

KINGSLEY, MICHIGAN ECONOMIC DEVELOPMENT ACTION PLAN



PHASE 1: CURRENT CONDITIONS & SWOT ANALYSIS

Prepared by the
Traverse Bay Economic Development Corporation

Submitted to the
Kingsley Downtown Development Authority

April 10, 2013

Table of Contents

INTRODUCTION	4
Purpose	4
Methodology	4
CURRENT CONDITIONS & SITUATION	5
Physical Description	5
Location	7
A Distinct Sense of Place	8
Key Infrastructure Systems	8
Village Governance & Public Services	8
Demographic & Socio-Economic Indicators	9
Statistical Analysis	10
Kingsley Has A Dense Population Base.....	10
Kingsley Is Young	11
Kingsley Is Family Friendly	12
Kingsley Is Affordable	12
The Kingsley Cluster Represents a Large Population Base	13
The Kingsley Cluster has a Stronger Relative Purchasing Power than Traverse City	15
Composite Profile	16
SWOT ANALYSIS	17
Strengths	18
Strength #1: Kingsley as a Bedroom Community	19
Strength #2: The Craftsman Theme.....	19
Strength #3: Location	19
Strength #4: Stable Governance.....	20
Strength #5: Population.....	20
Weaknesses	21
Weakness #1: Downtown Vacancies & Retail Selections	21
Weakness #2: Access	21
Weakness #3: Promotions & Events.....	22
Opportunities	22
Opportunity #1: Marketing for Bedroom Community	22

- Opportunity #2: Expanding the Craftsman Theme to Develop the Downtown Core 23
- Opportunity #3: Activity for the Industrial Park..... 23
- Opportunity #4: Additional Promotions & Events..... 24
- Opportunity #5: Access to Capital 25
- Opportunity #6: Enhancing Access to the Village..... 25
- Opportunity #7: Connections and Alliances 26
- Opportunity #8: Accumulating Parcels in the Downtown Core 26
- Opportunity #9: Programming the “Village Green” 26
- Threats** 27
 - Threat #1: Getting Lost Between Chums Corner and Kalkaska 27
 - Threat #2: Lack of Water 27
 - Threat #3: Control of Vacant or Undeveloped Parcels..... 27
 - Threat #4: Fly Fishing is a Limited Strategy 28
- CONCLUSION** 28
- Appendix 1: Access to Capital**..... 30
 - Chamber Foundation Development Fund..... 30
 - Energy Efficiency Fund 31
 - COMING SOON – MORE FUNDS UNDER MANAGEMENT**..... 31
 - Sub Micro Revolving Loan Program..... 31
 - Regional Revolving Loan Fund..... 32
 - USDA Rural Development Intermediary Relending Program..... 33

INTRODUCTION

The Village of Kingsley Downtown Development Authority contracted with the Traverse Bay Economic Development Corporation (TBEDC) on February 19, 2013 to develop an Economic Development Action Plan for the Village. Work commenced immediately on a defined scope focused on identifying the Village's unique strengths and attributes while developing mitigating strategies to overcome challenges that might prevent future growth.



The Village of Kingsley boasts a well-defined central core anchored by business and government. The craftsman theme lends significant charm.

Purpose

The purpose of the Economic Development Action Plan is to define a distinct path forward for the Village with detailed action steps designed to facilitate economic prosperity. Village elected leaders and appointed officials have already made significant targeted investments that form an impressive foundation for new development. The Village's park system is among the most robust in Grand Traverse County and far exceeds that of other communities of a similar size. Investments in the downtown core have capitalized on the "craftsman" theme to define a unique sense of place. New investments in roads and water and sewer lines over the last few years provide an impressive base to support new development. The Economic Development Action Plan is designed to take these, and similar efforts, to a new level by leveraging what is already complete with specific recommendations and implementation strategies to accommodate new growth and prosperity while concurrently recognizing and mitigating areas of weakness.

Methodology

Development of the Action Plan is divided into three distinct components and phases:

- Phase 1: Current Conditions & SWOT Analysis;
- Phase 2: Economic Development Implementation Strategies; and
- Phase 3: Positioning the Village as a fly fishing destination.

During the first phase, Current Conditions and Opportunities, the TBEDC worked collaboratively with the Village to identify the natural and manmade features and conditions in Kingsley that differentiate it as a special community to live and work. This assessment also provided an opportunity to consider areas of weaknesses and to begin to identify mitigating strategies to overcome them. It concludes with the development of a SWOT Analysis (Strengths, Weaknesses, Opportunities, and Threats). Phase One activities lasted approximately thirty days. Work by the TBEDC during this period consisted primarily of detailed research, analysis and in-depth study with the Village Manager.

The second phase of the project, Economic Development Implementation Strategies, defines specific action plans designed to achieve major economic development goals and objectives. During this phase of work, the TBEDC worked with Village leaders to define a number of key goals and objectives to position the Village over the longer term for new development. These major goals included such things as branding the Village as a bedroom community; developing a destination characterized by "craftsman-related" businesses and activities, as well as community celebrations and festivals; and repositioning the

industrial park as a location for new business expansions and relocations. Once the major objectives were defined and agreed upon with Village leaders, specific action steps were developed to attain the defined goals. This phase of the project is scheduled to last approximately two months.

The third phase of work leveraged investments already made by the Village to distinguish it as a major destination for fly fishing enthusiasts. The TBEDC developed detailed plans to position the Village, and to promote it, as a quintessential fly fishing mecca. In so doing, we analyzed the industry as a whole to quantify its potential economic impacts in Kingsley; and we assessed those communities across the country that have successfully implemented similar initiatives to compete in this niche. We conclude this section of the analysis with specific steps that can be taken by the Village to capitalize on the opportunity. This phase of the project will last approximately two months.

CURRENT CONDITIONS & SITUATION

The development of an Economic Development Action Plan builds upon the existing strengths inherent to the Village using them as a starting point. This section of the analysis, Current Conditions & Situation, represents a snapshot of Kingsley compiled over the first thirty days of the study. It highlights the following:

- Physical Description;
- Key Infrastructure Systems;
- Village Governance;
- Demographics & Socio-Economic Data; and
- Composite Profile.

Physical Description

Kingsley is a village located in south-central Grand Traverse County, Michigan. At 1.42 square miles, it is among the smallest political jurisdictions in the county. It is defined largely by a small collection of commercial and government buildings at its primary intersection of Brownson Avenue (leading north to Traverse City) and Michigan Highway 113 (west to US131 and east to M37). Kingsley is frequently characterized as a bedroom community to Traverse City. Affordable housing and good schools represent a significant alternative for wage earners and young professionals that commute to job centers primarily in Traverse City about 20 minutes by car, and Cadillac about 30 minutes away. It has a wide diversity of housing stock, providing approachable price points and low taxes. Kingsley is landlocked, but uniquely positioned in close proximity to the Boardman and Manistee Rivers.

Notable characteristics include:

- Kingsley has four main neighborhoods.
 - Three are characterized as single family with large parcels and winding paved streets with higher value homes.
 - One is a mobile home park. There are approximately 520 housing units located within the Village (about 400 of them are owner occupied and about 117 are renter occupied).
- Kingsley has an impressive array of public parks.

- Civic Center South is a 60-acre park owned by the Village and operated by a park authority. Approximately 40 acres, consisting of the original tract, are built-out with 2 soccer fields, 2 baseball diamonds, 2 pavilions, 2 beach volleyball courts, an 18-hole disc golf course, an archery range, an ice rink, a ½ mile walking trail, playground, and public restrooms. The Village recently acquired 20 additional acres to expand the park. It has plans this summer to add 9 more disk golf holes, lacrosse fields, and 2 more baseball diamonds.



A well-developed public park system makes Kingsley an ideal place to live and raise children. Few communities in Northern Michigan have as many developed recreational opportunities.

- Brownson Park is located in the downtown core. It includes a band shell, public lawn, a children's splash pad (constructed in 2006 and expanded in 2012), playground, and public restrooms. It is a popular summertime retreat. Traverse City public schools frequently use it for summertime programming by sending busloads of children to play in the splash pad.
- Grove Park is a rustic, unimproved public space located near the Brownson/113 intersection by the Hideaway Bar. The Village plans to add a pavilion, benches, and walking path to it in the near future.
- Kingsley Art Park is a privately owned, vacant and unimproved parcel located along 113. The Village has plans to landscape the property and introduce public sculpture to it during the summer of 2013. It is the intent of the Village that these improvements be temporary. In the event the parcel is sold by the private owner, the improvements will be removed.
- Veterans Memorial Park will be constructed beginning April or May 2013. It will be located on a Village owned parcel along 113.
- Mayfield Pond Park is located in Mayfield. It is administered by a joint park and recreation department of Kingsley and Mayfield. It is considered the "home" of the Adams Fly, where it was first tied by Leonard Halladay while fishing in the pond.
- Future Projects. The Village has tentative plans to develop a bike trail to connect its main neighborhoods to the school and parks, including the Mayfield Pond Park. Village officials are working with LIAA to develop conceptual plans based upon a community "visioning" session. It is possible that transportation enhancement funds might be leveraged against DNR Trust Funds to finance this work. The ultimate goal is to connect the Boardman Valley Trail system to Traverse City's TART Trail system.

