

Economics

The development of this Master Plan provided a valuable opportunity to consider the economic future of Luna Pier – an economic future defined in terms of both employment opportunities for residents and in terms of the financial health of the City. Recent economic downturns have left many local governments with major revenue shortfalls and financial instability. Michigan and Ohio are among the hardest hit states in the nation when it comes to the severity of the current recession. Many recognize that Luna Pier is particularly vulnerable with a heavy dependence on a single large tax payer.

The development of this Master Plan has also shed light on the fact that Luna Pier can't necessarily chase yesterday's economic development practices and has to reinvent itself to provide greater levels of financial security. Further, common economic development efforts such as building industrial parks, constructing speculative buildings and recruiting businesses with incentive packages does not necessarily work in a place like Luna Pier. The City must think and act differently.

Two Pillars of Economic Development Strategy

The result of conversations and consideration of future economic development has led to the realization that the weight of economic development needs can be supported by two "pillars" of local strategy. The first strategic pillar is that Luna Pier will take necessary steps to support the modernization of the Consumers Power Plant, or the replacement of current facilities with other energy or non energy-related facilities that create a substantial economic impact. The site itself holds considerable economic development potential, and it is possible that this area could emerge as an even more substantial community asset in the future.



The second strategic element involves taking necessary steps to redevelop the commercial core, become a popular destination on the Great Lakes, and serve as a "gateway city" for the State of Michigan. This Chapter explores the tactical steps associated with these strategies.

First Pillar-Consumers Power Site

Because of the uniqueness of the Consumers Power site and the fact that any decisions regarding redevelopment or modernization involves much more than local considerations, it is difficult, and perhaps even unwise, to discuss and weight specific redevelopment alternatives. However as the future of this property is so important to the City of Luna Pier, it does make sense to articulate community interests in the context of the future of this property. Luna Pier will be a strategic partner in redevelopment efforts with Consumers Energy and is particularly interested in the following results:

1. This property presently generates a substantial amount of tax revenue and the future use of this property should continue to provide needed revenue. There are no other places in the City that can support more concentrated industrial development.
2. While this area has continued industrial development potential, it also has a natural environment that should be protected. This area provides a means of access to the Woodtick Peninsula to the south and it offers precious lakefront property. Development or redevelopment of this area should take into account opportunities to capitalize on natural assets.
3. The potential to extend a bike path over LaPointe Drain and continue such a path along the old rail bed and toward Lake Erie are important recreational projects for the City. Redevelopment of this area should, at the very least, not preclude such projects by locating new buildings in potential public spaces. Ideally, redevelopment scenarios should include and incorporate the extension of the trail systems defined in this Master Plan.



4. Redevelopment of this property in this area may require environmental clean-up and site remediation. Obviously, the City of Luna Pier will encourage and support such clean up efforts in a manner that is consistent with state and federal laws and regulations.
5. This area is accessible only via Erie Road, and in essence there is only one way in or out of this area. This is a concern from several standpoints. First, if redevelopment occurs that involves substantially more traffic generation, there could be congestion problems along Erie Road as the single point of ingress and egress. Secondly, the ability to conduct road repairs could be hampered as the road could not effectively be closed. Third, emergency response times could be affected since emergency vehicles may be limited to less direct routes. Fourth, general transportation network efficiency is impacted as everyday traffic is forced to use circuitous routes. For these reasons, the potential extension of Harold Drive should not be precluded by future development or redevelopment. This issue is also discussed in Chapter 7.



Consumers Power Plant

Second Pillar-A Place for People, Business and Jobs

Luna Pier is well positioned to capture additional economic activity for several reasons. First, in Monroe County there are few places that can better capitalize on Lake Erie access than Luna Pier. Commercial downtown buildings are close to the waterfront and there are ample public spaces within which year-round activities can be programmed. Further these attributes are found only a short distance from Interstate 75 which is among the busiest highways in the nation.

This second pillar of economic development strategy includes five overlapping subcomponents as described below:

- Define the Place Rooted in Authenticity and Define the Brand
- Build the Public Facilities that Support the Image of Luna Pier
- Assemble the Commercial Base and Mixed Use Elements along Luna Pier Road
- Create the Partnerships
- Capture the Customers

Create the Place Rooted in Authenticity and Define/Market the Brand

A sense of place matters today more than ever. It refers to the feeling one gets when in or near places that evokes a favorable emotional response or creates a unique experience. A sense of place is highly evident in communities like Mackinac Island and Frankenmuth, where community architecture, urban design and commercial messaging blend into an authentic experience that can't be found elsewhere. Place making is about human activity – but in almost all cases, there is a rich and undeniable sense of authenticity that is grounded in historic context or unique geographic attributes. Many communities seek to create brands as part of their marketing efforts – but some are far more successful than others. Fundamentally, the purpose of these efforts is to have the community name instantly convey images and thoughts that transcend the physical place itself.

