

## Working Paper #3

# Asset-Based Economic Development Strategies for Pontiac

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# CHAPTER ONE INTRODUCTION

#### **Pontiac is at an Important Crossroads**

Pontiac is at an important crossroads. It can make a strategic choice between an old way of doing business, or a new way of doing business as a City. It can choose to remain entrenched in the "Old Economy" or embrace the principles of the "New Economy." The choice will clearly lead to different results. One will continue Pontiac along the path it has been on. The other will likely lead to greater prosperity and opportunities for Pontiac and Oakland County.

#### The reasons are as follows:

- Economically, the world is no longer round. It is flat. The Old Economy which was
  driven by manufacturing has been replaced by the New Economy, which is
  driven by knowledge. Talent has replaced a cheap place to do business as the
  new currency of growth and development. In order to best compete in the New
  Economy, Pontiac can play a unique role in helping Oakland County prepare and
  attract talent.
- Pontiac sits in the fourth wealthiest county in the nation. This is one of the most valuable assets a city can have. However, for the most, part Pontiac's residents do not share in the wealth of Oakland County. Instead, Pontiac has the problems that large older cities in Michigan face. It has higher crime, higher unemployment, lower incomes and poorer school performance.
- Pontiac can choose to solve these problems, join in the wealth of other Oakland County communities, and indeed contribute bountifully to the wealth of Oakland County. Alternatively, it can languish behind its neighbors and remain one of the state's least performing cities.
- Pontiac is unique in Michigan in that it is a large older city with many assets that
  it could marshal in cooperation with others to improve the quality of life of its
  residents and make it more attractive for New Economy businesses. The choices
  Pontiac makes in the next year may well determine which path it takes. The path
  of prosperity or the path it has been on for several decades.

This is the third of three Working Papers prepared by the Planning & Zoning Center at MSU and the Land Policy Institute for the City of Pontiac. The first two reported on four Town Meetings to get citizen input on the desired future for Pontiac. Clearly citizens want change. They are tired of the cycle of poverty and decline, and all that goes with it.

This Working Paper opens with a description of the characteristics of the Old and New Economies. It explains the importance of an <u>asset-based assessment</u> in helping to guide future choices of a city. It identifies a series of specific opportunities the City of Pontiac has in ten strategic areas to take concrete actions to better position itself for the New Economy.

There are no new ideas in this Working Paper. In the process of researching Pontiac and reports the City has commissioned over the past 15 years, every idea in this report has previously been offered in one form or another. Obviously, those ideas were not acted on previously, for reasons unknown. Perhaps it is because each of the other reports were directed to a small audience targeted to a narrow topic, and that many who should know about them, did not know about them. Perhaps it is because those ideas did not surface as part of a new Comprehensive Plan for the City. For whatever reason, we hope that the presentation of the ideas in this report will strike a new chord and open a new dialogue between and among not only all the appropriate City officials, but also all the stakeholder groups in the City. Our Town Meeting listening sessions in Pontiac revealed that many in the community already understand basic New Economy concepts and embrace them—even though they may not refer to them that way (see Working Papers #1 and #2).

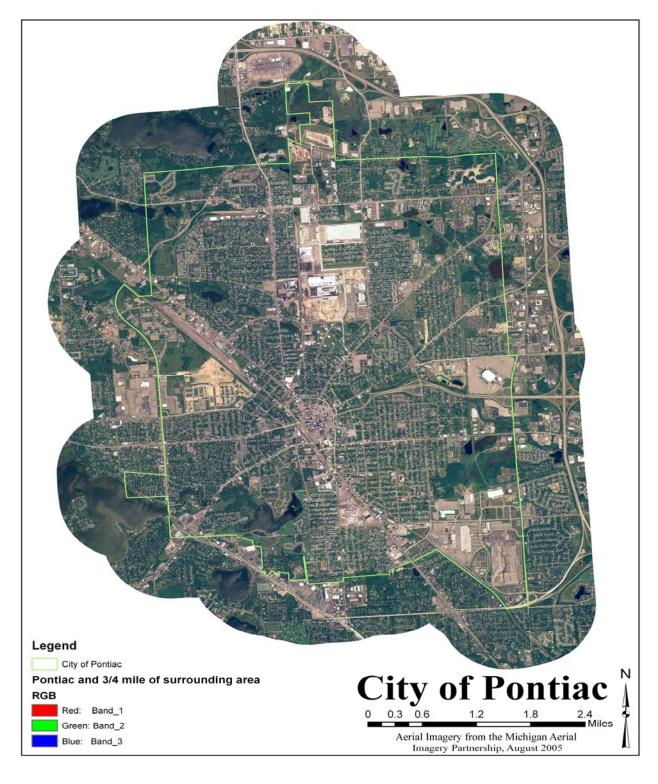
It is hoped that a new dialogue will lead to a consensus on a future vision of the City that the overwhelming majority of stakeholder groups and elected leaders can get behind as well as lead to consensus on a series of strategic actions that can be taken to systematically help make the City a successful player in the New Economy. The circumstances the City finds itself in today did not arise overnight, nor will they be changed overnight. But meaningful change begins first with an attitude that commits to change, that is positive about the prospects for tomorrow, that is proud of the assets of the community and that is eager to work with others to use those assets in achieving a new and better tomorrow.

There are many land use implications of acting on the strategic opportunities identified in this report. The last section before the appendices identifies the characteristics of some of the measures that should be considered for incorporation into the future land use plan and policies of the new Comprehensive Plan being prepared for the City by McKenna & Associates.

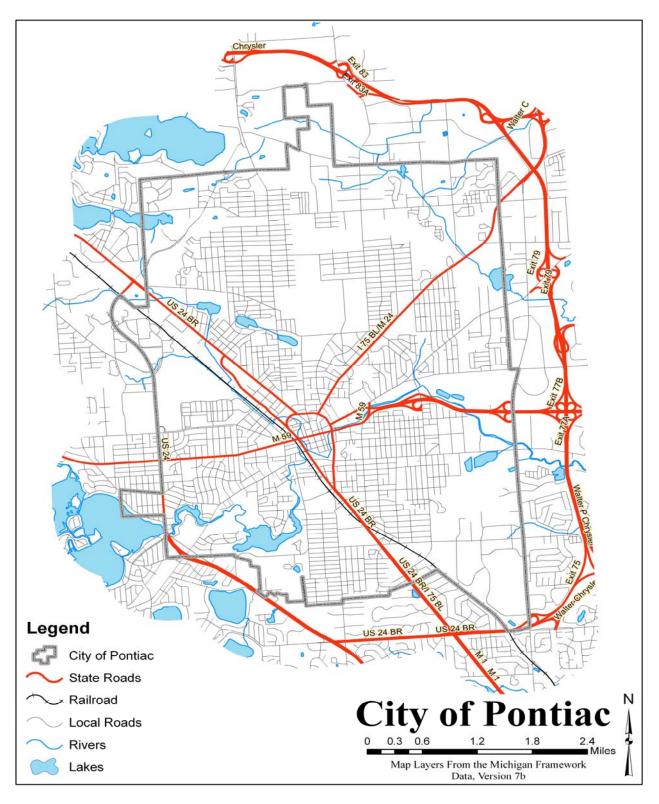
The maps on the following four pages provide a geographic orientation to the reader. The first map is an air photo of Pontiac and adjoining jurisdictions taken in August 2005. The second depicts the road system. The last two depict land use in Pontiac and in Oakland County respectively as recorded in data maintained by the Southeast Michigan Council of Governments. These maps show the richness and diversity of land use in both the City and the County. These maps are useful to reference throughout this Working Paper.

Appendix A is an annotated bibliography of documents used in the preparation of this report. Oakland County Economic Development and Community Affairs Department staff and the staff within the Pontiac Community Development Department, and Industrial and Economic Development Workgroups were especially helpful in sharing documents and insights. Appendix B presents comparative Census data for Pontiac and Oakland County. Appendix C presents additional cluster maps beyond those in Chapter 3. Appendix D is maps of business parks in and around Pontiac.

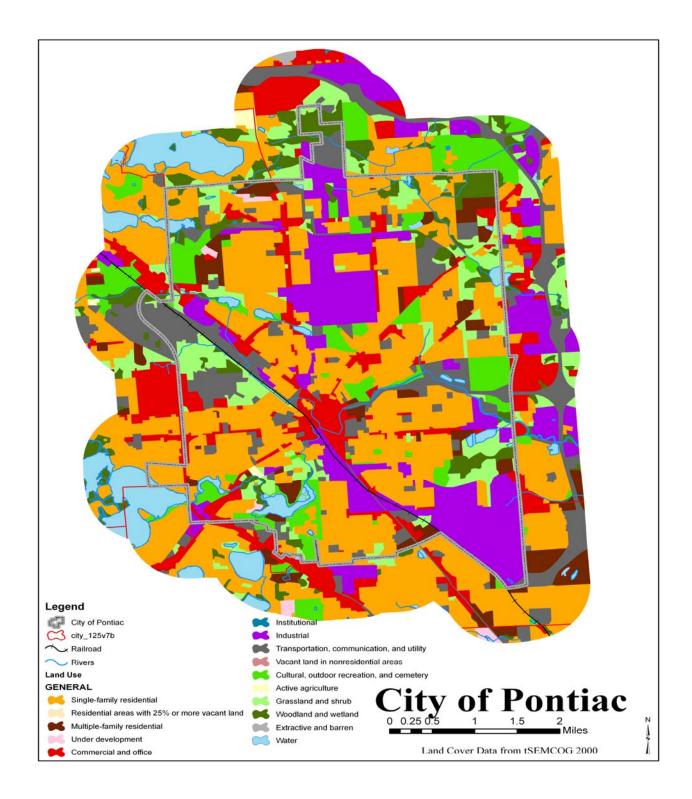
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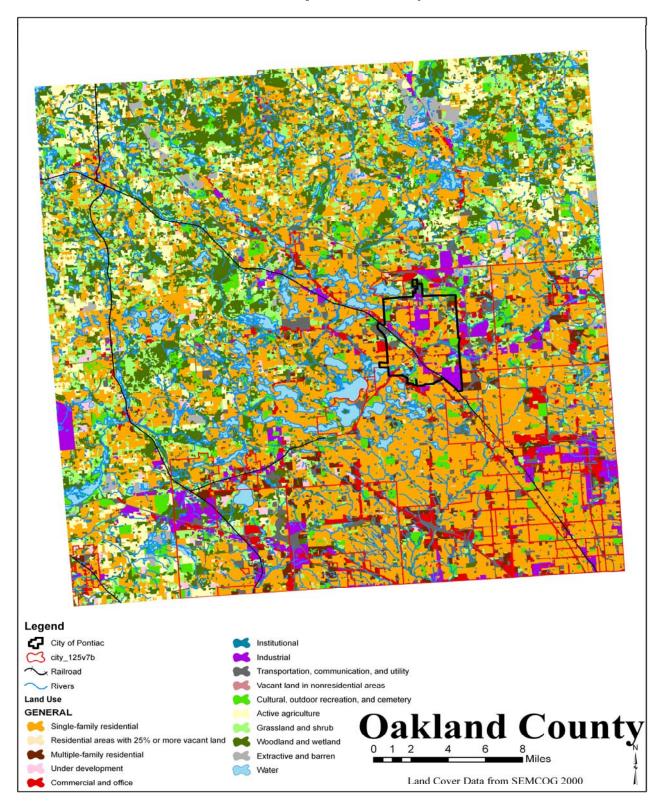
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Roads and Water Bodies in Pontiac Area



Map 3
Pontiac Land Use Map



Map 4
Oakland County Land Use Map



# CHAPTER TWO ASSET-BASED ECONOMIC DEVELOPMENT

#### The "New" Economy

A critical understanding of what the New Economy is, and the new set of rules that have dictated a shift from a "old" manufacturing economy to a "new" knowledge-based economy are necessary to successfully pursue the amazing opportunities and potential that Pontiac has to offer.