- Kingsley's infrastructure systems are recently updated, including below ground horizontal systems like water and sewer, and newly paved streets. The Village's wastewater treatment plant offers significant excess capacity (about 50%) to support new residential and business growth.



The Children's Splash Pad at Brownson Park compliments adjacent amenities, including

- Kingsley has a thriving school district. The Kingsley Area School District is widely considered an excellent academic institution. With about 1,500 students and a teacher to student ratio of 18 to 1, the system traditionally outranks the State of Michigan averages and other districts within the region relative to standardized test scores. The District offers a wide array of extracurricular activities, including State-ranked athletic teams, musical programming, and clubs. It also boasts a newly constructed high school that is the focus of immense community pride. The District provides bussing to its students through a contract with the Traverse City Area Public School system.
- Kingsley has a privately-owned, undeveloped industrial park. It is located along M113 and represents an ideal location for expanding commercial or industrial businesses. The park includes 117 acres zoned for industrial uses. It has not yet been split into individual parcels in order to maintain maximum flexibility. The owner, Mr. Rob Bach, hopes that its size and flexibility will accommodate larger lot sizes and users. Approximately 2/3 of the property is served by an existing water main; and ¼ of it is served by the Village's main sewer line. Electricity extends to the property.
- Kingsley has a well-defined downtown core. The downtown core is distinct and well-developed. While some of the properties are vacant, there is a strong sense of place and village charm inherent to the improvements. This is significant because, unlike many rural areas, Kingsley's downtown core functions as an important central meeting place, a location for commerce, and a well-defined governmental core with a library, post office, and Village Hall.

Location

The Village of Kingsley is located in south-central Grand Traverse County between the Boardman and Manistee Rivers. It is accessed from Brownson Avenue (Garefield) along a north-south axis and M113 along an east-west access. These roadways intersect in the Village's downtown core. Kingsley is about a 20 minute drive to Traverse City (north), and about a 15 minute drive along 113 west to M37 and about the same drive time east to US131. Grand Rapids is situated to the south along 131 about 2 hours away by car.

Kingsley's location is significant. It is strategically located as a central point to regional employment centers in Traverse City and Cadillac. It has the potential to serve as a main street location and downtown center for outlying communities like Fife Lake, Mayfield, and Paradise. Its proximity to highways makes commuting sensible, but also offers easy access to major airports. Cherry Capital

Airport is less than a half hour drive. Grand Rapids' Gerald R. Ford International Airport is only two hours to the south, making it a sensible cost alternative to other options.

A Distinct Sense of Place

While small in size and relative population, Kingsley is different from other communities of similar size in Grand Traverse County. By choice, hard work, and investment village leaders have created a very special place reminiscent of an age gone by. The Norman Rockwell artwork and hand crafted furniture in the Village Hall are symbolic representations of its uniqueness. Sidewalks, tree lined streets, decorative lighting and charming neighborhoods of its quality and caliber are not typically found in communities its size. Kingsley offers a distinctive place to live and for families to educate and raise children.

Key Infrastructure Systems

Kingsley has heavily invested in infrastructure improvements over the last few years. The water and sewer systems are new beginning in 2004, including a 12 inch main through downtown installed in 2009. The wastewater treatment plant was improved in 2004 with a new system running at about 50% capacity. Additional improvements are scheduled for 2014 when 4-inch and 6-inch water mains will be replaced using a USDA Rural Development grant. Village water is provided by 3 municipal wells and 2 towers. The system is affected by seasonal fluctuations but is adequate to provide all of the Village's water requirements during peak summertime season.

Village Governance & Public Services

Kingsley's Village Council consists of a seven member board elected to two year terms. The Council has seen very little turnover in the last decade. It is a stable board characterized by a sincere focus on local issues. The Council employs a full-time Village Manager who is responsible for the day-to-day operations of all Village municipal functions as well as longer term planning initiatives and capital projects.



conveniently located to the Post Office and The Rock. Public parking is available in the rear of the building.

Among other duties, the Village Manager is responsible for managing a full-service DPW, Wastewater Treatment Facility and supporting infrastructure, and an impressive array of joint agreements governing public safety and recreation. Emergency services are provided by interagency agreements with other municipalities. Rural fire services are provided by a consortium consisting of Kingsley, Mayfield, and Paradise. The Village contracts with the County Sheriff Department for public safety. Recently, the communities of Kingsley, Mayfield, Paradise and Fife Lake expanded the agreement with the Sheriff's Department to add law

enforcement personnel. A joint parks commission consisting of Mayfield, Paradise, Fife Lake and Kingsley maintains and operates the public parks.

Demographic & Socio-Economic Indicators

The 2010 U.S. Census indicates that Kingsley has a population of 1,480 people. The population remained steady, adding a few new families through the recession of 2007 – 2009. The median age is 32.6 years. 48.1% of the population is male; 51.9% is female. 93.8% of the population is White; 2.4% Hispanic; 1.1% Native American; and 0.6% Black. The remainder of the population base is Hawaiian, Asian, or a combination of two races.

Kingsley has a total of 554 households; 434 (78%) of them are characterized as “family” households. The percentage of children 18 years and younger living in family households is 55.5%. The average household size is 2.8 people. The median home value in 2009 was \$120,318 (up from 78,800 in 2000 and less than the State of Michigan average at \$132,200). The mean price for all housing units in 2009 was \$114,188, including \$156,452 for detached housing and \$60,814 for mobile homes. The median gross rent for 2009 was \$751 per month. By comparison, the median housing price in Traverse City for the same period was approximately \$140,000 (about \$20,000 more than Kingsley). This disparity in pricing has significantly increased since 2009 as housing prices in Traverse City have escalated and prices in Kingsley have continued to contract. Today, median asking prices in Kingsley are \$76,000 less than Traverse City.

Of the population set 25 years and older, the following summarizes the percentage of educational attainment:

EDUCATIONAL ATTAINMENT	
Less than 9 th grade	2.69%
9 th – 12 th grade, no diploma	12.41%
High school graduate	39.93%
Some college, no degree	26%
Associate degree	8.31%
Bachelor’s degree	8.43%
Graduate/Professional degree	2.22%

The percentage of residents as high school graduates or higher is 84.9%. The percent with bachelor’s degrees or higher is 10.7%. This is lower than Grand Traverse County with 92.9% and 29.8%, respectively.

The estimated average per capita income in 2009 was \$40,229 (this compares to \$36,614 in 2000 and the 2009 State of Michigan average of \$45,255). The unemployment rate as of August 2012 was 7.3% (compares to 9.2% State of Michigan for the same time). By comparison, the median household income in Traverse City for the same period was \$39,327 (only slightly less than Kingsley).

The most common occupations in the Village are as follows:

- Metal workers and plastic workers (9%);
- Construction trades workers (9%);
- Building and grounds cleaning and maintenance workers (7%);
- Electrical equipment mechanics and other installation, maintenance and repair workers (5%);
- Vehicle and mobile equipment mechanics, installers, and repairers (5%);
- Laborers and material movers, handlers (5%); and

- Cooks and food preparation workers (5%).

Statistical Analysis

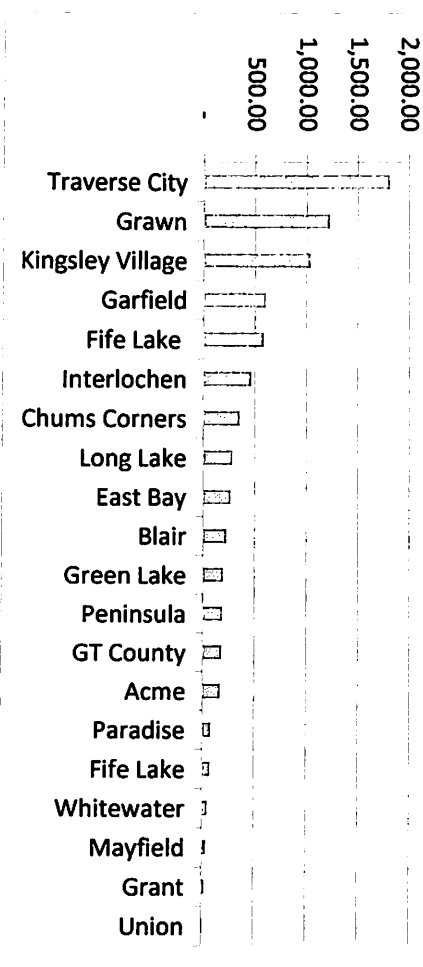
The demographic and socio-economic data tell a powerful story about Kingsley in the Northwest Michigan region. The people who live in Kingsley create a composite profile that suggest trending patterns that provide strong foundations to future growth. The base data can be used to extrapolate future growth scenarios supported by underlying demographics. A few key data points help to differentiate Kingsley as a special place to live and work within our region. The data tends to indicate a few key principles:

- Kingsley is the third most densely populated community in Grand Traverse County;
- Kingsley has the second youngest population when compared to other communities in the County;
- Kingsley has the largest population base within the County of children aged 18 and younger living with parents;
- Kingsley is among the most affordable places to live in the region based upon median housing prices, housing options, and property taxes; and
- Taken as a cluster, Kingsley, Mayfield, and Paradise Township form an impressively strong and dense population base.

