



# Grand River Commercial Vacancy & Market Analysis



Presented by Michigan Community Resources to the **Grandmont Rosedale Community Development Corporation**  
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## **About the Grandmont Rosedale Development Corporation**

The Grandmont Rosedale Development Corporation (GRDC) is a non-profit community organization run by residents. It is dedicated to preserving and improving the Grandmont Rosedale neighborhoods and to creating a stronger and more vital community for all those who live and work in the area. GRDC was founded in 1989 and initially focused solely on selling rehabbed vacant homes. During the mid-nineties, GRDC's efforts to stabilize the local residential market were proving successful enough to grow staff capacity and expand its focus to also include commercial revitalization, beautification and community organizing efforts.

GRDC has a long history of business organization, housing rehabilitation, public placemaking, and community engagement. Part of its strength is derived from its organizational structure, which serves as a model of collaboration for other Detroit-based community organizations. GRDC's Board of Directors is made up entirely of residents from each of the five area neighborhoods.

## **About Michigan Community Resources**

Michigan Community Resources (MCR) is a nonprofit organization that supports and empowers nonprofit community organizations in Michigan that serve low income individuals and communities, with an emphasis on community economic development, by providing pro bono legal services and technical assistance.

## Introduction and Executive Summary

### Project Background

The Grandmont Rosedale Community Development Corporation, hoping to expand previous efforts to revitalize the Grand River commercial corridor, approached MCR to assist with a Commercial Vacancy and Market Analysis in the summer of 2013. The project goals were:

1. Assist GRDC in identifying potential commercial properties to acquire within its commercial target area ("*the Study Area*"); and
2. Help GRDC gain a better understanding of the commercial real estate market in the Grandmont Rosedale Community.

### Description of Grand River Study Area

The Grandmont Rosedale community lies in Northwest Detroit. There are three major commercial corridors in the area and more than 254 active businesses. The corridors are: McNichols Road, which acts as the northern boundary of the neighborhood; Schoolcraft Road, which acts as the southern boundary; and Grand River Avenue, which crosses diagonally through the middle of the community.

The Study Area consists of commercial properties along both sides of Grand River Avenue, between Evergreen and Asbury Park. The properties are located in the 48223, 48227, 48235 and 48219 zip codes.

The 2012 Detroit Future City Strategic Framework Plan (DFC) recommends that a portion of the Study Area (immediately west of the M-39 Freeway) should continue as Traditional Neighborhood Center for at least the next 50 years. DFC also recommends that the intersection of Grand River and M-39 be developed into a Traditional Node and commercial anchor by the year 2030. The rest of the Study Area along Grand River is recommended as a Multi-Use Strip and a Traditional Medium Density neighborhood type, which features mostly single-family homes and peripheral commercial amenities along adjacent commercial corridors.

## Major Findings and Recommendations

This section highlights some key findings within each section of this report, with broad, related recommendations.

### Findings

#### Vacancy & Ownership

- The unit vacancy rate (18%) and parcel vacancy rate (15%) are lower than citywide averages
- 31% of parcels have no structure, which is lower than the citywide rate of 38%
- 71,480 square feet along the Study Area are vacant; all vacant units are smaller than 4,020 square feet
- All vacant commercial properties are privately owned
- Four vacant properties went through tax foreclosure in 2013 and are up for auction
- There are vacancies throughout the Study Area, with four main geographic concentrations

#### Business Mix

- Most common business type is “Hair/Beauty”, with “Medical/Health/Wellness” a close second
- Medical facilities and legal services comprise 11% of the business mix, which is higher than the citywide rate
- Half of the restaurants along the corridor are non-chain, and half are fast-food

#### Retail Gap

- There are no bars, taverns or night clubs within a 1 mile radius
- The supply for liquor stores and gas stations with convenience stores outweighs demand
- The demand for automobile dealers, grocery stores, and building material and supply dealers outweighs supply

#### Jobs, Workers, and Commuting Patterns

- The Study Area contains just under 1,000 jobs
- These jobs are generally low wage and the majority of workers are under 30
- A high number of nearby residents commute to Downtown and Midtown; very few work in the neighborhood

### Recommendations

#### Potential Corridor Development Strategies

- Commercial vacancy rate is relatively low; prioritize improving business mix over lowering overall vacancy
- Target business clusters for economic development programs, e.g. “buy local” campaign focused on automotive or food businesses
- Experiment with the following business types, possibly through “pop-up” strategies:
  - Temporary live theater along the corridor to encourage connections between the North Rosedale Park Community House and the Study Area
  - Bar or tavern, perhaps in partnership with an existing business or planned event, e.g. a local play
- Utilize public incentives to attract a hardware store or home center to meet the area demand for building materials and supply dealers
- Consider how concentrations of vacant land can complement strategies for existing structures; this can include acquiring vacant lots near parcels targeted for redevelopment, e.g. 19120 Grand River
- Consider running a commuter shuttle to Midtown or Downtown for nearby employees, possibly in conjunction with a “buy local” campaign

#### Evaluation of Commercial Development

- Regularly (at least twice a year) update the Commercial Corridor Database to track commercial vacancy and business mix
- Focus on tracking commercial unit vacancy (as opposed to parcel vacancy), because it is easier to measure
- Track sit-down versus drive-thru restaurants
- Survey business owners and customers about shopping and travel patterns



# Grand River Commercial Corridor Vacancy Analysis

## Commercial Vacancy

This section looks at commercial vacancy rates, square footage patterns, ownership, and the Wayne County Tax Foreclosure Auction status for vacant commercial units and parcels throughout the Study Area. Information around commercial vacancy directly relates to GRDC’s stated goals of **better understanding the commercial real estate market along Grand River**, with a focus on understanding and tracking commercial vacancy patterns.

### Vacancy Rates

There are a few different ways to measure commercial vacancy rates. By combining and cross-referencing various data sets with GRDC’s 2013 commercial windshield survey, MCR measured vacancy throughout the Study Area at two levels: the commercial unit level, and the parcel level.