The world economy is in a state of transition and the rules of the game have changed. In the mid 1990's, the onset of new information and communication technologies leveled the playing field, which allowed countries from all over the world to compete in a rapidly expanding global marketplace. International transactions that once took weeks, if not months to execute, can now be completed in seconds. Seemingly, infinite sources of information are now being concentrated in one network that is accessible to all. Widespread technology and information innovations have shifted the relevance of economic production from a local market to a global market. Countries with low labor costs and few regulations can manufacture products and distribute them to international markets at a fraction of the cost when compared to countries like the United States. The availability of investment dollars and capital which used to be place-based, is now global as capital has become fungible. Today, areas seeking economic prosperity are focused on creating a climate known for producing new ideas, enabling productive partnerships and attracting talented people rather than manufactured goods and services, which almost any country can now do. Communities committed to helping build the New Economy are finding that prosperity comes if the right mix of economic development and placemaking strategies are in place.

The City of Pontiac, like many older industrial cities in America, has struggled with trying to succeed using Old Economy principles rather than focusing on how to transition from the old manufacturing economy to the new knowledge economy. A paradigm shift, or a new way of thinking, that characterizes this fundamental shift in economic processes is an appropriate starting point for rethinking Pontiac's future in the global market place. A paradigm is a framework or a set of principles that forms the basis of behavior and attitude and is a determinant of world view and community vision. A paradigm shift is the "aha moment!" when something (in this case the community) is seen in a whole new way. Table 1 provides a comparison of "new" and "old" economy paradigms. This table serves to frame the discussion of Pontiac's economic paradigm and to identify opportunities to engage in the New Economy.

**Table 1 - Comparison of the Old and New Economies** 

Old Economy	New Economy
Cheap place to do business was the	Being a place rich in talent and ideas is
key.	the key.
Attracting companies was the key.	Attracting educated people is the key.
A high-quality physical environment	Physical and cultural amenities are key
was a luxury which stood in the way of	in attracting knowledge workers.
attracting cost-conscious businesses.	
Regions won because they held a fixed	Regions prosper if organizations and
competitive advantage in some	individuals have the ability to learn and
resource or skill.	adapt.
Economic development was	Only bold partnerships among
government-led.	business, government, and the
	nonprofit sector can bring about
	change.

The differences between the Old and New Economy are glaring and suggest a whole new mindset for growth and prosperity. Talent-driven small entrepreneurial companies are replacing large, stable companies as engines of economic prosperity. Personalized quality products are replacing mass produced quantity products as the products of choice in the market place and for a community to support. A changing dynamic environment is more attractive to knowledge workers than the rigid and predictive environment that old economy manufacturing plants demanded. Finally, information, innovation and empowerment are replacing control and discipline as the *modus operandi* for success and prosperity.

#### The Role of Talent in the New Economy

The formula for success in the New Economy begins first and foremost with investing in people and attracting talent. Talented, hard working people who bring new ideas and innovations to bear in the marketplace are the number one asset for growing a New Economy.

"In attracting young talent, place matters! In a recent national survey, about two-thirds of recent college graduates said they decide where they want to live first, then find a job. For a surprising portion of young talent a vibrant central city is the place they are looking for. According to Laurie Volk, of the national planning firm Zimmerman Volk, about 45% of the Millenials without children are choosing to live in high density urban neighborhoods.

These neighborhoods are safe, have high densities, a mix of residential and commercial uses, an active arts and entertainment scene and a

walkable environment. These high-activity neighborhoods are largely, but not exclusively, located in and near central city downtowns.

There are a number of neighborhoods in Michigan's central cities and some of its older suburbs which are moving towards these kind of characteristics. [\*\*\*] it is fair to say though that none have achieved the density of residents or establishments that is required of neighborhoods that are competitive nationally as magnets for young talent."

Lou Glazer, Michigan Future, Inc.

#### The Role of Clusters in the New Economy

Another key component of the New Economy is the emergence of clusters of similar economic activities in close proximity to one another. This permits talent to move easily between jobs and makes it easy for employers to hire qualified people. Consumers have long seen this at the retail level with clusters of auto sales establishments or furniture and home furnishing establishments in close proximity to facilitate comparison shopping. Southeast Michigan was one of the first places in the world to exemplify the importance of clusters with its concentration first on auto manufacturing and now on auto research and development (R&D) activities. Oakland County in general, and Pontiac and its neighbors specifically, are the home of several significant New Economy clusters as discussed later in this Working Paper.

#### A Future of Prosperity for Pontiac

The City of Pontiac is poised for a future of prosperity. Located within a region rich with a history of manufacturing innovation and entrepreneurship, by making the right decisions, Pontiac has the opportunity to quickly join the New Economy. The City of Pontiac with about 69,000 residents is the heart of the fourth wealthiest county in America with its nearly 1.2 million inhabitants.

Historic downtown Pontiac is located at the center of the County, and can be the home to a vibrant and diverse 24-hour urban environment complete with a bustling arts and culture scene, state-of-the-art hospitals and a medical research center, promising new entrepreneurial opportunities and some of the best investment sites in all of southeast Michigan. Pontiac has one of the best workforces in the nation, capable of bringing new products and ideas to market at highly competitive rates. The region employs the third highest number of high-tech workers in the nation while maintaining a strong blue-collar manufacturing workforce. Creating a structure for business innovation and economic vitality is a regional specialty. More than 42,000 companies, over half of the top 100 Global Fortune 500 companies, and more than one third of the state's R&D facilities are located in and surrounding Pontiac.

Pontiac is strategically located in Automation Alley, a prime high-tech consortium of more than 600 high-tech and industrial firms and is the first large city in the nation to be part of a county-wide WiFi service. Oakland County maintains one of the most technically advanced county-wide economic development departments in the nation, with the capacity to leverage local, state and federal partnerships and resources to

promote economic growth of virtually any kind. Highly adaptable and diverse sites located within the City limits hold the potential for expanding high-tech manufacturing, a cutting-edge IT sector and an emerging medical cluster.

The region provides a vast array of living options for people of all incomes. Downtown Pontiac provides opportunities for loft apartments and condos to accommodate talented young professionals and empty nesters. Pontiac neighborhoods offer affordable new and existing rental and homeowner opportunities with superior access to regional jobs and amenities while its suburban neighbors maintain some of the most luxurious real estate developments in the state today. Pontiac is a leader in providing housing opportunities to those low-income families that need it most.

Oakland County embraces a life-long learning philosophy. Educational initiatives that range from a world-class robotics program in public schools to weekly business training seminars are located throughout the County. Through public, private, and vocational schools, 15 institutes of higher education and an array of professional and personal development seminars, the Pontiac region is continually seeking improvement through providing specialized and relevant education for success in the New Economy.

Adopting a clear and strategic vision for people-based economic development initiatives will foster meaningful partnerships with the greatest capacity to translate motivation, knowledge and skills into positive change. When provided with the appropriate resources to grow and flourish, the people of Pontiac can lead an economic transformation so great and so meaningful that it will redefine Pontiac's historic status as an "All-American City," to the center of a "New Economy Region," leading the way in urban revitalization and a new center for economic growth across southeast Michigan.

As the name suggests, the "New Economy Region," provides equitable opportunities and prosperity for both urban and suburban communities. Proactive regional partnerships build on the strengths and assets of cities and surrounding suburbs and focus on creating a region in which the whole is greater than the sum of its parts. In today's ever changing global marketplace, interdependent regional communities are the most adaptable, resilient and competitive players. Pontiac can play a major role in the transformation of Southeast Michigan to the New Economy.

Both the City of Pontiac and Oakland County stand to gain tremendously from enhancing regional partnerships. Similarly the consequences of not adopting a regional strategy will lead to reduced economic competitiveness and a lower quality of life for all. Currently, it appears that both Oakland County and the City of Pontiac are underutilizing each others greatest assets. When adopting a regional perspective the potential for success in the New Economy is undeniable.

#### Strategic Placemaking and the New Economy

If talent is the currency of the New Economy, then placemaking is the primary strategy for cities and communities in the New Economy. Talent is attracted to high amenity communities with energy, opportunities, green infrastructure (parks, trails, bike paths,

etc.). The richness of diverse places in Oakland County is therefore an asset to be leveraged for greater success in Pontiac.

"In the New Economy, we have to use what we have to get what we want. Land use strategies, placemaking, amenities and other quality of life factors have certainly replaced plant, equipment, capital and basic skills as attractors of 'good growth'. 'Good growth' is knowledge based. It is not contestable. 'Bad growth' is contestable. 'Good growth' sticks with you because the fundamentals of who you are is what brings it to you in the first place. You also have to use all you have to maximize the productivity of knowledge-based growth. So, good growth is inherently smart and strategic. We have an opportunity here – because we are still at that point where few have discovered the power of placemaking."

Dr. Soji Adelaja,

John A. Hannah Distinguished Professor in Land Policy Director, Land Policy Institute at Michigan State University From a presentation to the Economic Growth & Job Creation Strategy Team of the City of Lansing, December 2005

#### The Role of Smart Growth in the New Economy

For communities to succeed in the New Economy the role of placemaking is absolutely critical. This involves creating the environment for talented people and innovative partnerships to grow and succeed. In this respect, adopting land use strategies that are built on the foundations of Smart Growth will position the community to provide a diversity of options, be adaptable to change and become more sustainable. The ten tenets of Smart Growth are critical to any community wishing to provide a high quality of life in a manner that balances economic growth, with environmental preservation and social equity. These tenets are guiding the creation of great places across the nation. (http://www.smartgrowth.org)

#### The ten Smart Growth tenets are:

- 1. Create a range of housing opportunities and choices.
- 2. Create walkable neighborhoods.
- 3. Encourage community and stakeholder collaboration in development decisions.
- 4. Foster distinctive, attractive communities with a strong sense of place.
- 5. Make development decisions predictable fair and cost effective.
- Mix land uses.
- 7. Preserve open space, farmland, natural beauty and critical environmental areas.
- 8. Provide a variety of transportation options.
- 9. Strengthen and direct development towards existing communities.
- 10. Take advantage of compact building design.

New growth and revitalization efforts in Pontiac should follow Smart Growth principles to create neighborhoods where residents can live, work and play in a safe and productive environment. A integrated strategy is necessary to pursue New Economy initiatives and Smart Growth must play a critical supporting role.

#### **Purpose of the Pontiac Asset-Based Economic Development Strategies**

The purpose of this Working Paper is to provide the City of Pontiac with "asset-based" strategies that will enable a shift from the Old Economy to the New Economy. The emphasis of asset-based economic development strategies is to build on local and regional strengths and leverage existing assets of each to promote new economic growth. Asset-based strategies are inherently realistic by focusing on the City of Pontiac's opportunities for growth in the New Economy.

The methodology to create this Working Paper is more qualitative than quantitative when compared to most academic reports or planning documents. The process used to create this Working Paper involved:

- Conducting four Town Meetings and listening to over 125 residents of Pontiac about their vision for the future of Pontiac;
- Review of planning documents, city policies and regulation, government programs, economic performance, spatial and temporal trend analysis, phone interviews and a walking and driving tour of Pontiac;
- Regional asset identification and data associated with the regional economy;
- Asset assessment, identification of potential success factors and regional impacts;
- Devising a series of "priority" strategies for pursuing growth in the New Economy with quantitative and qualitative information on strengths, weakness, opportunities and threats.