Kingsley Has A Dense Population Base

The Village of Kingsley consists of a total land area of 1.42 square miles with a population of 1,480 people. This equates to a population density of 1,042.25 people per square mile, making the Village the third most densely populated community in Grand Traverse County, behind only Traverse City with a population density of 1,814.79 people per square mile and Grawn with 1,225.40 people per square mile. Of the nineteen communities assessed by the United States Census Bureau in 2010, this far exceeds all of the other communities in Grand Traverse County. For example, the fourth most dense community, Garfield Charter Township, has a population density of only 611.36 people per square mile; and the County average is 187.34 people per square mile.

**Density
population/square mile**

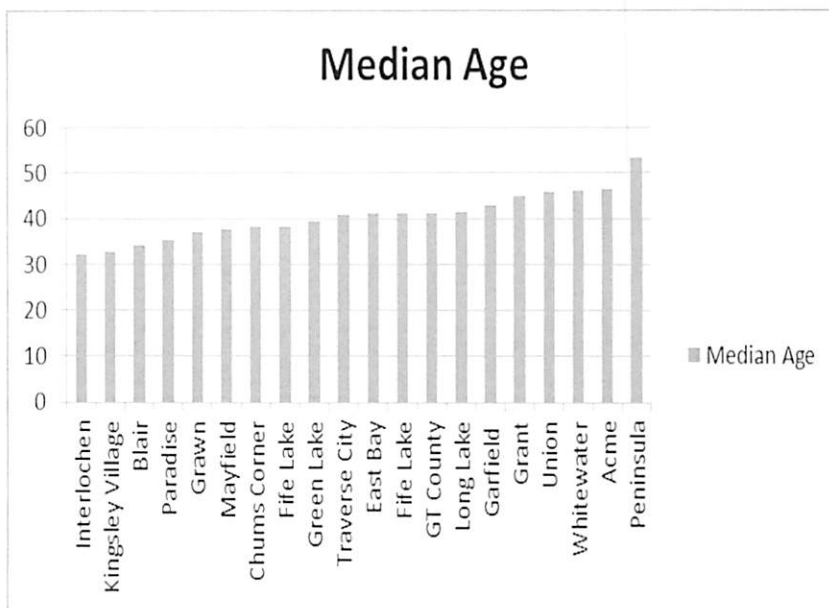


This represents a significant finding to the demographic analysis. It suggests that Kingsley is competitively positioned when compared to other communities to offer the type of amenities to its residents not usually found in rural communities. For example, high density characteristics tend to support “downtown” living where pedestrian friendly infrastructure facilitates an easy interaction in a central core. It should be easier to connect neighborhoods to activities and businesses downtown. It also creates a stronger catchment basin for businesses located in the core. It is not hard to imagine a bustling village center filled with restaurants and stores serving a strong population base conveniently located within easy walking distance. More and more, Americans are choosing to live in such communities; bolstering Kingsley’s potential claim as a major bedroom community within the region.

Kingsley Is Young

Relative to the nineteen other communities measured in the County by the US Census Bureau, Kingsley has the second youngest population. Its median age is only 32.6 years. Only Chums Corner is represented by a younger population with a median age of 32.3 years – hardly a difference between the two. The next youngest community is Blair Township with a median age of 34.2 years. The median age of Grand Traverse County, taken as a whole, is 41.3 years. Compared to Traverse City, the median age in Kingsley is more than 8 years younger.

Median Age - Comparative Analysis	
Jurisdiction	Median Age
Interlochen CDP	32.3
Kingsley Village	32.6
Blair Township	34.2
Paradise Township	35.5
Grawn CDP	37
Mayfield Township	37.7
Chums Corner CDP	38.4
Fife Lake Township	38.4
Green Lake Township	39.5
Traverse City	40.9
East Bay Township	41.1
Fife Lake Village	41.1
Grand Traverse County	41.3
Long Lake Township	41.4
Garfield charter Township	43
Grant Township	44.9
Union Township	45.9
Whitewater Township	46.1
Acme Township	46.6
Peninsula Township	53.4

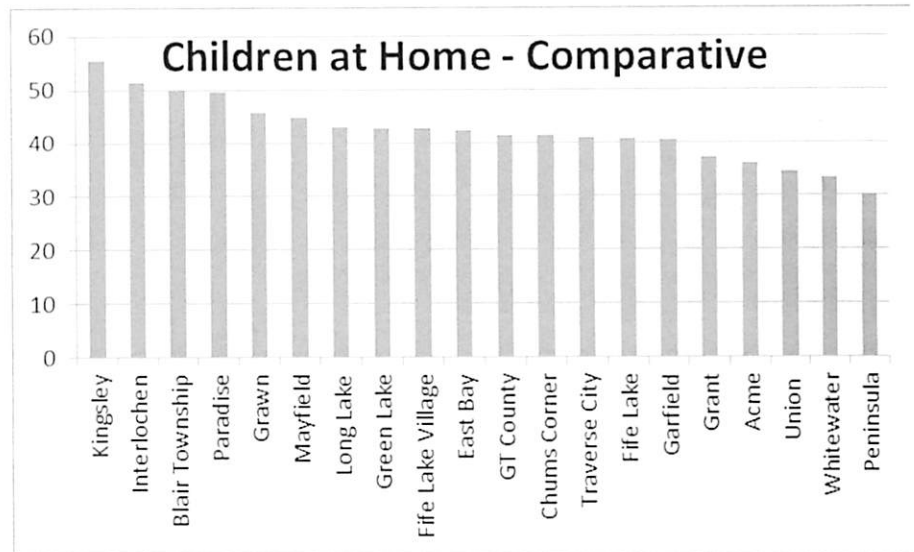


A youthful population base suggests that younger families live in Kingsley. Drawn perhaps by the lower cost of living and excellent school system, young families are finding a unique value proposition that is represented by the median age data. This is significant because it tends to support the further development and branding of Kingsley as an affordable bedroom community with great schools. This is a powerful dynamic to understand and a strong story to tell.

Kingsley Is Family Friendly

Kingsley has the largest population base in Grand Traverse County of children aged 18 and younger living with parents. By a long shot, Kingsley has the greatest percentage (55.5% of total households) of children 18 and younger living in homes with parents. The next closest community with a comparable family-friendly profile is Interlochen with 51.4% of its households represented by children aged 18 and younger living at home with parents. The County average is ten percentage points lower at 41.5%.

Percentage of Families with Children 18 and Younger Living at Home	
Jurisdiction	Percentage
Kingsley	55.5
Interlochen	51.4
Blair Township	49.9
Paradise	49.5
Grawn	45.8
Mayfield	44.9
Long Lake	43
Green Lake	42.8
Fife Lake Village	42.7
East Bay	42.3
GT County	41.5
Chums Corner	41.4
Traverse City	41
Fife Lake	40.8
Garfield	40.6
Grant	37.1
Acme	36.1
Union	34.4
Whitewater	33.3
Peninsula	30.2



Families have chosen to live in Kingsley. There are more families (represented by mothers and fathers living together with children in a single home) in Kingsley than not. This statistic is good news for schools, after school programs (like The Rock), and a more diverse economic potential. For example, medical facilities catering to young families and children are certainly important to meeting immediate and future needs. The data also tells an impressive story that Kingsley is family friendly; and that similar families from outside the Village can find strong neighborhoods and young children in its neighborhoods.

