



A Framework For
Growth & Investment
In Northwest Michigan



**FRAMEWORK
FOR OUR FUTURE**
A REGIONAL PROSPERITY PLAN
FOR NORTHWEST LOWER MICHIGAN

2014 REPORT

A *Framework for Growth and Investment in Northwest Michigan* was prepared as part of the *Framework for Our Future: A Regional Prosperity Plan for Northwest Michigan*, a regional resource for local governments, community organizations working to meet local goals. The *Framework* was developed as part of Michigan's Regional Prosperity Initiative, as initiated by Governor Rick Snyder and signed into law as a part of the FY 2014 budget. The Regional Prosperity Initiative encourages local private, public, and non-profit partners to identify regionally aligned growth and investment strategies for the State of Michigan to support, not the other way around. It also provides the framework for streamlining state services and highlighting the regionally defined goals and strategies that will further Northwest Michigan's success.

The *Framework for Our Future* includes information and tools that can help stakeholders address issues such as housing, transportation, land use, energy, arts and culture, workforce and economic development, community health, food and farming systems, and natural resources. Data and information will help communities

supplement their local deliberation, planning, and decision-making processes, and will help to identify the steps a community can take to address a local issue, if desired.

The *Framework for Our Future* was developed by the Northwest Michigan Council of Governments (NWMCOG) with input and partnerships from a variety of community stakeholders and members of the public. An intensive community outreach process featured a wide variety of opportunities for participation from the public: events, surveys, focus groups, online forums, and public discussions were held region-wide throughout the process. Outreach activities and engagement opportunities included a series of community dialogues, interviews, and other events designed to obtain input from individuals with disabilities, minorities, youth, those in poverty, and others that have historically been underrepresented in planning processes. Public input was used to identify priority community issues and concerns, and to help develop goals, strategies, and actions.

The goals, strategies, and actions included in the *Framework* were built upon public input heard throughout

the process, as well as on existing and adopted goals from local plans and planning initiatives. Strategies are not intended as recommendations, nor do they supersede and local government decision-making. Moreover, the *Framework* is not intended for, nor shall it be used for, infringing upon or the taking of personal property rights enjoyed by the residents of Northwest Michigan. Rather, the information included in the *Framework* is instead intended to serve as a compilation of best practices to help guide local decision-makers who would like to address the issues identified in the *Framework*.



FRAMEWORK FOR OUR FUTURE

A REGIONAL PROSPERITY PLAN
FOR NORTHWEST LOWER MICHIGAN

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**Northwest Michigan
Council of Governments**
Workforce • Business • Community

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➡ A Framework for Growth & Investment: Introduction

Northwest Michigan, renowned for its natural beauty and unique character, is a place where people and businesses can thrive and grow. Its vibrant and unique communities featuring locally-owned businesses and community organizations, walkable downtowns and historic architecture, and small-town character are set within a landscape of rolling hills, fields and orchards, vast forests, pristine inland lakes and streams, and hundreds of miles of Lake Michigan shoreline. The high quality of life provided by these many place-based assets play a tremendous role in the region's economy, attracting visitors, new residents, and businesses alike - making the region one of the fastest growing areas in Michigan and the Midwest. These assets are becoming increasingly important as Michigan transitions to a new economy where knowledge-based activities, technology, creativity, and innovation are key elements in economic growth and development. In this new environment, Northwest Michigan's continued vitality is directly tied to the health of state, national, and global economies. Job creators, local governments, nonprofit leadership, and other stakeholders face stiff global competition.

To be competitive in this economic climate, initiatives designed to attract new growth and investment must consider assets—which build into competitive niches—at the regional level. Increasingly, these regional assets niches are based on the intersection of talent, community, and business:

Talent:

The presence of talent—a skilled, knowledgeable workforce—is needed to support existing business, and also helps to create and attract high-paying, sustainable jobs.

Community:

A high quality of life and place—defined by vibrant, desirable



Placemaking plays a vital role in the quality of life and economy for the communities in Northwest Michigan.

communities and environments—help to attract the talent need to drive job creation and economic growth.

Business:

Business-friendly community policies—those that provide a supportive regulatory structure and efficient, cost-effective services like affordable sewer and water and high-tech infrastructure—are necessary to support new investment.

Northwest Michigan has long recognized that its place-based assets support growth and investment. Its natural resources, unique and vibrant communities, recreation opportunities, and other amenities all combine to create a high quality of life and place. Preserving and enhancing these amenities builds the sense of place that attracts talent and business, while sustaining the natural resources- and tourism-based economies that have driven much of employment in Northwest Michigan.

However, communities throughout the region have struggled over the last several decades with development patterns that threaten their unique identities and economies. Since the 1970's, much of the region's growth has occurred in rural areas, while the populations of cities and villages remain stagnant or decline. As growth spreads into rural areas, the region contends with increased traffic, higher public service costs, and the loss of farmland and natural beauty. Meanwhile, regional population trends are changing service needs, housing markets, and local economies in a fundamental way. Population growth is largely occurring among older individuals, while younger people and families are leaving the region or the state for education or job opportunities. At the same time that the population of younger workers is shrinking, Baby Boomers are beginning to retire, and many businesses and industries are losing skilled, knowledgeable workers. The resulting shortage of

skilled workers creates difficulty for many employers in finding and hiring the workforce needed to expand and grow their businesses and industries. Without a strong workforce, it will be difficult to maintain or expand Northwest Michigan's economy.

In the face of these challenges, many communities recognize the need to encourage new growth, jobs, investment, and development that builds upon and protects the region's unique assets and quality of life by focusing new development in existing communities and developed areas. These "growth and investment areas"—cities, villages, and urbanized townships that act the region's population, employment, and commercial centers - have the infrastructure and policies in place to support new growth. Yet, many of these communities struggle to remain competitive amidst these new economic realities:

- Factors such as limited land supply, infrastructure costs, and regulatory hurdles make development and redevelopment in cities and villages more complex and costly than development in rural areas outside of cities - perpetuating sprawling development patterns that require expensive expansions of infrastructure and services, add traffic, and impact natural resources.
- Local zoning or other policies may not permit the type of development that the market demands or the community needs.
- Infrastructure or communications technologies may not be available or cost-effective in some areas.
- Taxes are often higher in cities, villages, and urbanized townships, raising the costs of doing business.
- Shortages of affordable housing, combined with limited housing options for small households, leave few choices for many people interested in relocating to the

region—particularly the younger populations that are critically needed for our workforce.

Addressing these challenges in the state's transitioning economy will require the continued support of the many public, private, and nonprofit stakeholders involved in economic development at the local, regional, and statewide level. Above all, however, Northwest Michigan's future prosperity depends upon the actions taken and policies adopted by each of the region's communities. Each community makes its own decisions about which strategies are appropriate to build prosperity and compete in the global economy; and it is these local decisions that ultimately result in opportunities for new growth and investment. Recognizing these local roles as our most fundamental economic development drivers, *A Framework for Growth and Investment in Northwest Michigan* identifies some of the people-, place-, and policy-based actions that communities can take to address growth and investment opportunities in a transitioning economy. This document is intended to act as a resource for local decision makers as they work to make decisions and implement locally-driven strategies.



➔ Growth: Building Vibrant Communities

Northwest Michigan features a variety of community types, ranging from rural townships populated by only a few hundred people; shoreline areas with extensive residential and seasonal development; small cities with traditional and vibrant downtowns; to strip commercial along highways and arterials along highways and arterials, outside of core communities. All of these communities play an irreplaceable role in the region's economy and lifestyle. However, the region's cities, villages, and urbanized townships—known as “growth and investment areas”—play an especially unique and central part in regional economic development. These growth and investment areas include Northwest Michigan's largest concentrations of employment, housing, service, commercial, residential, and industrial uses; having, on average, twice the housing, employment, and population density as communities throughout the rest of the region. Together these areas account for 72% of the region's population, 69% of its housing stock, and 91% of its jobs. With the infrastructure assets, population density, and community preferences that support new development, the region's 43 identified growth and investment areas are likely to be the focus for future growth and investment.

The vitality of these communities has enormous impacts on the region as a whole: their population, markets, development patterns, and policies drive economic development for much of the region. Recognizing that investment in these areas will likewise support and enrich surrounding rural

and shoreline communities, this section of *A Framework for Growth and Investment in Northwest Michigan* focuses on the economic and place-based needs and issues of the region's growth and investment areas.

Commercial corridors

Located within the region's growth and investment areas are a number of commercial corridors, which include significant concentrations of development and act as commercial, service, residential, and employment centers for surrounding communities. These commercial corridors may include downtown areas or strip commercial development along state highways or arterials, and are often the most visible portion of the region's communities. Many act as visual gateways, creating visitors' first impressions of the community. These corridors also carry large volumes of both local and regional

traffic and are heavily influenced by the region's transportation network. Over half of these corridors are located along state trunklines.

Recognizing the importance of commercial corridors to the economies of each individual communities and the region as a whole, NWMCOG conducted a commercial corridor inventory (CCI) that asked local governments to identify commercial corridors and the assets within these corridors (see sidebar, page 8). The resulting inventory detailed infrastructure assets, population, housing, employment, and other data for each of the 110 commercial corridors identified by local governments within the region's growth and investment areas. The CCI indicated that over two-thirds of the region's jobs are located within a quarter-mile of one of these commercial corridors; and that nearly a third of the region's



TYPE	POPULATION DENSITY (PERSONS PER ACRE)	HOUSING DENSITY (HOUSING UNITS PER ACRE)	EMPLOYMENT DENSITY (JOBS PER ACRE)
Region	.10	.06	.04
Growth and Investment Areas	.19	.11	.09
Commercial Corridors	3.1	1.9	3.0



110

COMMERCIAL CORRIDORS



65

COMMERCIAL CORRIDORS LOCATED ALONG STATE TRUNKLINES

population lives within that radius. Population, housing, and employment densities in and around commercial corridors were shown to be higher, on average, than densities regionwide, or even compared to growth and investment areas (see table, page 6).

Despite the economic and population impacts of commercial corridors, these areas struggle with a variety of challenges, including transportation, design, and development-related issues. High traffic counts in these corridors can act as both a blessing and a curse: while high traffic volumes render businesses more visible, traffic volumes and speeds create challenges in walking to or accessing businesses, and can create an unwelcoming environment for customers and pedestrians.

As many of these areas are the gateways into community core areas, their design and functionality contribute to the community's image and sense of place. Yet many corridors lack a cohesive design, resulting in traffic hazards and a disjointed development pattern; and many corridors, particularly vehicle-dependent strip commercial development leading into downtowns, may also suffer from disinvestment, declining property values, and blight, thereby negatively impacting the local sense of place.

Commercial corridors present important opportunities for growth,

development, and redevelopment. Most corridors are served by infrastructure such as sewer and water services, and properties along these corridors feature high visibility, proximity to a variety of service and residential areas, and other important assets. Substantial acreage for redevelopment is provided by underused parking areas, known as greyfields; and there is significant potential for infill development - new development that can occur in and around previously developed areas. Yet, new development often occurs outside of these areas for a variety of reasons. Infrastructure costs can discourage new investment, while the costs and risks involved in developing blighted or potentially contaminated areas can discourage other developers. In other cases, zoning may not permit infill development or redevelopment: large parking, road frontage, and setback requirements may result in the sprawling development patterns that contribute to poor functionality and design. In addition to costs and regulatory hurdles, development is often complicated by their presence along major transportation arterials. 60% of commercial corridors are located along state trunklines; and many communities struggle to balance the desire for safe, efficient traffic flow with pedestrian improvements and improved corridor aesthetics along these important transportation routes. State transportation agencies play an enormous role in growth and

development along these corridors, particularly as they relate to pedestrian improvements and traffic flow, which can impact local activities around the design and functionality of the corridor.

Housing Trends

National, state, and regional population trends are affecting communities' needs, markets, and development trends. An aging population, which includes the current or impending retirement of many in the Baby Boomer generation, combined with the needs and preferences of the Millennial generation, is driving demand for development types that differ in many respects from those that dominated the market for the last several years. *A Framework for Housing in Northwest Michigan* identifies a number of housing trends and needs in Northwest Michigan, including market and affordability issues driven by generational population trends that have particular impacts in growth and investment areas.

One of these trends is the aging of the Baby Boomer generation which has been the nation's largest population group for many years, and has driven much of the market since the 1960's. As this large demographic reaches retirement age, their changing needs will create significant shifts in housing demand and other market trends. As individuals age, they are more likely to live in one- or two-person households, with fewer needs for the large,

Growth & Investment Areas & Commercial Corridor Inventory

To identify communities within Northwest Michigan that are prepared for new development, a community asset inventory was conducted by NWMCOG in 2010 in conjunction with the Growth and Investment Network. The survey collected responses from cities, incorporated and unincorporated villages, townships, and planned growth areas in Northwest Michigan. Survey results were used to develop criteria for selecting areas from the region that were best positioned to accommodate future growth patterns anticipated for Northwest Michigan over the next 25 years. While many assets are needed for new growth and investment, there are 5 essential criteria common to communities throughout the nation that support growth and investment potential. These 5 criteria were used in the selection of areas for additional analysis regarding growth and investment readiness, trends, and capabilities:

- Operational municipal water system
- Operational municipal sewer system
- Adopted master plan that recommends a defined higher density downtown core for development and investment
- Zoning ordinance that codifies higher density development in the downtown core
- Available governmental officials and staff to create effective growth- and investment-oriented policies and efficiently process requests and permits

The inventory was updated in 2012 with respect to these five criteria and then used to select 31 initial Growth & Investment areas for further study.