#### Relationship to the 2007 Comprehensive Plan

The Asset-Based Economic Development Strategies in this report were completed to support the 2007 Pontiac Comprehensive Plan update. When used in conjunction with the 2007 Comprehensive Plan, this Working Paper should help frame synergistic opportunities for planning and development efforts. The last section of this Working Paper discusses this relationship further.

# CHAPTER THREE STRATEGIES & OPPORTUNITIES

#### **Strategy Categories**

The greatest opportunities for Pontiac to join the New Economy are organized into the following ten strategy categories in this Chapter:

- Creating a world-class education system that ensures students in the City get an education that prepares them for the New Economy and that helps attract new talent to the City.
- 2. **Connect to the New Economy** by leveraging the assets of regional talent and emerging high-tech manufacturing, medical and information technology sectors.
- 3. Prioritizing high potential high impact redevelopment sites as a **great place to invest** and utilize regional resources accordingly.
- 4. Continue building a "destination" downtown, by supporting a 24-hour, seven day a week population and activity that appeals to a wide-variety of people.
- 5. **Create local entrepreneurs** through education, public support, business incubation and equal opportunities.
- 6. **Polish the image** of Pontiac by marketing the strengths and potential of the City and County while reducing crime and blight and other drivers of negative perceptions.
- 7. Restore **healthy**, **safe and attractive neighborhoods** with a range of housing opportunities for people with different incomes, needs and preferences.
- 8. Provide **quality community services** for all to ensure equitable opportunities for a high-quality of life regardless of socio-economic status.
- 9. **Leverage public and private partnerships** with stakeholders in the City, in Oakland County and with regional business leaders in order to improve the ability of the City and County to compete in the New Economy.
- 10. Maintain a **high-performance government** that is fiscally responsible and fosters strategic investment in people and partnerships.

Pontiac has all the ingredients for success. A future of prosperity is largely a matter of crafting a strategic vision, leveraging assets, building on strengths and working in partnerships with what is already in place. These ten strategy categories focus on opportunities to invest in people and partnerships and allow for the greatest flexibility and adaptation to change in the future. The opportunities under the above strategies will allow Pontiac to transition from the Old Economy to the New Economy by building a place that talent wants to come to and existing citizens will thrive living in.

#### 1. World Class Education

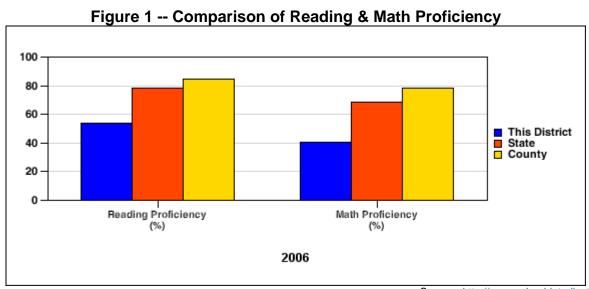
#### **Background**

The Pontiac School District is one of 29 school districts within Oakland County. See Map 5. It serves the City and a small area around the City. It services one of the largest student populations in the County, but enrollment is in substantial decline. This is principally because students in Pontiac schools are not performing at the level of students in adjacent jurisdictions, and on many measures, even at state averages. Since there are a wide variety of educational options nearby, parents and guardians of thousands of students have moved out of the Pontiac schools (and few have moved in. Yet the New Economy is based on knowledge and not only will Pontiac students be at a personal disadvantage if they are not well educated, but the City and adjoining jurisdictions served by the Pontiac School District will be unable to attract and retain young talent (especially young married couples with children)—as talent values education.

#### **Key Challenges**

In addition to private and charter school options that compete with the Pontiac School District for students, "Schools of Choice" enables students to attend public schools in districts other than the one in which they reside. In the spring of 2007, Pontiac public schools gained 75 students from other districts, but lost 4,187 students to other school options. See Table 2. The net effect is a loss of 4,112 students from the Pontiac public school system.

Figure 1 illustrates that Pontiac School District students are significantly less proficient in reading and math than students in the county or State. These state test results show how well students have mastered reading and math skills in comparison to state standards. Table 3 shows Pontiac results on the federal AYP scorecard. State and federal test results alone do not convey a complete picture of academic achievement, and should be viewed with other performance and demographic information.



Source: <a href="http://www.schooldatadiect.org">http://www.schooldatadiect.org</a>

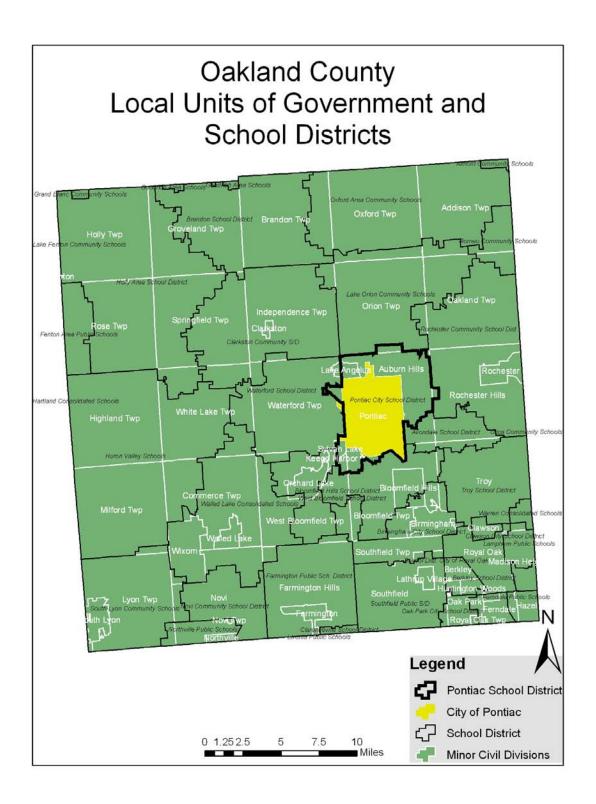


Table 2
Students by Resident District who Participate in Schools of Choice
Resident District

Pontiac Southfield Avondale Bloomfield Hills Oxford West Bloomfield Brandon Clarkston Huron Valley Lake Orion Rochester Waterford	
District of Attendance   C   S   A   B   O   A   O   A   B   O   A   B   O   A   A   O   A   A   O   A   A   O   A   A	Total
Oakland ISD 4 0 0 0 0 0 0 0 0 0 0 0	4
Birmingham 7 0 0 0 0 0 0 0 0 0 0 0	_
	8
	8,775
	30
Berkley 10 0 0 0 0 0 0 0 0 0 0	
Southfield 13 0 0 0 0 0 0 0 0 0 0	
Avondale 91 0 0 0 0 0 0 0 0 0 0	_
Bloomfield Hills 26 0 0 0 0 0 0 0 0 0 0	_
Oxford 4 0 0 0 0 0 0 0 0 0 0	_
Troy 4 0 0 0 0 0 0 0 0 0 0	
	577
Brandon 124 0 0 0 0 0 0 0 0 0 0 0	124
Clarkston 4 0 0 0 0 0 0 0 0 0 0 0	4
Farmington 4 0 0 0 0 0 0 0 0 0 0 0	4
Holly 6 0 0 0 0 0 0 0 0 0 0	6
Huron Valley 26 0 0 0 0 0 0 0 0 0 0 0	26
Lake Orion 9 0 0 0 0 0 0 0 0 0 0	9
Oak Park         2         0<	2
Rochester 11 0 0 0 0 0 0 0 0 0 0 0	11
Clawson 48 0 0 0 0 0 0 0 0 0 0 0	48
Lamphere 1 0 0 0 0 0 0 0 0 0 0 0	1
Walled Lake 16 0 0 0 0 0 0 0 0 0 0 0	16
Waterford 413 0 0 0 0 0 0 0 0 0 0 0	413
Academy of Lathrup         1         0	1
	1,057
	283
	3
	642
	347
	268
	6
	4
Life Skills Center of Pontiac         134         0 <t< td=""><td>134</td></t<>	134
1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	4
Total 12,887 2 17 2 5 2 2 1 1 8 12 21	12,962

Source: Oakland County Schools

Table 3 -- Pontiac School District AYP Status 2006-2007
Under Federal No Child Left Behind Act

School	Grades Tested	Ed Yes! Grade 2006-2007	School AYP Status 2006-2007	School Phase 2006-2007
Alcott School	3 - 6	В	Met AYP	0
Crofoot School	3 - 6	С	Met AYP	0
Emerson School	3 - 6	С	Met AYP	0
Franklin School	3 - 6	С	Met AYP	0
Herrington School	3 - 6	С	Met AYP	0
Jefferson Middle School	6 - 8	D-Alert	Did Not Make AYP	0
<u>Le Baron School</u>	3 - 6	С	Met AYP	0
Lincoln Middle School	6 - 8	С	Met AYP	0
Longfellow School	3 - 6	С	Met AYP	0
Madison Middle School	6 - 8	D-Alert	Did Not Make AYP	1
Owen Elementary School	3 - 6	С	Met AYP	0
Perdue Academy (inactive)	3 - 8	С	Met AYP	0
Rogers School	3 - 7	В	Did Not Make AYP	0
Twain School (inactive)	3 - 6	С	Met AYP	0
Washington Middle School (inactive)	6 - 8	D-Alert	Met AYP	0
Webster School (inactive)	3 - 6	С	Met AYP	0
Whitman Elementary School	3 - 6	С	Met AYP	0
Whitmer Resource Center	3 - 6	С	Met AYP	0

This list reflects the Composite Grade under Education YES! and the AYP Status and Improvement Phase under the No Child Left Behind Act. The improvement phases are:

- 0 The school is not identified for improvement.
- 1 School Improvement school must offer choice and transportation.
- 2 Continuing School Improvement school must offer choice, transportation, and supplemental services.
- 3 Corrective Action school must continue choice, transportation, and supplemental services and take further corrective action.
- 4 Restructuring school must continue choice, transportation, and supplemental services and develop a plan to restructure the school.
- 5 Implement Restructuring Plan school must continue choice, transportation, and supplemental services and implement restructuring plan.
- 6 and Above Extended Implementation School must continue restructuring plan; monitors will seek evidence of improved results. Choice, transportation, and supplemental services must be offered.
- 99 AYP Advisory This is a new school that did not have MEAP data prior to 2004. This school is given an advisory status because data are not available for safe harbor comparison or for multiple year averaging.

Phase Greater than 0 and Met AYP – School made AYP this year but did not make AYP last year. School is still identified for improvement and continues in current AYP Phase. If school makes AYP for a second consecutive year it will no longer be identified for improvement Phase will return to 0.

Phase 0 and Did Not Make AYP - School is in the first year of not making AYP and has not yet been identified for improvement. The school will be identified for improvement if the school does not make AYP in the same content area in 2007-08. https://oeaa.state.mi.us/ayp/district\_school\_list.asp?Dcode=63030

School performance measures have shown improvement in recent years but are still relatively low. Adequate Yearly Progress (AYP) is the accountability measure for Title I schools and districts. During the 2002-03 school year, roughly 30 percent of Pontiac schools achieved AYP. By the 2004-05 school year about 70 percent of Pontiac schools had met the AYP standard. See Figure 2. Even after these dramatic improvements, the district is still producing low educational outcomes and has not shown consistent improvements from year to year.

