

2013

MOUNT PLEASANT CENTER
HIGHEST AND BEST-USE STUDY

PREPARED FOR THE CITY OF MOUNT PLEASANT



- AGENDA -

Introduction

Study Methodology

Top Employers

Property Overview

Area Demand

Demographics

Conclusions

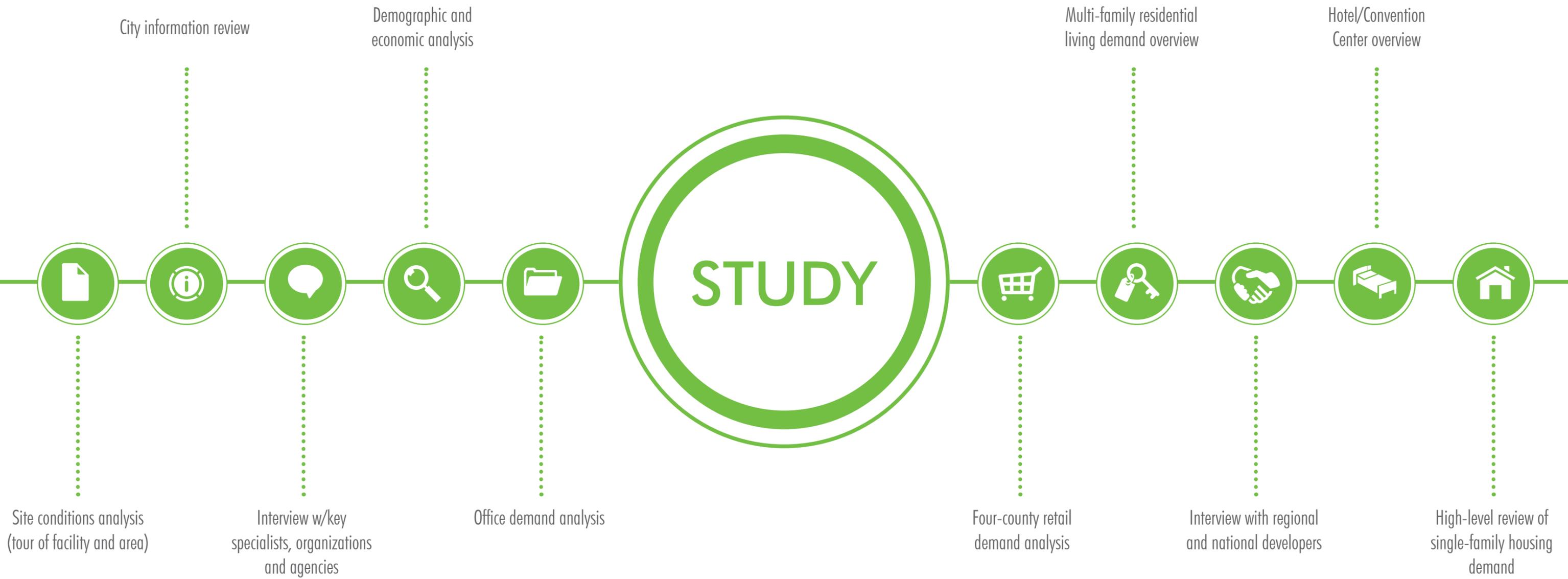
- INTRODUCTION -

PURPOSE: Broad-based study to gauge demand for uses appropriate to a future mixed-use development