COMMERCIAL CORRIDOR INVENTORY

In order to gauge community growth patterns, economic activity, and policy impacts on growth and investment, NWMCOG conducted studies of the 31 identified growth and investment areas, using data from HUD, DOT, EPA, and the US Census, public and commercial data sources, and stakeholder interviews. All units of government were interviewed regarding community planning, land use, capital improvements, transportation, infrastructure, and community marketing policies. Interviews were conducted using a checklist tool called the Commercial Corridor Inventory, which was designed to be objective and focused on current attributes, rather than future plans. Commercial corridors were identified by the units of government based on their own criteria for significance to their community.

Components of the Commercial Corridor Study include data and maps that identify:

- Current demographic and housing development trends
- Land area
- Sprawl
- Jobshed and watershed
- Commuting patterns
- Retail sales and “leakage”
- Home values, efficiency, age, and heating fuel
- Household income
- Community strategies and zoning details
- Growth and Investment Readiness Assessment, which includes data on criteria such as:
 - » Infrastructure capacity
 - » Staff
 - » Master plan

- » Growth rates
- » Densities
- » Placemaking elements
- » Community identified development opportunities
- » Fixed route transit
- » High traffic counts

To ensure economically vibrant communities, we need to study how communities are preparing themselves to leverage growth and investment potential in order to achieve community goals. Understanding where communities fall on these factors will provide potential goals for communities interested in maximizing their potential for growth and investment.

Growth Area	County	2010 Census Population	2010 Census Housing Units	Employment / Jobs	Community Water System	Community Sewer System
Bellaire	Antrim	3,485	2,896	1,625	Yes	Yes
Central Lake	Antrim	2,198	1,675	355	Yes	Yes
Elk Rapids	Antrim	4,835	3,810	1,117	Yes	Yes
Mancelona	Antrim	4,400	2,437	814	Yes	Yes
Beulah/Benzonia	Benzie	2,727	2,086	1,300	Yes	Yes
Frankfort/Elberta	Benzie	4,374	4,434	1,212	Yes	Yes
Honor	Benzie	2,357	1,220	341	No	Yes
Thompsonville/Crystal Mountain	Benzie	1,199	1,058	366	Yes	Yes (1)
Boyne City	Charlevoix	9,009	5,440	2,789	Yes	Yes
Charlevoix	Charlevoix	8,514	5,591	3,522	Yes	Yes
East Jordan	Charlevoix	4,224	2,267	1,460	Yes	Yes
Alanson	Emmet	2,978	1,774	354	Yes	Yes
Harbor Springs	Emmet	5,180	4,286	1,885	Yes	Yes
Mackinaw City	Emmet (2)	1,200	1,233	667	Yes	Yes
Petoskey & Surrounding Townships	Emmet	14,568	8,514	12,129	Yes	Yes
Fife Lake	Grand Traverse	1,462	855	47	No	Yes
Interlochen	Grand Traverse	5,784	2,958	1,298	Yes	No
Kingsley	Grand Traverse	4,713	1,796	921	Yes	Yes
Traverse City & Surrounding Townships	Grand Traverse (3)	69,802	34,164	42,477	Yes	Yes
Kalkaska	Kalkaska	4,722	2,398	2,587	Yes	Yes
Empire	Leelanau	1,182	1,088	417	Yes	No
Leland/Lake Leelanau	Leelanau	2,043	1,756	682	Yes	Yes
Northport	Leelanau	2,027	1,940	384	Yes	Yes
Suttons Bay	Leelanau	2,982	1,589	2,051	Yes	Yes
Manistee & Surrounding Townships	Manistee	12,635	6,385	4,818	Yes	Yes
Onkama	Manistee	1,329	1,289	238	No	Yes
Lake City	Missaukee	7,238	4,510	1,504	Yes	Yes
McBain	Missaukee	3,326	1,356	603	Yes	Yes
Cadillac & Surrounding Townships	Wexford	20,465	10,082	10,449	Yes	Yes
Manton	Wexford	3,044	1,325	426	Yes	Yes
Mesick	Wexford	1,755	1,091	408	Yes	Yes

Source: EMSI

traditional single family homes that were built in large quantities over the last several decades to accommodate families. In addition, many new retirees are relocating to communities that offer a high quality of life, a variety of amenities, and a range of services with the walkability that will allow them to remain at home independently into later life, that is to, “age in place.” In Northwest Michigan, a popular retirement destination, this trend is particularly important: almost all of the region’s population growth between 2000-2010 was among population groups aged 55 and up. At the same time, the number of single-person households increased by 23%—a rate over three times that of the growth in the number of two-person or larger households—and the number of family households decreased by 9%. As the region experiences these increases in smaller, older households, demand for small homes—including apartments, condos, or small single-family homes—is expected to grow. However, much of the region’s housing stock is made up of traditional single family homes. Additionally, zoning regulations throughout Northwest

Michigan are focused predominantly on permitting large-lot single family homes, with few areas that accommodate multi-family housing.

In addition to the Baby Boomer generation, the nation’s housing market is also experiencing shifts arising from the Millennial generation. As Millennials reach their twenties and thirties, they have driven demand for homes in vibrant locations that feature a high degree of walkability and opportunities to socialize. As many are starting families later in life, they are more likely to live in smaller households, further increasing demand for small homes. The generation’s mobility needs and economic pressures, such as large student loan debts or tight job market, also influences their housing choices by limiting their home purchasing ability and driving an increased demand for rentals and small homes.

As new business and entrepreneurial activity depends on the presence of a skilled and talented workforce, attracting and retaining younger, college-educated individuals is

a critical economic development strategy. The ability to retain and attract younger individuals depends on factors such as place-based assets like recreation and cultural opportunities; employment and education opportunities; and the housing options that they want and can afford. Housing is an especially important factor for individuals who are trying to live in or are interested in moving to the region. However, the region’s housing market may not meet the needs of Millennials that are looking for small homes, rentals, or affordable options in walkable locations. Due to significant shortages of affordable housing documented in communities throughout the region; overwhelmed rental markets; and a housing market dominated by large single-family homes, younger individuals and families often don’t have the choices they need in Northwest Michigan. In light of these conditions, and due to Michigan’s long-lasting recession, the region lost population in nearly all age groups under 45 between 2000-2010.

Without the housing choices and amenities needed and desired by the changing market, it will be difficult for communities to attract the population base and accompanying investment needed to create a vibrant and thriving community.

Infrastructure

Infrastructure—such as municipal sewer, water, roads, and utilities—refers to the public services and facilities that are needed to support a community’s population and economy. Efficient, cost-effective public infrastructure facilitates the production and distribution of goods and services, ensures the health, safety, and welfare of a community’s residents; and is a vital element in economic development. Intensive commercial and industrial development requires adequate access to roads, energy sources, sewer, municipal water, and other services that will support the operations, expansion, and improvement of business. Residential development, too, relies on these and other public facilities, such as



Baby Boomers and Millennials are drawn to areas that are walkable and offer a variety of housing options.

fire and police protection, schools, communications technologies, and waste management infrastructure. Ensuring that adequate, cost-efficient infrastructure is available is an important first step in attracting growth and investment to a community.

An important piece of the 2014 Commercial Corridor Inventory was identifying assets, including infrastructure, in order to assess the economic development and investment potential of the region's communities. The inventory indicates that municipal water, a vital asset for economic development, is available in 35 communities, 30 of which are growth and investment areas. 23 of those communities have additional municipal water capacity—meaning that more businesses or residents can access the municipal water supply without expansions. 36 communities, including 35 growth and investment areas, have municipal sewer facilities, 28 of which have additional capacity.

In the transition to a new, information based economy, these basic public services must also be paired with technology-based infrastructure. Greater coverage of telecommunications and high-speed internet are critical in today's business operations. While all of the region's commercial corridors currently have technology-based infrastructure such as broadband, only about 9% provide for ultra-high speed internet access. About 20% of communities offer public wireless Internet access (wifi) as a service to residents, visitors, and businesses in certain areas.¹ Challenges in providing infrastructure generally center on the costs of providing and maintaining services; infrastructure-related costs are among the largest budget items for most communities. In 2013, growth and investment communities region-wide spent a total of over \$19 million on public works and utilities costs, averaging about \$675,000 per unit of government annually. Their capital outlay costs, which include the costs to acquire, maintain, repair, or upgrade capital assets such as buildings and infrastructure totaled

nearly \$13 million for that year. On average, these costs made up 16% of an individual growth and investment community's budget in 2013.

Yet, the costs of maintaining existing services are far less than expanding systems or facilities to accommodate new development. Throughout the region, local decision-makers struggle to balance infrastructure's financial costs with a desire to create opportunities for future growth and investment. Clustering new development in areas that can access existing infrastructure can enhance efficiencies, spreading the costs of the system over more users and lowering overall service costs. Because a significant proportion of the region's sewer and water systems have additional capacity, there are ample opportunities to take advantage of existing infrastructure rather than expanding systems. However, difficulties with redevelopment in growth and investment areas and commercial corridors have led to costly service expansions and annexations in some communities, as developers seek infrastructure extensions to serve easy-to-develop areas outside of existing service boundaries.

[Transportation](#)

Northwest Michigan's transportation network is its most visible infrastructure component, and is perhaps one of its most critical economic development assets. Our road systems, in particular, are foundational elements to both our lifestyles and our economy, providing mobility and access to employment, housing, services, and recreation. In addition, our road networks connect us to the global economy and facilitate the movement of goods and services within and between communities: all parts of our economy, from manufacturers to the tourism industry, rely on the ability to access a well-maintained road network.

An effective transportation system relies on more than roads alone, however. Public transit systems are vital options for many residents—

particularly for the elderly, disabled, and others without a vehicle—in getting to work, shopping, and medical appointments. Non-motorized transportation networks encourage healthy physical activity and promote economic opportunities, while providing important transportation options for those that can't or don't drive; and walkable communities with ample non-motorized connections are becoming increasingly desirable places to live. Rail and air transportation, meanwhile, are important elements of our economic infrastructure, transporting freight to and from the region, and in the case of air transportation, supporting both business and tourism activity. Maintaining, enhancing, and improving this multi-modal transportation infrastructure is vital to our region's economy, connecting communities to each other and to global markets.

The region's transportation network faces challenges, however. A *Framework for Transportation in Northwest Michigan* explores some of these issues, including congestion, funding limitations, maintenance and safety needs, and multi-modal transportation. These issues are inextricably linked with the region's growth and investment trends and opportunities: the amount, location, type, and design of new development has immediate and direct impacts on the region's transportation network and needs, affecting the amount of traffic on roads, the demand for transit, the costs of transportation, and need for non-motorized transportation connections. This relationship is of particular importance in commercial corridors, which are located along some of the region's busiest roads: businesses and homes in and around these corridors experience significant business and safety impacts related to the flow of traffic, including unsafe pedestrian environments, high traffic speeds, and poorly-planned access management that causes safety and congestion concerns. However, decisions about transportation funding and improvements aren't always made in the context of these related land use, growth, and investment

Local Decision-Makers

Growth and investment decisions are made by local units of government—the legislative boards and planning commissions of the region's cities, villages, townships, and counties. These volunteer officials are elected or appointed to work with the public, developers, neighboring communities, and many others to ensure that their communities' interests are served. This is a delicate balancing act that requires strong relationships between the public, community stakeholders, and their representatives.

LEGISLATIVE BODY

The local legislative body is elected by the public every 2-4 years to represent the community. These bodies—including township boards, city councils or commissions, village councils, and county boards—make the final decisions on zoning, and in some cases (but not all) they are the final authority on plan adoption. Their responsibilities include:

- Adopting plans and ordinances
- Setting the tax rates
- Authorizing expenditures and borrowing
- Hiring administrative staff
- Providing oversight of public facilities and infrastructure
- Appointing members to the planning commission and zoning board of appeals
- Other duties as necessary

PLANNING COMMISSION

The planning commission is an important advisory group of 5-11 volunteers that is appointed by the legislative body to develop plans. For communities with zoning authority, it also prepares and makes recommendations on zoning ordinances, zoning changes, special

use or planned developments, and site plans.

The planning commission can serve as the final authority on some of these matters - but only when authorized by the zoning ordinance. Depending on the capacities and activities of the community, a planning commission is generally expected to:

- Develop and maintain a master plan
- Make recommendations on approval of the plan, and in some cases adopt the plan
- Develop, upon direction from the governing body, capital improvement plans, recreation plans, and other community plans
- Develop a zoning ordinance and map (in communities that have adopted or will adopt zoning)
- Make recommendations on changes to the zoning ordinance and map
- Review rezoning applications, site plans, and planned unit development applications
- Review the community's property purchases and development projects

The responsibilities, makeup and procedures of planning commissions and elected officials vary from community to community. However, regardless of the community's individual government structure, and whether officials are elected, appointed, or hired, it is the imperative of local government and staff to serve the interests of the community. Citizens are encouraged to contact their local officials and staff to communicate their interests, learn about local issues, and find out how they can get involved.

discussions. When transportation planning fails to account for land use impacts or economic development needs, communities may experience added congestion, safety issues, and increased construction or maintenance costs which in turn can have negative impacts on their abilities to attract and manage new growth and investment.

