate in the Hart downtown district.

Office and services uses in downtown Hart already play an important role in the district's economy and sense of vitality and, predictably, will continue to do so in the future. These uses should continue to be encouraged to locate within the downtown district and, where appropriate and applicable, Hart Main Street and community development partners should work to locate these uses in buildings and spaces that are conducive to creating and maintaining a strong sense of retail vibrancy throughout the district.

Downtown Housing

Consumer survey results provide support and direction for potential housing and adaptive reuse projects in the downtown area. In all, 78 consumer survey respondents (44%) indicated "Yes" or Maybe" when asked if they would consider living in downtown Hart.

Those indicating that they would consider living in the downtown area expressed interest in a variety of housing styles and in both rental and owned units. Of those who expressed interest in living in downtown Hart, 51% indicated they would consider a condominium or townhouse, and 30% indicated an interest in an upper floor rental apartment or loft. Forty two percent of respondents selected "other" and identified other styles of housing, with "house," various styles of apartments, and senior housing being among the most prevalent of "other" responses detailed by participants.

OS12/IS13. Would you consider living in downtown Hart?

Consider living downtown	Intercept Sample		Online Sample		Total Sample	
A. Yes	7	13.0%	32	26.2%	39	22.2%
B. Maybe	14	25.9%	25	20.5%	39	22.2%
C. No	33	61.1%	65	53.3%	98	55.7%
Total	**54**	**100.0%**	**122**	**100.0%**	**176**	**100.0%**

You indicated "yes" or "maybe" when asked if you would consider living in downtown Hart. Which of the following housing options would you consider?

Housing options considered	Intercept Sample		Online Sample		Total Sample	
A. Upper-level rental apartment or loft	7	38.9%	15	26.8%	22	29.7%
B. Condominium or townhouse	9	50.0%	29	51.8%	38	51.4%
C. Other	5	27.8%	26	46.4%	31	41.9%

Data Note: Multiple responses allowed. Percentages based upon number of participants responding to question. Percentages do not total 100%

The trends and interest expressed by consumer survey respondents appear to bode well for the development and expansion of housing options in downtown Hart. The best prospects for new downtown housing might be directed toward the development and rehabilitation of units that are quite different from the current inventory of housing options available in the broader community – including styles that might take advantage of the unordinary dimensions, layouts and materials found in the upper levels of downtown commercial buildings to create distinguishable and even "funky" living and/or live & work spaces; and for higher-density mixed-use development at potential redevelopment sites in the downtown district and immediate surrounding area.

Isolated demographic data for respondents indicating they would consider an upper-level apartment or loft, or a condominium or townhouse – those housing styles which would seem most appropriate to the Main Street target area – is displayed in the following tables and can be helpful in developing a profile for the prospective downtown Hart housing market.

Demographic Profile for Potential Downtown Housing Market

Gender of online and intercept survey respondents indicating they would consider an upper-level rental apartment or loft, or a condominium or townhouse.

Gender	Count	Percent
A. Female	37	72.5%
B. Male	14	27.5%
Total	**51**	**100.0%**

Demographic Profile for Potential Downtown Housing Market

Age of online and intercept survey respondents indicating they would consider an upper-level rental apartment or loft, or a condominium or townhouse.

Age	Count	Percent
A. Less than 20 years	1	2.0%
B. 20 to 24	4	7.8%
C. 25 to 34	13	25.5%
D. 35 to 44	5	9.8%
E. 45 to 54	3	5.9%
F. 55 to 64	13	25.5%
G. 65 to 74	8	15.7%
H. 75 or older	4	7.8%
Total	**51**	**100.0%**

Household Size of online and intercept survey respondents indicating they would consider an upper-level rental apartment or loft, or a condominium or townhouse.

Household Size	Count	Percent
A. 1	9	18.0%
B. 2	24	48.0%
C. 3	5	10.0%
D. 4	8	16.0%
E. 5	2	4.0%
F. 6 or more	2	4.0%
Total	**50**	**100.0%**

Gross Household Income of online and intercept survey respondents indicating they would consider an upper-level rental apartment or loft, or a condominium or townhouse.

Gross Household Income	Count	Percent
A. Less than $15,000	4	8.3%
B. $15,000 to $24,999	4	8.3%
C. $25,000 to $34,999	7	14.6%
D. $35,000 to $49,999	10	20.8%
E. $50,000 to $74,999	14	29.2%
F. $75,000 to $99,999	4	8.3%
G. $100,000 to $149,999	4	8.3%
H. $150,000 to $199,999	0	0.0%
I. $200,000 and greater	1	2.1%
Total	**48**	**100.0%**

First Steps Implementation Strategy

The Downtown Hart Market Study provides a snapshot of the district today and explores opportunities for the future. The time frame for planning and implementing projects based on findings and opportunities identified as part of this study could extend up to ten years – or even more.

Because historic commercial district revitalization and redevelopment occurs within a dynamic environment, no set of specific implementation steps can remain valid for such a long time. Even in the short term, changing economic, social, political and cultural conditions may dictate a different sequence of events. Some projects might be implemented earlier if the right set of opportunities present themselves, or the community may determine that a project should be tabled as new opportunities emerge and others take priority. Because of these limitations, an implementation strategy can only be a general guide for implementing key aspects of the study.

The First Steps Implementation Strategy summarizes and prioritizes projects and activities that, undertaken as part of a comprehensive and incremental approach to the downtown district's enhancement, will advance long-term redevelopment and revitalization goals for downtown Hart.