[Tables 1](#) and [2](#) provide detail around these two measures (unit vacancy, parcel vacancy). As of August 2013, the Study Area’s commercial unit vacancy rate is 18 percent and its parcel vacancy rate is 15 percent.

Without regular access to Geographic Information Systems (GIS) or updated parcel maps, unit vacancy is likely the simplest vacancy measure for GRDC to regularly track (see the [Commercial Corridor Database as Survey Tool](#) section for more detail); for comparison purposes, however, information around parcel vacancy elsewhere in the city is more readily available. The Detroit Future City Strategic Framework lists (p99) Detroit’s 2012 citywide commercial parcel vacancy at 36 percent, and the 2012 Commercial Land Inventory City Study (CLICS, p21) report calculates commercial vacancy rates in Traditional Main Street Overlay Areas – of which the Study Area is one - at 22.6 percent. The Study Area’s parcel vacancy rate of 15 percent is lower than average, which indicates an area of relative strength.

**Table 1. Study Area Commercial Unit Vacancy, August 2013**

	Commercial Units	Commercial Unit Square Footage
Vacant	33	71,480
Percent Vacant	18%	12%
<b>Total</b>	<b>188</b>	<b>620,971</b>

*\*Sources: GRDC commercial windshield survey 2013, LISC Building Sustainable Communities Parcel Data Tool 2012. MCR was unable to obtain square footage for a handful of units (less than 5%).*

**Table 2. Study Area Commercial Parcel Vacancy, August 2013**

	Tax Parcels*
<b>No Structure</b>	<b>67</b>
Percent with No Structure	31%
<b>Full Unit Occupancy</b>	<b>115</b>
Percent with Full Unit Occupancy	54%
<b>Full or Partial Unit Vacancy</b>	<b>32</b>
Percent with Full or Partial Unit Vacancy	15%
<b>Total Parcels</b>	<b>214</b>

*\*Sources: City Assessor 2010 (parcel boundaries/data), GRDC commercial windshield survey 2013*

### Unit Square Footage

Where data is available, the median area for commercial units within the Study Area is 2,183 square feet. The average is 3,788 square feet, but this figure is skewed by a wide range of building sizes that include a few outliers – areas range from 540 square ft (Tubby’s Sub Shop) to 41,354 square ft (Department of Human Services). The median area for vacant commercial units is 2,094 square feet and is in line with the median for all commercial units in the Study Area. However, the range is much smaller for vacant units: 780 square ft (19546 Grand River) to 4,020 square ft (16831 Grand River). The lack of vacancy in larger units may indicate there is stronger demand for larger (likely correlated with newer) commercial spaces.

## Geographic Concentration

Vacant commercial units are geographically distributed across the Study Area, but there are a few notable patterns. In two instances – both of which GRDC has indicated an interest in targeting for occupancy and/or redevelopment - there are three vacant units in a row on blocks with at least five other vacancies: 19619-19633 and 18260-18278 Grand River. Both are logical areas to target, as the first block is adjacent to GRDC’s offices and a handful of other nonprofits/institutions and the second block includes two properties that are up for auction in 2013. Other concentrations vacant parcels include 18901-18925 (between Artesian/Stahelin), and 16831-16849 (between Abington/Rutland). See [Attachment B](#) – Study Area Map for a visual representation.

## Ownership & Foreclosure Status of Vacant Properties

As of August 2013, all properties containing vacant structures within the Study Area are privately owned. Five properties within the Study Area went into tax foreclosure in 2013 and are up for auction through the Wayne County Tax Foreclosure Auction process in September and October 2013. Of these five properties, four are vacant: 16520 Grand River (vacant), 18200 Grand River (vacant), 18244 Grand River (vacant), 18278 Grand River (vacant), and 19019 Grand River (currently Saturn Realty).

## Vacant Land

[Table 2](#) illustrates that nearly one third (31 percent) of parcels along the Study Area contain no structure and are currently used as parking lots, vacant lots, and side lots. While 31 percent is slightly lower than the citywide average (38 percent, CLICS, p19), aerial photos and windshield surveys indicate that many parcels containing structures contain additional vacant land and surface parking. This land vacancy provides opportunities for infill development, creative placemaking projects, and thoughtful approaches to parking and commercial access throughout the corridor.

## Current Business Mix

The Study Area consists of 151 active businesses. In order to measure the business mix and provide an accurate picture of the retail corridor’s health, MCR examined it from two perspectives. The first was to examine the business diversity by type of business and general industry. The second was to examine the corridor’s ability to attract visitors from outside the neighborhood, a stated objective of GRDC’s.

## Business Type

In order to assist GRDC to measure and track its business mix, MCR recommended more than 23 distinct business types with optional subtypes that delineate between professional, retail, and service. The categories have two main purposes:

- 1) Help GRDC **keep track of business types** by aligning its system more with North American Industry Classification Systems (NAICS) codes. This alignment will enable GRDC to better compare current and future survey findings with Census and proprietary data around business establishments.
- 2) **Identify business type patterns** that could lead to future economic development strategies, e.g. “buy-local campaigns.” For instance, the Study Area contains many automotive-related establishments, such as auto-parts stores, professional mechanics, and an auto-dealership. By looking at how these establishments are clustered, GRDC might be able to suggest economic development programs. An example might include suggesting coupons or discounts to local mechanics or local auto-parts stores for customers that purchase a car at the local auto-dealership.

[Figure 1](#) shows the breakdown of business types throughout the Study Area. In some instances, MCR honed the subtypes even further to measure specific differences important to future economic development efforts. For instance, the “Finance/Insurance” type includes both major

banking institutions such as Chase or Comerica Bank and several check-cashing establishments. The check cashing establishments also fall into the subtype “Payday Lenders.” Another example is the “Food/Beverage” type, in which the subtypes create a distinction between grocery stores and convenience or liquor stores.