It is important to note that most people involved in marketing recognize that branding is an ongoing process that requires continued fine tuning. Most importantly however, these processes try to build trust so that expectations are met or exceeded. Breaching this trust is to be avoided at all cost, so that the brand consistently meets or exceeds expectations. This is accomplished by building on core internal strengths and undisputed leadership opportunities. Recognizing that communities do communicate a “brand” of sorts and taking deliberate steps to define how that brand is developed, shaped and communicated is something to be considered in the context of economic development planning efforts. A brand should embody the City’s personality.

Luna Pier has several undisputed leadership opportunities that can represent the core of its brand. These include its Lake Erie access and nautical heritage and its location in the State of Michigan. No matter what happens in the future, these characteristics will always be true and can serve the City well as a foundation for its brand. The City can also build on and leverage these attributes with physical expressions and seek to develop a strong image built on family, lake living, relaxation and a quality environment. Creating this “sense of place” is among the most important things the City of Luna Pier can do to secure its economic future.

To be successful at branding and image building, efforts need to be consistently applied to all methods of communication. Outdoor signage, promotional materials, web sites, municipal logos and municipal letterhead all need to express common themes. They need not be identical, but they should be considered in terms of not only the individual purpose of item, but also the larger context of the City-wide image. Chapter 4 explored some of these concepts articulating desired urban design elements for the City. Additionally however, other material under municipal control or influence (letterhead, business cards, web sites, etc.) should be updated to reflect a new community image with consistent use of images, colors, fonts and design. This includes the materials to be adopted by the newly formed Downtown Development Authority (DDA).

Another aspect of local branding and promotion relates to identifying Luna Pier as a “First Taste of Michigan.” This marketing strategy takes advantage of the City’s location and provides a solid cornerstone for economic development.

The term “first taste” can be defined broadly to include many types of Michigan products, but existing food-related businesses should be encouraged to embrace this concept in marketing materials. Further, at least one I-75 billboard facing northbound traffic should be utilized to draw attention to Luna Pier as a “First Taste of Michigan.” The design of this billboard should be consistent with updated marketing materials. Similarly the new DDA should engage well-known Michigan brands, food-related companies and organizations in efforts to sell and/or promote products in Luna Pier. This “Taste of Michigan” concept includes the idea of creating both a farmers market (ideally in Luna Pier Memorial Park) and a great lakes fish market.



Variety of Michigan-Made Products



Luna Pier Was Originally Established as a Place to Enjoy Lake Erie and as a Place to Have Fun.

Build the Public Facilities that Support Luna Pier's Image

Chapter 7 addresses needed public facilities of all types in substantially greater detail. However, three elements are particularly important when it comes to supporting local economic development strategy. These include the reconstruction of a Turtle Island Light House near Lake Erie, building a new pier into Lake Erie to support a wider range of activities and substantially enhancing Luna Pier Memorial Park with new facilities and programmed events. These three elements are all located near Lake Erie to help draw people to the area, and help communicate a unique sense of place with images and places strongly associated with nautical elements. The reconstructed Turtle Island Light House in particular speaks directly to history and the opportunity to tell a



unique and interesting story. The actual Turtle Island Light House was destroyed years ago, so efforts to bring back this element of authentic maritime history is particularly welcome.



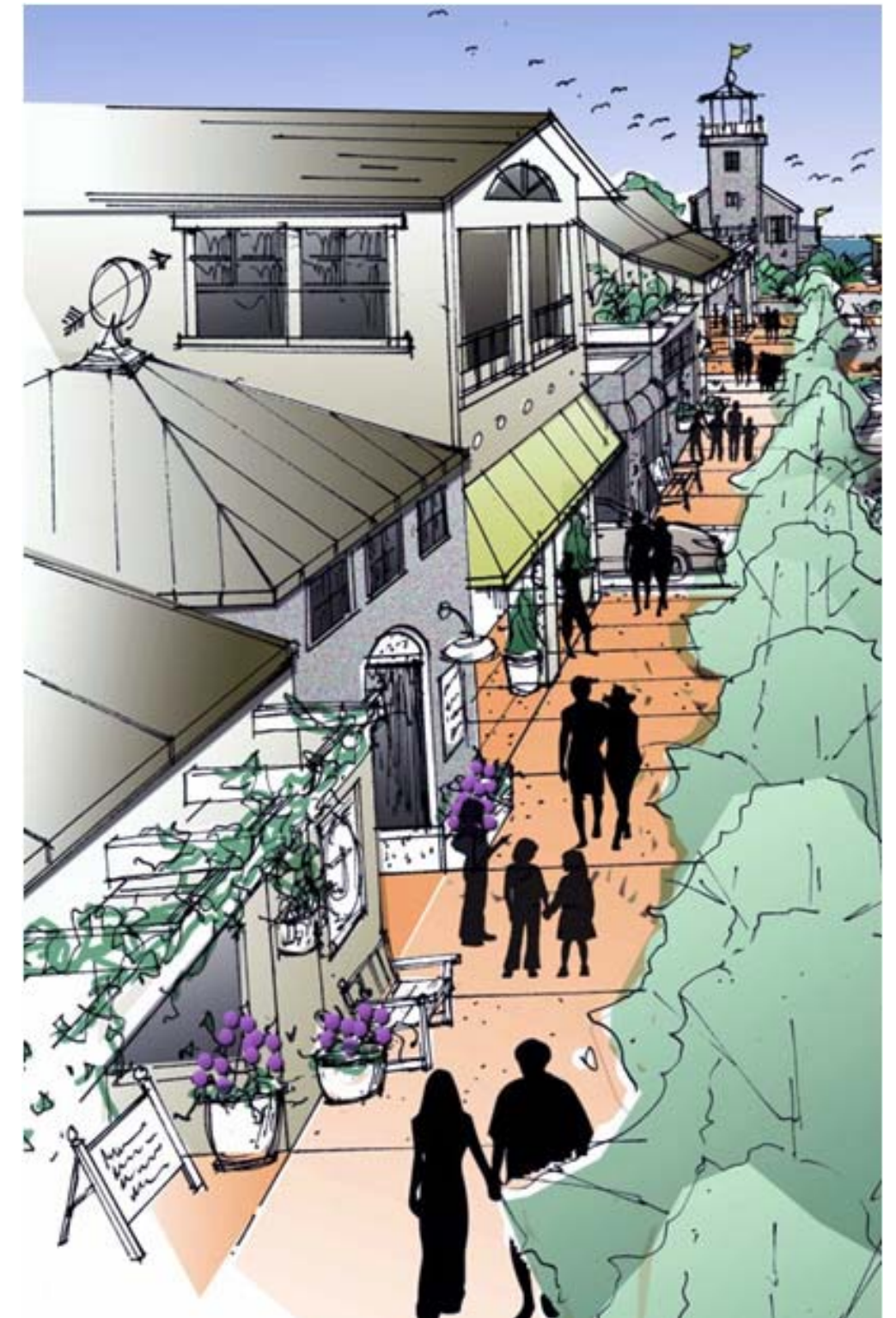
Assemble the Commercial Base and Mixed Use Elements Along Luna Pier Road