Key market study findings and implications are summarized and potential "Action Steps" are organized in the areas of Economic Restructuring, Marketing & Promotion, Design and Organization – a format consistent with Hart Main Street Program's organizational structure and its 4-point approach to district enhancement. By the very nature of the market study, implementation strategy actions are primarily focused in the areas of Economic Restructuring and Marketing & Promotion.

From a logistical standpoint, projects and actions proposed in this Implementation Strategy should be assessed and integrated with existing Hart Main Street Program work plans, and with recommendations and ideas offered by consultants participating in the recently completed Hart Resource Team Visit conducted by Michigan Main Street Center. Consideration must also be afforded the current capacity of the Hart Main Street Program organization, and how its valuable human and financial resources might yield the "biggest bang for the buck."

The list of potential projects and actions contained in the Implementation Strategy is neither exhaustive nor exclusive. In fact, potential projects and actions proposed in this document may, in some instances, resemble "the obvious." The suggestions and recommendations for action appearing here should be considered a starting point for the development of a more comprehensive and meaningful strategy that is the product of market analysis findings, local knowledge, and the continued participation of Hart Main Street Program staff and volunteers, local business persons, community leaders and residents working together to interpret the results and to set a course for action.

Economic Restructuring

Business Retention and Expansion

Business retention and expansion efforts are among the most cost-effective economic development initiatives that can be undertaken by a community, and set the stage for successful business recruitment efforts. Programs designed to assist businesses with expansion, relocation and building improvements in the district could effectively stimulate increased levels of private investment and reinvestment from existing downtown Hart business and building owners.

Business retention efforts should be focused on enhancing communication and cooperation among businesses as a means of promoting the sense of Hart's commercial core as an entity. Business-to-business networking, joint marketing and business-to-business trade opportunities should be promoted. Other retention efforts should be directed toward familiarizing businesses with local, regional and state business assistance and technical resources, and facilitating access to these resources.

Hart's downtown business survey found that 54% of respondents indicated "high" or "some" likelihood for the potential expansion of their business to occur over the next one to two years. A relatively high percentage of business survey respondents also reported plans to increase marketing, expand hours, hire new employees or start or complete building improvements.

Business expansion efforts should seek to identify specific businesses expressing interest in expansion opportunities and should target assistance and incentives at those business that have the greatest potential to expand and fill "gaps" in product and service lines identified in this report. Business visitation programs are often a good first step in efforts to identify specific expansion prospects.

Based on business survey responses, programs and incentives that could potentially catalyze business expansion opportunities include:

- Tax Credits
- Business marketing consultations
- Low-interest line of credit/payment
- Free/low cost building improvement design services

Partnerships with local financial institutions should be pursued to explore possibilities for low interest loan pools and line of credit programs. Michigan Main Street program partners, including Michigan State Housing Development Authority (MSHDA) and the Michigan State Historic Preservation Office (SHPO) should be engaged in discussions of project and program alternatives on a continual basis. Resources that might be available through the regional Small Business Technology and Development Center (SBTDC), the City of Hart, Oceana County, university extension offices, and other local, regional and state entities should be identified and promoted as part of an ongoing Hart Main Street business assistance program.

Business Succession Planning

Anticipating changes that could occur in the district's business mix as a result of businesses expanding, relocating and closing within the downtown Hart area will help to position Hart Main Street to play a more pro-active role in business development.

Business survey results show that 7 respondents indicated plans to sell, relocate, or close their business within the next few years. This, combined with the fact that 52% of respondents indicated they have been in business for twenty or more years, suggests assistance with succession planning should be moved near the top of the Economic Restructuring Committee's list of priorities. Hart Main Street should work to identify businesses that could be candidates for succession planning and technical assistance, and steer those candidates to both prospective investors and entrepreneurs; and to available resources, services and assistance which could be available from commercial realtors and brokers, regional and state economic development organizations, the SBTDC, university extension offices, and other outlets.

Business Recruitment

Business development and clustering concepts presented in this study provide direction as to the types of businesses that might be targeted for expansion and recruitment, and the preferred geographic placement for various business types. Results from the market study provide preliminary leads for the types of new and expanded businesses that trade area consumers have indicated they would patronize, that existing district businesses view as having the potential to increase downtown Hart's market share, and that show the greatest potential for expansion and recruitment based on analysis of current and projected market trends.

In general, the best recruitment prospects for the downtown Hart district will likely possess one or more of the following characteristics:

- Have two to five business locations, with at least one operating within a 50-mile radius of Hart
- Have at least one location that has been in operation for at least three years in a setting similar to the downtown Hart business district
- The owner has at least five years ownership or management experience
- Typically occupy 800 to 2,000 square feet

Business recruitment is a highly competitive field that can consume large amounts of time and financial resources – with little or no immediate results. The success of downtown Hart business and investor recruitment strategies will largely hinge on the ability to meet the following objectives:

- Demonstrate consumer demand. Maintain current market information and demographic data and present information in such a way as to make a compelling case for the viability of downtown Hart business ventures. ESRI reports, business and consumer survey results, and market study findings contained in this report provide a strong base of information based on current conditions, but will need to be updated over time and as conditions change.
- Demonstrate the availability of appropriate sites. Maintain a current inventory of available sites and their characteristics. Retain or partner with professional graphic design firms to provide information to investors and entrepreneurs in a professional, visually appealing and easy to understand format.
- Demonstrate assets already in place. Make prospects aware of completed and imminent improvements, existing activity generators, complementary businesses and facilities, plans for new or improved area housing, and other features of downtown Hart that enhance the viability of district business ventures.
- Demonstrate an enthusiastic, progressive city government and financial community. Highlight investments and active roles played by the City of Hart, community organizations and financial institutions.
- Demonstrate a cooperative regulatory environment. Clearly explain processes, regulations, restrictions and guidelines that are relevant to investing and doing business in downtown Hart. Work as a liaison to assist prospects and to simplify application, review and permitting processes.
- Demonstrate an active district enhancement effort in place. Highlight accomplishments and capitalize upon progress being made as part of downtown Hart's revitalization program. Emphasize partnerships and cooperation between Hart Main Street, City of Hart, Michigan Main Street Center, and other community and economic development organizations.
- Demonstrate an effective promotional program in place. Highlight special events and cooperative marketing efforts that attract people to, and focus positive attention on, Downtown Hart. Use images captured at the recent Hart Sparks festival and from other downtown festivals and events to illustrate impacts.
- Demonstrate readiness for redevelopment. Pursue appropriate pre-development research and action on sites and spaces targeted for redevelopment that might require special attention to address environmental issues, parking issues, access issues, and other issues and challenges that could affect the marketability and viability of prospective business and investment ventures.
- Promote available incentives and assistance. Provide information on programs available to district investors, developers and businesses, as might include design assistance, tax credits, low interest building improvement loans, and low interest lines of credit or business start up loans that might be made available through Hart Main Street, the City of Hart, through a consortium of local financial institutions, or in partnership with agencies such as Michigan Main Street.

The success of Hart business development efforts will depend, in part, on the design, content and distribution of marketing tools and collateral to reach quality prospects and business types targeted for expansion and recruitment. Examples of business recruitment marketing materials and tools that might be considered as part of a Downtown Hart business expansion and recruitment campaign include:

- Business Recruitment Marketing Materials. Collateral materials should be designed and produced to include the most recent market data and information on district business opportunities. A condensed, promotional version of this market study and readily customized and updated fact sheets produced in-house might be considered as the centerpiece of a marketing portfolio. Other contents should be developed to meet the described business and investor recruitment objectives.
- Downtown Hart Internet Website Feature. An on-line version of the business recruitment packet might be developed as a prominent feature of Hart Main Street's Internet website. Hart Main Street's current Internet presence appears to be a great start, already including a listing of available spaces, a list and description of available technical assistance and resources, and a business directory. Information on available properties and business opportunities might be enhanced with photos, downloadable cut sheets, virtual tours, YouTube and social media postings, and links to broker/agent listings.
- Cooperative Advertising. Owners and agents of available downtown area properties might be invited to participate in a cooperative advertising program, with advertising expenses distributed equally among the participants. Advertising would be most appropriately placed in surrounding regional and metropolitan area business and real estate newspaper sections and trade journals.
- Publicity and Displays. Experience has shown that merely publicizing opportunities, and the fact that downtown is open and ready for business, can be highly effective in generating leads and unearthing prospects. Targeted business types and uses identified as "top prospects" should be highly publicized in Hart Main Street newsletters, news releases, website features, social media, and other collateral materials and channels. On site posters promoting vacancies and opportunities might also include the list of top prospects in a "Wanted in Downtown Hart" format, or onsite posters specific to each site might be used to identify and promote business types and concepts most readily accommodated in each space.
- Incentives. Incentives to catalyze business expansion and recruitment goals should be created and packaged through local public-private partnerships. Examples of possible incentives include design assistance, tax credits, low-interest building improvement loans, and low-interest lines of credit or business start-up loans that might be made available through Hart Main Street and partnerships with local financial institutions. An aggressive effort should be undertaken to pursue assistance and resources that could be available through Michigan Main Street and other local, regional and state economic development agencies. Available incentives and business start-up programs should be thoroughly researched by the Economic Restructuring Committee and summarized in fact sheets or a brochure.

For most Main Street Economic Restructuring Committees business recruitment is a very daunting task that requires an unyielding determination to doggedly pursue desirable business prospects. A recruiter should be prepared to knock on a hundred doors to get a single positive response. Often times, landing the first recruit is the most difficult task: others tend to follow as "success breeds success."

This will likely be the case for Hart Main Street's Economic Restructuring Committee as it seeks to recruit *desirable* businesses: i.e. those businesses identified as being most likely to add something special to the existing mix. Too often, downtown districts become turnstiles for businesses destined for failure – for a wide variety of reasons, and because spaces are filled by landlords taking the first tenant to express interest, or the first tenant with a full month's rent check in hand.

The Economic Restructuring Committee should begin to think of ways and means to work with property owners in order to ensure that vacancies are not necessarily filled with the first prospective tenants, but with businesses that will help to complement and strengthen the existing business mix. Given this scenario, the Economic Restructuring Committee might consider possibilities for targeting assistance and incentives at properties and prospective tenants that could be strategic to advancing business clustering strategies – targeting projects and business types that, in essence, add to "the whole" of the district.

Redevelopment Opportunities

Downtown Hart, with a selection of vacant and underutilized parcels, buildings and spaces, still offers opportunities for redevelopment. Certain parcels, particularly some currently in use for surface parking and underutilized properties along the lakefront or with lake views, could attract an increasing amount of attention on the part of prospective investors and developers with an interest in redeveloping sites for higher density, mixed-use commercial and residential developments.

Relatively high levels of interest in downtown housing expressed by consumer survey respondents translate to demand for housing units of various styles. The most immediate downtown housing opportunities are likely to reside in the rehabilitation, improvement and adaptive reuse of upper level building spaces as condominium, apartment and loft units.

Pro-active planning and advance consideration of district management-related issues can help pave the way for upper level commercial and residential development, and for the potential redevelopment of underutilized sites. Special attention should be devoted to ensuring that appropriate building codes and zoning provisions are in place. City building officials should be involved early in the planning process to troubleshoot potential barriers to upper level redevelopment, and zoning ordinances should be reviewed and, if necessary, revised to accommodate desired residential and commercial uses.