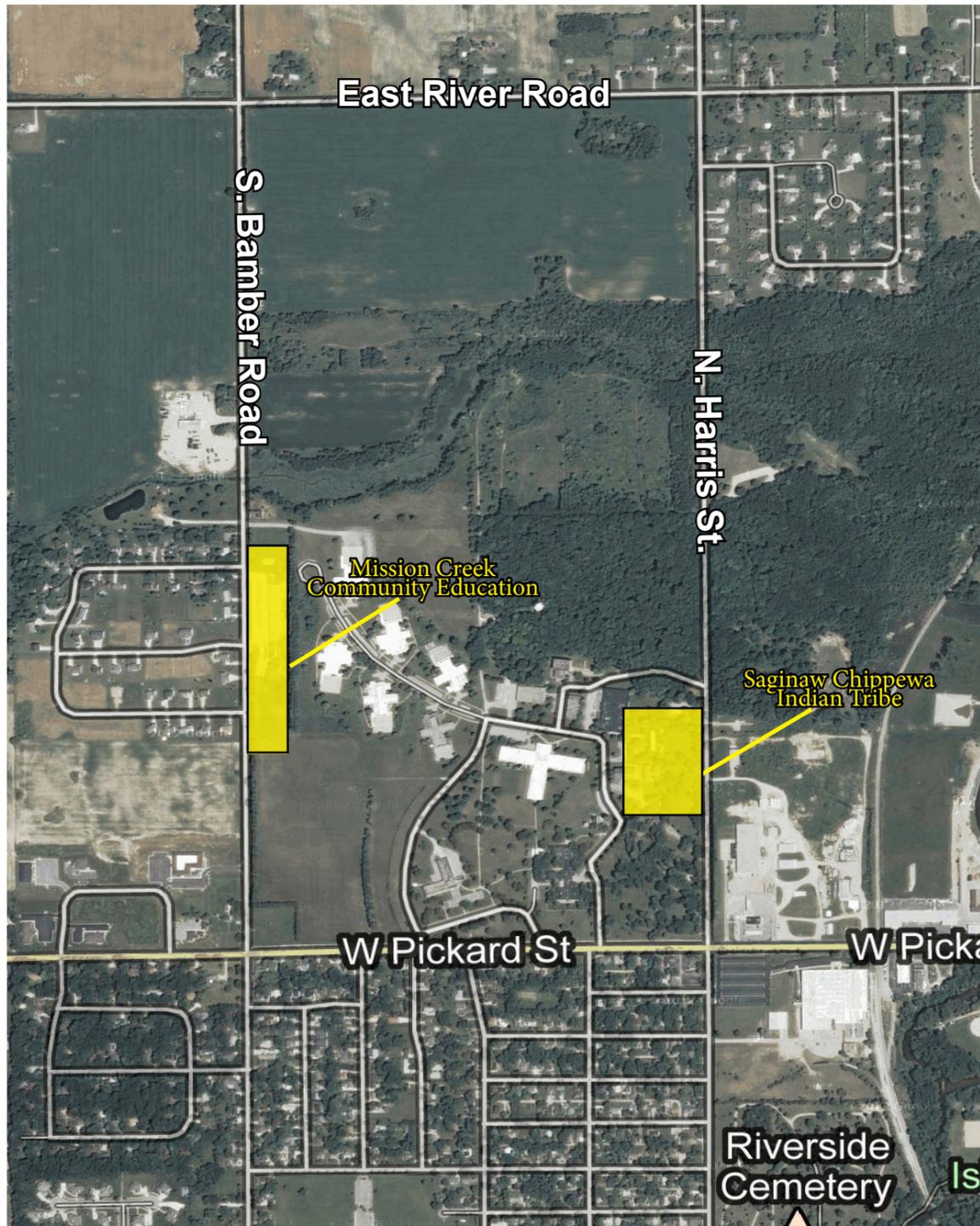
CONSIDERATIONS:

- Anchor to establish critical mass
- Compatability among uses
- Existing physical property conditions
- Location regionally and within Mt. Pleasant
- Demographics and labor trends