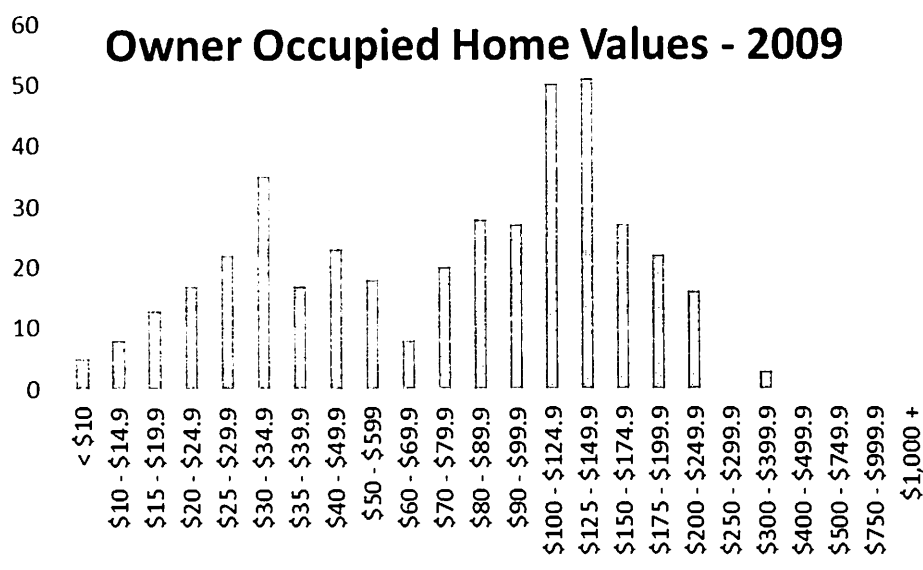
Kingsley Is Affordable

Median housing prices in Kingsley tend to be on par with those communities located outside of Traverse City, but are significantly less than Traverse City. The median list price for all homes for sale in Kingsley as of January 2013 is \$128,900. This compares to Buckley at \$130,000, Manton at \$99,900, Grawn at \$119,900, and Garfield Township at \$189,900. It is significantly less than the average list price for homes in Grand Traverse County, however, at \$169,200 (24% less) and Traverse City at \$204,900 (38%

less). The mean housing price in 2009 for detached homes in Kingsley was \$83,770, compared to Traverse City at \$188,823; and for mobile homes in Kingsley it was \$60,814, compared to \$83,770 for mobile homes in Traverse City. Notably, the median gross rent in 2009 was cheaper in Traverse City (\$727 monthly) than in Kingsley (\$751).

Comparative Home Values 2013 Median List Prices			
Jurisdiction	List Price	Amount Less than TC	Percent Less than TC
Traverse City	\$ 204,900	\$ -	0%
Grand Traverse County	\$ 169,200	\$ 35,700	17%
Kingsley	\$ 128,900	\$ 76,000	37%

Kingsley home prices are cheaper than Traverse City. As of 2013, median list prices were 37% lower; a real value.



The housing pricing data in Kingsley is significant because it underlies the housing cost advantages inherent to the Village over the City. Like other data points assessed, it supports the notion that Kingsley is competitively positioned as bedroom community. The data also suggests that the housing mix in Kingsley, and available price points, offer a diversity of housing options in the Village. Simply stated, Kingsley is an affordable place to own a home.

The Kingsley Cluster Represents a Large Population Base

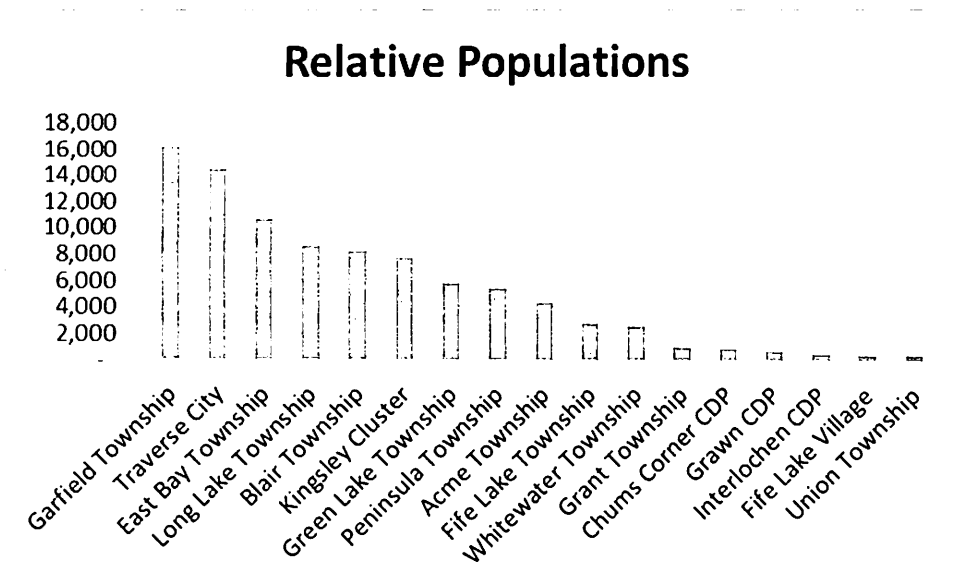
7,743 residents live in Kingsley, Mayfield, and Paradise Township. Viewed as a cluster, these adjoining communities represent a relatively large population base within Grand Traverse County. They tend to be similar in their rural characteristics, but Kingsley stands out among them as a village center of commerce and activity. Only five of the nineteen communities in Grand Traverse County included in the U.S. Census Bureau’s 2010 Census have larger populations than the Cluster; they include Garfield Township (16,256), Traverse City (14,482), East Bay Township (10,663), Long Lake Township (8,662), and Blair Township (8,209).

Comparing Relative Populations in Grand Traverse County

Community	Population
Grand Traverse County	86,986
Garfield charter Township	16,256
Traverse City	14,482
East Bay Township	10,663
Long Lake Township	8,662
Blair Township	8,209
Green Lake Township	5,784
Peninsula Township	5,433
Paradise Township	4,713
Acme Township	4,375
Fife Lake Township	2,791
Whitewater Township	2,597
Mayfield Township	1,550
Kingsley Village	1,480
Grant Township	1,066
Chums Corner CDP	946
Grawn CDP	772
Interlochen CDP	583
Fife Lake Village	443
Union Township	405

Community	Population
Grand Traverse County	86,986
Garfield charter Township	16,256
Traverse City	14,482
East Bay Township	10,663
Long Lake Township	8,662
Blair Township	8,209
Kingsley Cluster	7,743
Green Lake Township	5,784
Peninsula Township	5,433
Acme Township	4,375
Fife Lake Township	2,791
Whitewater Township	2,597
Grant Township	1,066
Chums Corner CDP	946
Grawn CDP	772
Interlochen CDP	583
Fife Lake Village	443
Union Township	405

Compared to Traverse City, the Kingsley Cluster is more than half (53%) the population of Traverse City. This is an important data point that is likely not appreciated within the region (7,743 residents in the Cluster verses 14,482 in Traverse City). It begins to form a new paradigm for how to more accurately perceive Kingsley; and how to market and promote it. The Village cast a considerably larger shadow than its population of 1,480 people might suggests.



It is certainly an incentivizing story to tell potential businesses considering expansion or relocation in Kingsley. For example, it seems to logically reason that a community of more than 7,000 residents should have supporting business and lifestyle amenities in its downtown core. A proper marketing plan would highlight this fact. It also brings more political clout to the southern portion of Grand Traverse County than might otherwise be considered.

The Kingsley Cluster has a Stronger Relative Purchasing Power than Traverse City

While in absolute terms Traverse City’s population base is significantly larger than Kingsley’s, a careful analysis of family median incomes suggest that the income brackets are very similar. When comparing the Kingsley Cluster (Kingsley, Mayfield, and Paradise) the combined purchasing power on a relative basis is even stronger and more compelling.

We decided to conduct this analysis after an interesting conversation with a Traverse City-based brewpub owner. When asked if the owner/operator/brewer would open a similar facility in Kingsley, the response was emphatically no. The brewer said, “nobody in Kingsley will pay \$4.50 for a handcrafted microbrew.” He was certain, but we weren’t equally convinced; and an analysis of the underlying data argues against his position. This is significant because the perception in the marketplace may not match the economic realities. The following data proves that the income brackets, as a percentage of the population, are nearly identical. This information could be a valuable tool in marketing to retailers as the Village works to recruit them.

Consider the following:

Relative Household Income by Bracket Comparing Kingsley to Traverse City					
Income	Kingsley		Traverse City		Difference
< \$10	34	6%	613	9%	-3%
\$10 - \$20k	85	16%	999	15%	1%
\$20k - \$30k	120	23%	643	10%	13%
\$30 - \$40k	88	17%	1,012	15%	1%
\$40 - \$50k	46	9%	623	9%	-1%
\$50 - \$60k	44	8%	669	10%	-2%
\$60 - \$75k	71	13%	517	8%	5%
\$75 - 100k	29	5%	807	12%	-7%
\$100 - \$125k	8	2%	328	5%	-3%
\$125 - \$150k	5	1%	180	3%	-2%
\$150 - \$200k	1	0%	125	2%	-2%
> \$200k	2	0%	57	1%	0%
	533	100%	6573	100%	

Comparing Kingsley’s relative purchasing power by household income demonstrates very similar income distributions by brackets. The biggest difference is the \$75,000 to \$100,000 income bracket where Traverse City has a demonstrable stronger position by seven percentage points. Yet, this difference is more than equalized when comparing the Kingsley Cluster to Traverse City. The Kingsley Cluster is two percentage points stronger than Traverse City.

In fact, the Kingsley Cluster is stronger than Traverse City in every income bracket from \$40,000 to over \$200,000, except for a single bracket (and two brackets are identical). As a percentage of the populations, there are more home owners in Kingsley making \$40,000 to \$50,000; \$50,000 to \$60,000; \$60,000 to \$75,000; \$75,000 to \$100,000; \$125,000 to \$150,000. Traverse City is only stronger in the \$150,000 to \$200,000 bracket.