[Governance](#)

In the ten-county Northwest Michigan region, there are over 190 local units of government—approximately one government for every 1500 residents. Township governments represent 139, or nearly three-quarters, of these units of government. The responsibilities, capacities, and makeup of these governments vary depending on the type and population

of their jurisdiction. Typically, they collect taxes, maintain public facilities such as parks and infrastructure, regulate the use and development of land, and provide for emergency and fire protection services. Some communities, typically cities and sometimes villages, also provide police protection. They operate with revenues from a variety of sources, including property taxes, state revenue sharing, other state and federal contributions, and fees for services such as sewer and water usage.

Local governments play foundational and powerful roles in economic development—particularly in activities related to place-based assets and development opportunities. When elected and appointed officials are engaged in strategies that leverage the

importance of land use and place in economic development, communities can achieve higher-quality growth that contributes to greater investment. In order to attract growth and investment in the new economy, an understanding of local government roles in the new economy is necessary for these decision-makers to effectively engage in economic development activities. However, in Northwest Michigan, with approximately 1,800 planning commissioners, elected officials, and staff, frequent turnover occurs among planning commissions and elected governing bodies, such as township boards and city commissions. This turnover results in gaps in knowledge about land use and economic development needs—making it difficult to optimize assets when there is the potential to do so.

Additionally, many local decision makers recognize that long-term plans, strategies, and related economic development initiatives such as master plans, corridor plans, and economic development strategies are necessary to attract the new growth and investment desired by the community. However, local governments typically operate on limited budgets with many competing priorities. In growth and investment communities, which operate with average annual budgets of about \$6.2 million, funds are primarily focused on operations and public safety, leaving little room in budgets or activities for the strategic and long-term planning needed to accommodate growth and investment. Community and economic development activities, on average, account for only 2% of an average growth and investment community's budget (see chart, page 14).

[Planning and Zoning](#)

Attracting future growth and investment requires adequate services, an efficient transportation system, a diversity of housing choices, and guidance for development. To adequately plan for and accommodate growth, change, and investment, many communities develop master plans and related policy documents. A

190

NUMBER OF LOCAL UNITS OF
GOVERNMENT IN NORTHWEST MICHIGAN

1,800

NUMBER OF PLANNING COMMISSIONERS,
ELECTED OFFICIALS, AND STAFF IN
NORTHWEST MICHIGAN

109

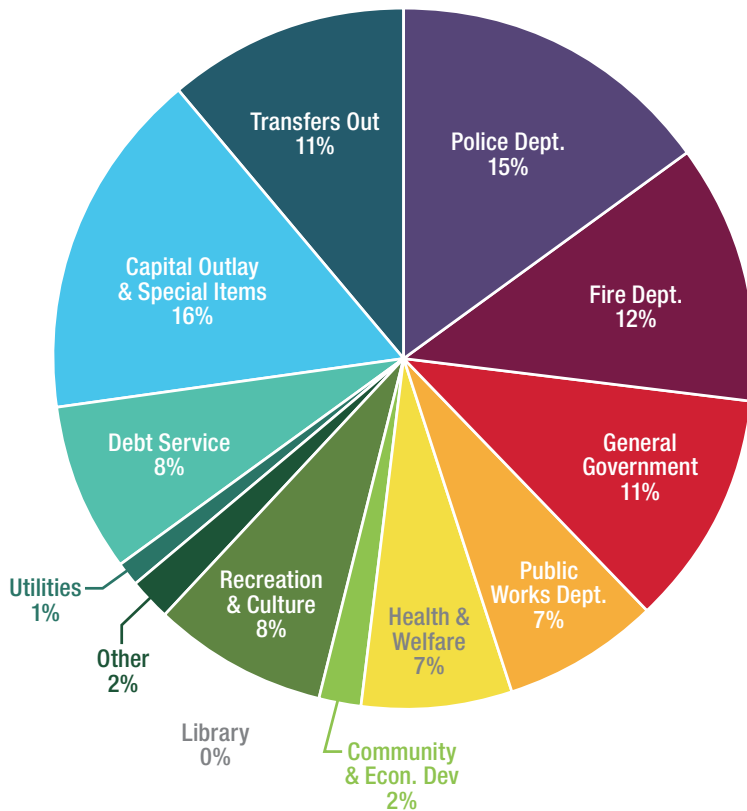
NUMBER OF MASTER PLANS
IN NORTHWEST MICHIGAN

146

NUMBER OF ZONING ORDINANCES
IN NORTHWEST MICHIGAN

AVERAGE ANNUAL BUDGET FOR GROWTH & INVESTMENT AREAS

Source: Munetrix, 2014



master plan is a guide that is intended to shape local land use decisions, based on a vision developed by a community, as part of a public process, about its future. All units of government—townships, cities, villages, and counties—are enabled by state law to develop master plans. In communities that are zoned, they also serve as the foundation for zoning ordinance regulations, which control how land and buildings are developed and used. Master plans can also act as a guide for other ordinances or regulations, typically addressing issues such as the development of land, the placement and extent of public facilities, natural resource protection, transportation, and housing choices.

For communities to thrive in the state's new economy and attract future growth and investment, planning is an important first step. Master plans, and related plans like corridor plans and economic development strategies that address specific parts

of the community, are vital assets in planning and preparing for changing populations, economic trends, and service demands that occur over time. They provide the foundation needed to make informed decisions about managing limited resources, directing development to appropriate locations, and ensuring that development is designed to protect and enhance our communities' most valued features. As the state's economy becomes increasingly dependent on place-based assets, master plans become particularly important economic development tools.

61% of all units of government in Northwest Michigan—and 87% of growth and investment areas—have locally-adopted master plans. Most of these master plans share common elements, including discussions on transportation, infrastructure, and economic development. A 2014 NWMCOG review of the region's local master plans found that

priorities shared by communities throughout the region include the preservation of water quality, natural resource preservation, preservation of unique character, and offering a range of housing choices.

In addition to planning, about 81% of communities in the ten-county region have decided through local decision-making to develop and administer zoning ordinances. A zoning ordinance is a local law that regulates land and buildings in order to protect the health, safety, and general welfare of all citizens. It defines how properties are used, establishes standards for development, and regulates where, what types, and how much new development can occur in a community.

Zoning is one tool that allows communities to guide development and land use in a way that achieves the community's vision for development. It can use regulations that guide the placement and form of building such as lot size and density, height requirements, setbacks, use restrictions, street frontage requirements, and other dimensional requirements or design guidance in a way that meets community goals. Zoning can also offer incentives or flexibility that can either encourage or discourage various types of development in different parts of the community.

While zoning is a powerful policy tool affecting new development, it does not always work to further the community's vision. Some zoning ordinances can work in ways that discourage the types of development that the community may have identified as a goal. For instance, while a community may identify goals that include providing for a "range of housing choices," there may be other regulations in place, such as minimum lot sizes or density requirements, that can restrict the development of multifamily homes or other types of housing. The procedures involved in obtaining zoning approvals can be another barrier to new development—

particularly for large, intensive, or high-density projects, which can be complex, time-consuming, and highly-charged political processes that can take months or even years to complete. Time is money for developers, and these approval procedures add cost and risk to projects that may discourage new development, or add costs to the project and end consumer.

In addition, because most communities administer their own separate and distinct zoning ordinances that often work together with construction codes or other regulations administered by other

levels of government, development and investment processes region-wide can be confusing and complex to navigate: developers and investors may not know where to begin, who to contact, or which level of governmental regulations apply to various phases of a project. The presence of numerous zoning ordinances can also result in an inconsistent approach to issues that often have greater-than-local impacts. For instance, traffic impacts from large commercial uses or resorts may not be compatible with working farmlands in agriculturally zoned areas of adjacent communities; while new development in or near

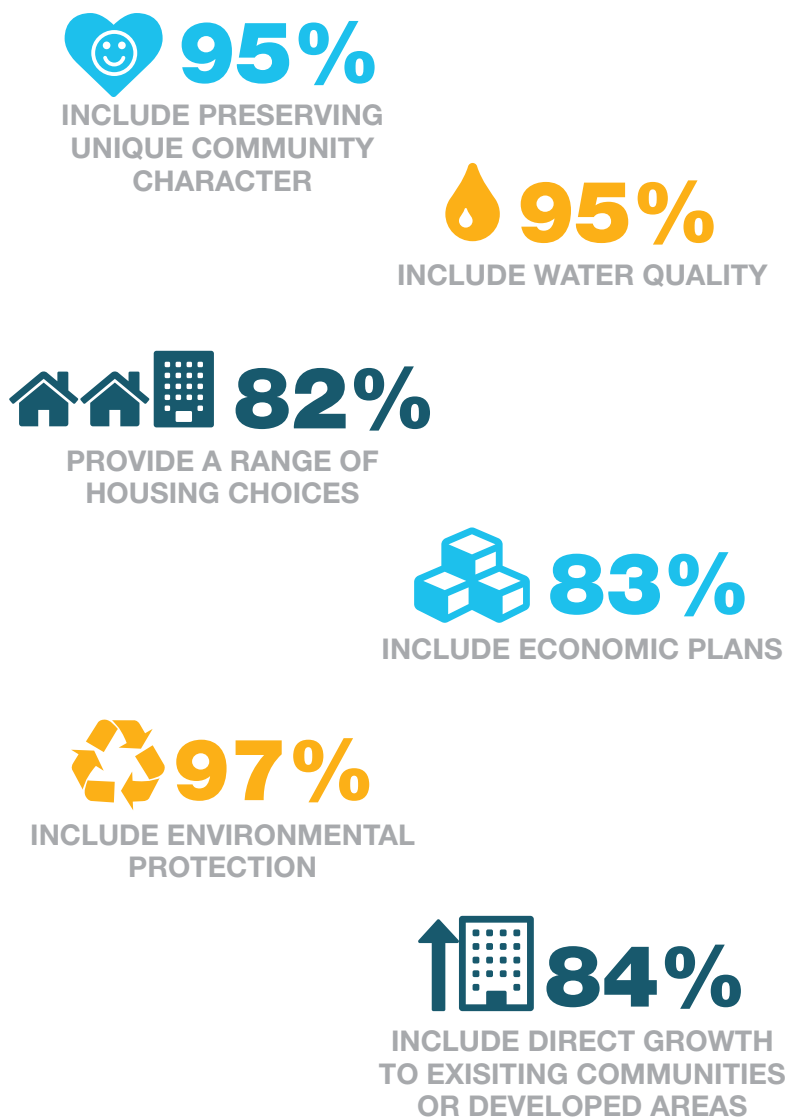
wetlands or shorelines can impact water quality throughout a watershed and across governmental boundaries. Despite the importance of consistent zoning approaches to development, zoning is typically adopted without participation from neighboring communities. With 146 ordinances on the books region-wide, there is little interchange between communities regarding particular zoning regulations: and representatives or members of the public rarely participate in the development of zoning codes in neighboring communities.

Design & Development

Stakeholders interviewed in the Commercial Corridor Inventory process identified a number of common challenges associated with attracting investment to their corridors, including economic, transportation, blight, and other factors. Because corridors are located along state trunklines, which accommodate high volumes of traffic and require state participation in any improvements, many communities face challenges in addressing pedestrian safety issues in their downtowns or in other prime commercial areas. Communities also contend with blighted buildings and barriers to redevelopment, which include a slower development market that continues to experience the negative impacts from the recession on new commercial development. At the same time, communities struggle to attract residential developments to their commercial corridors that can generate higher levels of activity that support commerce.

Because many of these challenges are related to community design and development, NWMCOG hosted a series of Commercial Corridor Design Charettes 2013 to identify general preferences for community design and development in six communities. The process relied on stakeholder and public input to identify desired development patterns and design characteristics for their community's primary commercial corridors. While each design concept took

WHAT IS TYPICALLY INCLUDED IN THE REGION'S PLANNING AND ZONING MASTER PLANS?



LOCATION	# OF COMMUNITIES WITH MASTER PLAN	% OF COMMUNITIES WITH MASTER PLAN	# COMMUNITIES WITH ZONING ORDINANCE	% OF COMMUNITIES WITH ZONING ORDINANCE
Antrim	10	50%	12	60%
Benzie	17	90%	17	90%
Charlevoix	16	84%	18	95%
Emmet	13	62%	21	100%
Grand Traverse	14	88%	16	100%
Kalkaska	4	31%	13	100%
Leelanau	14	100%	14	100%
Manistee	13	65%	12	60%
Missaukee	2	12%	3	18%
Wexford	6	29%	20	95%
Northwest Michigan	109	61%	146	81%

Source: Northwest Michigan Council of Governments, 2014

Best Practice: Lakes to Land

The Lakes to Land Regional Initiative is a unique joint planning effort among the northwestern Michigan townships of Arcadia, Blaine, Crystal Lake, Gilmore, Bear Lake, Joyfield, Lake, Manistee, Onkama, and Pleasanton; the Villages of Honor, Onkama, Bear Lake, and Elberta; and the Cities of Frankfort and Manistee. The Initiative seeks to bring voices from throughout the region into an articulation of a vision for the region's future. This process has resulted in a series of master plans which include a detailed assessment of the community, a consensus



on a shared vision, and into policy and action statements that will help each community translate its vision into reality.