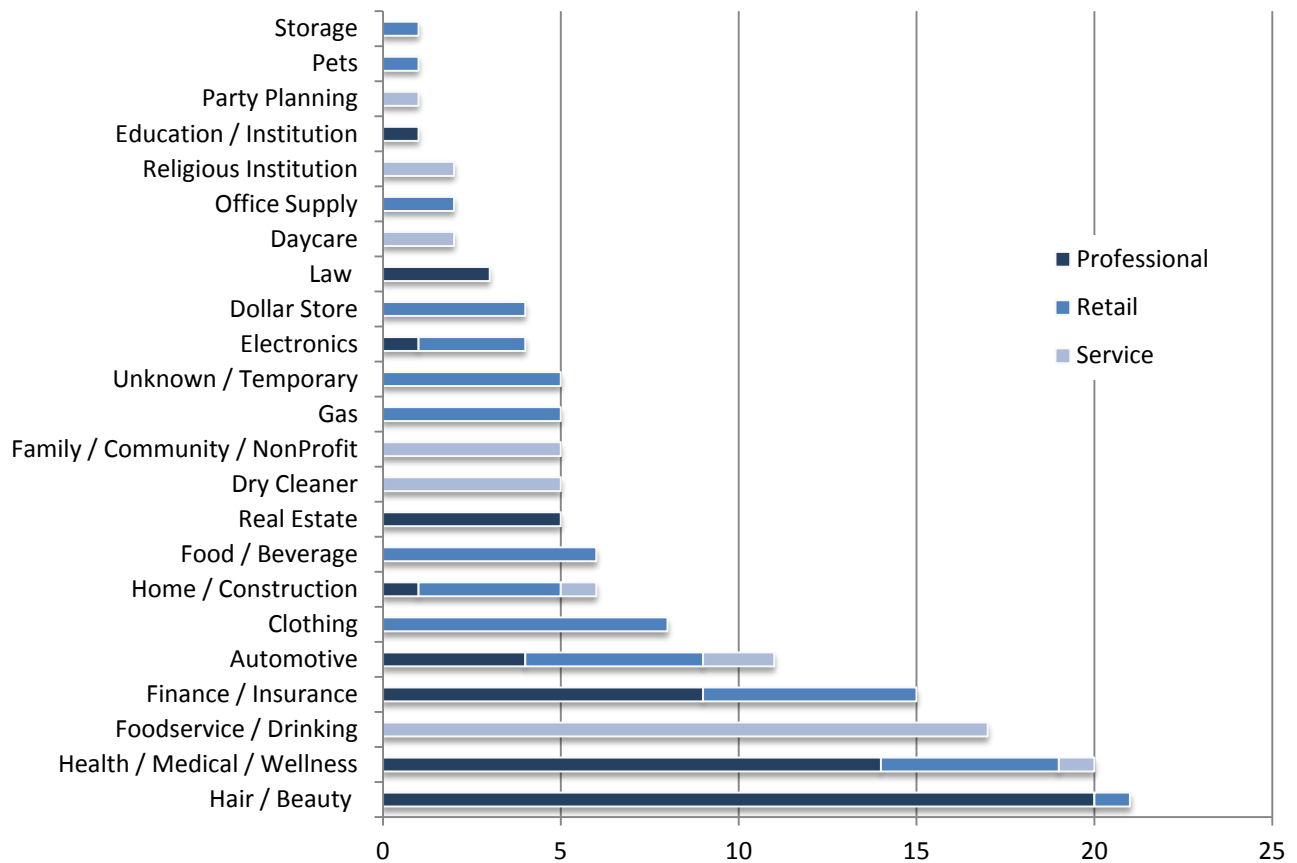
**Professional, Retail, Service Subtypes**

By dividing business types into Professional, Retail and Service subcategories, GRDC can better diagnose the Study Area’s health at a more granular level. Professional services are services that require

special school, training, or licensing to perform. Regular services are where the customer goes to use an establishment’s facilities, such as a gym; or when the product purchased is a service that does not require special schooling, training, or licensing, such as a party planning service. Retail establishments are where physical goods are sold.

The following sections highlight interesting patterns within the Study Area’s business mix.

*Figure 1: Number of Establishments, by Business Type*



**Most Common Business Types**

The most-prevalent business type in the Study Area is “Hair/Beauty”. This type includes 20 hair salons, nail salons, or barber shops and one single hair and beauty supply shop. The number of salons and

barber shops alone (20) is equal to the total number of the second most-prevalent business type, “Health/Medical/Wellness” related establishments.



### Medical and Legal Professionals

The Study Area enjoys a relatively large number of offices for medical and legal professionals. This includes 14 medical or dental facilities as well as 3 law offices. Together, these professional medical and legal establishments account for 11% of the total active businesses in the Study Area.

### Food Establishments and Food Security

The existence of food-related establishments can be a significant factor to residents' quality of life and can contribute to larger efforts to attract new residents to the Grandmont Rosedale community. In order to precisely measure the business mix and destination potential for the neighborhood, MCR looked at "Food/Beverage" establishments (i.e. grocery stores and liquor stores) as well as "Foodservice/Drinking" establishments (i.e. Fast-Food and Non-Chain Restaurants). [Table 3](#) illustrates this breakdown.

**Table 3: Food-Related Establishments**

	Retail	Service
Grocery Stores	2	-
Liquor Stores	4	-
Fast-Food Restaurants	-	9
Non-Chain Food Restaurants	-	9

As GRDC seeks to measure the Grandmont Rosedale's capacity to become a destination for surrounding communities, it may wish to keep track of sit-down restaurants compared with fast-food and/or drive-thru restaurants. The existence of a drive-thru is one simple indicator of whether an establishment is pedestrian oriented. Non-Chain food establishments can also be a draw and have more potential to attract visitors from outside the neighborhood.

### Destination Type

A priority for GRDC as it seeks to revitalize the Grand River commercial corridor is to cultivate more "destination" businesses.

This report defines a "destination" as an establishment that offers a unique good, service or experience, thereby exhibiting a level of market scarcity that attracts consumers from various parts of the region. The ideal destination business can contribute to residents' quality of life by offering patrons a "third place" to socialize and spend time. Additionally, destinations can cause a rippling benefit to surrounding businesses, may be more conducive to pedestrian-oriented and mixed-use development, and could anchor future placemaking initiatives. Because of these benefits, GRDC can use the number of destination businesses as one of several indicators for the commercial corridor's overall health.