The supply and management of parking in downtown Hart appears to meet current needs, as attested to by 75% of consumer survey respondents who rated parking in downtown Hart as stronger or equal to other places they visit and do business. Still, parking provisions and management policies for commercial district housing tenants and business employees should be reviewed as changes and development occur, and issues that might revolve around the need to accommodate long-term employee and resident parking should be monitored and address in a timely fashion.

The area's infrastructure relative to current and future business needs is another aspect that will impact development opportunities. The state of the district's telecommunications infrastructure, in particular, could prove significant to long-term strategies for locating quality service and office tenants in downtown Hart. The technology could also be vital for certain retail businesses that could benefit and enhance their prospects for long-term success through the application of global marketing and E-Commerce technologies. The availability of an advanced telecommunications infrastructure and/or public Wi-Fi system could be used as key features for retaining and attracting quality business tenants and residents.

Hart Main Street's Economic Restructuring Committee should work cooperatively with local community development partners to assess the condition of the current district telecommunications infrastructure and to develop a long-term plan for its enhancement and maintenance. Partnerships with utility providers, area educational institutions, the City of Hart and Michigan Main Street should be pursued as a means of exploring options and pursuing desirable alternatives.

Visitor Impacts

Downtown Hart's existing business mix seems to have evolved as a center to conveniently serve the day-to-day needs of local area residents and, as such and according to perspectives offered by study participants, currently offers little in the way of attraction for day trip visitors. This is especially true in comparisons to the features, character and offerings of the nearby Pentwater and Silver Lake tourism-based districts.

Day-trip "tourists" can be a key component of most any downtown district's economy, but for downtown Hart, the current strength of the district lies in its ability to serve the repeat, "real stuff for real people" needs of Hart and Oceana County residents, and to serve the occasional needs of seasonal residents and visitors whose primary destination or location is most often west of Hart. Long-term visitor-oriented business development strategies should consider trends and capitalize on new opportunities presented by changes in the business mix, such as the possible addition of more destination-oriented businesses or continued growth in the eating & drinking places cluster. But for the present and immediate future, focus on visitors should be placed on partnering with nearby tourism centers, such as Silver Lake and Pentwater, to provide an afternoon's alternative, and a warm welcome for visitors who are making a side-trip to Hart.

Economic Restructuring Action Steps

Action	Description	Priority Level
1	Distribute a summary version of the market study to existing district business and property owners, and to potential business prospects and investors; make the summary available for download from the Hart Main Street website.	0
2	Continue to update and maintain the downtown Hart property and business inventory; maintain a current list of available properties and businesses and distribute the list to area realtors and brokers as changes occur; work to enhance and maintain the directory of available properties and spaces on the Main Street Hart website.	0
3	Refine and maintain a "top prospects" list, in concert with the business clustering concept, as a tool to guide business expansion and recruitment efforts; and work to gain property owner buy-in for the "top prospects" list and for implementation of the clustering concept	0
4	Tour available spaces and work with property owners to determine best uses and business types for specific spaces; work to help facilitate "matches" with appropriate prospects	0
5	Identify candidates and promote business expansion opportunities based on prospects, business types and merchandise lines identified in this market study, and as might be updated based on changes in the trade area and the downtown's business mix	0
6	Devise fact sheets or similar written materials that can be readily updated to describe and promote available business programs and incentives, such as façade design assistance, façade improvement loans and grants, management and marketing consultations, and property and client referrals	1
7	Organize an ongoing business visitation program to build rapport, strengthen Hart Main Street's identity, and to identify needs and specific candidates for technical assistance and training programs	1
8	Identify and assist businesses in succession planning by using resources and facilitating access to assistance available through SBTDC, university extension offices, and other local, regional and state resources	1
9	Work with local financial institutions to explore interest and potential demand for possible programs and incentives to support business retention, expansion and recruitment efforts, such as low-interest loan and line-of-credit programs that could be used with available technical and design assistance to leverage increased levels of investment in district buildings and businesses	2
10	Review city land use plans, zoning ordinances, building codes and development policies to ensure compatibility with business development goals and strategies; Work with the Design Committee, City and other community and economic development partners to develop or revise planning and regulatory documents, where necessary	2
11	Identify and actively recruit specific businesses based on prospects identified in the market study and the availability of appropriate spaces	2
12	Prepare redevelopment concepts and work with property owners to actively market potential infill and redevelopment sites based on a Downtown Hart land use plan and business types targeted for expansion and recruitment	3
13	Complete an assessment of the district's telecommunications infrastructure and work with community development partners to devise a long-term strategy for its improvement and maintenance	3

Priority Level Key:

0 = Immediate and/or Ongoing	1 = Within 1 Year	2 = Within 2 Years	3 = Within 3 Years

Marketing and Promotion

Marketing Strategies

The Hart Main Street Promotion Committee might best begin to approach the challenge of appealing to Oceana County residents, as well as area visitors, by subjecting the downtown Hart calendar of events to an evaluation. Such an evaluation would attempt to determine whether existing promotions and events are appropriately designed, timed and staged to effectively capture targeted consumer groups – including the local area residents and visitors markets. While such a review may in some cases suggest additional events, in other cases it may only suggest that a component be added to an existing event that may be of particular appeal to an under-attending consumer market segment within the trade area. In other cases, findings of an event evaluation may simply point out a need to better target event advertising to a specific consumer market group.