The data is reversed from the \$40,000 to less than \$10,000 income brackets. Traverse City has more lower income residents as a relative percentage when compared to the Kingsley Cluster, including the <\$10,000 bracket; \$10,000 to \$20,000 bracket; and \$30,000 to \$40,000 bracket. Only the \$20,000 to \$30,000 bracket is stronger in the Kingsley Cluster.

The conclusion of this analysis is that the Kingsley Cluster, comprised of the adjacent communities of Kingsley, Mayfield, and Paradise, has stronger relative purchasing power than does Traverse City. As a percent of household income, the Kingsley Cluster is stronger than Traverse City starting at a \$40,000 annual income threshold; below that, Traverse City has more families in the lower-income brackets as a percentage of overall populations.

This is significant and could go a long way to dispelling the perception that Kingsley is not a strong market. In fact, the Kingsley Cluster is wealthier than Traverse City when comparing relative household incomes as a percentage of overall population by standard income brackets. Even in absolute terms, the Kingsley Cluster’s population is over 7,500 people. As noted, it would be difficult to find a similarly sized community in Michigan without more retailers, commercial businesses, and restaurants.

Relative Household Income by Bracket Comparing the Kingsley Cluster to Traverse City										
	Kingsley		Paradise		Mayfield		Cluster		Traverse City	
< \$10	34	6%	32	3%	16	3%	82	4%	613	9%
\$10 - \$20k	85	16%	121	11%	52	10%	258	12%	999	15%
\$20k - \$30k	120	23%	87	8%	52	10%	259	12%	643	10%
\$30 - \$40k	88	17%	140	12%	73	14%	301	14%	1,012	15%
\$40 - \$50k	46	9%	110	10%	72	14%	228	10%	623	9%
\$50 - \$60k	44	8%	168	15%	58	11%	270	12%	669	10%
\$60 - \$75k	71	13%	150	13%	61	12%	282	13%	517	8%
\$75 - 100k	29	5%	150	13%	123	23%	302	14%	807	12%
\$100 - \$125k	8	2%	70	6%	22	4%	100	5%	328	5%
\$125 - \$150k	5	1%	79	7%	0	0%	84	4%	180	3%
\$150 - \$200k	1	0%	3	0%	0	0%	4	0%	125	2%
> \$200k	2	0%	17	2%	0	0%	19	1%	57	1%
	533	100%	1127		529		2189		6573	100%

Composite Profile

The underlying demographic and socio-economic data paint an exciting picture of Kingsley as an ideal place to live and raise children. Its dense population base supports the future development of more urban-style amenities within a rural village that is pedestrian friendly and that can support a blend of lifestyle businesses and restaurants. Relative purchasing power of Kingsley residents is stronger than Traverse City, when considering the aggregate strength of Kingsley, Mayfield, and Paradise which combine to form an absolute population base of over 7,500 people. It is easy to imagine a village core,

serving a cluster of communities that include Kingsley neighborhoods but also Mayfield and Paradise Township, that supports a variety of lifestyle businesses like small shops and restaurants, and that is the epicenter of exciting activities like festivals and music celebrations.

With more young people and more families than most all other communities in Grand Traverse County, Kingsley is attracting young families due to its excellent school system, proximity to employment centers in Traverse City, and low cost of housing stock. It also has a variety of housing options and neighborhoods that are well maintained and conveniently located close to the village core. A future emphasis could be placed on developing supporting pedestrian friendly infrastructure designed to further tighten the social and business links. Already an effort is underway by the Village to extend its trail system through the region to include access to its neighborhoods. A large number of residents living in the adjoining communities of Mayfield and Paradise Township likely identify strongly with the Village center. It will be worth the effort to strengthen the connectivity of the businesses and activities in downtown Kingsley to these outlying, but adjacent communities. Collectively, they form a population base of over 7,000 residents. It is natural that they identify with Kingsley as a prominent and convenient location representing a town center that they, too, can access for shopping, dining, and special events.

The commute from Kingsley to downtown Traverse City is approximately a twenty minute drive. It is important that the broader region understand that Kingsley is as close by drive time to downtown Traverse City as its many other prominent neighborhoods in the City itself and in outlying areas. This close proximity should help to bolster the image of Kingsley as the ideal bedroom community. Coupled with event planning and celebrations, and only a few modest business expansions, the Village could easily be marketed as a location close to employment centers but distinct in nature with small town charm. This proximity might also herald an opportunity to attract a cluster of Traverse City businesses, perhaps incubated in co-op space under a single roof, to provide a host of services within the Village center like dry cleaning, medical services, hardware, flower shop, drug store, etc. Finally, easy highway access to Kingsley supports its further differentiation as a destination center for specialty shopping and celebratory public events.

This composite profile, strongly supported by demographic data, can form the basis of a marketing and promotional campaign. The men, women and children that live in Kingsley know that it is a special place. They are attracted to the community by its small town charm, excellent public school system, affordable housing prices, and close proximity to employment centers in Traverse City. These dominant themes strongly suggest future marketing and promotional strategies designed to reach out to other young families and other workers who may be struggling to find affordable housing in Traverse City. These amenities and characteristics form a compelling promotional campaign designed to drive home and publicize the many unique advantages inherent only to Kingsley.

SWOT ANALYSIS

A SWOT Analysis is an excellent tool to assess a community's potential. It provides an unbiased view of the strengths, weaknesses, opportunities, and threats faced by a community. It is used here as a critical component to the Economic Development Strategic Plan to identify what is working well and what is not within the Village. It informs the second phase of this study, Economic Development Strategies, by providing an important base of thought to leverage existing strengths and mitigate potential weaknesses.

The chart below highlights the SWOT Analysis for the Village. Further details are provided in the written commentary that follows it.

INTERNAL	SWOT ANALYSIS		EXTERNAL
STRENGTHS	<ul style="list-style-type: none"> • Bedroom Community, including schools, parks, and amenities • Craftsman Theme & sense of place • Location • Stable Governance • Surrounding Population 	<ul style="list-style-type: none"> • Promote bedroom community • Expand craftsman theme • Develop Industrial Park • Program events to drive foot traffic • Access to capital • Village access • Connections & Alliances • Developing vacant parcels • Programming Green Space 	OPPORTUNITIES
WEAKNESSES	<ul style="list-style-type: none"> • Downtown Vacancies • Access • Promotions • Events • Insufficiently leveraging adjacent population 	<ul style="list-style-type: none"> • Getting “lost” between Chums Corner and Kalkaska • Lack of water/river • Controlling vacant lots • Strategy dependent on retail occupancy • Fly fishing is “one trick pony” 	THREATS

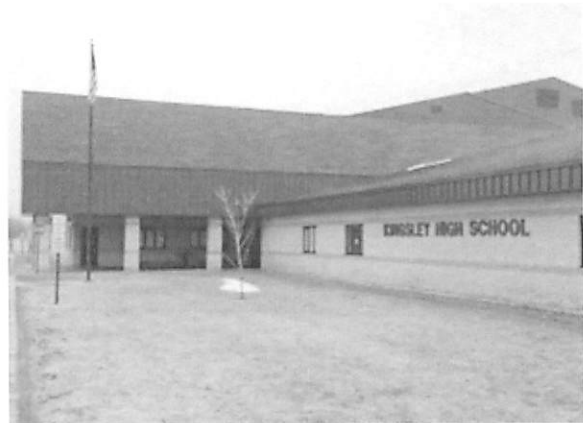
Strengths

Kingsley has a number of strategic advantages that differentiate it as a unique place to live, play, learn, and work. Its most obvious strengths are commendably the result of affirmative choices taken by the Village’s leadership over the last decade. These include the installation of robust infrastructure systems, significant investments in new parks, the delineation of a craftsman theme to undergird its “sense of place,” investments in the local school district, approvals for relatively new neighborhoods representing a variety of housing stock and price points, and a very stable governing body with little turn-over and experienced leadership. By chance, Kingsley has another defining characteristic: its location and proximity to Traverse City, combined with its other cultivated strengths, make it an ideal bedroom community for those wishing to live in a small town atmosphere but needing to access job centers in the city.

These elements are explored in more detail below:

Strength #1: Kingsley as a Bedroom Community

Kingsley is viewed as an ideal bedroom community. It is a family-oriented village that has attracted a disproportionate share of young families with school-aged children. These families are attracted to affordable housing, strong neighborhoods, and supporting amenities like parks. The Village governance is characterized as very stable, with senior leadership that is very experienced, and willing to make the necessary investments to continue to differentiate Kingsley as a special place to live. Good schools, excellent parks, The Rock, and local library are all viewed as important defining elements. The Norman Rockwell emphasis so clearly highlighted in the Village Office forms the basis for the craftsman theme that now extends into Village street lighting and decorations. As a whole, Kingsley is viewed as a community that is safe and clean.



Excellent test scores, a new high school, extracurricular offerings, and championship sports teams are the pride of Kingsley Public Schools.