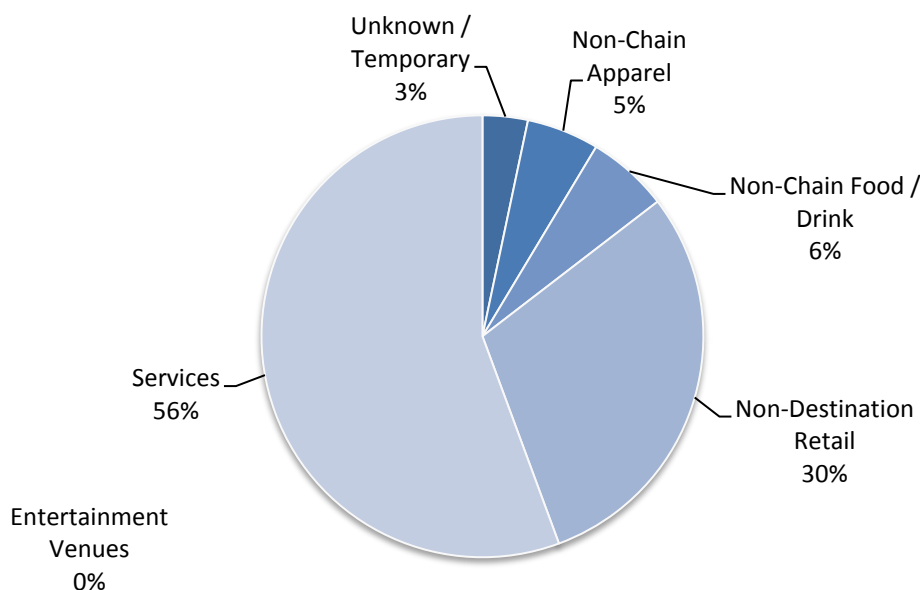
It is difficult to know exactly how and at which scale consumers interact with destination businesses without understanding customers' travel and shopping patterns. Going forward, MCR recommends that GRDC survey business owners and customers to build out this picture. See the [Sample Destination Survey Questions](#) section for more detail around this recommendation.

In the mean time, this section offers a proxy measure by estimating which business types consumers patronize out of convenience and which business types consumers patronize more as "destinations". For the Destination Analysis in this report, MCR divided the Study Area's open and active businesses into six categories, listed below and displayed in [Figure 2](#):

- 1) **Entertainment Venues (0 establishments)** – These are establishments that offer some sort of entertainment for visitors. Examples include theaters, playhouses, concert halls, or sports arenas. Although the nearby North Rosedale Community House boasts one of the oldest community theater groups in Detroit, the Park Players, the Study Area itself contains no entertainment venues.

- 2) **Non-Chain Apparel (8 establishments)** - As the number of consumers who purchase retail goods online increases nationwide, apparel storefronts must offer increasingly unique items. These are clothing and apparel stores that sell unique/non-brand clothing, used clothing, hats, jewelry or other apparel that is difficult to find elsewhere.
- 3) **Non-Chain Food & Drink (9 establishments)** – These are restaurants and bars where customers can socialize and contribute to the larger social fabric of the neighborhood. In this analysis, these establishments are largely “sit-down” and pedestrian-friendly and exclude fast-food restaurants that are part of national chains and feature drive-thrus.
- 4) **Non-Destination Retail (44 establishments)** – These are retail establishments that are less likely to offer a unique experience or product and are less likely to attract consumers from other parts of the region. For the purposes of this analysis, this category contains any retail establishment not deemed a non-chain foodservice or clothing store.
- 5) **Services (84 establishments)** – These are establishments where the customer either comes to use facilities offered (e.g. a gym) or where a trained professional provides a service (e.g. dentist, lawyer). Note that all 20 barber shops, hair and nail salons within the Study Area fall into this category. These service-oriented establishments have great potential to attract visitors from outside the community. For instance, consumers will travel great distances for a mechanic, barber, or doctor that they particularly like. Yet is it hard to predict customers’ travel behavior without more extensive surveying, and GRDC may find it difficult to change or improve this travel behavior. This is because the extent to which the service is a regional draw is largely dependent on the quality of that service.
- 6) **Unknown/Temporary (5 establishments)** – GRDC designated these establishments’ use as either unknown or temporary in its August 2013 windshield survey.

*Figure 2: Number of Establishments, by Destination Type*



## Grand River Market Analysis

### Retail Gap Analysis

As part of this Commercial Vacancy and Market report, MCR used Nielsen data to compile the consumer demand and consumer supply for retail establishments within 1, 3, and 5 mile radii around 19120 Grand River. The difference between the demand and supply is known as the retail opportunity gap/surplus.<sup>1</sup> If the demand outweighs the supply, it is called an “opportunity gap;” if the supply outweighs the demand, it is called an “opportunity surplus.” This information helps identify types of businesses with an unmet demand for a given area. For the full Nielsen Opportunity Gap report, please see [Other Attachments](#).

The three business types with the largest opportunity gap for the 1 mile radius can be seen in [Tables 5](#) on the following page. Two of the largest opportunity gaps exist within industries that are associated with big-ticket expenditures (Automotive Dealers and Building Material and Supply Dealers). Therefore it is not surprising that they are listed as large opportunity gaps, given that the gap is measured in total dollars. Though the opportunity gap is large for the various radii, it might take only a few establishments to fill it.

One of three hardware stores recently closed in the Grandmont Rosedale community and has left a large unmet demand that is reflected in Nielsen data. GRDC is currently trying to attract a new hardware store to the Study Area.

Unlike Automotive Dealers or Building Material Suppliers, the large opportunity gap for Grocery Stores (given that grocery store transactions are comparatively smaller) implies that the market

within the radii can most likely sustain several grocery stores. Meijer has stated publically that they are considering a second Detroit location at Grand River and McNichols, and GRDC is already engaging residents about how this Meijer will affect future opportunity gaps and the consumer demand for existing, local grocery stores such as Metro Foodland and Bob’s Quality Meats.