Business survey results show that 95% of businesses identified local/regional Hart residents as their primary customers. Yet almost 46% of intercept survey respondents reported a zip code outside of Hart itself. The combination of these results might best be viewed to suggest there is a rather wide view among business owners of what is encompassed in "local/regional Hart," and attention should be given to increasing visits from surrounding communities, as well as from Pentwater and Silver Lake tourists looking for an afternoon elsewhere – or looking for a necessary product not available at their vacation destination. Overall, the findings lend support for marketing and promotion efforts that are designed to appeal first to populations within the identified trade areas, with the more regional and visitor markets being secondary targets.

Target Markets

The analysis of prevalent market segments identified in ESRI Tapestry Segmentation Area Profile reports, along with input provided by consumer survey responses, provides keen insight on consumer market segments within the trade area. Marketing and business development efforts that recognize demographic trends and target households that share similar lifestyle traits and characteristics will best serve efforts to increase Hart's market share and to capitalize on existing and evolving business opportunities.

The mix of retail and service uses in downtown Hart's business district provides for a great deal of repeat visits to the district by both residents and those living within the community. A more limited number of destination businesses, and evolving clusters in the furniture and home furnishings, eating & drinking places and home & farm supply sectors also have the ability or potential to expand the downtown's pull and attract visitors from beyond the confines of the local Hart area geography. Capitalizing on these traits and feature, downtown Hart should seek to solidify an image as a traditional small town, hometown business district with "real stuff for real people," and should pursue opportunities to expand its reach and appeal as a place to "stock up," and as a fun place to visit for lunch, dinner or special events.

Opportunities to increase the district's local market share are weighted based on demographic trends and findings from the analysis of prevalent neighborhood clusters within the downtown Hart drive time areas. Findings point toward business development and marketing strategies that key on commonalities in demographics, income levels and lifestyle characteristics of prevalent consumer groups.

Intercept survey results imply that that the district currently holds particular appeal for residents in the lower to middle income brackets. The market in general is middle to upper-middle in character and is somewhat more diverse in terms of lifestyle characteristics – particularly at the 22.5 minute drive-time level – with the presence of groups that range from affluent to those who are budgeting carefully, from the retired to families with small children, from the highly educated to high school grads. These consumers, as an aggregate market, might best be described as a cross-section of Midwestern rural, admixed with those enjoying retirement in a seasonal/recreational setting.

The Promotion Committee should take care to consider the diversity of the market – and their lifestyle choices – as well as the market and lifestyle choices of current district users, when reviewing the promotional calendar. Promotional strategies should consider how events -– or components of events – and media messages may best be organized, promoted, advertised, publicized and staged to reach specific target markets.

Festivals and Events

The long-term prosperity of the Hart business district will rely, in part, on the quality of downtown Hart marketing and promotion activities – and the ability to appeal to diverse consumer groups. High quality marketing and promotional activities, as exemplified by the Hispanic Heritage Celebration, Hart Sparks and Winterfest, when orchestrated to expound upon local heritage, culture and resources – both natural and built – can effectively help to build a positive image and, in essence, affect positive changes in the market.

Festivals and events can also be used to enhance the district's "entertainment factor" and even to experiment with different forms of entertainment that might be considered and desired on a permanent basis. For example, attempts to determine the feasibility of a dinner theater or performing arts center facility might begin with the production of an outdoor performing arts series on the Commons, or efforts to gauge support for art galleries or artist live/work spaces might initially be tested through the staging of a juried art show or arts festival.

Hart and Oceana Area Markets

The majority of Hart and surrounding area residents may well be familiar with the existing Hart business mix. However, more than one focus group attendee expressed a concern that several downtown and community assets and attractions, ranging from the Historic District and John Gurney Park, to the delectable prepared meals available in La Probadita, are "hidden treasures." Moreover, as successes – both big and small – are realized through the implementation of this plan and other Hart Main Street development and enhancement initiatives, it will be important to communicate and "celebrate" those successes in ways that capture attention and enhance the image of downtown Hart within Oceana County.

Festivals and special events that enhance and maintain a strong sense of "local flavor" can deliver powerful messages that provide emotional links to the past and nurture new traditions – and customers. Analysis of ESRI Tapestry Segmentation reports and key market analysis findings point to activities oriented to married families with children, youth, and couples at or nearing retirement age. Messages, activities and events which could find appeal across these varied market segments are likely to:

- Celebrate Hart's unique history and agricultural heritage
- Celebrate Hart's multicultural character and heritage
- Capitalize upon Hart's distinct landmarks, assets and resources
- Emphasize a warm and welcoming "small town, safe & friendly, hometown" spirit
- Include hands-on activities and live entertainment for all ages
- Provide opportunities for the trade area's diverse groups to interact

The Hispanic Heritage Celebration is an excellent example of such a festival. Examples of other events, or components of events, that could be added to enhance the existing events calendar and heighten the district's appeal among targeted trade area consumer market segments include:

- Street-corner performances and mini-events
- Living history re-enactments
- "Hart's Bounty" – Agricultural heritage festival with demonstrations and competitions
- "Taste of Oceana County" featuring a range of locally grown foods
- "Day" events – such as a "Sisters Event" with afternoon and evening shopping specials, dinner at a downtown establishment or a progressive dinner at multiple locations, and an after-hours art walk
- "Boys at Hart" – featuring events that showcase and demonstrate products available from the male-oriented farm & home supply cluster, showcase classic and unique cars, motorcycles and all-terrain vehicles, test hunting and fishing skills in fun competitions, and conclude with a pub crawl.

Hart Main Street's Promotion Committee is currently doing an excellent job of partnering to produce events, like Winterfest, produced in partnership with Pentwater. Partnerships like these should be continued and expanded, where possible, to expand the scope and attraction of festivals and events, leverage resources, and reach new audiences.