Strength #2: The Craftsman Theme

The extension of the craftsman theme and related public investments have defined Kingsley with a special "sense of place" typically envied and rarely achieved by other communities of a similar size. This is a truly unique feature and dimension to the Village experience. It is the physical manifestation of what so many Americans seek from their local governments today: safe, clean streets; families connected through vibrant neighborhoods; and a seemingly by-gone era characterized by Village charm, local schools, and Friday night football. The Village's investment in the craftsman theme cannot be overstated as a major driver to differentiate life in Kingsley from just another retail strip or decaying town center. While challenges remain, Kingsley is a long shot from Chums Corners. While other communities seek to establish an identity, like Kalkaska, the Village has already done so and ready to take its investments to the next level.



The Craftsman Theme is evident in the Village Commission Chamber where handcrafted furniture and Norman Rockwell's "Four Freedoms" suggest an

Strength #3: Location

While perhaps not always appreciated or capitalized upon, Kingsley is situated in an ideal location with many attributes that should work to promote its continued growth. It should be seen (and promoted) as a major gateway to Northwest Michigan. Motorists from Chicago and Grand Rapids primarily travel M131 as the primary highway to the region. Some of this traffic, of course, diverts at M113 and heads west into (or around) Kingsley. Many motorists remain on 131, however, heading north to Kalkaska. Capturing even a fraction of this traffic, and accommodating motorists with retail offerings in Kingsley, could make a significant difference in the Village's future growth.

Other locational advantages exist. As told by one Village resident during our interviews, he relocated his family from Traverse City to Kingsley due to its proximity to locations within the City. Simply stated, Kingsley is conveniently and centrally located to major neighborhoods and attractions within the City. It is as quick to get from the Village to many locations in or around Traverse City (the Munson Medical Center, Acme, beaches) as it is to drive from one end of Traverse City to the other. This is a compelling personal story the underscores the location advantages inherent to the Village. As a bedroom community serving the jobs centers in the City, it is a convenient and easy location to reach work.



The band shell at Brownson Park could

of summer music and dance festivities to promote Kingsley as a regional destination.

Finally, it should be stressed (and advertised) that Kingsley is the “land between two rivers.” Situated between the Boardman and Manistee Rivers, Kingsley could represent the ideal sportsman paradise. Its locational advantages as such could form the basis for a campaign to create a destination center for sportsmen and fly fishermen.

Strength #4: Stable Governance

Kingsley has a very stable Village Council comprised of experienced elected officials. They represent the Village in a quiet manner, free of much of the drama all too common in surrounding communities. There is very little turn-over. The institutional knowledge of the elected leadership stretches back decades. The Council has traditionally been very supportive of growth: investing in infrastructure and parks; approving new neighborhood construction and zoning for an industrial park. As innovators, the Council has few peers in Northern Michigan. Their willingness to convert the old administration building into an after school center for children, and the risks associated with the construction of a new Village Office, library, and innovative parks (like the children’s splash pad, archery range, and lacrosse fields) is admirable. The Council appears to have made the approval process for new construction a fairly simple endeavor, with significant decision making authority vested in the Village Manager’s position. These are the basic building blocks to good governance and economic prosperity. They are rare and should be treasured.



The new library is the result of solid leadership and strong community support.

important amenity for families and seniors.

Strength #5: Population

The population of Kingsley and its adjacent communities is not as small as is commonly believed. While the Village appears to be a sleepy crossroads to motorists speeding by, it actually is the epicenter of a

relatively large population. The aggregate populations of Paradise, Mansfield, and Kingsley exceed 7,500 people. It is hard to imagine a town that size without more robust commercial, retail, and restaurant offerings. While significant competition for these users exist from Traverse City and Chums Corner, it is not a stretch to conceive that Kingsley should be playing a much larger role as a commercial town center. Within the Village limits, it should also be noted that the population is extremely dense, with more than 1,000 people residing per square mile. Density levels this high, too, are good indicators that downtown investment could support additional growth in these sectors. Finally, the population in Kingsley is young; characterized by young families with school-aged children. This too tends to support the notion that family-oriented businesses could be supported by the local population base.

Weaknesses

It is good policy to recognize those areas that should be addressed to mitigate inherent weaknesses to new growth. The Village has a few areas that require attention. Most of these relate to the development and promotion of a stronger downtown core. For all its strengths, Kingsley has not been able to support downtown businesses in a manner consistent with its many advantages. These weaknesses include:

Weakness #1: Downtown Vacancies & Retail Selections

A number of storefronts in the downtown core area remain vacant, and the retail offerings are not impressive. Traditional buying habits unique to bedroom communities tend to undermine the traditional town square, at least until a tipping point of initial investments allow for a redefinition of the town center and corresponding paradigm shift in consumer behavior. It is not just the vacancies that are troubling, it is also the lack of consumer offerings. One Village Council member interviewed went so far as to say that he'd welcome a fast food restaurant in order to drive the retail experience. The public investments made by the Village in creating a unique sense of place has not yet been matched by corresponding private sector investments. The population base and characteristics of Kingsley and adjacent communities would seem to support more robust private sector investment.

Weakness #2: Access

Motorists heading north along 131 have options, so much so that it is difficult to funnel traffic into downtown Kingsley. A common route is to follow the highway into Kalkaska; others that turn onto 113 have bypass options to avoid the Village downtown. Heading south along Garfield/Brownson, motorists have little incentive to stop. The 113/Brownson intersection offers little compelling evidence of the significant improvements already made downtown. Those interviewed noted the Subway, frustrations with the blinking traffic light, a troublesome left turn, and an eagerness to leave downtown to their final destination. It is difficult to quantify how much traffic skirts the Village or otherwise hurries through it, but there are concrete steps that can be taken (and are recommended herein) to slow or reverse this situation. Kingsley is not seen as a destination location. There is certainly room for improvement to "capture" more of this traffic and convert it into retail sales.



There may be an opportunity for additional wayfinding and character elements to further define the Brownson/113 intersection; and to invite motorists deeper

Weakness #3: Promotions & Events

At the heart of this concern is the need and ability to “tell the Kingsley story.” The Village has rightly spent the last few years making incredible improvements. Now it is time to tell the story and let the region know about the historic renovations that have occurred. Kingsley needs to assume its rightful spot as a municipal innovator. It has, in many ways, become a model for other communities to emulate. Telling the story, through appropriate promotions and events, will bring recognition to the community; and help to advertise the wonderful place to it has become. This is a matter of pride as well as good business. The men and women who call Kingsley home should, also, be made aware. All of the work, and all of the improvements, and all that is to come needs be reported. A targeted marketing campaign, bolstered by an appropriate level of reasonable events, will get the word out and bolster economic development efforts. Kingsley is the buzz. The greater region needs to hear about it.

Weakness #4: Insufficiently Leveraging Adjacent Population Base

The “Kingsley Cluster” defined as Mayfield, Paradise and the Village represents a substantial population base of over 7,700 residents. Kingsley should be rightly viewed as the downtown core for these communities: the center of government, commerce, banking, and entertainment. But for a current lack of options, there should not be any reason for a resident living in Paradise Township to travel all the way to Traverse City for simple shopping errands. Many communities with smaller populations have tremendously more retail offerings available. Part of the problem is convincing retailers to invest in the Village. Part of the problem is historic consumer patterns and shopping habits. Part of the problem is Kingsley’s failure to promote itself as an alternative shopping district/downtown/main street for adjacent communities. Residents in Mayfield or Fife Lake should see convenience in shopping in Kingsley to buy groceries, dine out for an evening, pick up dry cleaning, or meet any of the other daily tasks common to life. Shopping attitudes and habits will take time to change, but it starts when Village officials capitalize on the substantial adjacent population base and market it appropriately.

Opportunities

Within the SWOT Analysis, strengths and weaknesses are seen as internal measures that can affect outcomes. Opportunities, like threats, are considered as external measures that can impact the success or failure of the enterprise. Kingsley has a number of opportunities to leverage as it continues to develop. These form the basis for Phase Two of this study, Economic Development Strategies which will be further explored in this analysis.

A more detailed assessment of unique opportunities includes the following:

Opportunity #1: Marketing for Bedroom Community

It is well established that Kingsley is a bedroom community serving the larger jobs centers in Traverse City, yet there is significant room to further leverage this key strength. Traverse City’s lack of affordable housing is often noted by regional planners as a significant problem. Home values closest to Grand Traverse Bay are inflated relative to the region. A tight rental market puts upward pressure on residential lease values. Servers, technical workers, government employees, medical personnel, public safety workers, and others reportedly struggle to find affordable housing. So, too, do young families and young professionals. Kingsley has a unique opportunity to appeal to these workers as the ideal place to live with its affordable housing stock, housing options, great schools, and well-developed park system. Further steps should be taken (as recommended herein) to further brand the Village experience

as a special, and affordable, place to live. The key is to directly link these unique cost and amenity advantages specifically into a marketing campaign directed specifically to a target audience of workers, young professionals, and families.