100% 80% 60% 40% 20% 2002-03 2003-04 Year

Figure 2
Percentage of Schools Meeting AYP by Year

http://www.pontiac.k12.mi.us/html/NewsEvents.htm

#### **Key Assets**

Pontiac residents have widely recognized the need for improvement in their public schools. It was a top concern at the four Town Meetings. The public has moved far beyond simply offering criticism and placing blame to active participation in finding solutions. Very useful and meaningful results have come from several public meetings and survey responses. In February of 2007, the Oakland County Press invited a diverse group of educators, community leaders and readers to meet at an educational roundtable to come up with solutions for the Pontiac Public School District. Suggested tools for improving the school district that are already under development consist of:

- A training program for parents of school age children.
- Expanded mentoring and tutoring programs through partnerships with faith-based organizations.
- Standardizing successful teaching models.
- Enhancing early childhood development.
- Community provided apprenticeships.
- Further consolidation of schools or the school districts with adjoining districts.
- Creation of magnet schools.

• Involvement in the state's new Promise Zone to create a high school that provides scholarships for two years of college.

#### **Opportunities**

High performing schools attract students (up to their capacity) and thereby increase revenues for the district. A school district that is in high demand will increase property value adding to the tax-base for the City.

Oakland County has distinguished itself as having some of the finest school districts in the state. Unless the Pontiac School District takes strong steps quickly to establish school excellence, the City will be hindered in its efforts to attract New Economy businesses and the requisite talent to support them, and existing students will continue to be cheated out of a quality education.

Table 4 presents the key asset and opportunities in this strategy category.

Table 4 -- Assets & Opportunities
World Class Education

• .	
Asset	Pontiac residents have a strong desire for a greatly improved
	school system and school officials are working on improvements.
Opportunity	Utilize knowledge and resources to improve schools. In the short term, tutoring programs should be expanded through church partnerships with schools and parents need to be better equipped to assist children in school. Opportunities exist to partner with the private sector to offer apprenticeships to students. Opportunities also exist to explore consolidation of administrative and supply functions across schools or even districts within the County. In the mid-term, the school district should be studied for possibly more radical reform, such as confederation with other districts, or merging with several adjoining districts, or complete reconstruction using a different institutional model. Action is necessary in order to:
	<ul> <li>Move the Pontiac School District out of its low performing position.</li> <li>Address the number one concern (schools) in the City as revealed in recent surveys and at the Town Meetings.</li> <li>Keep the best and brightest students living in Pontiac within</li> </ul>
01 11	the public school system.
Strengths	<ul> <li>Ethnic and socioeconomic diversity in Pontiac's public schools.</li> <li>Mentoring and tutoring programs exist that can be built upon.</li> <li>Recent data has already been collected in the community on perceptions of and suggestions for the school district.</li> </ul>
Weaknesses	<ul> <li>A high percentage of Pontiac students come from disadvantaged homes.</li> <li>Pontiac has more students per teacher (full-time equivalent</li> </ul>

	<ul> <li>teacher) than other districts.</li> <li>No Pontiac public schools have achieved more than moderate performance, most are under performing.</li> </ul>
Threats	A large number of Pontiac students attend schools in other districts with schools of choice or private schools (32.49% reside in Pontiac, but do not attend Pontiac public schools). If significant change does not occur fast, more students will leave and the school district will have fewer options. The biggest threat is aiming too low and attempting to do too little or in too small steps.
Source/Ref. Information	<ul> <li>www.GreatSchools.net</li> <li>"Pontiac: What's Next?" survey by Oakland County Press, February, 2007</li> </ul>

### 2. Connect To The New Economy

#### Background

While the City of Pontiac has considerably more knowledge-based businesses than may be obvious at first glance, it has underachieved compared to its potential. The shift from a manufacturing oriented economy to a knowledge-based economy has taken off at fast rate in suburban communities surrounding Pontiac, but at a much slower rate in the City, hindering the potential of the region. Pontiac has a great opportunity to pursue growing economy sectors that play to the strengths and existing assets of the community.

#### **Key Challenges**

Growth in Pontiac was largely oriented around the manufacturing industry, with a heavy reliance on General Motors. From 2000 to 2006, manufacturing employment in Oakland County fell by 34%<sup>1</sup> and Pontiac has felt its share of the burden. In the five years from 2002 to 2007, manufacturing employment in the City declined by 24 percent.<sup>2</sup> As a result of downsizing and relocation, significant under-utilized manufacturing capacity exists within the City which presents both challenges and opportunities. A history of high-intensity, single-purpose use of Pontiac's manufacturing infrastructure has led to environmental contamination issues, impediments to adaptive re-use and a poor image. Two of four business parks located in the City, are oriented to high-intensity industrial uses, these are the only business parks that accommodate this use in the surrounding jurisdictions.<sup>3</sup>

Capturing a fair share of County economic growth also presents a challenge. Nearly 3000 new businesses are formed every year in Oakland County. However at the present time, like the rest of Michigan, Oakland County is facing a recession. From 1991 to 2000, Oakland County experienced an average of 21,600 new jobs each year. However, from 2001-2005, it averaged an estimated loss of approximately 11,500 jobs each year. It lost an estimated 18,200 jobs in 2006 and an estimated loss of 4,400 jobs in 2007. Projections from the Oakland County Economic Outlook are positive, with a modest increase of jobs by 2009. See Figure 3. The City and County are both facing challenges adapting to change with Michigan's economic recession.

<sup>&</sup>lt;sup>1</sup> Economic Outlook for Oakland County in 2007 – 2009. Prepared by George Fulton and Donald Grimes. Institute of Labor and Industrial Relations, University of Michigan

<sup>&</sup>lt;sup>2</sup> City of Pontiac, Oakland County Economic Overview. (2007) Oakland County Community and Economic Development Department.

<sup>&</sup>lt;sup>3</sup> 2007 Oakland County Data Book. Business Parks Distribution in Oakland County (2007) Oakland County

<sup>&</sup>lt;sup>4</sup> Oakland County Emerging Sectors: Venture Capital (2007) Oakland County, Michigan

<sup>&</sup>lt;sup>5</sup> Economic Outlook for Oakland County in 2007 – 2009. Prepared by George Fulton and Donald Grimes. Institute of Labor and Industrial Relations, University of Michigan

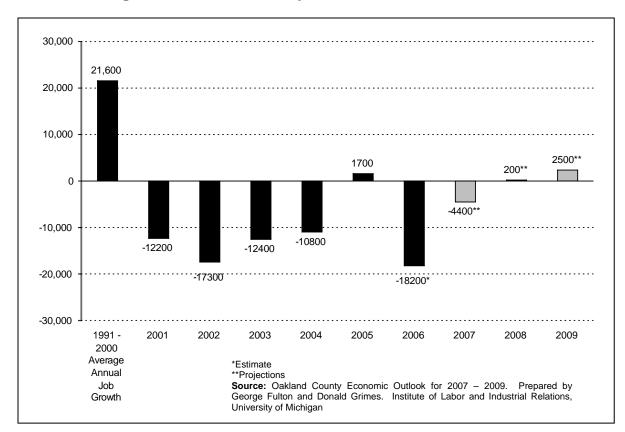


Figure 3 - Oakland County Annual Job Growth, 1991 - 2009

Another challenge that Pontiac must overcome is a negative image associated with today's post-industrial urban environments. Regardless of whether the negative perceptions are justified, they are a major impediment to New Economy investment and talent attraction. In order to attract young families, talent professionals and business investors back to the city, highly-visible efforts to address blight, crime, underperforming schools, and the Old Economy mindset must be pursued.

#### **Key Assets**

Pontiac maintains all of the critical assets necessary for connecting to the New Economy. A sound infrastructure for innovation is already in place at the regional level. Nearly 42,000 companies are located in Oakland County with more than half of the top 100 Global *Fortune* 500 companies and 910 foreign firms representing 700 foreign-parent firms are operating in the County. See Table 5.

<sup>6</sup> 2007 Oakland County Data Book, Chapter 1 County Profile (2007), Oakland County

Table 5 - Ten Largest Oakland County Employers, 2007				
Company Headquarters	Local Employees	Business Type		
General Motors Corp.  Detroit	15,555	Automobile manufacturer		
Beaumont Hospitals Royal Oak	12,588	Health care		
Chrysler Group Auburn Hills	10,113	Automobile manufacturer		
EDS Detroit	4,396	Information technology services		
St. John Health Warren	4,139	Health care		
Blue Cross Blue Shield of Michigan Detroit	4,051	Health care insurer		
U.S. Postal Service Birmingham	3,970	Postal Service		
Oakland County Pontiac	3,714	Government		
Trinity Health Novi	3,707	Health care		
Zieger Health Care Corp. Farmington Hills	2,442	Health care		

Source: Oakland County Data Book

Strong public private partnerships are active in promoting regional growth. Economic development networks such as Automation Alley, a cooperative consortium of 600 plus industrial and high technology companies coupled with a county-wide "Emerging Sectors Program" that maintains access to venture capital funds, angel networks, business incubation facilities and a host of city and county economic development services all play a critical role in support New Economy growth.

The region maintains a highly-skilled workforce with the third highest education level in advanced degrees nationally among counties. Over 41 percent of Oakland County residents over age 25 possess a bachelor's degree or higher. See Figure 4. Fifteen institutes of higher education are located in the County, many of which maintain industry cooperative research and development programs. County-wide summer classes are offered in emerging sectors training.

<sup>&</sup>lt;sup>7</sup> 2007 Oakland County Data Book, Chapter 5 Education and Training (2007) Oakland County

<sup>&</sup>lt;sup>8</sup> 2007 Oakland County Data Book, Chapter 5 Education and Training (2007) Oakland County