- STUDY METHODOLOGY -



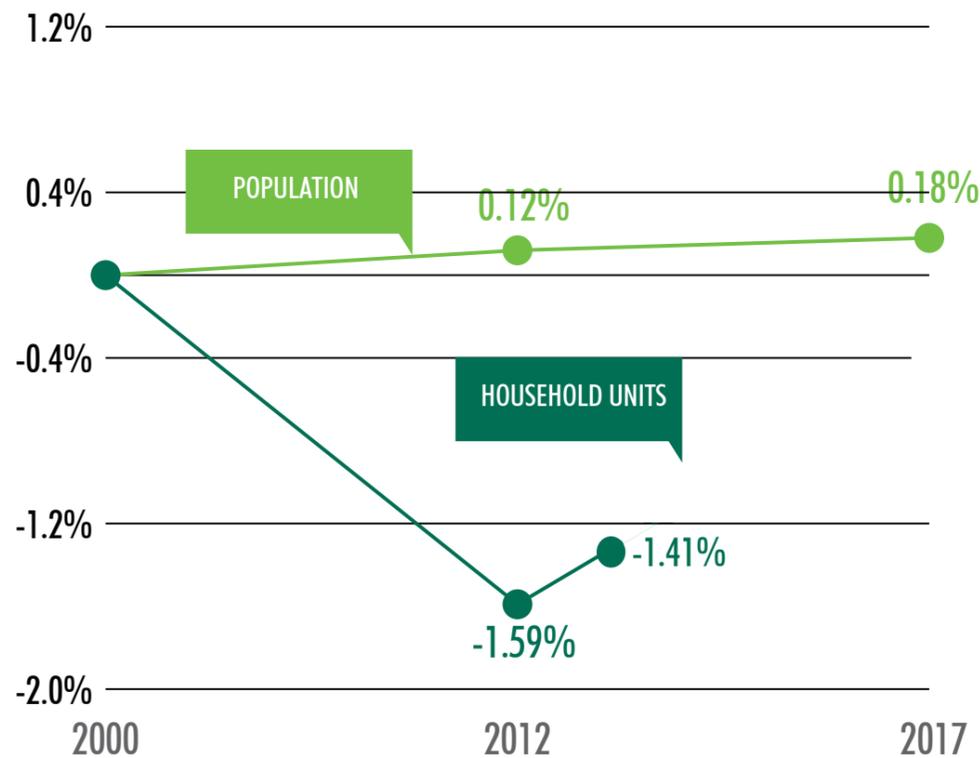
- MOUNT PLEASANT CENTER SITE -



- 298-acre site; 275 acres developable
- Largest contiguous, undeveloped parcel in Mt. Pleasant
- Twenty-one former residential and support facilities totaling approx. 500,000 SF to be demolished
- Zoned Agricultural; city master planning update underway
- Saginaw Chippewa Indian Tribe owns 13.55 acres contiguous to parcel
- Flood plain/wetland; total approx. 24 acres

- DEMOGRAPHIC -

MOUNT PLEASANT POPULATION & HOUSEHOLD UNITS TREND



HOUSING CONSTRUCTION

Residential Building Permits Issued*

Average 2000- 2006	36
Average 2007-2012	14
Single Year 2012	7 total/3 SFR
(Includes owned and rented)	

2012 HOUSING SUPPLY

Total Housing Units	8,921
Total Household Units	8,315
Units Unoccupied	~600 (~7%)
(includes owned and rented)	

OWNER-OCCUPIED

Owner-Occupied Units	2012	2,709
Avg. Annual Sales of Units*	2010-2012	225
Percentage of SF Units Sold Annually		~10%