Opportunity #2: Expanding the Craftsman Theme to Develop the Downtown Core

Few communities in Northwest Michigan have invested resources and critical thought into the development of thematic concepts to better define a sense of place than has Kingsley. The Village has made the necessary investments to differentiate the community; and it has done it well. The quality and character of defining elements is notable. The extension of the craftsman theme suggests many things: most obvious is village charm; but it also implies a level of exactness, certainty, and perfection inherent to craftsmanship. It should also be noted that the Village did not overdue it. Village life and family lie at the center of this work. The experience is not eclipsed by a garish overdependence on a single thought, like a German-themed community defined by cuckoo clocks or a maritime theme defined by rope-wrapped bollards through the downtown.



The Craftsman Theme is evident in many places. Here the donor wall on the public library showcases clay pottery. This strong theme forms the basis for additional economic development initiatives.

There is an opportunity to further expand the craftsman theme. The Village’s current commitment to develop a Veterans Park and Art Park are natural extensions: turning vacant lots into pocket parks defined by landscaping, street furniture, and art. Other elements will be welcome. For example, entry monuments, wayfinding signage, and additional streetscapes will embellish the theme while promoting pedestrian traffic downtown and working to slow vehicular traffic. The goal is to effectively use decorative way-finding signage to invite motorists to stop and shop, dine, and explore. These elements will further promote retail investments in the Village core. Additionally, there is an opportunity to broaden the “fly fishing” concept by complimenting it with additional craftsmanship activities. Just as tying flies is integral to the complete fly fishing experience, so too are pottery, art, antiques, artisan foods and beverages, and related activities central to the concept of craftsmanship. These elements could combine to create an incredible destination experience for visitors and residents.

Opportunity #3: Activity for the Industrial Park

Kingsley’s industrial park represents an untapped resource. The property is zoned industrial and is supported by a robust infrastructure system, including significant excess capacity to the Village’s wastewater treatment plant. The property is prominently positioned at the east entry of town, and provides easy access to M113 and the US Highway 131. The Park is essentially entirely vacant. The Paradise Meats building was vacated years ago and has not been re-let.

As a gateway to Northwest Michigan, Kingsley sits at the doorstep of the region and represents a strong candidate for some light industrial development. An attractive incentive program should be pre-packaged and marketed to the brokerage and industrial user community. Branding and advertising should be part of this campaign. Targeted end users should be identified. They might include

complimentary uses to the craftsman theme. For example, distilleries, breweries, specialty foods, and outlet craft stores might resonate well in the regional marketplace. Other uses might dovetail to regional special events, like the use of the property to support Horse Shows By The Bay, or as a campground. Finally, one creative idea emerged during our interviews: to link the industrial park to the regional trail system for motorsports and then use the property as the central hub for related sales, maintenance and repairs, and parking. These alternative, but complimentary uses should also be explored as they represent significant opportunities for the Village.

Opportunity #4: Additional Promotions & Events

The Village inaugurated its first-ever Adams Fly Festival in 2012. It was reportedly a success to be repeated again this year. Despite little advance notice and limited promotion, the event was well-attended (some 700 people), supported by merchants, and showcased local food and beverage. Notably, the event was appropriately limited in duration and scale. The Village did not attempt too much, too fast; and it partnered on the project with the Friends of the Library. This was a commendable example of local partnering at its finest. It also did an outstanding job designing promotional materials; and it branded the event by commissioning an original piece of artwork that is now representative of the Adams Fly Festival. It is a beautiful rendering of a fly fisherman casting his line that may just be symbolic of future events to be caught by the Village.

The Adams Fly Festival is likely to continue indefinitely. It forms the basis for an expanded fly fishing theme to help further brand the Village experience, and it will similarly work to create a destination experience for visitors. While relatively small in numbers, the fly fishing community is an ideal target market typically represented by a mobile, high net worth set willing to travel to new waters or revisit reliable honey holes. However, the vast majority of regional residents and visitors are not fly fishermen. The Adams Fly Festival and the fly fishing theme, while appropriate and significant, is limited.

Kingsley has an opportunity to apply lessons learned from its promotion and execution of the Adams Festival into a broader, more widely appealing set of events designed to drive more visitors to the Village. Consistent with the craftsman theme, there is an opportunity to broaden the appeal through similar events to artisans and artists. The donor wall on the public library showcases incredible examples of local pottery, for example. The hand crafted furniture in the Village Chamber could form the basis for larger events promoting this specialized trade. Food and beverage festivals would likely drive additional traffic. All of these examples compliment the



The Industrial Park represents an opportunity for new job growth. Its flexible

Its location to US131 should be promoted.



The Adams Fly Festival is a great start to better promoting the Village through special events. It likely forms the basis for additional related activities.

investments already made by the Village; and they all would help market the downtown core for permanent businesses to set up shop. Kingsley could become a major destination for visitors and regional residents.

Similarly, the Village could leverage its tremendous public parks to host major events. In some instances, it might make sense to partner with other regional efforts. Lacrosse, soccer, and softball tournaments are significant economic drivers. Proximity to motorized trails and horse trails provide a jumping off point for rallies.

The Village should consider these types of events to broaden its appeal. Important to this process, promoting these events will be critical. Print, radio, and television paid and free media should factor into future efforts. Getting the word out is important.

Opportunity #5: Access to Capital

The businesses in Kingsley, or those proposing to expand into the Village, have an opportunity to access funds to support business growth both from the Village itself and from the Traverse City Area Chamber of Commerce. The Village wisely reserves for future grant matches and it has the capacity to expend interest earned from its oil and gas trust fund. These could be critical sources for necessary, future public improvements to support private businesses. The Chamber can lend directly to businesses. Its array of funds, or soon to be available funds, equates to nearly \$6.5 million. This money, subject to traditional credit due diligence and supporting business plans, can be made available as mezzanine financing, micro loans, permanent loans, or energy conservation loans. This is a relatively new opportunity available. It should be appropriately promoted and, if applicable, investments made.

See Appendix 1 for additional information on the Chamber’s Access to Capital Programs.

Opportunity #6: Enhancing Access to the Village

Kingsley has an opportunity to take proactive steps to capture additional vehicular traffic by funneling it into the downtown core. While this may be problematic in certain situations due to increased traffic flows, the potential exists to slow or stop the flow of traffic by promoting the Village as a destination to further explore. If done in coordination with other development activities, both public and private, the ability to drive traffic into downtown is viewed as a comparative advantage to the current situation that allows for the easy bypass of the downtown core.

A number of events driven by the Michigan Department of Transportation create a seasonal opportunity to begin the redirect of traffic. Highway improvements by MDOT over the next few construction seasons will create a bypass into the Village. For example, improvements to 131 will allow the redirect of traffic from Kalkaska; the planned construction of a roundabout on M-72 and related construction, and the proposed 2015 construction activities on Highway 31 will similarly reroute traffic. These events are viewed as significant opportunities. They also create a window for additional work in this area.



There may be an opportunity to advertise Kingsley as a gateway to Traverse City by posting signs along 131 north. The goal is to promote an alternative road system north other than driving through Kalkaska. Similar opportunities exist along 113: signs should be placed along the route directing travelers into the Village. These signs could adopt a branded theme, perhaps tied to fly fishing or the broader craftsman approach, that tie the directional wayfaring into promotions.

There is also an opportunity to engage MDOT in a conversation related to the installation of a traffic light at the Brownson/113 Intersection. In the past MDOT has refused to seriously entertain this potential. Traffic counts and traffic accidents do not exceed minimal thresholds, as reported by MDOT. Yet a traffic light at this location could be a key to ensuring the logical flow of traffic while promoting just enough time for drivers to witness the improvements to the downtown core. As just one element to a comprehensive approach to slow, redirect, and ultimately park traffic a stoplight should be pursued.

Opportunity #7: Connections and Alliances

The Village Manager has developed strong working relationships with surrounding communities over the last six years. A joint park commission and shared public safety contracts with Paradise, Mayfield, and Fife Lake are indicative of a very high level of regional cooperation. There is an opportunity to extend this collaboration into economic development activities, including joint tourism efforts, industrial park development, and community promotion. These connections could be further solidified with tangible links, like further trail development and an enhanced network of public transportation options coordinated with the Bay Area Transit Authority.

Opportunity #8: Accumulating Parcels in the Downtown Core

Kingsley has done much to prepare the downtown core for private sector investment. The issue remains, however, that significant private sector investment has not yet occurred. This certainly is a factor of the national economic downturn that first hit Michigan and all but froze capital investments in rural areas. The fact that Kingsley realized positive population growth from 2000 – 2010 is impressive enough, but one result of the recession is vacant land parcels and buildings downtown. It might be worth considering a plan by the Village to acquire and assemble some of these parcels as a catalyst for private sector investment. For example, they could be acquired and modestly improved (or cleared, cleaned, demolished) and offered for sale by the Village as a component to the overall rebranding strategy currently underway. Elevation drawings and marketing materials will provide for a coordinated, targeted approach to the most desirable businesses. This is a strategy that could be further developed in the second phase of this work.