During prior community engagements, Grandmont Rosedale residents expressed a desire for more sit-down restaurants. Therefore, GRDC hopes to cultivate food and drinking establishments as anchors for future placemaking initiatives. [Table 6](#) shows the opportunity gap for food related establishments for the 1, 3 and 5 mile radii.

According to Nielsen, there is an unmet demand for foodservice and drinking establishments within various NAICS classifications. This includes “full-service” restaurants that feature wait staff serving seated patrons and “limited-service” restaurants that feature patrons who order food at a counter before being seated. There is also an unmet demand for “Special” foodservice establishments that primarily deliver food to a customer’s location or serve food from a motorized vehicle.

While both full-service and limited-service restaurants may serve alcohol, it is notable that 2013 Nielsen data indicates there are no bars, taverns or nightclubs within a 1 mile radius of 19120 Grand River. GRDC may want to consider focusing a future placemaking initiative on attracting a bar to the Study Area; or looking at the feasibility of Always Brewing Detroit coffee shop obtaining a license to sell beer and wine.

Though the 2013 Nielsen data indicates an opportunity for most of the listed retail industries, there are several industries within the 1 mile radius that exhibit an opportunity surplus ([Table 7](#)). These include liquor stores and gas stations with convenience stores, both of which feature have an opportunity surplus for all three radii.

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<sup>1</sup> Nielsen compiles its demand data from the Consumer Expenditure Survey, which is distributed by the US Bureau of Labor Statistics. The supply data is compiled from the Census of Retail Trade, which is administered by the US Census.

**Table 5: Largest Opportunity Gaps within 1 Mile Radius**

4-Digit NAICS Category	Opportunity Gap 1 mile radius	Opportunity Gap 3 mile radius	Opportunity Gap 5 mile radius
Automotive Dealers-4411	\$30,919,124	\$87,103,017	\$173,506,055
Grocery Stores-4451	\$21,065,179	\$159,049,814	\$381,171,153
Building Material and Supply Dealers-4441	\$19,986,003	\$106,033,577	\$208,092,940

**Table 6: Foodservice and Drinking Places Opportunity Gap**

4-Digit NAICS Category	Opportunity Gap 1 mile radius	Opportunity Gap 3 mile radius	Opportunity Gap 5 mile radius
Full-Service Restaurants-7221	\$6,671,972	\$41,570,561	\$107,894,247
Limited-Service Eating Places-7222	\$6,963,101	\$42,057,327	\$106,045,266
Special Foodservices-7223	\$1,886,363	\$7,060,139	\$8,504,789
Drinking Places -Alcoholic Beverages-7224	\$1,281,152*	\$1,168,823	\$8,136,523

*\*According to 2013 Nielsen data, not a single dollar was spent at a drinking place within a 1 mile radius of 19120 Grand River. Therefore, the opportunity gap (\$1,281,152) is exactly the same as the demand.*

**Table 7: Opportunity Surplus establishments, for 1 Mile Radius**

5-Digit NAICS Category	Opportunity Surplus 1 mile radius	Opportunity Surplus 3 mile radius	Opportunity Surplus 5 mile radius
Beer, Wine and Liquor Stores-4453	-\$2,273,310	-\$32,163,209	-\$58,690,493
Gasoline Stations With Conv. Stores-44711	-\$1,141,360	-\$21,690,131	-\$71,685,758
Office Supplies and Stationery Stores-45321	-\$539,269	\$3,159,158	Not Available*
Prerecorded Tapes, CDs, Record Stores-45122	-\$190,757	\$725,784	\$2,574,419

*\*This particular 5-Digit NAICS code is not available for the 5 mile radius. However, the opportunity gap for Office Supplies, Stationery, Gift Stores-4532, is \$10,364,707*

**Table 8. Study Area Worker Age, 2011**

	Count	Percent
Age 29 or younger	437	45%
Age 30 to 54	423	43%
Age 55 or older	119	12%

**Table 9. Study Area Worker Earnings, 2011**

	Count	Percent
\$1,250 per month or less	534	55%
\$1,251 to \$3,333 per month	304	31%
More than \$3,333 per month	141	14%

**Table 10. Study Area Worker Race, 2011**

	Count	Percent
Black or African-American Alone	561	54%
White Alone	410	42%
Asian Alone	22	2%
Two or More Race Groups	14	1%
American Indian or Alaska Native Alone	1	<1%
Native Hawaiian or Other Pacific Islander Alone	1	<1%

## Nearby Residents, Jobs, Workers, and Commuting Patterns

This section provides a brief look at information about Grandmont-Rosedale’s residents, workers, and their respective commuting patterns to **help GRDC gain a broader understanding of the Study Area market**. It draws from the GRDC 2012 Quality of Life Plan and the US Census Longitudinal Employer-Household Dynamics (LEHD) data set.

### Nearby Residents

Per GRDC’s 2012 Quality of Life Plan, the population of nearby residents (those within GRDC’s service area) is around 14,400 people and has dropped over the past decade by 15%.

Residents are highly educated compared to the citywide average - over 90% of its adult residents have a high-school degree or GED equivalent, and 28% have a Bachelors degree or higher. Despite these high education rates, unemployment was at 13% in early 2012.

### Jobs and Workers

Worker and job characteristics can supplement the detailed, parcel-level information gathered through a commercial windshield survey.

In 2011, the 59 US Census blocks along the Study Area covered 0.4 square miles and housed 979 jobs.<sup>2</sup> These 979 jobs comprise a half percent (0.05%) of all jobs within Detroit. The area within a 1 mile radius of the Study Area housed 1,252 jobs; a 3 mile radius housed 25,652 jobs, and a 5 mile radius housed 97,787 jobs.

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<sup>2</sup> The LEHD defines jobs as “Jobs for a specific individual that met the definition of beginning-of-quarter-employment. To be included . . . an individual’s job must be covered for the reporting requirements for the state’s unemployment insurance system. The prime exclusions are agriculture and to some parts of the public sector, particular federal, military, and postal works.” (LEHD On the Map Technical Documentation, 2008)

Within the Study Area, three North American Industry Classification System (NAICS) sectors accounted for the majority of these jobs: 34 percent were in the Retail Trade sector; 33 percent were in the Accommodation and Food Services sector; and 17 percent were in the Health Care and Social Assistance Sector. These figures generally reflect the Study Area’s [current business mix](#). The Study Area and the area along Grand River to its southeast containing the Greenfield Center, Tower Center Mall, and Whitcomb Center contain one of the higher concentrations of retail jobs in the city.