\$28,488

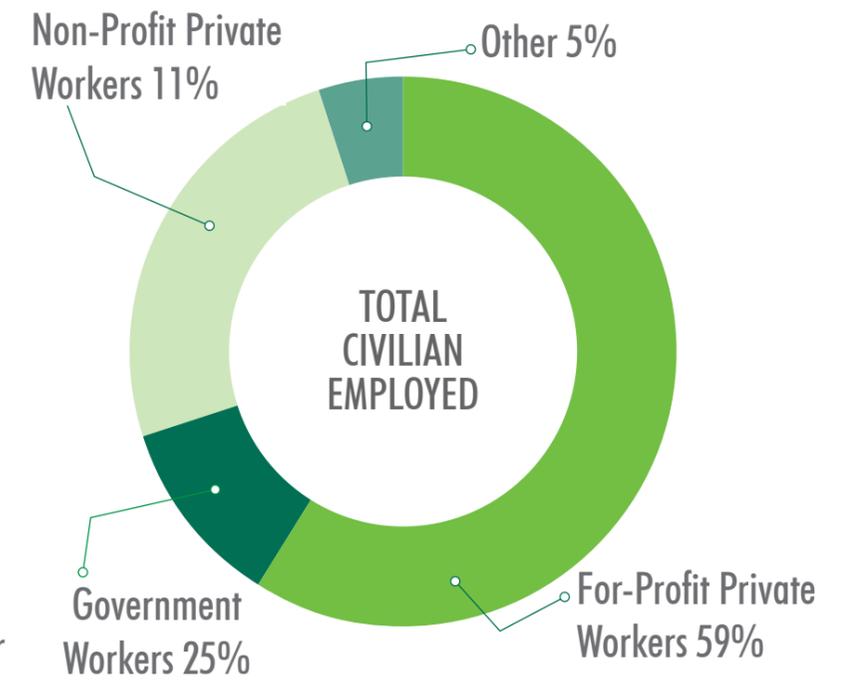
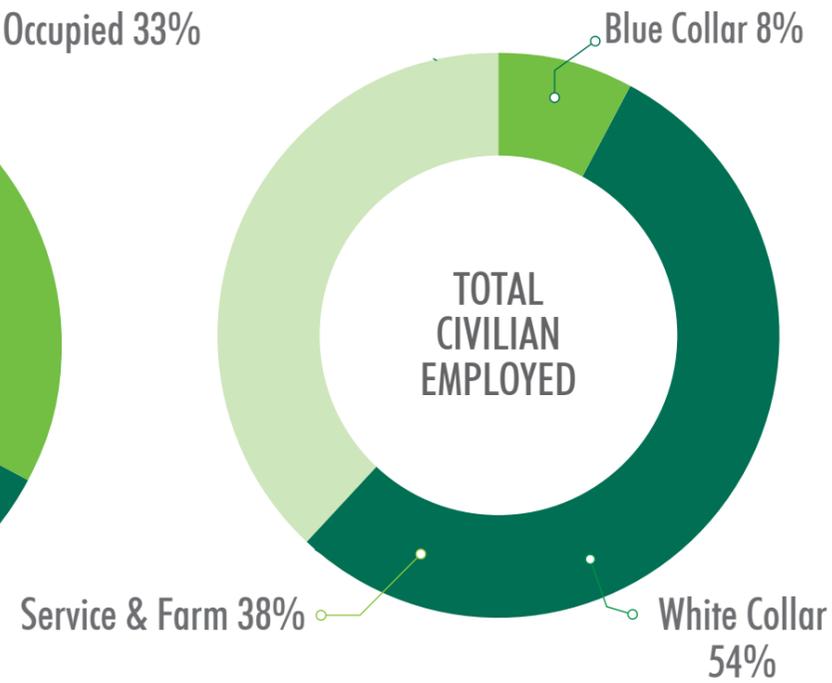