Graduate or Professional Degree

Bachelor's Degree

Associates Degree

Some College

High School Graduate

17.4%

17.4%

24.0%

24.0%

20.9%

20.1%

31.4%

29.6%

Figure 4 - Nation, State & County Educational Attainment Comparison

□ United States ■ Michigan ■ Oakland County

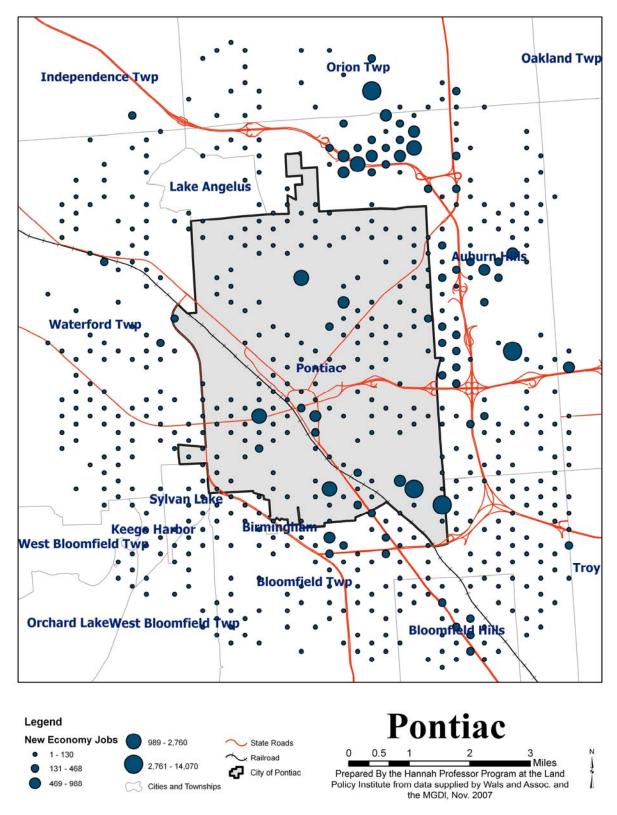
Source: 2007 Oakland County Data Book

http://www.oakgov.com/peds/assets/docs/databook/13a EduAttainCompare.pdf

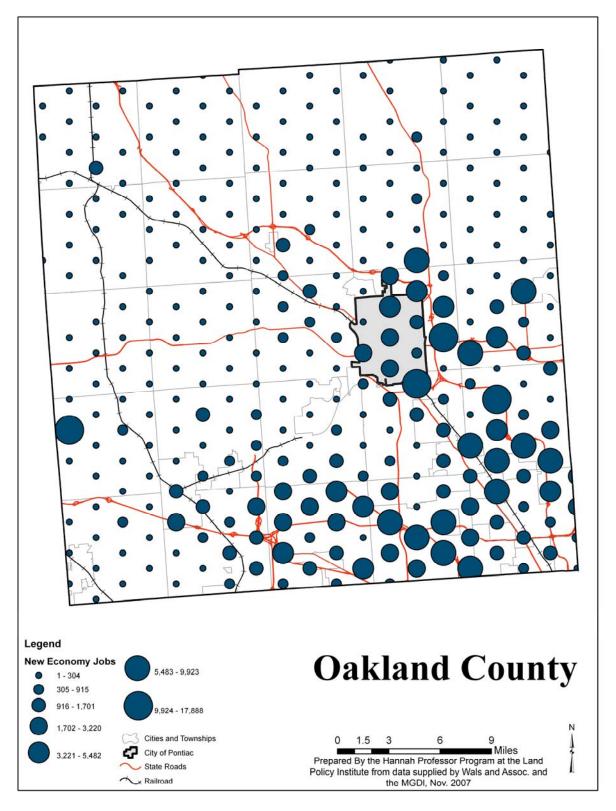
Pontiac's central location and its unique, big-city urban environment are perhaps two of the greatest assets for connecting to the New Economy. Pontiac is the only place in Oakland County that offers the distinctiveness, history and grittiness of a classic urban core city. High potential reinvestment sites in downtown, an energetic atmosphere that attracts talent, a solid niche housing market and outstanding regional access position downtown Pontiac for major investment. Diverse redevelopment sites such as the Silverdome are strategically located within Automation Alley, adjacent to high-tech business parks and provide excellent highway access.

Pontiac also has attracted a number of New Economy businesses. Past trends reveal Pontiac is gaining regional competitiveness and is capturing a share of Oakland County job growth. From 2002-2005 Pontiac gained 1,383 jobs, with the largest increases in the health and information sectors. Maps 6 and 7 depict the number of New Economy businesses already located in Pontiac and Oakland County according to Dunn and Bradstreet data. Maps 8, 9 and 10 show the strength Pontiac already has in emerging clusters of health, engineering and information technology downtown. When these are viewed as part of the larger cluster of these businesses in Oakland County, it is clear that a huge opportunity exists to use these clusters to attract more New Economy jobs in these and supporting sectors.

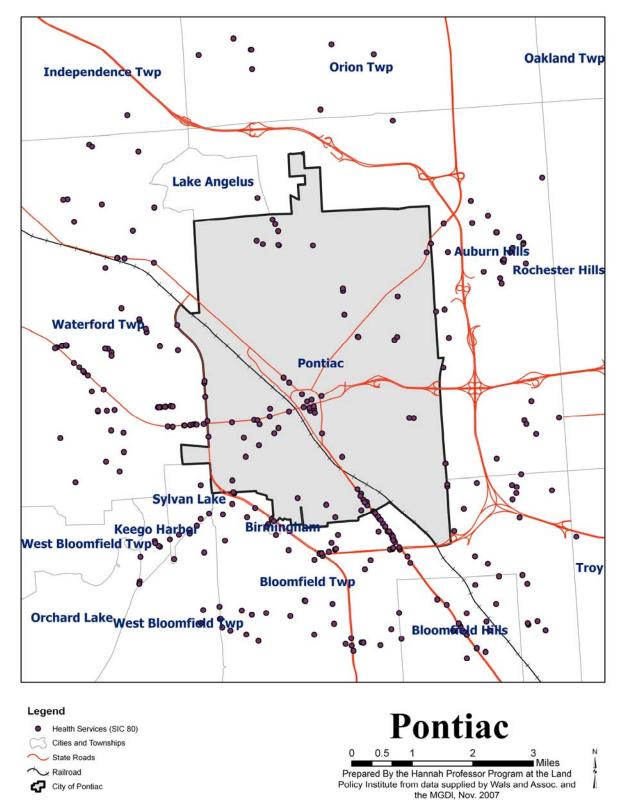
Map 6 - New Economy Jobs -- Pontiac Area



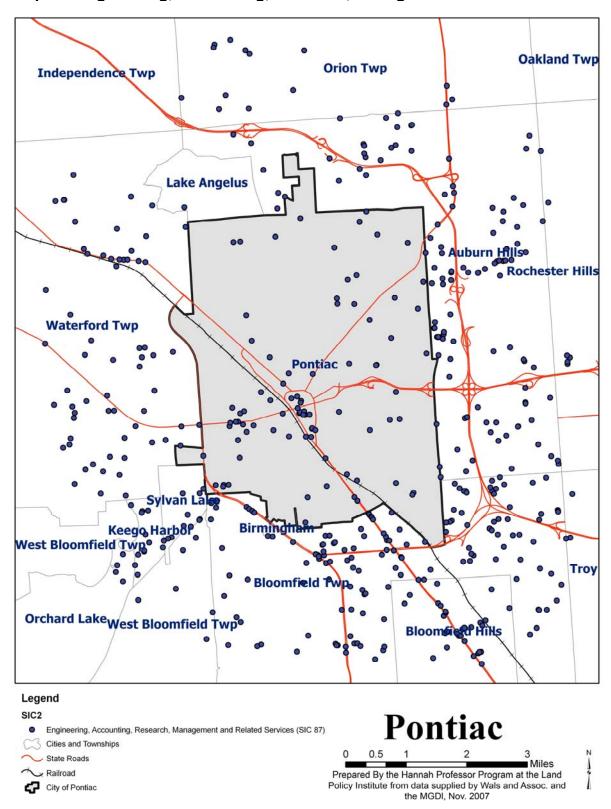
Map 7 - New Economy Jobs -- Oakland County



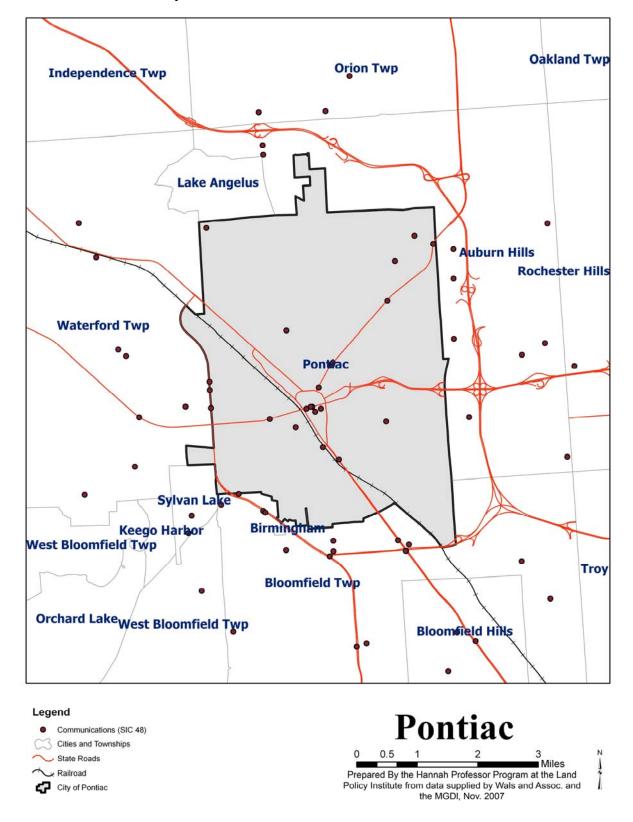
Map 8 - Health Services - Pontiac



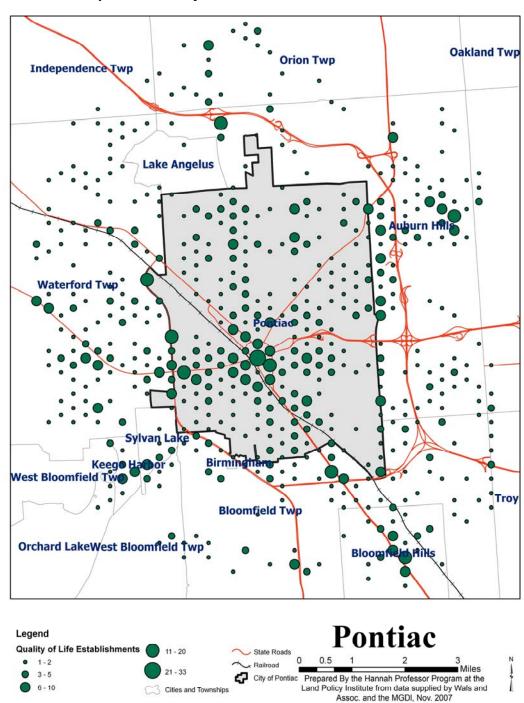
Map 9 - Engineering, Accounting, Research, Management & Related Services



Map 10 - Communications Sector - Pontiac

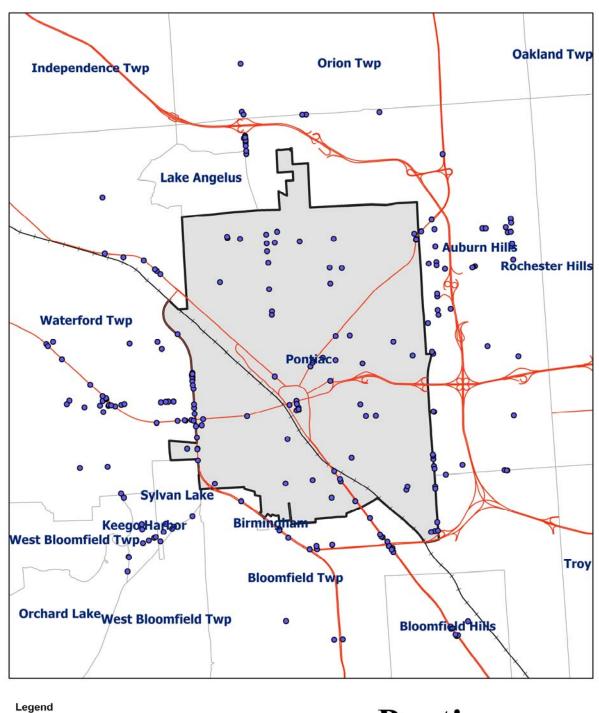


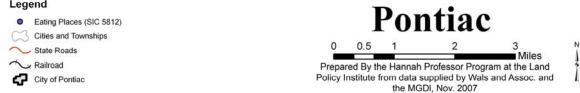
Similarly, Pontiac has a very strong emerging cluster of quality of life establishments. Most important among these are restaurants and other entertainment facilities (such as drinking establishments) Downtown. This is very important to attracting young talent to the area. Maps 11 and 12 illustrate the location and strength of these important service sectors. See also Appendix C for more of these maps.



Map 11 - Quality of Life Establishments -- Pontiac

Map 12 - Eating Places - Pontiac





Considerably more data to support the strength of these assets is available on the Oakland County Economic Development web site <a href="http://www.oakgov.com/peds/">http://www.oakgov.com/peds/</a>. Additional maps on New Economy businesses already located in Pontiac and adjoining jurisdictions are in Appendix C.