[Tables 8, 9, and 10](#) provide more detail around the people who worked in the Study Area in 2011. They are generally younger (nearly half are under 30) and earn less (over half earn \$1,250 per month or less) than workers throughout the city. Additionally, businesses in the Study Area employ more African Americans than businesses citywide – 54 percent compared to 39 percent citywide.

There is a gap between the types of jobs available throughout the Study Area and the higher-level jobs for which many of GRDC’s residents are educated. If GRDC were interested in pursuing any sort of “hire local” campaign in the future, it could hinge on attracting or cultivating businesses that offer higher paying jobs.

### Commuting Patterns

The commuting patterns of Study Area workers and nearby residents provide an extra layer of information around Study Area’s potential commercial competition. For instance, nearby residents’ shopping patterns may include procuring groceries near work (e.g. at the new Whole Foods Market in Midtown) as opposed to within the Study Area; a pattern like this would suggest that food retail establishments within the Study Area should consider food retail establishments around where nearby residents work (often beyond a 5 mile radius – see [Table 11](#)) as competitors and market themselves and their goods accordingly.

While the scenario in the above paragraph is speculative only, those with jobs in metro Detroit (both nearby residents who commute outside the Grandmont-Rosedale neighborhood, and workers who commute to the Study Area for work) often travel relatively far to work in Detroit - while the majority of both nearby residents with jobs and Study Area workers travel under 10 miles each way, a substantial amount – between a quarter and a third – commute up to 25 miles each way.

[Table 11](#) illustrates how Grandmont Rosedale’s nearby residents commuted throughout the region for jobs in 2011. Note that only one percent work within the neighborhood. Those who work in the Study Area commute from elsewhere: 38 percent of workers commuted to the Study Area from somewhere in Detroit; 28 percent commuted from elsewhere in Wayne County; 17 percent commuted from Oakland County, and 6 percent commuted from Macomb County.

**Table 11. Where Nearby Residents are Employed, 2011**

	Count	Percent
<b>City of Detroit</b>	2,074	39%
<i>Downtown</i>	814	15%
<i>Midtown</i>	659	13%
<i>New Center/North End</i>	311	6%
<i>Elsewhere in Detroit</i>	239	5%
<i>Grandmont Rosedale</i>	51	1%
<b>Elsewhere in Wayne County</b>	912	17%
<b>Oakland County</b>	1,169	22%
<b>Ingham County</b>	352	7%
<b>Macomb County</b>	215	4%
<b>Other</b>	542	10%
<b>Nearby Residents’ Jobs – Total</b>	<b>5,264</b>	

This section hints at the idea that the shopping patterns of those who commute to and from Grandmont Rosedale are linked to which commercial amenities are available near home and work. One possible strategy to encourage residents to shop near home could be for GRDC to operate a reasonably priced commuter shuttle between Grandmont-Rosedale and Midtown, New Center/North End, and Downtown. GRDC could partner with a private transit operator and incorporate incentives for nearby residents to shop within the Study Area after work as part of the ridership fee.

Yet existing data sets are limited in terms of getting at where Study Area businesses may most likely find competition beyond 1, 3, and 5 mile radii. To build out this picture, MCR recommends that GRDC survey business owners and customers. See the [Sample Destination Survey Questions](#) section for more detail around this recommendation.



## How to Use this Report in the Future

This section serves as a guide for effectively using this report in the future. The Commercial Corridor Database section provides technical detail and suggests uses for the database, while [Attachments](#) lists the additional deliverables included with this report.

## Commercial Corridor Database as Survey Tool

Much of the data that informed this report is available at the parcel level. To help GRDC **continue to track commercial vacancy, business mix, and destination business patterns**, MCR built out GRDC's existing business database with relevant parcel- and unit-level data. Broad updates to the previous version include:

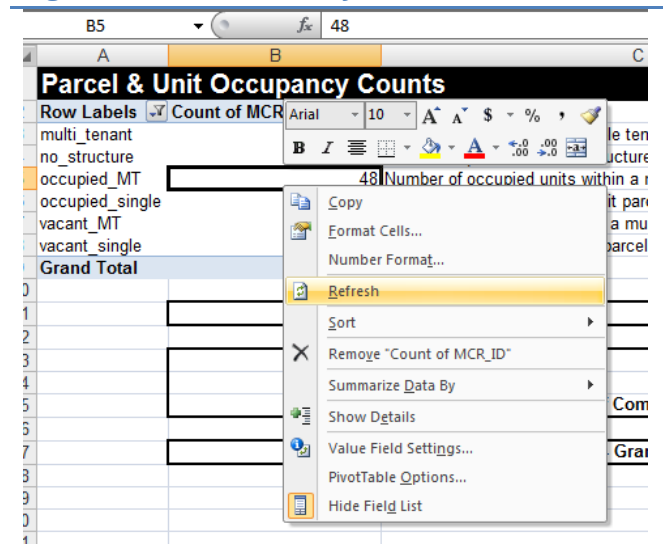
- Ownership (based on last deed on record as of August, 2013) and tax foreclosure information for vacant parcels
- Additional records for each commercial parcel (including parcels with no structure) in the Study Area
- Streamlined system for tracking multi-unit parcels and the sub-units
- Updated/added data that will improve GRDC's ability to link the commercial corridor database with mapping software in the future
- "Pivot tables" that automatically summarize key information about ownership, vacancy, square footage, and business mix

The Tracking and Database Fields sections provide technical documentation for how to use the Commercial Corridor Database going forward. [Attachments](#) lists the additional deliverables included with this report.