The communities have now begun collaborating on a clear set of strategies and actions for achieving their vision.

into account the specific needs and circumstances of the corridor, a number of commonalities emerged:

- Buildings fronting the street, with little to no setbacks
- New development occurring in “greyfields,” or underused parking areas
- Streetscape elements such as added landscaping and outdoor café sidewalk seating
- Architectural elements that add visual interest and are consistent with the community’s historic character
- Infill development consisting of two story commercial buildings matching the mass, form, and setbacks of existing adjacent buildings and historic architecture
- Traffic calming measures
- Park connections and trail linkages
- Painted pedestrian crosswalks and other improvements that enhance walkability and safety for all users

Similar results were found in the online Visual Preference Survey conducted throughout Northwest Michigan in 2013 (see sidebar, page 18). Respondents significantly preferred images with historic architecture, with retail on the first floor and office and residential on upper floors, and outdoor café seating for main streets in smaller communities. For downtowns in larger communities, respondents overwhelmingly preferred images depicting high density mixed use development with pedestrian amenities and public parks and spaces. They also significantly preferred building heights over two stories, historic architecture, outdoor café seating, and buildings where floors over 2 to 3 stories were setback from the lower floors. Preferences for highway and arterial road commercial corridors included modern architecture, articulated faces, upper floor setbacks, the use of a mix of materials in the building facades, building

heights over 2 stories, pedestrian amenities, and higher densities.

Many of the preferred design elements identified in the charrettes and surveys reflect traditional architectural elements and building designs that enhance walkability. This reinforces residents’ appreciation for the historic and small-town sense of place with highly walkable features that distinguishes many of the region’s communities. However, new development incorporating these features is typically prevented by zoning regulations governing features such as parking and setbacks. Particularly in commercial corridors, zoning often requires large amounts of parking that render infill development difficult or impossible in some areas, along with setback requirements that situate new development far from the road and sidewalks, which discourages pedestrian activity. Zoning ordinances rarely provide clear design guidance relative to the architectural form of a building, and features such as connecting sidewalks and pedestrian-friendly street treatments are often optional—frequently resulting in new development that doesn’t include the features that the public desires. Some ordinances don’t permit residential development as a use-by-right in commercial districts, making it difficult to create mixed-use developments or the residential uses needed to support commercial uses. When residential uses are allowed, maximum densities rarely support the “critical mass” of development that would result in levels of activity needed to support the walkable environment that has been prioritized by the public. However, many communities struggle to balance the desire to attract growth and investment by allowing higher densities, while still retaining small town character.

[Civic Engagement and Public Participation](#)

Input from the public regarding growth and investment is critical in shaping our communities’ futures. Goals identified by the public help the community build a consensus for the future, enabling the public,

private developers and investors, stakeholders, and decision-makers to work together toward a mutually-understood vision for growth and economic development. When developers know the public’s preference for new growth and development, they’re better able to design projects that meet the community’s vision. And when local units of government have a clear picture of public preferences, they’re better able to make decisions about policies and specific projects that encourage and result in the type of growth the community desires.

Local governments are required to abide by “transparency laws” including the Open Meetings Act and Freedom of Information Act; and most planning and zoning procedures require opportunities for the public to review and provide input at various stages within each process. However, many local governments struggle to communicate effectively with the public: communities often lack robust or up-to-date websites, or may not provide regular opportunities for two-way communication. Additionally, a lack of familiarity with the local decision-making process on the part of many members of the public makes it harder for them to get engaged. As a result, local governments often struggle to understand the community’s preferences for growth; and many residents are often unaware of or unfamiliar with planning initiatives, projects, or opportunities for input. Public engagement often does not occur until a controversial development proposal comes forward, when residents get involved in efforts to influence the decision—even though the regulations governing the approval of the project were approved long ago. Affordable housing and higher-density developments, in particular, often generate substantial public opposition that can effectively derail projects.

Visual Preference Survey

As part of the *Framework For Our Future*, online Visual Preference Surveys (VPS) were conducted in 2013 and 2014 to gauge the region's preferences for commercial corridor architecture and amenity design elements. Participants were provided with sample images for either main streets in smaller communities, downtowns in larger communities, or highways and main arterial road corridors; and asked to select the images that they preferred for that type of commercial corridor. The survey collected data, by county and community, on the general image types preferred by respondents, as well as data pertaining to specific design elements that were present in each image. Different design elements were preferred based on how they would fit in to smaller communities, downtowns in larger communities, and along highways and commercial corridors. While not a scientific survey, the VPS provides some introductory guidance that communities can use to begin discussions on design and related policies in their own communities.

Modern Architecture:

Images containing modern architecture were not rated as appropriate for main streets in smaller communities. However, respondents were more favorable to modern architecture in larger downtowns and highway corridors.

Historic Architecture:

Historic Architecture Styles were significantly preferred for main streets and downtowns.

Mix of Materials:

Images containing a mix of building materials to break up the mass of buildings were rated as appropriate for main streets and downtowns, but less so for highway corridors.

Building Heights Over 2 Stories:

Images containing building heights greater than 2 stories were preferred for main streets and downtown by 50% and 75% of the respondents respectively.

Higher Density Development:

Images depicting Higher Density Development were preferred for main streets and to a greater extent, downtowns.

Mixed Use Development:

Mixed use development was preferred for main streets and overwhelmingly for downtowns.

Pedestrian Amenities:

Pedestrian Amenities were preferred for main streets and overwhelmingly for downtowns.

Urban Parks:

Images depicting parks in corridors were mostly preferred for downtowns and to a lesser degree, main streets.

Outdoor Café Seating:

Images containing Outdoor Café Seating were preferred for main streets and downtowns.

Upper Floor Vertical Setbacks:

Images containing Upper Floor Vertical Setbacks were largely preferred for downtowns with 50% of respondents preferring them for highway corridors followed by 25% preferring them for main streets.

Building Courtyards:

Images depicting Building Courtyards were preferred for downtowns with a 25% of respondents preferring them for main streets and highway corridors.

Building Articulation:

Building Articulation where the faces of buildings are broken up by architectural protrusions and recesses were preferred for downtowns and less so for main streets and highway corridors.

Complete results are available online at www.nwm.org/rpi

Opportunities: Building Vibrant Communities

Attracting new investment, development, redevelopment, and infill to our region's growth and investment areas and commercial corridors is critical to supporting and maintaining infrastructure, improving quality of life, and increasing economic competitiveness. Because most communities cannot afford stand-alone economic development staff, many Northwest Michigan communities rely on regional economic development organizations, downtown development authorities, chambers of commerce and other agencies that work with communities to attract and retain investment. Communities can work with these economic development partners or individually in a wide range of practices, including planning, zoning, permitting procedures, incentives, and even education and public outreach, to create an environment that supports and attracts new growth and investment.

communities addressing issues of blight, traffic, and reinvestment needs, corridor plans can provide cohesive guidance for policy changes such as zoning or tax incentives, growth, and development along commercial corridors.

Communities can also help to attract development by creating more responsive and efficient regulatory and planning structures, in part by working together with neighboring communities. Partnerships between communities, through joint planning and intergovernmental cooperation, can result in cost-savings in some cases, while also providing more consistent approaches to issues like natural resource protection and economic development. Sharing staff can improve mutual understanding of the regulations, policies, goals, and issues among neighboring communities. Sharing a zoning administrator or planner

Partnerships between communities can result in cost-savings in some cases, while also providing more consistent approaches to issues like natural resource protection and economic development.

To encourage new development in areas served by infrastructure, it is important to level the playing field between development in "greenfield" areas—those undeveloped areas often located outside of existing communities—and existing developed areas like commercial corridors. Zoning and tax incentives can provide some opportunities to do this: for example, density bonuses or zoning flexibility in targeted areas can help reduce the overall costs of development; and a number of redevelopment authorities can provide tax incentives. In some areas, tax increment financing and access to loan or grant funds through brownfield redevelopment authorities, land bank authorities, corridor improvement authorities, and downtown development authorities can help alleviate infrastructure or other site preparation costs. Where redevelopment is an important community goal communities can also incentivize development on specific vacant, underutilized, or obsolete properties. By identifying priority redevelopment sites, and providing ready information on these sites, like market analysis, environmental assessments, traffic studies, and other data, communities can encourage and support developers as they spend time and resources pursuing a project on the site. In order to reduce the potential for public opposition to a project on the site, which can slow the process, communities may develop a vision for the type of development that is preferred for the site, providing guidance on public preferences for development. In some cases, incentives such as tax increment financing or zoning flexibility may be attached to the property. For

may be particularly beneficial in respect to initiating a coordinated approach to planning and zoning. Joint master plans or zoning ordinances, which are enabled by state planning and zoning law, allow communities to take a step further in coordinating local policies and regulations. Other approaches to intergovernmental cooperation may include a regular exchange of dialogue between communities about regional issues and common local concerns, at events such as annual county summits or Michigan Township Association chapter meetings.

Local government responsiveness and efficiency can also be addressed through education and training. Regular education and training for local units of government can result in more consistent, predictable, and well-informed decisions. Communities can establish training budgets for elected and appointed officials and staff to encourage participation in education programs. Local governments might also consider regular collaborative work or study sessions that include information and updates on community issues, or they may meet annually to review planning, zoning, economic and other benchmarks.

Communities working to attract new growth and investment can consider the development of master plans, along with specific strategies for areas like commercial corridors, that identify the long-term goals and direction of the community. Plans should include a clear vision for future growth and development that is well-grounded in public input, as well as

economic development strategies based on the community's assets. When zoning is determined to be appropriate for a community, these plans can be implemented in part through a variety of zoning techniques that can help to achieve community goals. Form-based zoning is one approach that communities can use to achieve design goals. In addition to encouraging new development and redevelopment to be consistent with desired community design, it can offer advantages in terms of the predictability of zoning decisions, flexibility that more easily permits building reuse, and greater usability for property owners and the public (see sidebar, page 21). Traditional zoning ordinances may also incorporate design guidelines that regulate features like height, building materials, or architectural elements in order to achieve community goals. In addition, a variety of zoning techniques can be used to address specific issues such as housing development, natural resource preservation, and community health. These techniques are addressed throughout the *Framework for Our Future*; however, zoning approaches that can be particularly

Beyond specific zoning standards, communities can also consider streamlining the zoning process and permitting procedures in order to improve the efficiency of the development process and attract new investment. Transparent, efficient, and predictable approval processes can increase certainty, reduce risk, and lower costs for developers, while providing assurances to the public that community standards are consistently met in new projects. Communities can review and audit zoning and other development processes to identify and remove barriers in the development process. Other steps, such as addressing staffing needs in permitting offices and using technology where possible to speed the application process—i.e. through providing ordinances, forms, and other information online—can also reduce costs and improve efficiencies. Even simple resources like development guides that explain policies, procedures, and steps to obtain approvals can help citizens, developers, and others better understand how the development process in a community works.

To better engage the public in development decisions communities can provide more proactive, frequent, and interactive input opportunities.

useful in encouraging infill or redevelopment in growth and investment and commercial corridors include:

- Provide for areas of concentrated development in appropriate locations
- Include flexible zoning tools to encourage development and redevelopment
- Allow for a variety of housing options, such as accessory dwelling units, multi-family housing, co-housing, live-work units, and special needs housing
- Incorporate standards to improve non-motorized transportation
- Include flexible parking standards
- Include green infrastructure standards
- Allow for mixed-use development by right
- Allow for higher-density or more intensive uses in existing high-density areas and areas served by infrastructure
- Access management and other practices that ensure safe and efficient traffic flow

Improving the efficiency and cost-effectiveness of the region's transportation infrastructure requires coordination with the many agencies and non-profit organizations at the local, county, state, regional, and federal levels that spend millions of dollars annually to maintain and improve the transportation network. Additionally, because transportation and land use are so inextricably linked, master plans offer an important opportunity to consider transportation improvements in the context of land use changes and development needs. Many communities are also preparing corridor master plans to address specific areas of concern along major roadways. Incorporating comprehensive transportation components in master plans and corridor can help to guide future transportation investments in a way that best meets community's vision. Communities can also consider Complete Streets resolutions, plans, or policies to aid in incorporating multi-modal solutions to transportation improvements community-wide.

To better engage the public and stakeholders in development decisions, communities can go well beyond basic public hearing requirements in order to provide more proactive, frequent, and interactive input opportunities. Technology enables some nontraditional forms of public input that can provide greater convenience for residents and other stakeholders: social media and other online engagement forums offer opportunities for the public to contribute their ideas without attending meetings. Design charrettes help communities identify a vision for design for the

community as a whole or for targeted areas or projects. Town hall meetings can provide question-and-answer opportunities on particular projects or community initiatives, while focus groups can be successful in soliciting input from targeted stakeholder groups on particular issues. Newsletters and community websites can keep the public informed about projects or planning initiatives. Developing a public participation plan can help a community identify which of these methods is most appropriate for each community or initiative, and can help to regularly engage diverse stakeholders through various methods.