Visitor Market

Festivals and special events that promote a strong sense of local culture and history can capitalize upon heritage tourism and recreational tourism trends and benefits. These might include events and activities that:

- ► Emphasize a nostalgic "small town friendly, safe & secure hometown, downtown" ambience
- ► Include hands-on activities and live entertainment for all ages
- ► Capitalize on the nearby visitor populations in Pentwater and Silver Lake

Examples of other new and expanded events that could appeal directly to the area visitors and tourists market include:

- ► Local artist and artisan demonstrations which might include art activities for children
- ► Street fairs and markets
- ► Theater and cultural offerings
- ► Hispanic heritage and cultural offerings

These and other ideas for new events that are consistent with marketing and promotion strategies might be considered as new components of existing events and festivals, as the main feature of a new festival, or as part of an ongoing promotional series.

Hart Main Street's Promotion Committee should work closely with area visitor attractions, with nearby visitor-based districts, and with the business community, to expand regional and tourism-oriented marketing programs and advertising campaigns that feature Hart, and particularly its special events, as a visitor attraction. Ongoing and long-term activities might include:

- ► Working with area lodging facilities, as well as district restaurants, retailers and other visitor-oriented establishments to assemble a Downtown Dining and Attractions Guide with coupons and special offers from district establishments for placement and distribution at lodging and other visitor-oriented facilities located in Pentwater, Silver Lake, Ludington and beyond
- ► Organizing visitor-oriented businesses and facilities to participate in cooperative advertising opportunities and leveraging participant dollars to gain prominent placement in tourism publications targeting Silver Lake and Pentwater visitors
- ► Maintaining high quality visitor-oriented Internet website content that promotes the district as a visitor attraction on the Hart Main Street website and through reciprocating links with appropriate websites
- ► Working with district retailers to package "Day with Hart" day-trip excursions that might include, for example, a lunch in a local restaurant along with a salon visit for those ready for a break from outdoor recreation at nearby visitor areas, or simply something different to do on a rainy day afternoon

Cooperative Advertising and Marketing

Cooperative advertising programs could provide cost-effective avenues for institutional advertising that conveys a quality image for downtown Hart, and that broadens the community's awareness of products and services available from district businesses.

Signature graphics should be developed for downtown marketing and advertising and employed in all Hart Main Street-produced promotional materials. The district business community could also benefit from creative cooperative and cross-marketing techniques and partnerships that recognize the diversity of Hart's targeted consumer markets and that capitalize on both retail and non-retail traffic generators – a strategy that could be particularly effective in appealing to residents. Cooperative advertising and cross-marketing examples include:

- ▪ Coupon for a restaurant discount with a new bank account or insurance policy
- ▪ Free ice cream cone with an oil change
- ▪ Comprehensive Downtown Hart Products & Services Directory brochure for local distribution, and for distribution in Pentwater, Silver Lake and to visitors at John Gurney Park
- ▪ Hart Shopping and Attractions Guide with special merchant coupons and offers

Marketing and Promotion Action Steps

Action	Description	Priority Level
1	Review promotional calendar for appeal to both local and area resident segments	0
2	Work and support efforts to enhance and maintain existing district festivals and events and to introduce new events and activities – or new event components - that are consistent with Hart marketing principles, that appeal to targeted market segments, and that assist in enhancing the image of the district	0
3	Work closely with John Gurney Park, the Historic District, Pentwater and Silver Lake to develop cooperative events and to explore cooperative marketing opportunities	0
4	Create and maintain constantly fresh feature content for the downtown Hart website and to share with other community and visitor-oriented websites	0
5	Support, promote and facilitate district business community cooperative advertising and cross-marketing efforts	1
6	Create a Downtown Hart products and services directory for distribution to area residents, John Gurney Park visitors, and visitors to Pentwater and Silver Lake	1
7	Develop signature graphics and messages, employing common and adaptable typefaces and color palette selections, to be used as common elements in downtown Hart marketing and promotion materials to help brand the district and downtown events	2
8	Work with the Economic Restructuring Committee to identify possible festival and event components or events series that might be used to enhance the district's "entertainment factor" and to help assess the feasibility of potential entertainment-oriented businesses	3

Priority Level Key:

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Design

Historic Preservation and Aesthetics

Historic preservation is a key element of most, if not all, successful commercial district revitalization programs in the United States. Communities across the country have come to recognize that their historic resources are integral to maintaining a strong sense of place and a distinguishable identity in the market place. Preserving Downtown Hart's existing historic character, improving the district's aesthetics, and addressing building and other maintenance needs should be among the highest priorities pursued as part of this study's findings.

Results from consumer and business surveys lend support for efforts to restore and preserve Hart's historic character, with 85% of consumer survey respondents and 77% of business survey participants indicating they would place a high or moderate priority level on such efforts. These results are consistent with comments from residents, business people and community leaders participating at public forums and in interviews held throughout the various phases of the study.

The desire on the community's part to see quality building improvements is bolstered by 45% of business survey respondents indicating they have plans to start or complete building improvements within the next year or two. Twenty nine percent of business respondents indicated interest in free/low-cost building improvement design services, and 17% expressed interest in low-interest building improvement loans. The results suggest that guiding individual building improvements in order to achieve the desired effect for the district as a whole should be a pivotal effort of the Design Committee's work plan over the next few years.

The Design Committee should work swiftly to review, and revise as may be necessary, existing design guidelines, or to develop and adopt guidelines if they are not already in place. These efforts should be performed in consultation with the State Historic Preservation Office (SHPO). The development and application of design guidelines, along with design assistance being provided by the SHPO in association with Michigan Main Street Center, will promote quality building improvements and the preservation of Hart's historic assets – among its most distinguishable and marketable features.