## Commercial Corridor Database Tracking Functions

MCR's additions to the Commercial Corridor database include two new tabs – "Occupancy" and "Business Mix". GRDC can use the "Main" tab to update information about the Study Area's occupancy, vacancy, and other characteristics. Meanwhile, pivot tables in the other two tabs will automatically update summary information based on changes to the "Main" tab. Per the screen shot in Figure 3, the user must take one important step to get updated data: click somewhere within the pivot table itself, right click, and select "refresh".

*Figure 3. Pivot Table "Refresh" Screenshot*



Summary tables in the "Occupancy" tab include "Parcel & Unit Occupancy Counts" and "Square Footage Sums". Summary tables in the "BusinessMix" tab include "Business Count", "Count of Businesses by Type", "Count of Businesses by Detailed Type" and "Count of Businesses by 'Destination' Type".

## Commercial Corridor Database Fields

### Administrative

These fields (columns) provide unique id numbers for each business, record, and parcel.

Field	Values, Use
Parcel_ID	2010 City Assessor tax id. No need to update with any regularity.
MCR_ID	Unique ID for each record in database. Sorting by this field from A to Z will put the records in an order that aligns units within multi-tenant parcels with their “parent” parcel information.
BIZ_ID	Unique ID for each business. Three businesses span multiple parcels and share a BIZ_ID.

### Business, Occupancy, and Vacancy

Field	Values, Use
USE	<p>Formerly “Building Name”, this field contains a combination of unique and predetermined values. Use the following as a guide:</p> <ul style="list-style-type: none"> <li>• If the structure is a multi-tenant parcel: <ul style="list-style-type: none"> <li>○ “MULTI-TENANT”</li> <li>○ Sorting from A to Z by MCR_ID will place “MULTI-TENANT” headers above their sub-units. Headers are highlighted orange, sub-units are highlighted in yellow.</li> </ul> </li> <li>• If the structure is occupied: <ul style="list-style-type: none"> <li>○ Unique value: business name</li> </ul> </li> <li>• If the structure is vacant <ul style="list-style-type: none"> <li>○ “VACANT”</li> </ul> </li> <li>• No structure: <ul style="list-style-type: none"> <li>○ “Demolished”</li> <li>○ “Parking Lot”</li> <li>○ “Vacant Lot”</li> <li>○ “Vacant/Parking Lot”</li> </ul> </li> </ul>
Biz_Notes	Notes from GRDC windshield survey and MRC street view/aerial research about use.
VTTYPE_PIVOT	<p>Vacancy values that generate traceable vacancy number within pivot tables. They are:</p> <ul style="list-style-type: none"> <li>• Vacant_Single - single-tenant parcels with a vacant structure</li> <li>• Occupied_Single – single-tenant parcel with an occupied structure</li> <li>• Multi-tenant multi-tenant parcel</li> <li>• Occupied_MT – occupied sub-unit of a multi-tenant parcel</li> <li>• Vacant_MT – vacant sub-unit of a multi-tenant parcel</li> <li>• No_structure</li> </ul>
VTTYPE_MAP	<p>Vacancy values that join to a parcel shapefile using the “MCR_ID”. They are:</p> <ul style="list-style-type: none"> <li>• Mixed - multi-tenant parcels with mixed vacancy</li> <li>• No structure - parcels with no structure</li> <li>• Occupied - fully occupied parcels including multi-tenant parcels</li> <li>• Vacant - fully vacant parcels including multi-tenant parcels</li> </ul>
BIZ_Type	<p>Main “business type” category containing 23 values. See <a href="#">Figure 1</a> for detail. The various business type categories, with examples are below:</p> <ul style="list-style-type: none"> <li>• Automotive (e.g. mechanics, auto parts retailers, auto dealers)</li> <li>• Clothing (e.g. apparel retailers, garment printers/designers, hats, shoes, jewelry)</li> <li>• Daycare (e.g. daycare or other childcare facility)</li> <li>• Dollar Store (e.g. dollar stores or low-cost general merchandiser)</li> <li>• Dry Cleaner</li> <li>• Education / Institution (e.g. schools, other tutoring facilities)</li> <li>• Electronics (e.g. computer repair, mobile phone retailers, video game stores)</li> <li>• Entertainment (e.g. party planning service)</li> <li>• Family / Community / NonProfit (e.g. GRDC, other nonprofits, government use)</li> </ul>

- Finance / Insurance (e.g. banks, insurance offices, check-cashing establishments, accountants' offices, tax preparation)
- Food / Beverage (e.g. grocery stores, liquor stores: patrons do not consume food/beverages in the store)
- Foodservice / Drinking (e.g. restaurants, bars: patrons consume food/beverages on premises)
- Gas (e.g. gas stations, gas stations with convenience stores)
- Hair / Beauty (e.g. hair salons, nail salons, barber shops, beauty supply retailers)
- Health / Medical / Wellness (e.g. doctors' offices, dentists, pharmacies, gyms)
- Home / Construction (e.g. hardware stores, plumber's office, furniture stores, garden supply, home security)
- Law (e.g. law firms, attorney offices)
- Office Supply (e.g. office supply stores, UPS, Fedex Kinkos)
- Pets (e.g. pet stores, pet supply retailers)
- Real Estate (e.g. real estate brokers, appraiser offices)
- Religious Institution (e.g. churches)
- Storage (e.g. paid self-storage facilities)
- Unknown / temporary (e.g. unknown business, campaign offices)

**BIZ\_Type Detail** More detailed "business type" containing 35 values; see "BusinessMix" tab of Commercial Corridor Database. The various business type detail categories include:

- Professional Service
- Service
- Retail
- Non-Chain (Clothing type only)
- Payday Lender (Finance / Insurance type only)
- Grocery (Food / Beverage type only)
- Liquor (Food / Beverage type only)
- Fast Food (Foodservice / Drinking type only)
- Restaurant (Foodservice / Drinking type only)

**Dest\_Type** See [Destination Type](#) section for detail.

### *Parcel and Unit Characteristics*

Field	Values, Use
Street_No	Address number as it appears on the street. Generally consistent with windshield survey records, but not necessarily with Assessor's/parcel ID records.
Street Name	Unit or parcel street name.
Parcel Units	Number of commercial units per parcel. Value is blank for sub-units within multi-tenant parcels.
Units OCC	Number of occupied units per parcel. Value is blank for sub-units within multi-tenant parcels.
Units VAC	Number of vacant units per parcel. Value is blank for sub-units within multi-tenant parcels.
Units SqFt TOTAL	Square footage per parcel. Value is blank for sub-units within multi-tenant parcels.
Units SqFt VACANT	Vacant square footage per parcel. Value is blank for sub-units within multi-tenant parcels.
SUBU_VAC	Vacant square footage for sub-units within multi-tenant parcels. <b><u>Values within this field are incomplete.</u></b>
Parcel Address	Address the Assessor associates with the Parcel_ID if different than street address.