#### **Opportunities**

Pontiac's primary opportunities for connecting to the New Economy must aim to create diverse business investment and entrepreneurial opportunities with the intent of attracting regional talent to live and work within the City. Improving the infrastructure for innovation within the City limits is critical. Leveraging public-private partnerships with regional entities, providing the latest and greatest information technology to the public and opening up redevelopment sites in and around downtown to small and large scale investment will help improve the infrastructure for innovation in Pontiac. Finding New Economy uses for Old Economy facilities will also be critical. Building on a promising medical sector, which is the fastest growing sector in the County and empowering the educational system to play a role in economic development offer some of the greatest potential.

Table 6 presents estimated job growth in Oakland County's leading growth sectors. The City of Pontiac is well-positioned to pursue opportunities in these areas to connect to the New Economy.

Table 6 - Projected Job Growth in Leading Sectors in Oakland County

Industry	2005	2006	2007	2008	2009
Private education & health	96,000	98,100	100,200	102,300	104,500
Professional, scientific & technical	89,100	88,700	88,600	89,300	89,900
services					
Leisure & hospitality services	62,000	61,800	62,400	63,000	63,600

Source: 2007 Oakland County Data Book, Chapter 4 Labor and Wages, Job Growth and the Labor

Market; http://www.oakgov.com/peds/info\_pub/Oakland\_County\_Databook.html

Following in Table 7 are specific opportunities the City could seize to connect to the New Economy.

Table 7 -- Assets & Opportunities Connect to the New Economy

Asset	Existing Manufacturing Capacity
Opportunity	Attract high-tech manufacturing firms in coordination with Oakland County's Emerging Sectors Program. The City of Pontiac is well positioned to target the following Emerging Sectors:  • Automotive R&D • Alternative Energy
	Robotics and Automation

Advanced Electronics.      Central proximity within a high-tech manufacturing cluster.     Regional headquarters for Automation Alley, a cooperative consortium of more than 600 industrial ar high technology companies in southeast Michigan.     More than one third of the state's R&D facilities are located in Oakland County.     Oakland County has the largest number of manufacturing firms in Michigan.      Diverse and talented regional workforce     Fourth largest regional high-tech workforce in the Unit States.     Third highest education level in advanced degrees nationally among counties.     Local-production-oriented workforce.      Expanding "high-tech" and knowledge infrastructure     Cooperative industrial research and development programs within most of 15 county colleges and universities.	•	Homeland Security
Central proximity within a high-tech manufacturing cluster.  Regional headquarters for Automation Alley, a cooperative consortium of more than 600 industrial ar high technology companies in southeast Michigan.  More than one third of the state's R&D facilities are located in Oakland County.  Oakland County has the largest number of manufacturing firms in Michigan.  Diverse and talented regional workforce  Fourth largest regional high-tech workforce in the Unit States.  Third highest education level in advanced degrees nationally among counties.  Local-production-oriented workforce.  Expanding "high-tech" and knowledge infrastructure  Cooperative industrial research and development programs within most of 15 county colleges and universities.  First County in America with county-wide WiFi – Rank		· · · · · · · · · · · · · · · · · · ·
base.	rengths	<ul> <li>Advanced Electronics.</li> <li>Central proximity within a high-tech manufacturing cluster.         <ul> <li>Regional headquarters for Automation Alley, a cooperative consortium of more than 600 industrial and high technology companies in southeast Michigan.</li> <li>More than one third of the state's R&amp;D facilities are located in Oakland County.</li> <li>Oakland County has the largest number of manufacturing firms in Michigan.</li> </ul> </li> <li>Diverse and talented regional workforce         <ul> <li>Fourth largest regional high-tech workforce in the United States.</li> <li>Third highest education level in advanced degrees nationally among counties.</li> <li>Local-production-oriented workforce.</li> </ul> </li> <li>Expanding "high-tech" and knowledge infrastructure         <ul> <li>Cooperative industrial research and development programs within most of 15 county colleges and universities.</li> <li>First County in America with county-wide WiFi – Ranked 3<sup>rd</sup> in the nation for Broadband penetration rates.</li> </ul> </li> <li>Existing physical industrial infrastructure.</li> <li>Excellent access to regional rail and highway transportation coupled with an existing well-performing transportation industry base.</li> <li>Existing sites support diverse manufacturing sectors ranging</li> </ul>
<ul> <li>scale to large scale operations.</li> <li>Weaknesses</li> <li>High variation in the quality of industrial complexes.</li> </ul>	eaknesses	<ul><li>scale to large scale operations.</li><li>High variation in the quality of industrial complexes.</li></ul>
<ul> <li>Strengths and weaknesses of industrial sites are not documented or are not available to the public.</li> </ul>		
<ul> <li>Environmental contamination and high remediation costs.</li> <li>Environmental issues are not documented or easily available.</li> </ul>	•	<ul> <li>Environmental issues are not documented or easily</li> </ul>
<ul><li>Safety concerns in relation to crime and site security.</li><li>Poor "business" image.</li></ul>		
Threats • Global competition	reats	Global competition
,	•	remained on meaning one document, maintaining miner our
be done more efficiently abroad.		•
<ul> <li>Incompatible adjacent land uses.</li> <li>High costs of redevelopment or retro-fits.</li> </ul>		·
<ul> <li>High costs of redevelopment or retro-fits.</li> <li>Impact on quality of life and environment.</li> </ul>		· · ·
High-taxes.		· · · · · ·
Source/Ref. 2007 Oakland County Data Book	l ·	· ··g·· · ·····

Information	

Asset	Communications and Information Technology Infrastructure
Opportunity	Market and support downtown as the premier location for starting or expanding communication and IT businesses in Southeast
Strengths	<ul> <li>Michigan.</li> <li>First County in America with county-wide WiFi.</li> <li>Region is ranked 3<sup>rd</sup> in the nation for Broadband penetration rates.</li> <li>Pontiac's most competitive industry and second fastest growing new economy sector. For every one job created in the Information sector 2.6 jobs are created elsewhere in the economy.</li> <li>Historic buildings provide attractive locations for small and large scale IT and communication firms.</li> <li>High demand for communication and IT services within growing regional economy expounds the benefits of central proximity.</li> <li>Large quantity of diverse and affordable live-work and mixeduse options available in downtown.</li> <li>Excellent regional highway access and parking availability.</li> <li>Existing rail infrastructure provides potential for commuter services.</li> <li>24-hour downtown environment with diverse entertainment options capable of attracting young and talented entrepreneurs.</li> <li>Potential to attract international firms and employees due to</li> </ul>
Weaknesses	<ul> <li>high acceptance of diversity.</li> <li>Not creating the necessary support structure to give Pontiac a competitive advantage or competitive niche within the world communications and IT market.</li> <li>Poor image <ul> <li>Business climate does not appear to be innovative.</li> <li>Crime and safety are major concerns.</li> <li>Vacant lots and blight in downtown.</li> </ul> </li> <li>Current IT and communications industries lack diversity.</li> <li>Under-performing business incubation facilities and other government initiated business support services.</li> <li>Lack of venture capital.</li> </ul>
Threats	<ul> <li>Viable housing options for young professionals and families.</li> <li>Current industrial mix is expected to result in a decrease of information sector jobs.</li> <li>Performance and continual upgrades of IT infrastructure.</li> <li>High-risk start-ups without public and private support.</li> <li>Fragmented approach to governmental decision making,</li> </ul>

	finance, marketing and implementation and poor customer service.
	Global competition.
Source/Ref.	Pontiac, Oakland County Industry Report (2007) Oakland County
Information	Planning and Economic Development Services Department
	2007 Oakland County Data Book

Asset	Medical and Health Care Facilities
Opportunity	Initiate a regional medical and health care consortium to promote
	cooperation and coordination, specialization of services and
	research supported practice.
Strengths	<ul> <li>Growing medical sector both locally and regionally that offers a large range of employment opportunities         <ul> <li>The health care and social service industry represents 38% of Pontiac's employment base.</li> <li>One new job in Pontiac's health care and social service sector creates 1.4 jobs elsewhere in the economy.</li> <li>7% increase in local medical staff from 2002 to 2007.</li> <li>Over 3100 employed registered nurses and nearly 900 medical aides.</li> </ul> </li> <li>Offers outstanding community care and medical support that enhances quality of life.</li> <li>Pontiac Osteopathic Hospital         <ul> <li>One of the largest osteopathic training programs in the nation.</li> <li>Eight satellite facilities throughout north Oakland</li> </ul> </li> </ul>
	County.  New partnership with McLearn Health Care. Anchor in downtown.  St. Joseph Mercy Hospital Ranked among the top 100 heart hospitals in the nation and home to St. Joseph Mercy Oakland's Heart Institute. Only certified Primary Stroke Center in Oakland County. Orthopedic specialties with top-rated Joint Care Center. Full-service cancer center Michigan Institute for Radiation Oncology. Quality primary care.  North Oakland Medical Non-profit community hospital with focus on costeffective and efficient delivery of community health services. Proximity to target clientele.  Oakland County Health Service Center Campus Cluster of facilities including mental health center, county medical care facility and county health center.

	<ul> <li>Proximity to County Law Enforcement Complex and County Court House.</li> </ul>
	<ul> <li>Adjacent to Clinton Valley site with one of the greatest development potentials for medical R&amp;D facilities in the City and County.</li> </ul>
Weaknesses	<ul> <li>County mix of medical facilities is resulting in a competitive disadvantage.</li> <li>Oakland County Health Service Center Campus lacks connectivity to the City.</li> <li>City and County don't market and don't appear to strongly support growth of the Oakland County Health Campus.</li> </ul>
	Ability to service low-income residents that lack health insurance.
Threats	<ul> <li>Competition with other Oakland County and southeast Michigan hospitals.</li> <li>Duplication of services.</li> </ul>
	<ul> <li>Ownership and regional management image of Pontiac's business climate and value of hospitals.</li> </ul>
	Lack of local expertise and experience to facilitate proper working relationships with the medical industry.
Source/Ref.	Pontiac, Oakland County Industry Report (2007) Oakland County
Information	Planning and Economic Development Services Department
	http://www.pohmedical.org/
	http://www.stjoesoakland.org/ http://www.nomc.org/

Asset	Regional Talent
Opportunity	Attract the existing creative class and young families to live in Pontiac with affordable and attractive downtown and historic neighborhood housing options.
Strengths	<ul> <li>Oakland County has the fourth largest regional high-tech workforce in the United States and the third highest education level in advanced degrees nationally among counties.</li> <li>Central location with regional highway access in the downtown provides an accessible and strategic location to commute to diverse job regional opportunities.</li> <li>Market potential for 900 market-rate higher density housing units in downtown.         <ul> <li>460 rental lofts and apartments</li> <li>240 for-sale lofts, apartments, condos and co-ops</li> <li>200 for sale single family attached townhouses, rowhouses, live-work and fee-simple ownership.</li> </ul> </li> <li>24-hour downtown is a compact urban environment with a high concentration of diverse entertainment options coupled with historic and architectural distinctiveness. This is not found</li> </ul>

	anywhere else in Oakland County and is a key attractor of
	talent.
	Residential Planning Area 1 offers high-quality new and historic
	single family housing options for affordable prices along with a
	highest concentration of neighborhood amenities such as
	parks, waterfront and recreation opportunities in the City.
Weaknesses	Image
	Schools
	Crime and safety
	Neighborhood upkeep and maintenance
	Lack of public green space and healthy recreation
	opportunities in the downtown.
Threats	Local "resident first" hiring programs.
	Lack of connectivity between downtown and neighborhoods
	Emphasis of auto-oriented development in the downtown
	New development downtown that detracts from its historic
	character
	Neighborhood deterioration
	Environmental health
	Incompatible adjacent land uses in and around downtown.
Source/Ref.	City of Pontiac Downtown Commercial and Residential
Information	Inventory (2007)
	Zimmerman/Volk Associates.
	www.oakgov.com
	• www.oakgov.com