Consideration should be given to coupling design guidelines with incentives targeted at projects that comply with the intent of the guidelines. This would enable Hart to "incent" related design review and approval processes, and complete at least two or three showcase projects that set a high quality standard to be emulated by others.

The Design Committee should work closely with the Economic Restructuring Committee to promote a business- and investor-friendly regulatory environment in the district. A complete review of city land use plans, zoning ordinances, building codes and development policies should be performed to ensure compatibility with both community historic preservation goals and with district economic development goals.

Appearance and Maintenance

The district's appearance received somewhat ambivalent marks from consumer survey respondents comparing downtown Hart to other places they frequently shop and do business, with "Attractiveness" ranked by 29% as "Weaker." Conversely, Cleanliness was rated "Stronger" or "Equal" by 86% of consumer survey respondents. Hart Main Street's Adopt-a-Bed and Love Your Lots projects are a good first step toward the adoption of a "Disney Mentality" to maintenance and cleanliness and should most certainly be continued.

These and other maintenance efforts can go great lengths in assuring the downtown area is always perceived in the most positive light. This will be increasingly important as residents and visitors look for signs of the new Main Street program at work, and as Hart Main Street Program pursues strategies to bring new businesses and more and more fist time area visitors to the downtown. Their first impression of the district – based largely on impressions of the district's appearances – will be a determining factor in whether they choose to return or invest.

Relatively simple projects designed to enhance and enliven the downtown's streetscape and public spaces, and to place "finishing touches" on the downtown, can have high impact. Examples include additional flowers and plantings, banners, flags and other decorative and interpretive elements that add color and help to tell the "downtown story." Decorative features might also be incorporated in streetscape furnishings and way-finding signage to extend design elements throughout the district and to help reinforce a sense of downtown as a unified district and a special place.

Wayfinding

A common thread of comment among focus group attendees was that Hart in general contains "hidden treasures" in the form of attractions and areas that even residents, but most especially visitors heading to a specific destination, are unaware of. Examples mentioned include John Gurney Park, the Historic District, several businesses in the downtown, and perhaps the downtown district itself. The Design Committee should work to develop a comprehensive wayfinding signage system, as might include on-street downtown directories, to assist in moving visitors and tourists from one area of the community to another, and to promote desirable vehicular and pedestrian traffic patterns in the downtown district.

Notably, 67% of consumer survey participants assigned a "high" or "moderate" priority level to potential projects aimed at improving wayfinding and directional signage in the downtown and surrounding area. While some of this work has just recently been completed to better identify bike trails and to place Michigan Main Street Community signs at the community's gateways, still more work remains to be done. Attention should be directed to the possible need for, and value of, a comprehensive community wayfinding strategy and design, and special branding graphics that might be deployed in the downtown component of the system.

Parking Management

With approximately 75% of consumer survey respondents indicating an opinion that parking is "Stronger" or "Equal" to other shopping areas they frequent, current parking supply appears to be more than adequate to meet demand. However, as efforts of Hart Main Street to enhance the district succeed, the performance of a parking study for the district might become necessary. The parking study might be required to review the impact of proposed infill and redevelopment projects in order to assess the possible need for additional parking or a change in parking management policies to accommodate the short- and long-term parking needs of downtown Hart customers, residents and employees.

Design Action Steps

Action	Description	Priority Level
1	Work with the City to ensure adequate and proper maintenance of downtown Hart streetscape, furnishings and public spaces	0
2	Work with the City, and other Hart districts and attractions, to develop a comprehensive wayfinding signage system to direct visitors and tourists in discovering all of the attractions Hart has to offer	0
3	Monitor parking and, if necessary, implement or commission a parking study to establish or revise parking policies in order to assess the impact of proposed new development and to address the needs of district patrons, employees and residents	0
4	Maintain ongoing historic preservation education efforts designed to enhance the community's awareness of, and appreciation for, the preservation of downtown Hart's historic architecture and resources	0
5	Apply design guidelines and standards to guide and compel quality downtown Hart building improvements and infill construction and development	0
6	Work with the Economic Restructuring Committee to assemble, package and promote available incentives and downtown Hart building improvement assistance programs	1
7	Work with Economic Restructuring Committee and City to review city land use plans, zoning ordinances, building codes and development policies to ensure compatibility with business development goals and strategies and to promote a business- and investor-friendly regulatory environment	2

Priority Level Key:			
0 = Immediate and/or Ongoing	1 = Within 1 Year	2 = Within 2 Years	3 = Within 3 Years

Organization

The strategies and projects outlined for implementation in this study are ambitious, and the Organization Committee's roles as partnership builder, resource locater and publicity machine will be absolutely vital to ensuring the success of Hart Main Street revitalization efforts. In some cases this role may require the Organization Committee to locate or develop entirely new sources of funding to execute an Economic Restructuring Committee project, or to find a new volunteer source to ensure that a Promotion Committee Project is adequately staffed. In other cases, it might require the organization to re-assess priorities and existing budget allocations as projects may shift in priority based on findings of this study, or as conditions change in the future.

Funding

Some of the projects outlined in this study will require additional and unusual amounts of funding – in some cases for a one-time project. The Organization Committee, in collaboration and cooperation with the Hart Main Street Board of Directors, should work with each of the committees to review project funding needs and to formulate a strategy for meeting those needs. As with all Main Street projects, meeting funding requirements does not necessarily entail writing a check. Assisting the Promotion Committee, for example, to produce a festival, might instead involve acquiring donations or discounts from local stores. For larger-scale projects, sponsorships, grants, one-time appeals, and donations of technical expertise and services are all sources of project funding that should be rigorously investigated and pursued.