Presently Luna Pier Road far underperforms its economic development potential. In the future, with the support of planning polices established in this Master Plan, Luna Pier Road will become a future economic engine for the City. Future land uses, urban design elements and public improvements deliberately support this concept and are described in greater detail in associated chapters. In support of this, consideration should be given to renaming Luna Pier Road to help communicate the local belief that this area is unique. Many options exist, but some include – Taste of Michigan Ave., Erie Shore Drive, Great Lakes Ave., Pier View Road. Any related initiative should be accomplished only with adequate consensus that would provide benefits that exceed any inconvenience to property owners.

Luna Pier Road is also envisioned to be a mixed-use center of retail, service, office and residential uses to help create a more dynamic and interesting environment. Residential spaces above retail establishments will help draw young people, empty nesters or artisans. Both upper floor office and residential spaces and will also help support building ownership costs. Upper floor balconies overlooking Luna Pier Memorial Park and with views of Lake Erie will create very desirable live-work spaces. It is recognized that the City and DDA will need to take steps to make sure that the business mix is lively and sustainable with a good balance of retail, service, office and residential uses.



Luna Pier Road in the Future with Reconstructed Turtle Island Lighthouse in Background



Pedestrian Environment of Luna Pier Road in the Future

Create the Partnerships

Luna Pier is a small City with limited resources. It therefore must create strong and lasting partnerships with organizations that have the responsibility to bring tourism dollars to Michigan and Monroe County. Specifically, these organizations include the Monroe County Convention and Tourism Bureau and the Michigan Department of Travel and Tourism. Coordinated messages and cross-promotional activities are highly desirable as a way to leverage resources. The US Travel Association honored Travel Michigan with several annual awards for the Best State Tourism Radio Advertising. Forbes also named Pure Michigan one of the ten best tourism promotion campaigns of all time. Additionally, the Monroe County Convention and Visitors Bureau launched an Authentic Monroe County branding campaign that can be linked to Luna Pier's promotional efforts.



Capture the Customers - I-75

A core principal of Luna Pier's Economic Development Strategy is to try to capture a share of the buying power found in the vehicles that travel past the City every day. Considering northbound traffic alone, nearly 30,000 vehicles travel I-75 every day. Assuming that each vehicle contains 1.5 people, then it can be said that the City of Luna receives more than 16 million advertising exposures each year. It is very possible that a substantial number of these vehicles are entering Michigan for the first time and some passengers may have never seen a Great Lake before. New and well designed signage, together with an upgraded I-75 interchange area could help draw people to Luna Pier – especially when there are attractions, unique shopping experiences and events to offer.

It is also important to physically enhance the I-75 off ramp to create a better community entrance point for the first time visitor or tourist. At a minimum, dead trees should be removed, but at a more substantial and preferred level, the City should work with MDOT to define and install appropriate landscape treatments. Aesthetic improvements to the bridge structure itself are also desirable when structural repairs are performed in the future. This could be part of a Transportation Enhancement Project.



I-75 Near the Luna Pier Exit

Capture the Customers - Future Ferry Boats

The potential for Luna Pier to become a point of arrival and departure for ferry boats is real. Preliminary discussions have been promising and efforts to explore this concept will continue. The possibility of future ferry boat service has huge economic development implications for the City of Luna Pier and further solidifies the economic viability of the area, and Luna Pier Road in particular.