Placemaking offers opportunities for communities to integrate and address all of these initiatives at different scales, depending on local assets and needs. The term “placemaking” refers to a wide range of community

improvement strategies and initiatives that help to create vibrant, safe, and friendly places by capitalizing on a community’s unique assets—including its history, natural resources, or public spaces and buildings. It can include efforts to preserve the scenic or historic character of a place, expand the affordability or type of housing choices, increase the visibility of public art, or provide broadband connections in all public places. Communities throughout Northwest Michigan have engaged in placemaking at many levels. Because it offers a variety of tools and techniques, with an emphasis on activities that are “lighter, quicker, and cheaper” than large-scale community development initiatives, placemaking has become an important community and economic development strategy that can be driven by volunteers, community groups, or community leaders.

Zoning for Growth & Investment

Zoning is a powerful tool that can work to either encourage or discourage growth and investment. Traditional zoning ordinances regulate property based on its use: residential, commercial, industrial, agricultural, and other uses are largely separated into separate districts. This approach can effectively limit the negative impacts of more intensive uses—such as industry, which commonly involves heavy truck traffic or emissions—on residential neighborhoods. While it’s been used by many communities in Northwest Michigan for the last 40 years or more, there are a number of limitations inherent in traditional zoning that can discourage the creativity and innovation needed to encourage new development that meets community goals, particularly those in growth and investment areas and commercial corridors, which require a complementary mix of uses in order to remain vibrant.

Form-based zoning codes offer a number of advantages for communities that are looking to reuse or redevelop certain areas, or encourage infill. These zoning ordinances focus on a building’s form, rather than its use. They allow more flexibility in terms of how a building is used, while ensuring that new development or changes to the property are consistent with surrounding character. In

addition, the use of graphics in a form-based code illustrates the implication of a regulation and clarifies its intent, while reducing the amount of legal language that is often misunderstood or inconsistently interpreted or applied. These features make the zoning ordinance more accessible to the public and easier for builders, property owners, local officials, and the community to interpret. The creation of a form-based code can be an intensive process, involving an inventory and analysis of neighborhoods, design characteristics, street types, and other community features. Some communities have integrated some form-based concepts into their existing ordinance without overhauling their entire ordinance. These “hybrid” codes combine some form-based elements with a more traditional zoning code. For instance, overlay districts with form-based elements may be applied in some areas where there is more of an interest in preserving or creating a particular characteristic, as in historic districts or along commercial corridors. While challenging and sometimes controversial, form-based codes have been adopted in a number of communities throughout Northwest Michigan, including the Village of Suttons Bay and the City of Frankfort. Others, such as the City of Traverse City, include form-based elements.

Growth & Investment Resources

A number of regional resources are available to provide communities and citizens the information on process, design options, and local data needed to attract, encourage, or implement new development that meets community goals. Links to all resources below are available at www.nwm.org/rpi. Hard copies are available from the Northwest Michigan Council of Governments.

New Designs for Growth

New Designs for Growth is a guidebook, developed as part of a public-private initiative, that illustrates how development can occur in Northwest Michigan while complimenting and protecting the region's unique beauty, natural resources, exceptional recreational opportunities, and rural and small-town character.

Guides to Permitting and Zoning

To aid developers and investors in navigating approval procedures throughout Northwest Michigan, the NWMCOG Guides to Permitting and Zoning include contact information, maps, and flow charts outlining the development process in each community in Northwest Michigan.

Commercial Corridor Inventory

The Northwest Michigan Commercial Corridor Inventory was developed in 2014, as part of the Regional Prosperity Initiative, based on interviews and a variety of data sources. To assess the development readiness of the region's corridors, the study includes data and maps identifying demographic and housing trends, commuting patterns, commercial and retail data, community planning information, and infrastructure availability and capacity.

Visual Preference Survey

An online visual preference survey conducted in 2014 gauged public preferences for the natural and built environments of their community, with a focus on design elements for commercial corridors. Results are available by county or community.

A Citizen's Guide to Planning and Zoning in Northwest Michigan

A Citizen's Guide to Planning and Zoning in Northwest Michigan is a supplement to the New Designs for Growth Guidebook. It's intended to provide basic information to citizens that haven't been closely involved in the planning process, but would like to play a role in shaping the future in the community. In addition to the Citizen's Guide, a series of two-page fact sheets is also available to summarize this introductory information.

Northern Michigan Community Placemaking Guidebook

To help guide communities and individuals that are interested in placemaking as a community and economic development strategy, the Northern Michigan Community Placemaking Guidebook includes background information, case studies, and step-by-step information on developing both short-term actions and long-term plans around placemaking. The Guidebook and other placemaking resources are available on www.createmiplace.org, which features videos, resources, and examples of placemaking efforts in Northwest Michigan.

2014 Comprehensive Economic Development Strategy

To aid developers and investors in navigating approval procedures throughout Northwest Michigan, the NWMCOG Guides to Permitting and Zoning include contact information, maps, and flow charts outlining the development process in each community in Northwest Michigan.

➡ Investment: Building on Our Assets

Northwest Michigan's economy is directly tied to the health of state, national, and global economies. Job creators, local governments, nonprofit leadership, and other stakeholders face stiff global competition. To be competitive in this economic climate, economic development initiatives must consider assets at the regional level. Increasingly, these regional assets are place-based:

- Community services, such as affordable sewer and water, well-maintained roads, and high-tech infrastructure like wifi and broadband—are necessary to support new investment.
- The presence of talent—a skilled, knowledgeable workforce—is needed to support existing business, and also helps to create and attract high-paying, sustainable jobs.
- A high quality of life and place—defined by vibrant, desirable communities and environments—help to attract the talent need to drive job creation and economic growth.

Northwest Michigan has long recognized that its place-based assets support growth and investment. Its natural resources, unique and vibrant communities, recreation opportunities, and other amenities all combine to create a high quality of life and place. Preserving and enhancing these amenities builds the sense of place that attracts talent and business, while sustaining the natural resources- and tourism-based economies that has driven much of employment in Northwest Michigan.

Knowledge, Innovation, & Entrepreneurial Culture

The new economy is heavily dependent on knowledge, information, and communication. Knowledge and skills are assets as critical in the new economy as natural resources



The new economy is heavily dependent on knowledge, information, and communication.

were in the old economy. These assets drive entrepreneurial activity, which in turn drives new job creation and economic growth.

In Michigan, where jobs and economic growth have traditionally relied on manufacturing, many communities are in the process of transitioning into this new knowledge-based economy. In Northwest Michigan, jobs in knowledge and information-based industries are growing. Jobs in professional and technical services, finance and insurance, management of companies and enterprises, and information industries account for 8% of jobs and 15% of gross regional product. These knowledge-based jobs are expected to grow by 11% by 2023.²

In addition to job growth, the number of information-based establishments is increasing as well, at a higher rate than new business establishments overall. Between 2009-2012, the number of establishments in the information industry sector increased by 4.5%, compared to an overall decline of 1.5% in all new business establishments during that same time period.³

Developing and supporting knowledge-based industry clusters and business growth is critical to remaining economically competitive in the new economy; and the presence of a workforce with the needed knowledge and skills is among the foremost needs in economic development today. A *Framework for Talent in Northwest Michigan* identifies a number of skills gaps among the region's workforce that point to a need to further develop the region's workforce while simultaneously working to attract the "knowledge workers" needed to support and grow the region's knowledge economy. The skilled, educated and knowledgeable workers that this industry depends on have exhibited a number of patterns relative to relocation: they are more likely to locate in communities with a strong sense of place that offer a variety of lifestyle amenities and that are diverse, lively, and entertaining. Enhancing and building community quality of life has thus become an important economic strategy that can attract the educated and knowledgeable workforce needed to drive economic growth and entrepreneurial activity.

Additionally, creating a supportive environment for knowledge-based and entrepreneurial activity is important in accommodating the interconnected, innovative nature of new economic growth. However, some infrastructure, particularly higher tech infrastructure that supports communication needs for today's businesses, like broadband, is lacking in many communities. Some entrepreneurs or companies may encounter zoning or other regulatory obstacles when beginning or expanding businesses, further impeding new business activity and investment.

Manufacturing

Manufacturing has driven much of Michigan's economy for over a century, and despite the devastating impacts of the recent recession, manufacturing will continue to be a foundational element of Michigan's future economy. Northwest Michigan, like many parts of the state, is a direct and significant component of Michigan's manufacturing economy.

A Manufacturing Needs Assessment for Northwest Lower Michigan, developed by NWMCOG in 2014 based on focus groups, one-on-one interviews, and regional economic data, found that Northwest Michigan's manufacturing industry is incredibly diverse. Largely comprised of small-sized firms, industries in the region create and use materials from rubber, metal, and plastics to wood and food; that and serve both domestic and international markets. These industries provide nearly 14,000 jobs and account for \$4 billion dollars in exports—nearly a third of the region's total exports. Manufacturing makes up 13% of the region's gross regional product—the largest proportion of any industry in Northwest Michigan.

While the recession impacted manufacturing disproportionately, Northwest Michigan's manufacturing economy remains one of its most significant economic engines. Between 2001-2009, the number of manufacturing jobs in Northwest Michigan declined by 44%. However, since 2009, the industry began a rebound; and between 2009-2014, the



Tourism is vital to the economy of Northwest Michigan, providing income and employment to many residents.

number of manufacturing jobs grew by 21%. Many of these pay above-average wages: on average, annual earnings for jobs in manufacturing are about \$62,000 annually—about \$18,000 more than the region's average worker.⁴

However, employers report difficulty in finding and retaining workers with the skills needed to fill these jobs. Manufacturing now depends far more on a skilled workforce than in the past. As the Baby Boomer generation reaches retirement age, many employees are set to retire. Without the talent to replace them, businesses face labor shortages that threaten their long-term sustainability. Meanwhile, fewer young people are interested in manufacturing as a career path, in part because of the toll taken on the manufacturing economy during the recession. The Manufacturing Needs Assessment found that “attracting and preparing the future workforce” was the clear and consistent priority in addressing manufacturing needs.

Tourism

Northwest Michigan is known throughout the Midwest, and

increasingly the nation, as a vacation destination: outdoor recreation, arts and culture, festivals and events, wineries and agricultural tourism, and the quaint and small-town character of the region's cities and villages draw visitors year-round. This tourism is a foundational element of the region's economy, and acts as the region's most visible economic driver. Tourism-related jobs (including those in Retail; Arts, Entertainment, and Recreation; and Accommodation and Food Services) account for nearly 30% of the region's total jobs, employing over 28,000 employees with a total annual payroll of over \$626 million.⁵

In addition to providing jobs, tourism also helps to “showcase” the region. When visitors come to the region for vacation, they experience the quality natural environment, recreation opportunities, and quality of life that ultimately bring many people to relocate to the area. As such, tourism works in tandem with regional marketing efforts to attract investment to the region.

Growth in tourism-related sectors has been steady, and is expected to remain so over the next 15 years, yet,

A Framework for Talent in Northwest Michigan indicates that the region experiences skills gaps relative to hospitality, leaving some employers in the region struggling to fill jobs, and for both employers and workers, a tourism-based economy presents challenges related to seasonality. Tourism-based jobs such as waitstaff, housekeeping, or retail sales often pay lower wages, and many are seasonal. The low wages and temporary or part-time nature of these occupations create difficulties for employees as many do not receive employer benefits, and many are unemployed during the winter months. Even year-round jobs are significantly impacted by seasonality issues, with less work or income for employees off-season. For these lower-wage employees, seasonally-impacted employment can also come with barriers in obtaining services or assistance; in applying for loans or credit; or in renting or purchasing homes.

In addition, the health of these industry sectors are dependent to some extent upon factors such as the weather, and are also closely linked to the economies of the rest of the state, nation, and world. When households have less disposable income, they're less likely to take vacations, which has a direct impact on the many hotels, restaurants, and other hospitality-based businesses located throughout Northwest Michigan. For these reasons, many individuals and communities—particularly those with a heavy reliance on seasonal activity—have stressed the need for more diverse economic growth and sustainable, year-round employment to complement local tourism and seasonal employment opportunities.