Volunteers

Some of the projects recommended in this study will require extraordinary volunteer resources. Whether the project is the addition of a new "Hart's Bounty" agricultural heritage festival or a performing arts event, an effort to network businesses, or an attempt to rehab a district building, the Organization Committee should work with the relevant committee to find unique ways to acquire new volunteers – and engage them in the process. For the above festival example, the committee might assist by forming a partnership with the co-op or enlisting the help of local 4-H students.

Partnership Building

While Hart Main Street can and should take the leadership role in facilitating projects adopted as a result of this study, the group's continued success in forming partnerships with entities such as the City of Hart, Michigan State Housing Development Authority, Michigan Main Street Center and other local, regional and state organizations, will prove essential to the achievement of long-term district revitalization and management goals

Hart Main Street should serve as a steering committee, helping to manage resources and coordinating projects proposed in this plan with appropriate organizations and groups, and monitoring implementation of each project component. Each Main Street committee might pursue projects proposed as part of this study in collaboration with several other groups. Some groups and entities are specifically identified in this study as being key partners, but the list is not exhaustive. The Organization Committee members, in consultation with other Hart Main Street committees, should work to identify – and recruit – additional organizations, businesses and individuals that share an interest in community revitalization goals.

The Organization Committee should employ an all-out effort to aggressively seek and place representatives from the local Hispanic Community on all committees and the Hart Main Street Board of Directors. Representatives of this community attending a focus group were able to communicate concerns and needs of this important consumer group that are otherwise not necessarily conveyed, or heard, on a regular basis. Ensuring that this significant group has a voice and a role in plans and projects should be an ongoing top priority for Hart Main Street.

Leadership Development

Hart Main Street volunteers and staff may find themselves embarking on new territory, working in areas and dealing with challenges and issues that have not been encountered before as they pursue opportunities and projects proposed in this study. Hart Main Street staff, in particular, will be involved at a high level and responsible for important tasks that will have a major impact on the organization's success. The Hart Main Street Manager, for example, will be extensively involved in business expansion and recruitment proposals selected for implementation.

The Hart Main Street Organization Committee, working with the Board of Directors, should allocate sufficient funds for staff and volunteer training that will help to nurture their leadership skills and enhance their abilities to work effectively, execute projects, and generate intended results. Consideration should also be given to the possible need for additional Main Street office support staff that could become apparent as the organization pursues new opportunities and projects, and as the Manager takes on an increasing, and increasingly complex, workload.

Public Relations

Keeping projects that have been adopted as a result of this study before the public eye will be key to keeping the study from gathering dust on the shelf. The Organization Committee should work consistently to publicize plans and progress being made through the implementation of projects originating from this study – and *always* celebrate successes achieved as a result. Public relations efforts might include regular "progress reports" delivered at city meetings, news releases under a unifying banner or theme, town meetings, stakeholder meetings, monthly district merchant coffees to discuss projects, plans and results, and a monthly or weekly update on a local radio show or cable access television show, and on Facebook and other social media sites.

Priority Action Steps – Organization

Action	Description	Priority Level
1	Work with Hart Main Street Committees and the Board of Directors to identify appropriate funding requirements and pursue funding sources	0
2	Work with the Main Street/DDA Board to ensure the organization reflects the multicultural heritage of Hart by striving for representation by members of all local cultural groups on all committees and on the board.	0
3	Allocate sufficient funds for volunteer and staff leadership development and technical training	0
4	Monitor the need for Main Street office support staff and budget and act accordingly	0
5	Work with Committees to review volunteer requirements, identify potential sources for volunteers, and assist the committees in the recruitment and training of volunteers	0
6	Work to involve residents, district business people, elected officials, community leaders and representatives from other community organizations in all phases of planning, implementation and management	0
7	Maintain an aggressive, ongoing public relations program to publicize plans, projects and results	0

Priority Level Key:			
0 = Immediate and/or Ongoing	1 = Within 1 Year	2 = Within 2 Years	3 = Within 3 Years

Conclusion

For Hart, the completion of this market study is not an end but rather the beginning of a new phase in the community's downtown enhancement initiative.

This summary report serves to highlight only a small sample of the knowledge and direction that can be synthesized from analysis of data collected during the market study process. Similarly, the implementation strategy outlined in the document is only a starting point for a more comprehensive slate of projects that is likely to emerge as local leaders continue to study the market.

As Hart Main Street moves forward it must continue to involve local community leaders, business persons and residents in efforts to analyze and interpret the information collected through the market analysis process in order to develop a complete understanding of the findings and results – and the implications for the downtown district. The ensuing process should seek to "dig deep" into the results and their meanings and to incorporate local knowledge into the analysis and interpretation of the market study's findings. Such a process will serve to aid in the development and implementation of strategies that are both market-driven and intrinsic to the community's goals and aspirations for the downtown district.

Indeed, the highly public and detailed market study process orchestrated to date may be, in and of itself, one of the most important "results" to emerge. While the process has served to help identify present-day priorities, existing and looming challenges, and immediate and emerging opportunities, it can not, and does not pretend to, anticipate tomorrow's priorities, next year's unexpected challenges, or exciting and unanticipated opportunities still over the horizon.

The diligent efforts undertaken by Hart Main Street leaders and volunteers to gather the input, to study the data, and to initiate the development of a market-driven implementation strategy have prepared the organization and the community well by providing a public framework and a strong basis upon which the community can plan and act for the future. It is within this framework that the community will continue to marshal the resources and knowledge necessary to meet new challenges and to capitalize upon fresh opportunities that are an ever-present component of a perpetually evolving and dynamic downtown district.