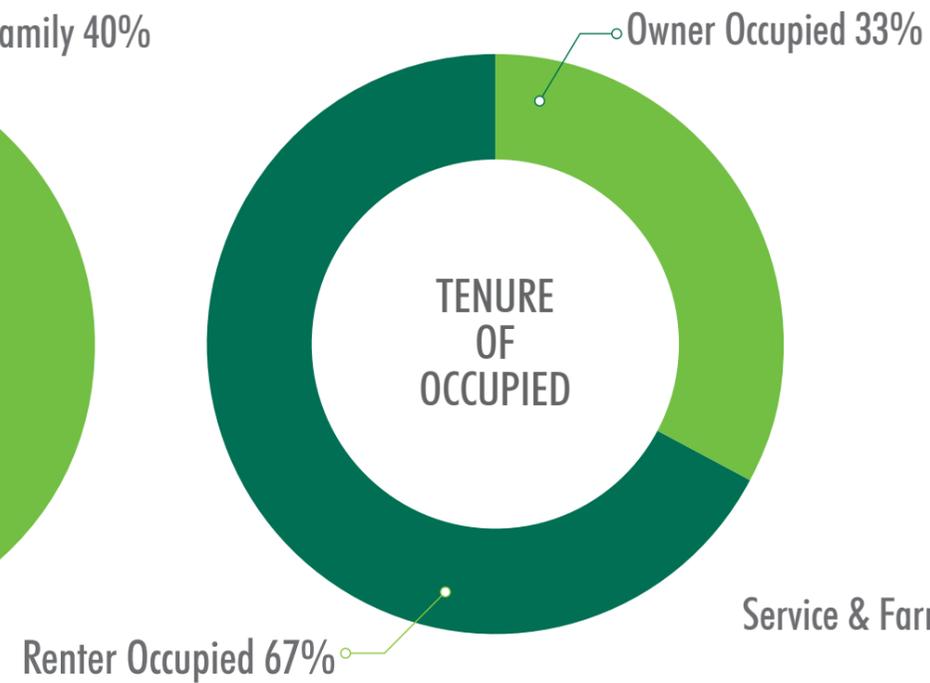
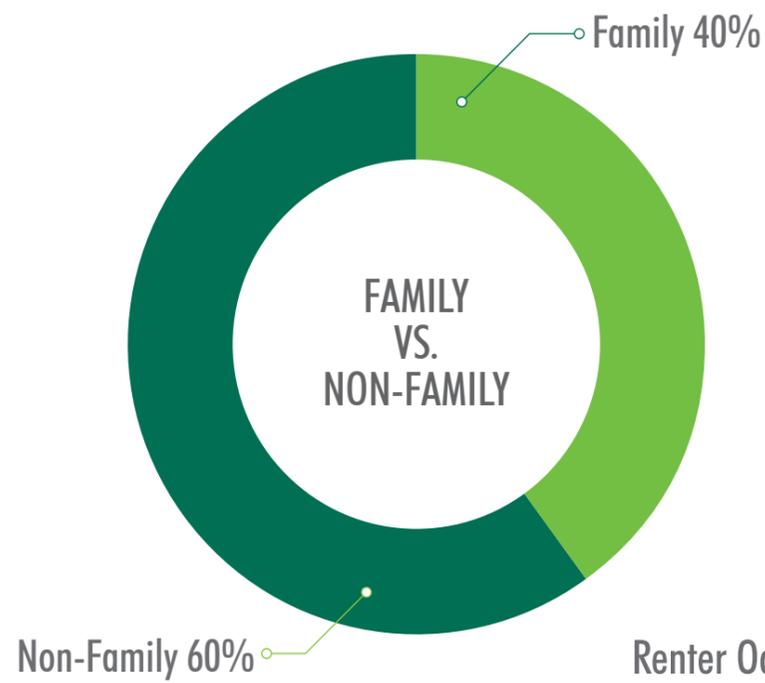
2012 Median Household Income