Despite these challenges, tourism continues to play an important role in the region's economy, and the enormous economic impact of tourism underlines the importance of preserving

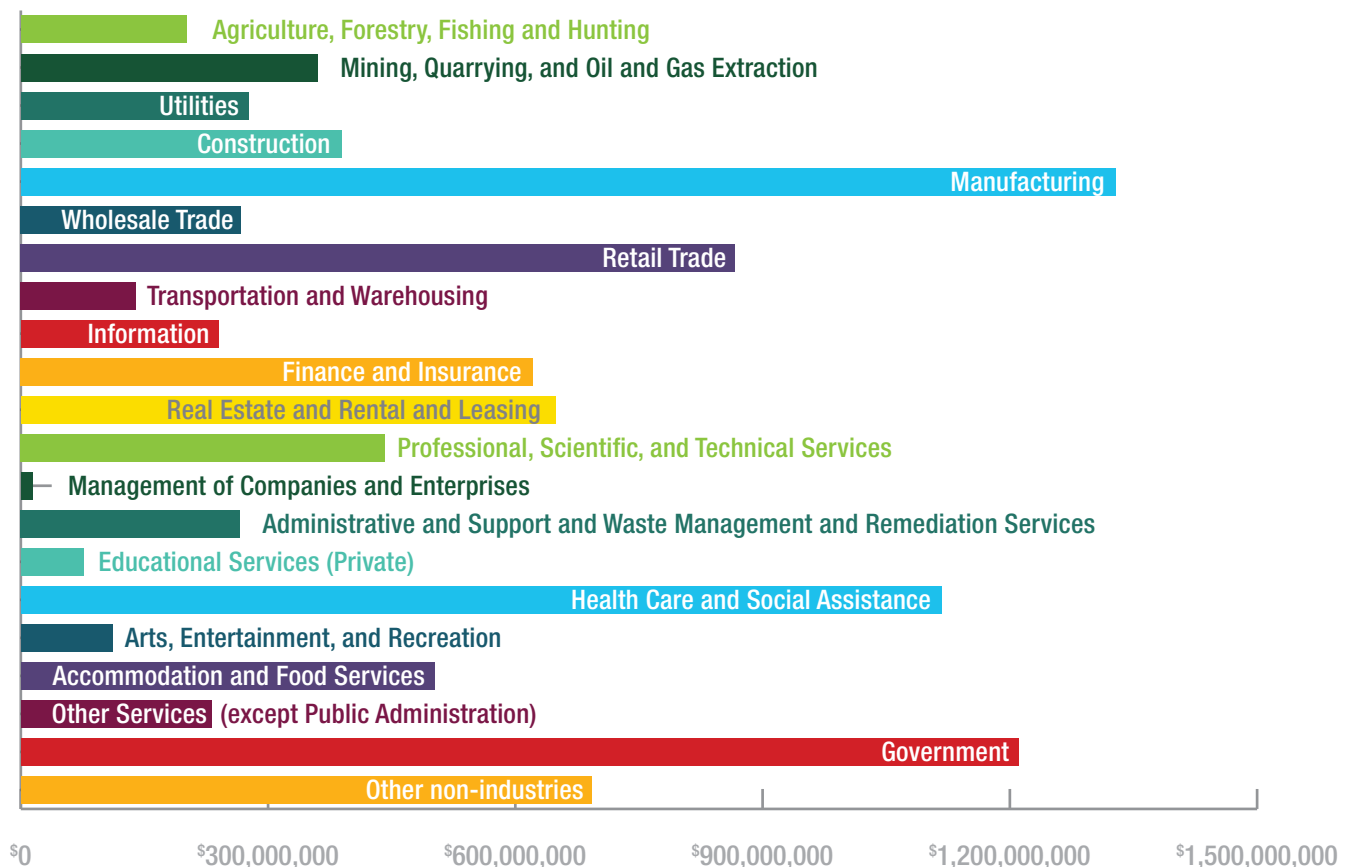
and enhancing the region's sense of place and the physical, natural, and cultural assets that bring visitors to the region. Without the high-quality natural resources, abundant recreation opportunities, and scenic views that appeal to so many visitors, Northwest Michigan's tourism industry—and a substantial portion of its overall economy—would suffer substantially.

Health Care Employment

Northwest Michigan's largest employment sectors are service-based industries: health care, education, and government together employ over 50,000 workers, or 45% of the region's workforce.⁶ Health care makes up nearly 15% of all jobs in the region, and pays relatively high wages: average annual earnings in health care occupations in 2014 were \$56,549, compared with about \$45,000 for all occupations. Along with schools, hospitals are consistently

NORTHWEST MICHIGAN GROSS REGIONAL PRODUCT, 2012

Source: EMSI



PRIMARY DEMAND OCCUPATIONS IN NORTHWEST MICHIGAN, 2014

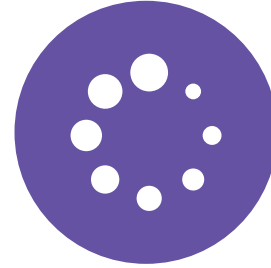
Source: EMSI

ADVANCED MANUFACTURING



**Machine Maintenance Technicians,
Engineers, Machinists and Welders**

ENERGY



**Welders, Line Workers,
and Electrical Technician**

INFORMATION TECHNOLOGY & BUSINESS



**Network Administrators,
Computer Programmers,
Financial Analysts, and Accountants**

AGRICULTURE



**Milkers, Inspectors,
Farm Workers, Sales**

HEALTHCARE



**Certified Nurse Aides, Registered Nurses,
Home Health Aides, Health Educators,
and Medical Records Clerk**

HOSPITALITY



**Server, Bartender,
Cook/Food Prep, Sales**

\$43,420

ANNUAL AVERAGE WAGES, SALARIES,
AND PROPRIETOR EARNINGS FOR
WORKERS IN NORTHWEST MICHIGAN

\$43,248

AVERAGE ANNUAL LIVING COSTS
FOR A SINGLE-PARENT FAMILY IN
NORTHWEST MICHIGAN

ranked as the largest employers region-wide in terms of the numbers of employees. And as the population ages and the nation transitions through the Affordable Care Act, demand for health care and related services is expected to increase substantially, driving additional employment. By 2023, health care employment is projected to grow by 21%.⁷

However, the health care sector faces challenges related to recruiting, hiring, and retaining skilled workers. Michigan is projected to face statewide shortages of nurses and physicians by 2020; and rural areas, where compensation is lower, struggle to compete in recruiting health care workers. Health care occupations in Northwest Michigan experience some of the region's largest skills gaps in terms of the jobs available and the skills needed to fill those jobs; and attracting new talent for this sector encounters barriers related to wages and culture.

[Natural Resources-Based Industry](#)

The region's tremendous natural resource assets provide more than just a scenic natural environment: they also drive significant levels of economic activity and provide important job opportunities throughout the region.

Agriculture, Forestry, Fishing and Hunting makes up 1.2% of jobs, while jobs in Mining, Quarrying, and Oil and Gas Extraction make up .8% of jobs. Combined, these natural resources-based industries comprise 6% of gross regional product and 9% of the region's exports.⁸

The economic impact of these industries is likely much higher, particularly in agriculture, which drives a significant amount of tourism. In 2012, each dollar of agricultural exports stimulated another \$1.27 in business

activity, resulting in an additional \$636 million in economic activity.⁹

Like tourism, natural-resource based economic activity is dependent on the preservation of the region's place-based assets and natural environment. Agriculture faces significant challenges related to workforce development, the loss of productive farmland, and the ability of the region's small farms to remain competitive and viable in an increasingly complex national and global food system, as detailed in *A Framework for Food and Farming in Northwest Michigan*. Other natural resource assets, such as timber, represent important opportunities for economic activity, when maintained sustainably.

[Talent & Education](#)

A skilled, knowledgeable workforce is essential to growth and investment, and Northwest Michigan is already struggling to meet the workforce needs of the region's employers, businesses, and industry.

To identify those needs *A Framework for Talent in Northwest Michigan* identifies issues related to developing and retaining talent in the region. For purposes of exploring demand as it relates to talent, categories that were explored align with industry clusters identified as emerging and growth areas, as defined by the State of Michigan's Department of Technology, Management, and Budget and locally endorsed by the Northwest Michigan Workforce Development Board (see table, page 26). Currently, industries with the greatest discrepancies between the skills needed in the workforce and the skills available regionally are manufacturing, hospitality, and healthcare.

AVERAGE EARNINGS AND LIVING EXPENSES IN NORTHWEST MICHIGAN, 2014

	Annual Avg Earnings (2014)	Annual expenses and taxes, single adult	% of Earnings	Annual expenses and taxes, single parent	% of Earnings
Northwest Michigan	43,420	21,949	51%	43,248	100%
State of Michigan	55,786	21,570	39%	44,164	79%

Source: Living expense data from Michigan League for Public Policy, 2014;
annual average earnings data from EMSI

Supporting growth in these industry clusters requires efforts to build and attract the talent needed to fill these positions. While Northwest Michigan, with its many place-based assets, stands at a distinct advantage in terms of being able to offer a high quality of place for new residents and workers, these assets must be considered in the context of challenges related to wages, cultural issues and diversity, and entrepreneurial activity needs.

The needs and challenges to attracting talent for future growth and investment are coupled with the needs of the region's current workforce. With gaps in employability skills, job skills, and academic readiness among parts of the region's workforce, many employers are unable to fill positions from the region's existing workforce. A *Framework for Talent in Northwest Michigan* indicates that many individuals lack the "soft skills"—such as teamwork, reliability, and respect—needed for successful employment. Others lack the technical expertise and skills needed for the new knowledge-based economy, which relies heavily on skills and abilities in communications technology and math. While training and education programs are available for key in-demand occupations, resources for and participation in these programs is limited.

Meanwhile, the aging population means that many workers are reaching retirement age; without a younger population of comparable size to replace those retiring workers, some communities will be facing labor shortages for some occupations. This population trend, in combination with the skills and knowledge-based economic needs of the transitioning economy, requires additional efforts to attract talent.

Along with a high quality environment, attracting new talent requires competitive wages and a supportive environment for both residents and businesses. Competitive wages are a key factor in attracting talent. However, workers in Northwest Michigan earn less, on average, than



Stakeholder input is used to develop a comprehensive approach to economic development and identify priority areas in Northwest Michigan.

workers statewide; averaging \$43,000 annually— 22% less than the state average. Workers also contend with higher average living costs: living costs in the region range from about \$22,000 annually for a single person to about \$43,000 for a single-parent household. Northwest Michigan households spend a substantially higher proportion of their income on basic expenses than households statewide (see table, page 27).¹⁰ When meeting basic expenses is a challenge for many households in the region, including those earning average incomes, it is difficult to provide a supportive environment that attracts new talent.

In addition, as the population shifts in fundamental ways, immigrants and minorities are making up a larger percentage of the workforce. In Northwest Michigan, where about 94% of the population is white, attracting talent may thus also experience cultural barriers. Lack of diversity was the primary barrier cited by health care facilities for attracting new physicians, as indicated in A *Framework for Talent in Northwest Michigan*. Facilities lacking in diversity are not able to provide the cultural

support such as food, celebrations, language, and religious community, that potential workforce may desire.

Business Climate & Support

Providing a supportive business environment is key to retaining and attracting investment and business. Support may come in the form of business-friendly taxes or zoning policies; technical assistance; or financing options.

Capital needed for start-ups and business expansions can be difficult to access. Innovative projects may come with substantial risk and entrepreneurs may not be able to provide the market data needed by lenders that could finance new business ideas or expansions. Funding opportunities such as small business micro-loans, regional loans, established business development fund loans, energy efficiency loans, and USDA funding are important supports for new and growing businesses. Northwest Michigan is well-served by economic and business agencies that strive to support these businesses

and entrepreneurs. Economic development organizations and business membership organizations like chambers of commerce provide a number of services to businesses regionwide, including business planning and support services, relocation services, and business funding. Northern Lakes Economic Alliance, Traverse Bay Area Economic Development Corporation, Alliance for Economic Success, and the Cadillac Chamber of Commerce, among others, serve as important business supports for new investment.

Economic Planning & Regulatory Environment

Planning for economic development planning—that is, articulating a shared vision for economic growth and investment that meets community goals—becomes ever more important as communities and regions compete at a higher level than ever before. Proactive economic development plans allow communities to anticipate changes and guide development and investment that ultimately provide desirable jobs and higher standards of living.

To aid in regional economic development planning, the Northwest Michigan Council of Governments conducts an annual planning process known as the Comprehensive Economic Development Strategy (CEDS). The document identifies economic conditions and trends, and seeks input from stakeholders to develop a comprehensive, cohesive approach to economic development throughout Northwest Michigan. It also identifies locally-planned, priority economic development projects that align with broader strategies and entail significant regional impacts. The project list, included as an appendix to this document, identifies locally-planned and -identified projects that improve conditions for economic development and investment by enhancing infrastructure efficiencies and the community's sense of place, including:

- Sewer, water supply, and stormwater infrastructure improvements

- Corridor and downtown improvement plans
- Park plans, improvements, and acquisitions
- Market studies
- Trail connections
- Street reconstructions or improvements
- Wayfinding initiatives and signage
- Streetscape improvements
- Rural preservation plans
- Downtown rental housing
- Downtown wifi

Regionally-aligned economic development strategies, adopted at the local and county levels, are critical to ensuring that communities are positioned for success. In the new economy, traditional political boundaries are virtually ignored. Today's communication technologies enable businesses to operate in many communities; workers commute across multiple community boundaries; and businesses draw their customer bases from larger market areas that do not follow political boundaries. Further, single communities can rarely provide all of the features necessary to support new economic needs, particularly if it has an undiversified economic base such as tourism. Aligning and creating mutually supportive economic development strategies across government boundaries can therefore help communities attract and support new investment. Establishing a reasonably uniform level and compatibility of services from community to community can facilitate the operation of business and create a more competitive regional economy with advantages such as:

- A wider network of compatible businesses for clustering
- A greater array of services available to a larger market
- Traffic patterns that capitalize on the contributions of multiple communities, while retaining a greater number of dollars within the region
- Shared government resources to prevent overlapping or duplicative services
- Consolidation of high-cost services

Economic development strategies also allow communities to seek funding, partnerships, and other supports for implementation of projects: because of the limited resources of many units of government, implementation of these economic development activities often requires funding support or incentives from regional, state, or economic development partners. However, the 2014 Commercial Corridor Inventory reports that only about a quarter of the region's growth and investment areas have a current economic strategy.

Local governments can also participate and contribute to regional economic development by creating a supportive environment for business and economic growth. An important element of this supportive environment is responsiveness to business needs and activity. Yet the development process in many communities requires navigation through extensive and complex approval procedures, often requiring multiple layers of government involvement that can ultimately add time, costs, and risk to the process of development.