Asset	Oakland County Economic Development Resources & Reputation
Opportunity	Establish a strong working relationship with Oakland County Community and Economic Development Program and other regional entities to promote:  • Strategic investment in Pontiac's premier development sites  • Synergy between the city and county governments by coordinating resources and economic development efforts  • Selling the strengths of Pontiac within a regional context.
Strengths	<ul> <li>Pontiac is the core city in one of the wealthiest, most successful New Economy counties in all of America and the world.         <ul> <li>Fourth most affluent county in America of counties over one million population</li> <li>One of only 20 counties in America with a AAA bond rating</li> <li>More than 42,000 companies located in Oakland County</li> <li>No. 1 county in Michigan for business expansion and</li> </ul> </li> </ul>

	investment and home of 653 foreign firms from 24
	countries
	More than half of the top 100 Global <i>Fortune</i> 500
	companies have business operations in Oakland County
	<ul> <li>Headquarters for Automation Alley.</li> </ul>
	Knowledgeable workforce and support structure for innovation
	First U.S. county to have county-wide free WiFi service
	<ul> <li>15 colleges and universities are located in the county,</li> </ul>
	most with industry cooperative research and
	development programs
	<ul> <li>Highly-skilled workforce with the third highest education</li> </ul>
	level in advanced degrees nationally among counties,
	with 41 percent of Oakland County residents over age
	25 possessing a bachelor's degree or higher
	<ul> <li>Oakland County has the third highest number of high-</li> </ul>
	tech workers in the nation and twice the corporate R&D
	professionals compared to the national average
	More than one-third of the state's R&D facilities are
	located in Oakland County.
	Oakland County Planning and Economic Development  Carriage is any the most caphisticated accommis development.
	Services is one the most sophisticated economic development
	departments in the state and nation  o Ability to leverage numerous state, national and
	international partnership and resources to assist with
	development
	Expertise in a vast array of planning and economic
	activities
	<ul> <li>Outstanding customer service.</li> </ul>
Weaknesses	Under-performing City-County working partnerships.
	Marketing.
	Transforming technical assistance and planning efforts into
	implementation.
Threats	Not partnering with the County to capitalize on the assets of
	both the County and the City.
	Tying to do too much with too little, while not using all the
	resources available.
	Pursuing new economic development without a regional vision
0	and partners.
Source/Ref.	<u>www.oakgov.com</u>
Information	2007 Oakland County Data Book

## 3. Great Place To Invest

## **Background**

A look at any map of Oakland County reveals a distinguishing feature—all roads lead to Pontiac. Remember the classic real estate mantra: "location, location, location." See Map 13 on the next page. This fact heralds a bright future for Pontiac. Located in the center of the fourth most affluent county in the United States, 9 the opportunities for wide-scale investment in Pontiac are tremendous. Site Selection Magazine has named Oakland County, the number one site for business expansion and investment in Michigan the past seven years in a row. 10 Without question Pontiac maintains some of the best business and housing investment opportunities anywhere in Oakland County. Architecturally significant buildings and key underutilized lots in Downtown, the Silverdome, historic single-family neighborhoods and wealth of other publicly-owned properties are the source of some of Pontiac's biggest dilemmas and biggest opportunities.

#### **Key Challenges**

Challenges to reinvesting Pontiac are not unlike those faced by many other post-industrial cities across Michigan and the nation. Crime, safety, schools, neighborhood blight and a lack of high paying job opportunities are some of the more tangible quality of life issues that drive families and business owners away from the City and keep them from coming back. Since Pontiac reached its population apex with over 85,000 residents in 1970, the City has lost over 18,500 residents or approximately 20 percent of its population. See Appendix B and Figure 5. School enrollment has declined by 23 percent from 1995 to 2005. Decades of population decline and rising costs have reduced the ability of the City and School Districts to provide basic support services to maintain parks, high-quality schools and affect public safety. This cycle of urban decline is a fundamental problem that has been experienced in core cities around the U.S.

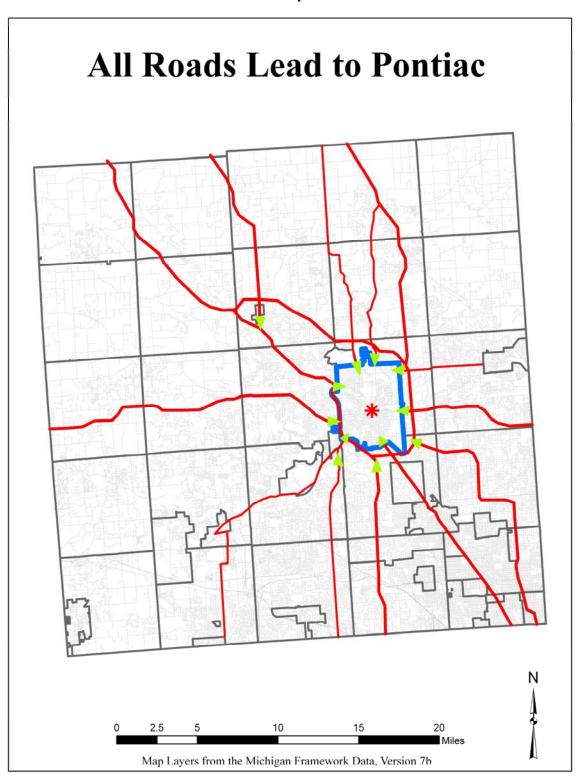
From a business standpoint, urban brownfield redevelopment is much more complex than suburban greenfield development. High-levels of risk due to uncertainty, a lack of creative financing and inability to capture public funding mechanisms scare many developers away. When coupled with the added costs of redevelopment such as site restoration, building rehabilitation, demolition and addressing potential environmental contamination issues, urban redevelopment sites are at a natural disadvantage compared to their suburban counterparts.

<sup>&</sup>lt;sup>9</sup> Oakland County Emerging Sectors. Informational Brochure. <a href="www.oakgov.com/peds/assets/docs/emerging">www.oakgov.com/peds/assets/docs/emerging</a> sectors/Bus.DevelopmentSuccesses.pdf

<sup>&</sup>lt;sup>10</sup> What Makes Oakland County Attractive to Businesses? www.oakgov.com/peds/chart/why~-oc.htd

<sup>&</sup>lt;sup>11</sup> Draft of Chapter 6 Existing Conditions, Pontiac Master Plan Update 2007. McKenna Associates

Map 13



Source: Land Policy Institute

Population and Percentage of Oakland County Population City of Pontiac 1900 - 2007

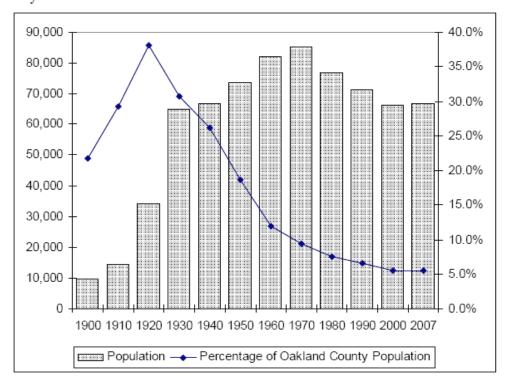


Figure 5

Source: McKenna & Associates, Draft Chapter 6 of City of Pontiac Master Plan, 2007; US Census Bureau

Yet in Pontiac, so many outstanding opportunities for redevelopment exist, that prioritization and targeting of resources is a major challenge. Severe fiscal impediments coupled with a limited staff and a fragmented system of distributing economic development powers through the City decreases the ability of the City to be competitive. Contemporary development requires a "New Economy dealmaker" 24 hours a day. That's someone who is customer-driven and hyper-responsive.

#### **Key Assets**

Investors who understand the problems Pontiac is facing and see potential in Pontiac, understand that the opportunities outweigh the challenges. Whether it is a first time home buyer or an experienced real estate developer, Pontiac maintains a huge upside and the transformation is beginning to take place. Residents are coming back to the City. Pontiac is one of the few Michigan core cities that experienced an increase in population since 2000, gaining between 787 and 3,057 persons (depending on which census data is consulted, see Appendix B.) Homeowners, who have been priced out of neighboring communities are finding exceptional value and equity opportunities in Pontiac. In 2005, Pontiac maintained an average home value of \$140,000 less than the

average Oakland County home of \$247,333, which is the wealthiest county in the state. New market rate housing start-ups in the City are also at a 20 year high. New economy business investors are also finding great value in Pontiac. Large economic players are investing such as St. Joseph Mercy Oakland hospital which is planning a four-year, \$250-million renovation and Chemico Systems, Inc. which recently headquartered in downtown Pontiac and is expecting revenues to grow by 35% and \$27 million in 2007 and plans to double its workforce in the next three years.

Several underutilized lots and buildings are ripe for development. The Downtown Commercial and Residential Inventory recently completed by Zimmerman/Volk and Associates Inc. has identified and ranked 21 potential redevelopment sites in the downtown in close proximity to significant regional landmarks and businesses. A large inventory of publicly owned properties and several privately held lots in downtown that are ready for development are another major asset. Equipped with vital planning documents, capacity to leverage a diverse range of public funding mechanisms, and a large range of regional partners, the City of Pontiac is set to gather the fruits of years of planning for redevelopment.

#### **Opportunities**

There are opportunities in every developable and re-developable property in Pontiac. Some opportunities may be relevant only to a neighborhood block while others can be regionally significant. Capitalizing on the potential of Pontiac is largely a matter of prioritization, targeting of resources, pursuing development that maximizes long-term benefits to the community and region, and closing deals. Table 8 sets forth key assets and opportunities to take advantage of the great place Pontiac is to invest.