### *Database Fields / Ownership and Foreclosure Status*

Field	Values, Use
GE_Name	Grantee (owner, in theory) name
Agent	Grantee registered agent, if applicable
GE_Address	Grantee street number and street name
City_State	Grantee city and state
Zip	Grantee zip code
GR_Name	Grantor name
GR_Address	Grantor street number and street name
GR_CityState	Grantor city and state
GR_Zip	Grantor zip code
Deed_Type	Deed type values: <ul style="list-style-type: none"> <li>• WD – Warranty Deed</li> <li>• CD – Covenant Deed</li> <li>• QCD – Quit-claim deed</li> <li>• Deed of personal representative</li> </ul>
Deed_TransDate	Deed transaction date
Consideration	Consideration (amount of money exchanged)
Trans_Notes	MCR notes about the deed/transaction
TaxAuction_13	If “foreclosed”, property is up for auction at the 2013 Wayne County Tax Foreclosure Auction

### Sample “Destination” Survey Questions

The earlier “Destination Mix” section of this report attempts to provide a simple, objective method using “business type” to track destination businesses – businesses that exhibit a level of market scarcity that attracts consumers from various parts of the region.

MCR’s recommendation, given additional resources and time, is that GRDC undertake a survey of business owners and customers to get at some harder-to-track indicators of whether a business is bringing patrons to the Grand River commercial corridor or providing some other intangible benefit to the community.

The tables below suggest several survey questions that further GRDC’s goal of tracking “destination” businesses. The first set of questions are geared toward business owners; the second, toward customers. The survey questions for customers assume that the survey will be administered in person, i.e. by speaking with customers as they enter or exit a business. GRDC will need to tweak the questions if they wish to administer the survey using another method, e.g. telephone. The “Field” column provides the general topic related to the question and provides a suggested title for the field that GRDC can use in the Commercial Corridor Database.

**Table 12: Suggested Survey Questions for Business Owners**

Some response choices contain a numeric value. In using these questions to get at which businesses are “destinations”, GRDC could create a “business destination score” for each business based on the sum of values across questions.

Field	Suggested Question and Response Choices	Question Notes
Owner Travel	In your estimation, how many of your customers are from outside the Grandmont Rosedale area? <ul style="list-style-type: none"> <li>Two-thirds or more (Value: 2)</li> <li>Between one- and two-thirds (Value: 1)</li> <li>Less than one-third/close to zero (Value: 0)</li> </ul>	GRDC may or may not want to define “the Grandmont Rosedale area.” However, considering the question is an estimate anyway, defining the area probably isn’t necessary.
Owner Community	Do customers use your business as a gathering or meeting place in any way? <ul style="list-style-type: none"> <li>Yes, often (Value: 2)</li> <li>Sometimes/Maybe/Not sure (Value: 1)</li> <li>No (Value: 0)</li> </ul>	This can include very informal definitions of “gathering” or “meeting”.
Owner Community Yes	If you answered “yes” to the question above, what type of gatherings or meetings take place? Note all that apply: <ul style="list-style-type: none"> <li>Informal socializing</li> <li>Specific clubs or community groups</li> <li>Other</li> <li>Not sure</li> </ul>	If the owner answers “specific clubs or community groups,” GRDC could also ask the names of the group(s) for info/outreach purposes.

**Table 13: Suggested Survey Questions for Customers**

Some response choices contain a numeric value. In using these questions to get at which businesses are “destinations”, GRDC could create a “business destination score” for each business based on taking and average of the sum of values across questions for different customers’ responses.

Field	Suggested Question and Response Choices	Question Notes
Customer Travel	In your estimation, how far did you travel to visit the store today? <ul style="list-style-type: none"> <li>• Less than a mile (Value: 0)</li> <li>• Between 1 and 5 miles (value: 1)</li> <li>• Over 5 miles (Value: 2)</li> </ul>	
Customer Travel Before	Immediately before visiting this store, where were you traveling from? <ul style="list-style-type: none"> <li>• Home</li> <li>• Work / School / Daycare</li> <li>• Another establishment on Grand River</li> <li>• Other</li> <li>• Not sure</li> </ul>	This question may have two answers if the customer’s work/school/daycare is on Grand River. Depending on GRDC’s goals, “Grand River” could also be changed to “Another establishment within the Grandmont Rosedale community.”
Customer Travel After	After you leave this store, will you be traveling to any of the following places: <ul style="list-style-type: none"> <li>• Home</li> <li>• Work / School / Daycare</li> <li>• Another establishment on Grand River</li> <li>• Other</li> <li>• Not sure</li> </ul>	
Customer Spending	Did you purchase anything at this business? <ul style="list-style-type: none"> <li>• Yes</li> <li>• No</li> <li>• Not sure</li> </ul>	
Customer Frequency	How often to do you visit businesses in the Grand River commercial corridor? <ul style="list-style-type: none"> <li>• Very rarely</li> <li>• 1 or 2 times per week</li> <li>• 3 or more times per week</li> <li>• Not sure</li> </ul>	GRDC may or may not want to define the Grand River commercial corridor for responders. In future surveys, more exhaustive surveys, GRDC may want to ask the types of goods/services customers purchase on a regular basis.

## Other Attachments

Additional deliverables that supplement this report include:

- A. Commercial Corridor Database (MS Excel)
- B. Study Area Map (PDF)
- C. Vacant Parcel Aerial Detail (MS Word)
- D. Nielsen Retail Opportunity Gap Report (PDF, MS Excel)