

Introduction

The following is a detailed market assessment and strategic economic restructuring program for the Village of Mackinaw City, Michigan. This effort was prepared by The Chesapeake Group, Inc. under contract to the Village, under the direction of the Economic Development Corporation.

The effort included significant primary data derived from field reconnaissance, to face-to-face interviews with major stakeholders, a public forum, surveys of current residents and visitors, and a survey of business owners and operators. In addition, computer modeling, other research forms, and analysis of secondary information were used in identifying and developing economic opportunities beyond those which are apparent in Mackinaw City at present.

Estimates of demand found in this assessment are considered conservative in nature, tending to understate rather than overstate opportunities. They represent only TCG's opinion based on the presented information and experiences. It is noted that success of any geographic area, collection of activity, or individual components is dependent upon other factors as well as marketability. Some of those other factors are management practices, financial feasibility, regulations and collective cooperation.

Mackinaw City is blessed with critical natural and man-made resources that are the essence for why it exists. While not listed necessarily in order of importance, they are:

1. The water
2. Surrounding natural environment
3. History
4. The Island
5. The Bridge
6. Transportation assets

The economic assessment and restructuring strategy defines and then focuses upon opportunities in five major areas. These are:

- ✓ New activity and attractions that will further expand tourism or the current seasonal nature of tourism, including creation of a youth oriented entertainment/education attraction; promotion of winter activity and area's natural resources; and creation of condominiums, hotel condominiums, and resort complex.
- ✓ Attraction of retail activity serving multi-county/ "regional" area.

- ✓ Research and development and related light manufacturing, utilizing the area's natural resources, including but not limited to the creation of a potential "incubator", with a higher education component.
- ✓ Energy development, including bio-mass, wind and other environmentally sensitive alternatives.
- ✓ Home based business activity, including crafts and those employing technology.

It is noted that the pursuit of any one of the five components is independent or mutually exclusive of another.

There are a number of other significant suggestions and recommendations put forth in the strategic program. These include, but are not limited to:

- ✓ Enhancement of communications and relationships between the Village, the Chamber of Commerce and the Tourism Board for information sharing purposes and to avoid duplicative efforts.
- ✓ Creation of a recruitment process.
- ✓ Creation of an entrepreneurial program to ease turnover/transition of existing establishments, generate a wider range of food service activity, and enhance craft and other home-based business development.
- ✓ Expansion of marketing activity.

In this analysis and strategic suggestions, names of specific businesses, education institutions or others are mentioned. Their inclusion represents neither an endorsement by The Chesapeake Group nor any indication of interest on their part.

TCG believes that this economic development effort can be instrumental in undertaking economic enhancement and comprehensive planning that is sensitive to the needs of businesses and residential community interests. The suggestions are based upon sustainable economic development principals, recognizing that economic development is a dynamic process and commitment.