Marketing the Region

To be competitive destinations for tourism and business, communities—and the region—must set themselves apart from other communities. Branding uses a community's greatest assets and strengths to create a unique, consistent, memorable identity. A positive identity that is successfully marketed can draw visitors and new residents to a community—and with them, new investment. The success of the Pure Michigan advertising campaign both within and outside of Michigan has shown the tremendous potential for business growth through the marketing of place-based assets: the ad campaign drew in 4 million visitors with a \$1.2 billion economic impact.¹¹

Marketing a community's assets is a key element in attracting new investment; but only 16% of growth and investment areas in Northwest Michigan have a community marketing strategy.¹²

**PROJECTED CHANGE IN JOBS BY INDUSTRY IN
NORTHWEST MICHIGAN, 2014-2023**

INDUSTRY	2014 JOBS	2014 PERCENT OF TOTAL JOBS	% CHANGE IN NUMBER OF JOBS, 2009-2014	% CHANGE IN NUMBER OF JOBS, 2014-2023	2014 AVG EARNINGS PER JOB
Agriculture, Forestry, Fishing and Hunting	1,442	1.2%	4%	30%	\$32,004
Mining, Quarrying, Oil & Gas Extraction	980	0.8%	23%	(2%)	\$84,815
Utilities	613	0.5%	5%	(19%)	\$115,967
Construction	4,985	4.3%	(3%)	2%	\$47,973
Manufacturing	13,985	12.1%	14%	1%	\$61,284
Wholesale Trade	2,264	2.0%	8%	13%	\$53,726
Retail Trade	16,115	13.9%	2%	3%	\$29,720
Transportation and Warehousing	1,584	1.4%	11%	9%	\$47,892
Information	1,618	1.4%	(3%)	3%	\$64,596
Finance and Insurance	3,483	3.0%	4%	10%	\$62,304
Real Estate and Rental and Leasing	1,303	1.1%	21%	12%	\$36,698
Professional, Scientific, and Technical Services	3,583	3.1%	(2%)	17%	\$59,939
Management of Companies and Enterprises	143	0.1%	96%	(19%)	\$80,214
Administrative and Support and Waste Management and Remediation Services	5,592	4.8%	31%	26%	\$32,207
Educational Services (Private)	1,866	1.6%	17%	22%	\$32,955
Health Care and Social Assistance	16,944	14.6%	7%	21%	\$56,549
Arts, Entertainment, and Recreation	1,707	1.5%	1%	17%	\$27,721
Accommodation & Food Services	15,724	13.6%	14%	4%	\$19,386
Other Services (except Public Administration)	3,390	2.9%	8%	15%	\$29,590
Government	18,357	15.8%	(9%)	4%	\$57,308
Unclassified Industry	219	0.2%		(15%)	\$25,229
Total	115,899		5%	9%	\$45,543

Source: EMSI

Opportunities: Building on Our Assets

Addressing the region's economic development needs in order to remain competitive in today's economy requires a collaborative approach from both public and private interests across industry sectors and government boundaries, such as building and attracting a skilled workforce; providing the regulatory and business supports needed to grow and retain industry; and preserving and enhancing the quality of the natural environment and sense of place.

Collaborative public-private partnerships are particularly important in building and attracting the skills needed for today's workforce to succeed. Apprenticeship programs and focused trainings that pair prospective employees with employers can teach Northwest Michigan's existing and future workforce the skills needed to succeed in the region's in-demand occupations.

development partners can also help by providing the information needed to support new endeavors, such as market studies that can identify the potential for new development or business in the region's communities.

Attracting and retaining the talent needed to support existing businesses and attract knowledge workers and new industry requires sustaining those assets that provide for a strong sense of place. Communities can prioritize activities that enhance local assets that support a high quality of life, such as recreational assets like trails or parks; low housing costs; business-friendly downtowns; or great job opportunities. Placemaking offers many ways, such as streetscape improvement projects, wayfinding, trail connections, affordable housing, events and festivals, and historic preservation, enables communities to build on local strengths to improve community vitality and sense of place.

Communities can be active in creating a more attractive business environment by improving the efficiency, functionality, and costs of infrastructure, as well as communications technologies like broadband.

In addition to building and supporting a talented workforce, communities can be active in creating a more attractive business environment by improving the efficiency, functionality, and costs of infrastructure like sewer and water, as well as communications technologies like broadband that support today's high-tech businesses. Local decision-makers may also consider partnering with other communities or agencies to lower overall costs of services.

Further, some policies or initiatives can create regulatory environments where entrepreneurs can innovate and build business. Local or regional economic development agencies or community development financing institutions (CDFIs) can offer flexible financing options, such as revolving loan funds or micro-loans, that provide the capital needed for businesses to grow. Initiatives such as start-up business incubators can provide space and resources for businesses to develop new products or services, while zoning can support entrepreneurial activity by removing obstacles to home-based businesses or cottage industries and allow individuals to begin and gradually expand their business concept. In addition, improvements to local permitting and approval processes can reduce costs and lower risk for investors. Local governments and economic

Communities throughout the region are served by chambers of commerce and visitor bureaus that actively market local and regional assets outside of the region. Local governments can consider partnerships with these organizations to develop consistent brands and approaches that expand and enhance the community's appeal to business, investors, and potential new residents. In addition, it's important to consider opportunities to create a cohesive, comprehensive marketing approach that recognizes each community's unique assets as a specific niche within a broader regional "image." Other marketing activities may include the provision of better guidance to visitors about community assets and points of interest, through published guides, information kiosks, and wayfinding. A strong Internet presence is important in reaching targeted populations; one opportunity that communities take advantage of is the new regional **MyNorth.com** website currently in development that will feature regional assets, including opportunities for employment, business expansion, education, real estate, and recreation. The site prominently displays the quality of life attributes of the region and acts as a portal, linking to existing resources and information.

Michigan's Turnaround Plan

Michigan is emerging from an extended economic recession that had far-reaching and devastating impacts on its residents and business environment. Hundreds of thousands of jobs were lost throughout the state, population declined, and property values dropped. In 2009, to counteract these economic conditions, a coalition of business and education leaders came together to develop a strategy that counteract these economic conditions. The result- the Michigan Turnaround Plan, a comprehensive, fact-based strategy, designed to help Michigan recover economically and to make it a "Top Ten" state for jobs, personal income, and a healthy economy.

The Plan, now in its implementation phase, emphasizes the need to compete globally and urges communities and regions throughout the state to connect to statewide economic efforts. Many elements of the Michigan Turnaround Plan are strategies that local, county, and regional governments can engage in to promote economic growth in their communities while building on statewide economic momentum. Primary strategies of the plan include:

Compete

- Create an economic environment that is better than competitor states
- Strengthen Michigan's fiscal stability and reduce future financial uncertainty
- Create a regulatory environment that's more responsive than competitor states
- Provide better local government services than competitor states
- Support federal policy changes that enhance Michigan's competitiveness

Invest

- Connect Michigan to the world through strong infrastructure
- Increase the number of workers with education and training beyond high school
- Achieve Top Ten community college and university affordability by increasing performance-based funding
- Improve the connection between education and careers

Grow

- Grow a new Michigan economy by leveraging assets with the greatest potential to meet future global economic needs
- Grow Detroit into a thriving city
- Make Michigan an aspirational destination by being a welcoming place to all
- Reclaim Michigan's reputation as a center for innovation by advancing a holistic strategy.

The complete Michigan Turnaround Plan and benchmarks toward its success are available online at www.michiganturnaroundplan.com.

Local Implementation Checklist: Growth & Investment

Planning and zoning can be important implementation tools for communities that are working to attract growth and investment. The Local Implementation Checklist identifies some examples of how communities in Northwest Michigan and other parts of Michigan have addressed growth and investment needs in their local policies. These examples, and *Framework for Our Future Strategies*, are provided as a resource for communities as they develop and adopt their own local policies.

Master Plan Goals and Objectives

A master plan is a guide that's intended to shape local decisions about managing resources, directing growth, and how development should be designed. Master plans help the community understand current conditions, build a vision for the future, make recommendations about actions to take on various community issues, and act as the foundation for zoning ordinances.

Creating vibrant communities is a fundamental goal of local planning initiatives. The preservation of unique community character is a goal shared amongst nearly all of the region's master plans, and a significant proportion of master plans address economic development needs as well. Some include general statements, while others identify a number of specific actions that can help to enhance or preserve the rural and small-town character that builds vibrant communities.

Because vibrant communities address a variety of issue areas, master plan language designed around this goal may include a variety of goals and objectives, including agriculture, housing, recreation, and community health. Many of these topics and potential master plan language are addressed throughout the *Framework for Our Future*. A small sampling of goals that specifically address the needs of growth and investment areas and commercial corridors, based on language included in master plans throughout the region, are identified below. Additional goals and objectives that communities have used to create vibrant communities are included in additional chapters of the *Framework for Our Future*.

Preserve and enhance unique community character and sense of place

- ☐ Explore form-based zoning codes that support new development that meets community preferences for design and character

- ☐ Consider implementation of placemaking initiatives that improve streetscapes, building facades, and public spaces

Provide for a range of housing types, sizes, and densities

- ☐ Consider zoning changes that allow diverse housing choices, such as apartments, townhomes, and accessory dwelling units
- ☐ Consider zoning changes to adjust minimum lot sizes to allow for infill or other residential development in appropriate areas
- ☐ Consider zoning changes to allow mixed-use commercial and residential development and/or residential development in commercial areas

Strengthen and direct development toward growth and investment areas and commercial corridors

- ☐ Consider zoning changes to allow for mixed-use development
- ☐ Consider zoning changes to allow flexible parking requirements and higher densities in and near commercial corridors

Provide a variety of transportation options

- ☐ Consider Complete Streets resolutions, policies, or ordinances
- ☐ Explore opportunities to work with state and regional partners to identify pedestrian safety improvements along commercial corridors

Ensure that development decisions are fair, timely, and predictable

- ☐ Conduct a zoning audit to identify potential regulatory "bottlenecks"
- ☐ Consider zoning changes to streamline the development approval process

Investment and Economic Development Goals & Objectives

Create and support an innovative, entrepreneurial environment that encourages business investment and increased employment opportunities with higher wage opportunities, increased local tax base, or other public benefits

- ☐ Promote or develop revolving loan fund opportunities to make capital available to emerging enterprises

Local Implementation Checklist: Growth & Investment

- ☐ Attract and retain low-impact and emerging industries and green business opportunities
- ☐ Encourage and support the development of small business incubators

Provide a flexible, efficient, responsive regulatory environment

- ☐ Allow for home occupations or cottage industries by right
- ☐ Consider zoning changes to allow for reuse of existing commercial buildings to accommodate business with low-impact, innovative, entrepreneurial, or knowledge-based features
- ☐ Review zoning regulations to identify opportunities for streamlining development and approval procedures

Continue to train, attract, and retain a highly skilled, educated, and flexible workforce

- ☐ Support efforts of and investigate linkages to entities to provide workforce development, training, and education for in-demand occupations
- ☐ Market and promote local and regional assets

Create, maintain, and improve cost-effective, efficient public services and infrastructure that support and attract business and investment in growth and investment areas, commercial corridors, and industrial parks

- ☐ Provide and maintain affordable and accessible high-tech infrastructure
- ☐ Enhance transportation connections
- ☐ Increase existing infrastructure users in order to lower operational and maintenance costs
- ☐ Consider public service consolidations with surrounding communities to improve efficiencies and lower costs

Engage in and collaborate on regional economic development efforts

- ☐ Support efforts to prepare and implement a Regional Comprehensive Economic Development Strategy (CEDS) to retain, grow, and attract new business
- ☐ Collaborate with local and regional economic development agencies and business organizations to provide and enhance services

Zoning Ordinance Elements

Zoning ordinances are local laws that regulate land and buildings in order to protect the health, safety, and welfare of all citizens. It helps define how properties are used, what new buildings look like, and how much development can occur in a community.

Zoning is an important tool for communities that are working to preserve and protect water quality, green infrastructure, and other natural resource component. Communities throughout Northwest Michigan have adopted ordinances that encourage quality development in existing cities, villages, and commercial corridors. Local decision-makers may consider zoning regulations that:

- ☐ Allow mixed-use development as a use-by-right
- ☐ Allow residential development, including multi-family residential development, in commercial corridors
- ☐ Permit higher densities in commercial corridors and neighborhoods with close access to services/mixed uses
- ☐ Encourage or require Complete Streets treatments, such as sidewalks or pedestrian crossings
- ☐ Include design guidance or form-based elements that require or encourage architectural elements prioritized by the community
- ☐ Allow shared parking or flexible parking requirements

Framework Strategies

As a resource for communities in Northwest Michigan, the *Framework for Our Future* identifies a number of strategies and actions that communities can take locally to address their specific needs. Because each community identifies their own goals, through public input, local discussions, and need analyses, the strategies and actions identified in the *Framework* are not intended as recommendations for any communities to implement or adopt. Rather, they are provided as a resource list of potential actions that, if desired, can be taken locally and/or used as model language for local master plans, organizational strategic plans, and other policy documents, to address various community needs.

The strategies and actions in the *Framework* were developed from public input and local, regional, statewide, and national sources. Many are based on public input obtained during the *Framework for Our Future* process in events, focus groups, interviews, online discussions, and community dialogues, and were also drawn from or based on master plan language from existing adopted master plans within and outside the region. Others reflect state or national best practices designed to address specific issues.