\$114,204

2012 Median Owner Occupied Housing Value

Source: City of Mt. Pleasant Building Department and Central Michigan Association of Realtors

- DEMOGRAPHIC -



- TOP TEN AREA EMPLOYERS -

Employer	Type	# Employed
CMU	Educational/Institutional	2,551
McClaren Central Michigan	Healthcare/Institutional	703
McBride Quality Care	Healthcare/Institutional	500
Mt. Pleasant Public Schools	Educational	456
STT Security	Services	400
LaBelle Managment	Caterer/Contract Service	400
Isabella Bank	Financial Services	375
Meijer	Misc General Merchandise Stores	350
American Mitsuba	Manufacturing	270
State of Michigan	Government	177

Source: Middle Michigan Development Corporation



- AREAS OF DEMAND REVIEWED -



OFFICE



INSTITUTIONAL



RETAIL



HOUSING



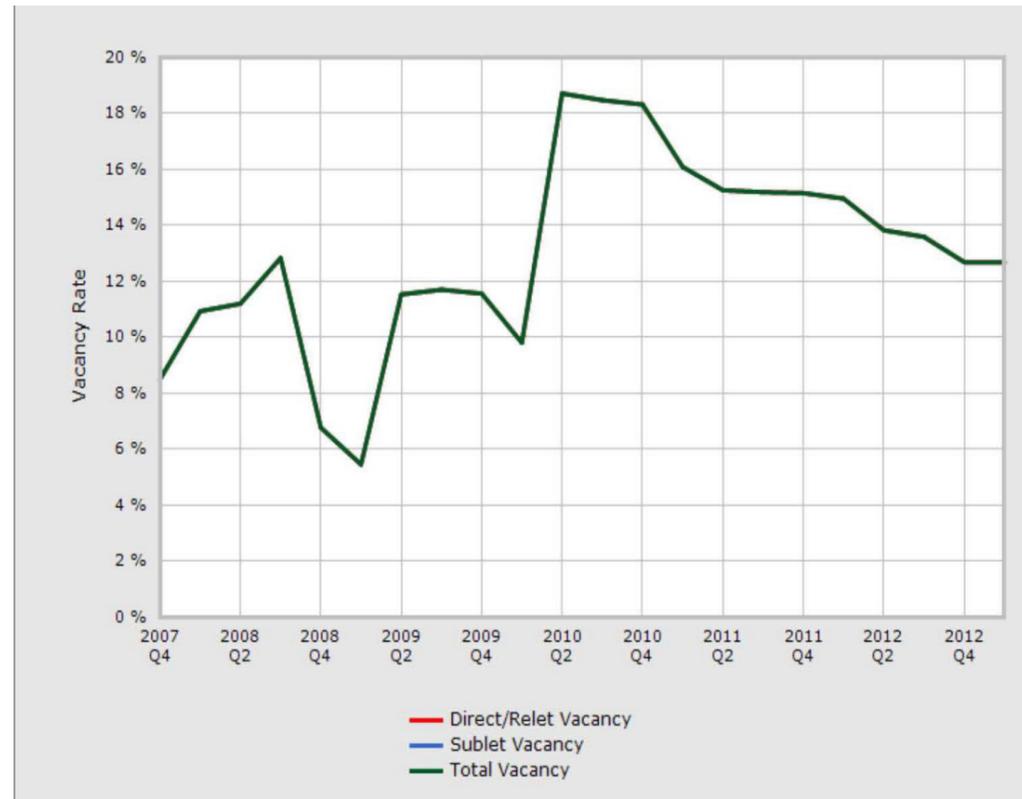
HOTEL/
CONVENTION CENTER

- OFFICE/INSTITUTIONAL -

OFFICE

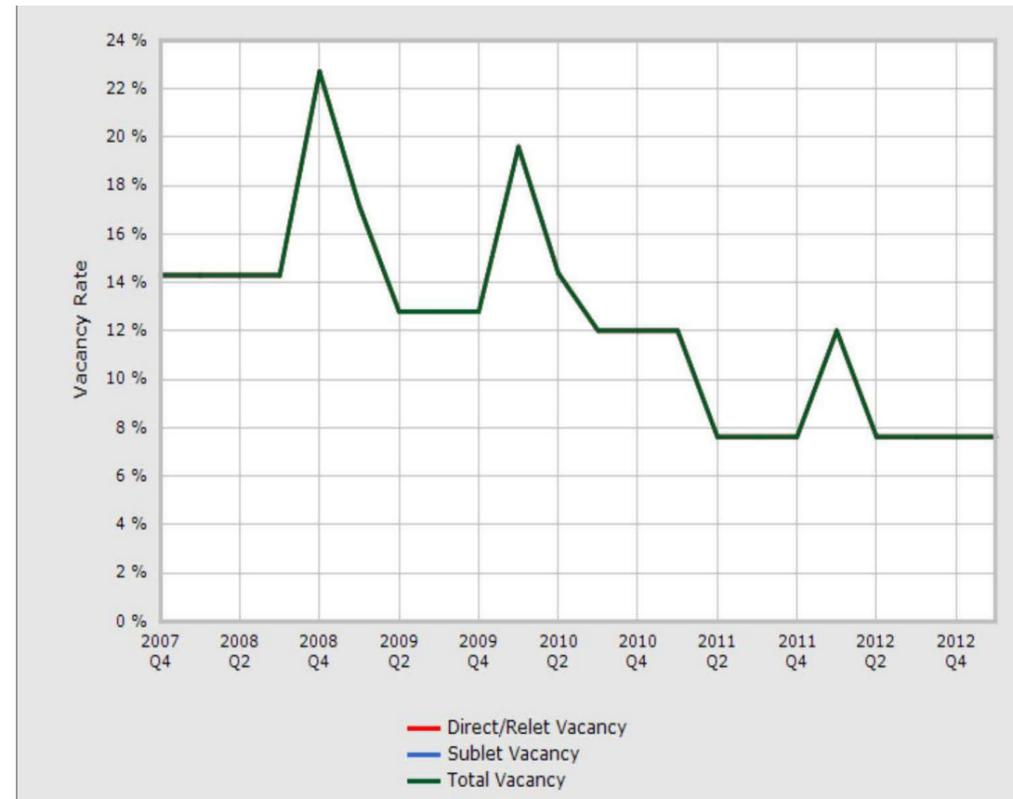
GENERAL OFFICE

Vacancy Rates



MEDICAL OFFICE

Vacancy Rates



INSTITUTIONAL/CORPORATE



HEALTH CARE

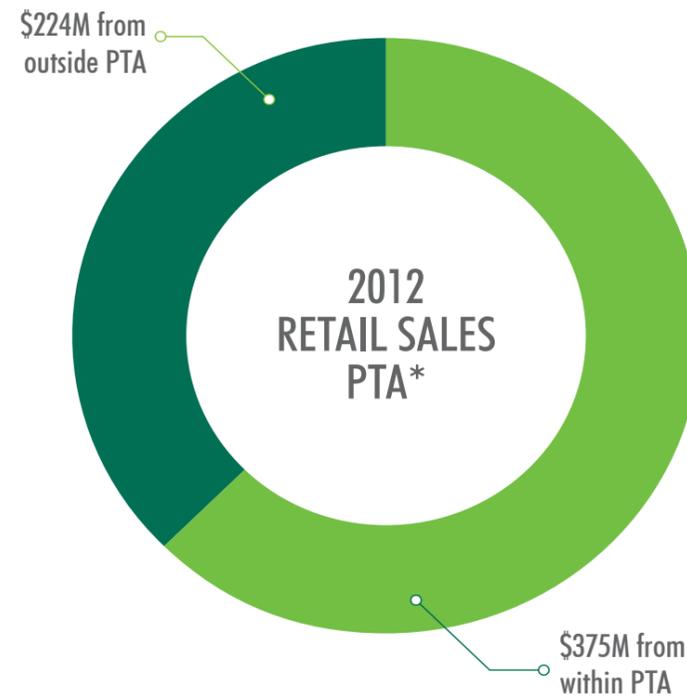


TOTAL OFFICE INVENTORY: 512,000 SF; 88% OCCUPIED/12% VACANT

- TRADITIONAL RETAIL -

Retailer's location considerations:

- National + local economy
- Population + growth projections
- Internet sales
- Consumer spending habits (demand)
- Competing retailers' presence (supply)
- Proximity to retailers' existing stores
- Retailers' sales opportunity