Opportunity #9: Programming the “Village Green”

Brownson Park is a great location in the center of the Village. Its “village green” is capped with a bandstand. In an effort to drive additional people into Kingsley, and as an alternative recreational amenity for the families that live there, it could be important to very proactively program regular events on the lawn. For example, a set schedule during the summer months of weekly live music and dance could become a major regional event. It could be supported by food trucks or regional restaurateurs. Alternatively, partnering with the Traverse City Film Festival to show an outdoor



movie centered around fly fishing would meet multiple objectives. It is possible that public transportation could support these types of events by running scheduled buses (via BATA perhaps) from Traverse City to the event. The goal is to program good entertainment that appeals to a broad base of people on a consistent basis; and to advertise the festivities. If people have a reason to come to Kingsley, they will. If they come to Kingsley, chances are they are going to like what they find. The trick is to invite them, and to have something programmed for them to enjoy once in the Village.

Threats

There are external threats to Kingsley's future growth. These are factors not immediately within the control of Kingsley officials, but they can be influenced. We avoid an assessment of macroeconomic or catastrophic events beyond reasonable prediction or control, and focus instead on those areas where Village officials have some modicum of control. These threats include the following:

Threat #1: Getting Lost Between Chums Corner and Kalkaska

The Village sits precariously between two competing, and potentially emerging, local marketplaces. Continued retail sprawl at Chums Corners offers shopping options not available in Kingsley; and plans in Kalkaska to develop a mixed-use property in the downtown will potentially create competition for retailers, restaurants, and small shops. Already, Chums Corner enjoys the benefit of heavy traffic flows along M37; just as Kalkaska benefits from heavy traffic along M131. Village residents routinely travel to Chums Corner to shop and dine. Regional cooperation between these jurisdictions represents an opportunity, but Kingsley officials should also be aware of the need to promote and differentiate commercial offerings during a particularly critical window of time. Now is the time to emerge as a strong option for retailers looking to expand in the County's more rural commercial hubs.

Threat #2: Lack of Water

Village officials have embraced a fly fishing theme to promote Kingsley as a destination location. It is a sound strategy that will continue to grow; and it has already been executed with prowess. While the Village can lay claim to the development of the Adams Fly, and while it sits between two of the country's most pristine fly fishing rivers, it is not located on the water itself. It remains to be seen whether this fact chills the complete manifestation of this strategy. It will certainly influence its direction, however. It may be important to develop "work-around" strategies that allow the community to emerge as a major fly fishing destination while not itself adjacent to blue ribbon fishing rivers. For example, exploring methods to better connect the Village core to the Boardman and Manistee Rivers, both in terms of hard infrastructure and thematically, could support its development and its embrace by the fly fishing community.

Threat #3: Control of Vacant or Undeveloped Parcels

Kingsley has invested heavily in the development of its downtown core. It has already created an impressive sense of place that is unique to small towns around Northwest Michigan. The private sector has so far been slow to respond with matching investments, however. There are a number of vacancies and undeveloped parcels in the downtown area. Compared to the region, these buildings and vacant parcels can be acquired at relatively lower price points. There is a threat that they could be acquired by end users with business plans inconsistent with the goal of driving a vibrant downtown core. Similarly, it is possible that they could be land banked by developers with no immediate need for them. It might behoove the Village to consider a strategy to control some of these key parcels to ensure future development consistent with its broader plans.

Threat #4: Fly Fishing is a Limited Strategy

Adopting a fly fishing theme to promote economic development is a sound strategy, but we caution that it should be expanded to appeal to a broader audience. The fly fishing theme can rightly be the defining brand for Kingsley. It provides a basis, however, to expand the craftsman theme in a broader set of offerings that should be considered. The fly fishing concept appeals to a narrow market segment in the hopes of driving fishermen from around the country and region into the Village as a themed destination. Diversifying the strategy with related concepts will mitigate concerns that it is a “one trick pony.”

CONCLUSION

Phase One of the Kingsley Economic Development Action Plan focused on current conditions and included a SWOT Analysis. This data and the inferences drawn from it are critical to formulating meaningful economic development strategies to be further refined in a detailed manner in the second phase of the work, “Economic Development Implementation Strategies.”

Phase One identified that significant work and investment has already accomplished visible results in the Village. New infrastructure systems and a refined sense of place characterize a level of innovation and risk taking not commonly found in similarly sized and positioned communities. These efforts have further defined Kingsley as a bedroom community known for its affordable housing prices and great schools. Young families appear to be attracted by these amenities, but also by well-developed parks, a convenient location, and rural vibe.



For all the work completed, there is more to accomplish. The private sector has not yet significantly responded to the full array of public investments made by the Village. Now is the time to capitalize on the investments through targeted marketing efforts and promotions. Continuing to market the Village as the best place to live in Northwest Michigan will likely drive new families into the community, and new children into the school system. Traverse City’s higher cost of living, lack of affordable housing, and summertime traffic congestion represent economic and environmental realities that should trend in Kingsley’s favor.

Kingsley has an opportunity to work decisively to make its front door more appealing, so that motorists stopped at the Brownson/113 intersection feel compelled to drive across 113 into a parking lot to explore, but foot, the exciting improvements and private sector shopping opportunities unique to Kingsley. These could include new offerings by lifestyle businesses stressing local food and beverage, and local craftsman art. Along with well-executed promotions, like the Adams Fly Festival, these elements could combine to form an exciting destination location for local and tourists to shop and dine. Directing motorists into the Village, and accommodating vehicles once there, will be important goals going forward.

In the next phase of this study, Economic Development Implementation Strategies, key goals and objectives will be developed with the Village Manager and Village Council. They will represent up to five major goals to achieve relative to economic development over the course of the next five years.

Detailed strategies will be developed that are designed to achieve the stated goals. The objective is to develop a set of goals and corresponding action steps to achieve them based upon the findings contained in this first phase of work.

Appendix 1: Access to Capital



TRAVERSE CITY AREA CHAMBER FOUNDATION ACCESS TO CAPITAL PROGRAM

The Traverse City Area Chamber Foundation was established in 1987. It is a subsidiary of the Traverse City Area Chamber of Commerce whose main purpose is to increase the region's access to capital to spur economic growth.

The Chamber Foundation has multiple funds to access:

Chamber Foundation Development Fund
\$1.5 Million

Eligible Companies:

- Typically, established companies with 10 - 99 employees & \$1M+ in gross sales.
- Companies that have exhibited high growth and profitability potential.
- Companies located in Antrim, Benzie, Grand Traverse, Kalkaska, or Leelanau counties.
- **Loan Term:** 1-3 years

- **Potential Loan Structure:** Interest Only Option OR Amortized Terms Option

- **Funding Range:** \$25,000 to \$250,000

- **Interest Rate Range:** Typically at or below market (bank) rate

- **Eligible Uses:**
- Market diversification

- Product line expansion
 - Production capacity growth
 - Short-term bridge financing

 - **Not Intended Uses:**
 - Retail
 - Land
 - Buildings
 - Start ups
 - Pay outstanding debt
-

Energy Efficiency Fund
\$100,000

- **Eligible Companies:**
 - Must complete an energy efficiency audit which specifically identifies the intended project included a projected return on investment.
 - Must be a Chamber member in good standing.

 - **Loan Term:** Up to 5 years

 - **Funding Range:** Up to \$50,000

 - **Interest Rate Range:** Between 3% and 5%
-

COMING SOON – MORE FUNDS UNDER MANAGEMENT

Sub Micro Revolving Loan Program
\$100,000

The program will be available to small businesses to access financing for small micro loans. This fund will have a quick review and turnaround.

Timeframe: Chamber Foundation anticipates this fund in Q2 2013

Eligible Uses:

- **Loan amount:** The definition of a “sub micro loan” is a loan of less than \$7500;
- **Terms:** 6-18 months or less;
- **Rates:** Between 8-12%.

**Regional Revolving Loan Fund
\$2.5 Million**

Eligible Uses:

- **Financing or refinancing real property, equipment, inventory and receivables, and debt to exit or transition ownership**
- **Financing working capital such as costs associated with activities such as engineering, sales, installations expenses, technology acquisition, etc.**

Funding Range: Up to \$500,000

Eligible Companies:

- a. **Start up through mature business**
 - b. **Not revenue dependent**
 - c. **Needs some financial stability (able to pay back loans)**
 - d. **Money for: anything that creates jobs**
 - e. **Needs to create jobs; \$35,000/employee; (51% of jobs need to fall within low to moderate income)**
-

USDA Rural Development Intermediary Relending Program
\$460,000

The Chamber Foundation has been approved for \$400,000 from the USDA Rural Development Intermediary Relending Program.

Timeframe: Will have access to funds on April 23rd (scheduled loan closing)

Eligible Uses:

- Intended for businesses within the 5 county area
- Gap financing for working capital, product line expansion, market diversification, inventory receivables financing, accounts receivable financing, and machinery and equipment financing.
- Loan amount: Up to \$70,000;
- Rates: Must be at or below existing bank rates;
- Terms: Machinery & Equipment – up to 7 years; Working Capital - up to 3 years.