Strategies are grouped around four major themes that reflect needs and potential actions for each community issue.

Education, Data & Outreach. Often, taking action on a community need requires a solid understanding of the need, as well as public consensus on the appropriate course of action. *Education, Data, & Outreach* strategies address data gaps, outreach needs, and educational opportunities that can help to improve community understanding and awareness around a particular issue.

Planning & Policy. Many community issues can be addressed in part by local policy, such as master plans and zoning ordinances. *Planning & Policy* strategies identify broad policy goals and specific changes to master plans or zoning ordinances that can impact a particular issue.

Funding & Incentives. Communities can use funding and incentive tools to encourage private, public, and nonprofit initiatives and activities that meet local goals. *Funding & Incentives* strategies identify opportunities that can enhance organizational capacities, as well as incentives that may help communities work with the private sector and others to meet local goals.

Development & Implementation. Goals for each community issue center around programs, development or initiatives that directly and tangibly impact community

needs. *Development & Implementation* goals include specific strategies designed for on-the-ground activities and bricks-and-mortar implementation.

Each strategy includes additional information intended to aid in implementation, including:

Why?

Each strategy is designed to address a certain issue. Information is provided to detail specific community needs that might be met through implementation of the strategy.

Actions

To implement each strategy, communities can consider taking action in a number of ways. This section identifies some specific actions that communities might consider to reach local goals

Tools & Resources

A number of existing tools or resources are available to partners that are interested in taking action on a particular strategy. This section identifies, and provides links to, tools and resources such as:

- Research or background studies that can help communities identify specific community needs in order to develop appropriate policy or initiatives
- The *Framework for Our Future Action Guide*, which provides details and implementation guidance for planning and zoning actions identified in the *Framework*
- Guidebooks and workbooks that provide step-by-step information on actions and the implementation process
- Examples of where the action has been implemented regionally
- Local, regional, state, or national reference documents that can provide additional guidance

Links to all resources are available online at www.nwm.org/rpi.

Measures

Communities can track progress toward these goals and actions by benchmarking data identified in this section. While some measurement data will be locally generated and tracked, many indicators can be accessed on the regional data portal www.benchmarksnorthwest.org.

Growth & Investment: Data, Education & Outreach

Improve knowledge, understanding, and awareness of community development, growth, and investment needs, procedures, and policies

Strategy 1	Ensure plans, ordinances, development, and community initiatives rely on relevant and up-to-date, research, community information, and market data	
Why?	Changing population trends are impacting demand for housing and commercial development. Accurate community market information can result in more successful development that meets community needs and preferences	
Actions	Prepare and regularly update comprehensive commercial and residential market studies to identify local market trends, new business opportunities, and business retention needs	
	Provide and maintain regularly updated local and regional data on community issues	
Tools & Resources	Target market analyses	Benchmarks Northwest
Strategy 2	Promote and market local and regional assets	
Why?	To be competitive destinations for tourism and business, communities must set themselves apart and promote their greatest assets. A positive community identity or brand that is successfully marketed can draw new visitors, residents, and investment to communities.	
Actions	Work with local and regional chambers of commerce and other business associations to promote recreation opportunities, festivals, and community events	Develop a community logo and/or consistent signage to serve as a local brand
	Develop and maintain a strong online presence to connect visitors, residents, and businesses to community information	Provide guides, kiosks, or wayfinding programs to highlight community assets
Tools & Resources	Chambers of commerce	Visitor's bureaus
	MyNorth.com	

Strategy 3	Proactively engage all stakeholders throughout community planning and development processes and implementation	
Why?	New growth and investment should respond to a community's own sense of how and where growth and investment should occur. Ensuring that both elected officials and the development community understand community preferences requires engagement regular communication between all stakeholders and the public. Early, frequent, and regular involvement of all stakeholders can result in a vision that reflects the needs and priorities of a wide range of stakeholders and community members. Regular public engagement in planning processes can also help to streamline the development review process by providing for proactive input.	
Actions	Develop citizen engagement plans that identify opportunities for outreach and input	Provide regular information to citizens through websites, newsletters, town hall meetings, and other events
	Provide for outreach and regular two-way communication about major projects, initiatives, or other decisions, through online tools, surveys, questionnaires, focus groups, charrettes, and town hall events	Provide outreach, resources, and tools to raise awareness of community engagement opportunities
	Coordinate with service groups, nonprofits, schools, and other community partners to encourage civic engagement and volunteerism	Conduct visioning and charrettes with the public, developers, and other stakeholders to identify community vision for future growth and development
	Maintain an effective web presence with information and documents relative to meetings, plans, ordinances, local initiatives, and other community information	
Tools & Resources	<i>Northern Michigan Community Placemaking Guidebook</i>	
Strategy 4	Provide regular training, education, and resources for local units of government and other community development stakeholders	
Why?	Frequent turnover of elected and appointed officials in Northwest Michigan's 190 units of government results in knowledge gaps on community and economic trends, needs, and solutions. Providing training and resources to local units of government can help to create a more consistent and coordinated approach to growth, investment, and economic development issues.	
Actions	Work with state and regional partners to offer, provide, or participate in regular workshops, webinars, packaged training, and presentations on community and economic development needs, tools, resources, and strategies	
Tools & Resources	Northwest Michigan Council of Governments	Michigan Association of Planning
	Michigan Municipal League	Michigan Townships Association American Planning Association
Strategy 5	Raise awareness among developers of growth and investment needs, tools, and resources	

Why?	High land costs and development complexities in growth and investment areas and commercial corridors act as obstacles to new investment. Providing access to information and technical assistance can help developers take advantage of incentives that will reduce development costs and encourage new investment.	
Actions	Create an informational and permitting one-stop shop for developers	Provide regular and up-to-date information on market demands and trends for residential and commercial development
	Provide technical assistance to aid developers in accessing funding or incentive programs	
Tools & Resources	Northwest Michigan Target Market Analyses	Northwest Michigan Housing Inventories
	<i>Northwest Michigan Guides to Permitting and Zoning</i>	<i>New Designs for Growth Guidebook</i>

Growth & Investment: Planning & Policy

Coordinate policies, plans, and ordinances that encourage new growth and investment that meets community goals

Strategy 1	Provide a flexible, efficient, regulatory structure	
Why?	Multi-layered and complex review and approval processes can slow or discourage new investment. Streamlining review procedures can reduce cost and risk for new development.	
Actions	Consider opportunities to streamline permitting and zoning	Consider form-based zoning approaches that streamline the administrative and review process
Tools & Resources	<i>A Framework for Our Future Action Guide</i>	Northwest Michigan Guides to Permitting and Zoning
	<i>Form-Based Codes in 7 Steps: The Michigan Guidebook to Livability</i>	
Measures	Average time needed in development process	
Strategy 2	Consider planning and zoning policies that encourage and support innovative, entrepreneurial business and industrial development	
Why?	Some new businesses or entrepreneurs encounter zoning or other regulatory obstacles when beginning or expanding businesses. Zoning policies that provide creative development or business options can accommodate start-ups and business growth.	
Actions	Consider form-based zoning codes or elements	Consider zoning changes to allow home-based occupations and cottage industries by-right
	Consider zoning changes to allow for reuse of existing commercial or industrial buildings to accommodate innovative, entrepreneurial, or knowledge-based activities	
Tools & Resources	<i>A Framework for Our Future Action Guide</i>	
Measures	Number of zoning districts accommodating re-use or home-based businesses	

Strategy 3	Consider planning and zoning policies that encourage and support residential and mixed-use development in commercial corridors that meet community goals	
Why?	Vibrant communities depend on a mix of uses and high activity levels to support the commerce that makes them thrive. Yet, some communities may discourage the types, designs, or densities of development that would meet community goals. Zoning changes can accommodate a mix of uses that will provide the options and flexibility needed to attract new development.	
Actions	Develop corridor plans to guide policy, growth, transportation, and development along commercial corridors	Consider zoning changes to allow mixed-use development by right
	Consider form-based zoning codes or elements that preserve and enhance unique community character	Consider zoning changes to provide for higher-density housing in commercial corridors
	Consider zoning changes to accommodate higher density development in areas with adequate access to infrastructure and services	Consider zoning and other policies that encourage streetscape improvements, landscaping, wayfinding, and non-motorized connections that create a strong sense of place and enhanced walkability/bikeability in commercial areas
Tools & Resources	<i>A Framework for Our Future Action Guide</i>	<i>New Designs for Growth Guidebook</i>
	<i>Form-Based Codes in 7 Steps: The Michigan Guidebook to Livability</i>	
Measures	Number of zoning districts with mixed-use elements	

Growth & Investment: Financing & Incentives

Incentivize new growth and investment that meets community goals

Strategy 1	Encourage private sector engagement in meeting community development and investment goals	
Why?	Community goals are ultimately implemented by private developers and investors, who bring new development and business to the community. However, many encounter regulatory obstacles that discourage innovative design that meets community goals, while others may not be aware of public preferences. Engaging stakeholders and providing incentives can result in new development that achieves community vision for development.	
Actions	Consider the use of brownfield, downtown development authority, corridor improvement authority, and other avenues of tax increment financing to incentivize infrastructure and improvements that meet community goals	
	Consider density bonuses in exchange for advancing public policy goals, such as affordable housing, parks and open space, low impact design, underground parking, and energy efficiency features	
Tools & Resources	Brownfield redevelopment authorities	Corridor Improvement authorities
	Downtown development authorities	Land bank authorities
	<i>A Framework for Our Future Action Guide</i>	
Measures	Number of New building permits in growth and investment areas and commercial corridors	
Strategy 2	Support innovative business and entrepreneurs	
Why?	As new businesses grow and expand, access to loans or other financial capital may be needed. Collaborative partnerships can help create access to loans, technical assistance, or other capital.	
Actions	Support and promote revolving loan fund opportunities available through local or regional agencies	Facilitate partnerships to provide linkages between business/entrepreneurs and technical assistance providers
	Small Business Development Center	Economic development corporations
Tools & Resources	Chambers of commerce	
	Number of new business establishments	
Measures		

Strategy 3	Incentivize growth in targeted redevelopment areas	
Why?	Many communities include blighted or other difficult-to-develop properties with a high community profile. Encouraging redevelopment of these properties, through resources and incentives, can result in quality development that improves the community's prosperity and image.	
Actions	Identify priority redevelopment sites	Conduct community visioning for priority redevelopment sites
	Provide information and resources on conditions, market studies for priority redevelopment sites	Develop, package, and promote development incentives for priority redevelopment sites
Tools & Resources	Brownfield redevelopment authorities	Corridor Improvement authorities
	Downtown development authorities	Land bank authorities
	Michigan Municipal League Redevelopment Ready Communities® program	
Measures	Number of building permits in targeted redevelopment areas	

Growth & Investment: Development & Implementation

Support and encourage economic development activities that grow jobs, enhance the region's unique and vibrant character, and create opportunities to capitalize on new economic trends and conditions

Strategy 1	Strengthen and enhance sense of place in downtowns and commercial corridors with placemaking actions and initiatives	
Why?	Vibrant, walkable places with a strong sense of place attract visitors and new residents alike. Placemaking initiatives, which build on a community's existing assets, offer a variety of options for all community sizes, budgets, and visions.	
Actions	Retain, improve, and relocate public and quasi-public uses in downtown areas	Make downtowns and commercial corridors focal points for events and festivals
	Work with community partners such as schools and volunteer groups to implement placemaking strategies	Coordinate marketing and development efforts with local business partners
	Work with community and business partners to recruit, encourage, and retain retail, entertainment, and recreational development downtown and in commercial corridors	
Tools & Resources	Northern Michigan Community Placemaking Guide	Michigan Main Street Program
	<i>New Designs for Growth Guidebook</i>	
Strategy 2	Direct new development toward growth and investment areas and commercial corridors	
Why?	Directing development towards growth and investment areas results in more efficient use of existing resources, services, and infrastructure, and helps ensure the continued vitality of our region's communities	
Actions	Prioritize reuse or redevelopment of vacant commercial space before new development	
	Use market analyses and related studies to identify demand for and encourage new development in existing communities	
Tools & Resources	Northwest Michigan Target Market Analysis	

Strategy 3	Provide efficient and cost effective public services	
Why?	Community infrastructure forms the backbone of economic development. Ensuring that these facilities and services are available, cost-effective, and efficient creates a physical framework within which growth and investment can occur.	
Actions	Retain, improve, and relocate public and quasi-public buildings in existing communities and downtowns	Provide and maintain affordable and accessible high-tech infrastructure
	Practice asset management best practices for infrastructure maintenance	Prepare and implement regularly updated capital improvements plans to provide for effective budgeting, maintenance, and improvements of public facilities
Tools & Resources		
Strategy 4	Provide responsive government services and regulatory environment	
Why?	To encourage growth and investment, local governments must support innovation in a timely, cost-effective, and predictable way. By creating a supportive regulatory environment for desired types of growth and investment, local government can improve the business climate needed in order for the private sector to thrive.	
Actions	Require regular education and training for planning commissioners and elected officials	Work closely and collaboratively with neighboring communities, stakeholder groups, and the public to implement shared goals and objectives
Tools & Resources		

References

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