* Prime Target Area

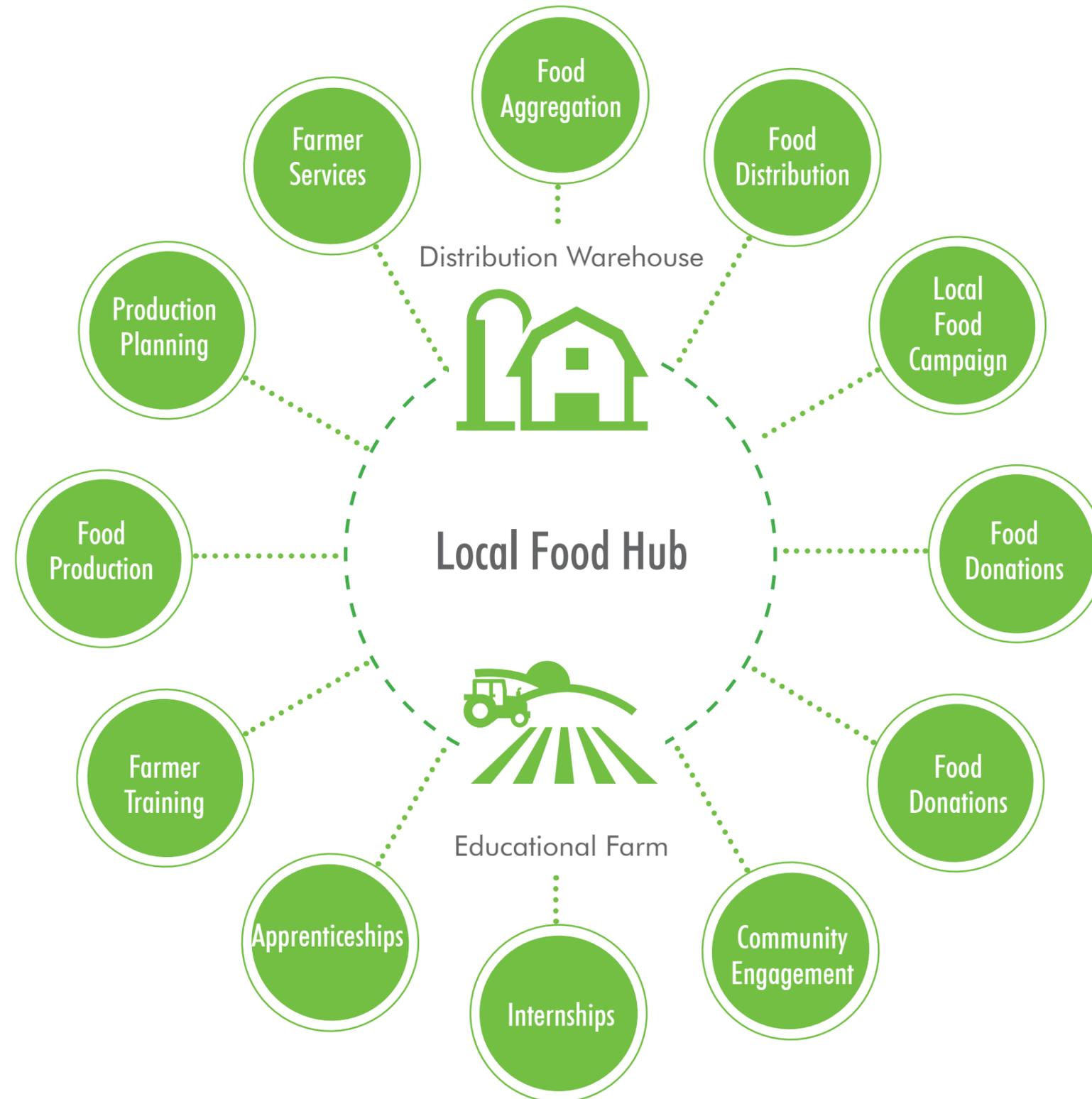


*Secondary Target Area

- HOTEL/ CONVENTION CENTER -

- Lacks amenities nearby
- Financing gap between project costs and economic value
- Regional capacity
- Specialized study required

- REGIONAL FOOD HUB -



Source: the USDA and localfoodhub.org

- HOUSING -



SENIOR INDEPENDENT LIVING

- >75 years of age
- 20% seniors elect senior housing (independent/assisted/skilled nursing)
- 4.8% elect independent living
- >\$50,000 income qualifications (annual)



MEDICAL STUDENT APARTMENTS

- Proximity to campus
- On-campus graduate housing (new)
- New developments announced
- Amenities



PROFESSIONALS' APARTMENTS

- Population of moderate to high-income earners
- Home ownership versus rental preferences
- Desirability of urban versus rural setting



SINGLE FAMILY

- Population + growth projections
- Households + growth projections
- Existing housing supply/housing starts
- Employment growth projections

- SUMMARY OF DEMAND OPTIONS -



Medical Office - New construction underway may meet demand



Institutional - Corporate relocation may enhance medical office need; possible anchor



Traditional Retail - Existing retailers serve predominant consumer spending habits



Hotel/Convention Center - Location lacks amenities; existing regional supply



Regional Food Hub - Requires specialized study but looks promising



Single Family Housing - Demographics do not suggest demand



Medical Housing - New alternatives closer to campus



Professional Housing - Volume and income insufficient



Senior Living - Insufficient demand



Industrial - Excluded from study

- CONCLUSIONS -

Mixed-use approach featuring a Regional Food Hub in the north and Institutional Employers in the south. The flood plain serves as natural barrier between these uses.

REGIONAL FOOD HUB

- State and Federal funds are generally available to perform a specialized feasibility study

INSTITUTIONAL/CORPORATE

- Anchor that could spur ancillary and support uses

- THANK YOU -