Table 8 -- Assets & Opportunities
Great Place to Invest

Asset	Available Redevelopment Sites for Reasonable Prices
Opportunity	Create a comprehensive listing and map of publicly and privately owned redevelopment sites that is widely distributed and marketed through City and County websites which includes:  • Site location  • Site amenities
	<ul> <li>Current ownership and contact information</li> <li>All available redevelopment financing methods</li> <li>Site environmental conditions and potential drawbacks</li> <li>Priority public investment areas.</li> </ul>
Strengths	Several outstanding investment opportunities with the potential

<sup>&</sup>lt;sup>12</sup> Draft of Chapter 6 Existing Conditions, Pontiac Master Plan Update 2007. McKenna Associates

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<sup>&</sup>lt;sup>13</sup> Citywide Housing Market Study, City of Pontiac (2004), Smith Group w/assistance from McDuffee & Partners, LLC & JF Morgan & Associates

<sup>&</sup>lt;sup>14</sup> Briggs, J. (April 19, 2007) \$250M expansion planned by St. Joe Mercy Oakland Business Review. http://blog.mlive.com/oak business review/2007/04/250m expansion planned by st j.html

<sup>&</sup>lt;sup>15</sup> Gopwani, J. *Pontiac company grows by helping automakers go green* (October 28, 2007) Detroit Free Press <a href="http://www.freep.com/apps/pbcs.dll/article?AID=/20071028/BUSINESS06/710280604/1002/rss02">http://www.freep.com/apps/pbcs.dll/article?AID=/20071028/BUSINESS06/710280604/1002/rss02</a>

	<ul> <li>to support existing assets.</li> <li>Much of the inventory work is already complete but lacks the assignment of incentives that makes the sites attractive for redevelopment such as available public financing mechanisms and site amenities         <ul> <li>Site inventory of publicly owned properties is complete, with price, land use and square footage</li> <li>Site inventory of key public and private lots downtown is complete</li> <li>Site inventory of key buildings downtown is complete</li> <li>Map and inventory of the quality and potential for improvement associated with all residential districts is complete.</li> <li>Market analysis for downtown and city wide housing is complete.</li> </ul> </li> </ul>	
Weaknesses	Fragmented ownership of publicly owned properties between the city, DDA and TIFA Lack of information publicly available in one place on the internet Coordination between government entities in the decision making, marketing and implementation processes.	
Threats	<ul> <li>Not identifying and using all available financial resources available to public entities to "close the gap" on the increased costs of redevelopment.</li> <li>Too many government decision making bodies with out a clearly defined role for a "deal maker."</li> <li>Duplication and contradictory effort between city planning and development staff due to a lack of coordination.</li> </ul>	
Source/Ref. Information	<ul> <li>Oakland County, Michigan Business Development Services</li> <li>Pontiac Available Properties <a href="www.oakgov.com/econ">www.oakgov.com/econ</a></li> <li>January 2007 City owned Property Listing</li> <li>Citywide Housing Market Study. City of Pontiac (2004),</li> <li>Smith Group w/assistance from McDuffee &amp; Partners, LLC &amp; JF Morgan &amp; Associates</li> </ul>	

Asset	High Potential – High Impact Redevelopment Sites
Opportunity	Establish a Memorandum of Understanding between City and County governments to identify five priority redevelopment sites which will receive targeted use of County and City resources in coordination with Oakland County's Emerging Sector economic development initiative.
Strengths	<ul> <li>High potential – high impact redevelopment sites include:</li> <li>Pontiac Silverdome</li> <li>Centerpoint Business Campus</li> </ul>

	<ul> <li>Lot 9 and adjacent city-owned parcels (Woodward and</li> </ul>
	N. Saginaw)
	o Lot 6 (Huron and Saginaw)
	<ul> <li>Lot 5 (Maiori and Saginaw)</li> <li>Lot 5 and adjacent sites (Huron and east of S.</li> </ul>
	Woodward)
	Clinton Valley Site
	Old Central High School Site
	Expertise and resources from the Oakland County Community
	and Economic Development Program.
	Central location of sites within Oakland County and proximity to
	existing assets in the City of Pontiac
	Public-ownership and ability to capitalize on federal and state
	financial resources.
Weaknesses	Implementation
	Marketing
	Lack of staff with adequate resources
	Lack of a "deal maker"
	Efficiency and under-performance of County-City working
	relationships
	Dedication of County resources to promote wide-scale urban
	revitalization.
Threats	Lack of consensus vision for redevelopment in the City of
	Pontiac that is shared by neighboring jurisdictions.
	Oakland County not taking full advantage of its urban assets.
	Negative image of central cities.
	Crime and safety.
	Poor public education system.
Source/Ref.	City of Pontiac Downtown and Residential Inventory, 2007
Information	City-owned Property Listing Zimmerman/Volk Associates,
	Jan. 2007

Asset	Pontiac Silverdome
Opportunity	Leverage Silverdome location as the premier southeast     Michigan site for a new high-tech R&D and mixed-use     business campus facility with regional connections to social,     and environment economic assets. Consider links to emerging     health and education sectors as well.
Strengths	<ul> <li>Proximity to Auburn Hills and one of the largest clusters of new economy business parks and support system in the County:         <ul> <li>Oakland Technology Park</li> <li>Auburn Centre Industrial Park</li> <li>Executive Hills</li> <li>University Commerce Park</li> <li>Pinewood Properties Industrial Park</li> <li>Featherstone Industrial Park</li> </ul> </li> </ul>

	Auburn Industrial Park			
	Centerpoint Business Campus			
	Baker College of Auburn Hill			
	<ul> <li>Oakland University</li> </ul>			
	Excellent access to I-75			
	Large amount of land with little remediation needed for			
	redevelopment			
	Existing structure capable of adaptive reuse			
	Regional history and significance			
	Proximity to Clinton River and potential green infrastructure			
	connections to downtown.			
Weaknesses	Existing structure which poses challenges for reuse			
	Redevelopment costs			
	High-risk venture			
	Negative perceptions of central cities.			
Threats	Not using all the resources available			
	Not leveraging important county, regional, state and federal			
	partnerships			
	Deal-making is extremely difficult.			
Source/Ref.	2007 Oakland County Data Book, Ch. 6			
Information	Site & Building - Distribution of all Business Parks in			
	Oakland County (see Appendix D).			

Asset	Centerpoint Business Campus and Other General Motors
	Facilities
Opportunity	Engage regional public-private partnerships to leverage under- utilized capacity at Centerpoint and other "high-end" GM facilities as ideal locations for New Economy expansion in automotive R&D and diverse and adaptable "emerging sector" manufacturing industries.
Strengths	<ul> <li>Automotive R&amp;D is a \$10 billion a year industry and employs over 60,000 professionals in Southeast Michigan.</li> <li>Michigan is No.1 in the world for automotive R&amp;D.</li> <li>A total of 29,700 people working in automotive industry in Oakland County.</li> <li>Michigan is third in the nation with an average of 6,000 engineering degrees granted annually.</li> <li>Strong relationship and history between the City of Pontiac and General Motors and the region.</li> <li>Central location and transportation access.</li> </ul>
Weaknesses	<ul> <li>Lack of public influence in corporate decisions.</li> <li>Inadequate resources and use of partnerships.</li> </ul>
Threats	Volatility and vitality of the auto industry in southeast Michigan.
	Becoming too reliant on the auto industry.
	Impediments to change.

	<ul> <li>Flexibility of existing facilities and management structure to manufacture a diverse range of new products.</li> <li>Competition from other southeast Michigan locations.</li> </ul>
Source/Ref. Information	www.oakgov (October 2007)

# 4. Destination Downtown

#### Background

For many years Pontiac was the focal point of Oakland County with the largest population of any city in the County and a strategic, centralized location. Today, Pontiac is the sixth largest community in the County and is no longer the economic engine of the region. Median incomes in Pontiac are now about 50 percent of the County average that stands at \$66,483. See Appendix B. The population in Pontiac is noticeably more diverse than surrounding communities and the County as a whole. Diversity is an asset in the New Economy. See Table 9.

Table 9
Comparison of Racial Composition

City of Pontiac	2000	2006	Oakland County	2000	2006
Population	66,337	69,394	Population	1,194,156	1,214,255
Hispanic	12.8%	15.%	Hispanic	2.5%	3.0%
White	34.5%	31.%	White	81.4%	78.%
Black	47.9%	52.%	Black	9.9%	12.%
Asian	2.4%	2.%	Asian	4%	5.5%
Other		1.8%	Other		1.5%

http://www.muninetguide.com

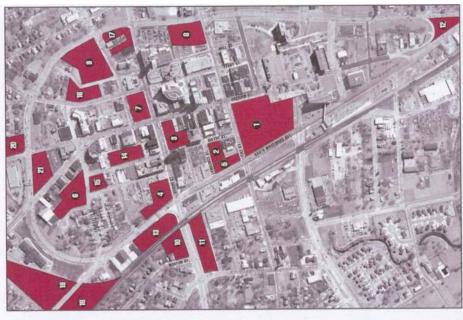
#### **Key Challenges**

The Downtown is currently separated from adjoining neighborhoods by the Woodward Loop (Widetrack Drive) road configuration. This disrupts neighborhood pedestrian and other non-motorized transportation from easily accessing Downtown. Building code enforcement does not play a sufficient role in mitigating the deterioration of business and residential properties within the City and there is a lack of design guidelines in place to guide new development. A disproportionate number of the regional homeless or under-resourced population exists in Pontiac rather than being spread among other surrounding communities. This adds to the difficulty in attracting a high volume of shopping traffic to the Downtown and can be a deterrent to new business creation.

#### **Key Assets**

Pontiac has great capacity for adding a mix of uses in the Downtown area. There is considerable room for more housing, retail and commercial uses and a unique opportunity for the creation of a pedestrian oriented district. Very large vacant lots exist that hold a number of creative options for attracting new development. Map 14 illustrates existing vacant property in and near the downtown. The 2001 Downtown Development Plan and other studies have addressed many specific development opportunities and created a great foundation for new Downtown development and redevelopment to proceed.

# Map 14 Vacant Land in Downtown Pontiac



d	10	Parcel Identification Number	Ranking
5	Lot #9 - 50881 Woodward and North Saginaw Street	14.29.479.010	
	Lot #4 - Lawrence and Wavne Street	14.29.476.033	1
	Lot #6/11 - Huron and Saginaw Streets	14.29,433.001 / 14.29,433.002	-
**	Lot #5 - N.E. Corner S. Woodward & Huron	14.29.408.016 /14.29.408.017	1
u	A7700 South Woodward and West Pike Streets	14.29.408.018	-
9 45	#2A - Wayne and Lafavette Streets	14.29.256.037	2
	70 North Saginaw and Huron Streets (NE corner)	14.29.430.010	2
. 00	Lot #1AP - North Woodward and East Pike Streets	14.29,436.024	2
-	65 University and North Woodward (GM)	14.29.428.002	2
0	124/146 West Huron and Norton Streets (north side)	14.29.406.011 /14.29.406.012	2
-	121/125/135/161 West Huron		
	and Norton Streets (south side)	14.29.451.007 /14.29.451.006	2
		14.29.451.013 /14.29.451.011	
0	Triangle on South Woodward and Whittemore	MDOT Right of Way	2
3	South Woodward and Huron (N.W. Corner)	14.29.407.003 /14.29.407.002	2/3
	110 West Huron	14.29.407.005 /14.29.502.021	
	49800/49760 Woodward	-	
14	Lot #3 - Wayne and Warren Streets	14.29.410.031 /14.29.410.007	2/3
	10 Warren Street	14.29.429.001	
IC.	Lot #9R - Wayne and Lafavette Streets	14.29.409.012 /14.29.409.013	2/3
9	Lot #24 - North Perry and Lafavette Streets	14.29.283.020 /14.29.283.005	2/3
1	Lot #1AH - North Woodward and East Huron Streets	14.29.432.009	3/4
00	183 North Cass Street (west of Charter School)	14.29.185.002/14.29.185.003	3/4
19	North Cass Street (north of Charter School)	14.29.502.027	3/4
20	8 North East corner of N. Saginaw and Woodwards	14.29.276.037	3/4
21	North Saginaw/North Oakland and Woodward	14,29,258,021 /14,29,258,004	3/4
		14.29.258.020	

**DOWNTOWN PONTIAC** | Key Lots

CITY OF PONTIAC | Downtown Commercial and Residential Inventory

#### **Opportunities**

With a central location in the County, Pontiac is positioned to become a business, cultural and entertainment hub for the entire region. Many of the basic elements exist for Pontiac to return to a bustling city with twenty-four hour, seven day-a-week population and activity. Development space is sufficient for added civic structures, parks and green space that can anchor the Downtown and complete a cohesive network within the downtown area. Other amenity options exist for the City such as a riverfront area along an open Clinton River. Table 10 presents assets and opportunities to make Downtown Pontiac an even better destination.

Table 10 -- Assets & Opportunities
Destination Downtown

Asset	Downtown Development Opportunities
Opportunity	Prioritize city resources to promote socio-economic investment in
	the Downtown in order to create a critical mass that will result in
	"spill-over" effects that will benefit surrounding neighborhoods.
Strengths	Pontiac is the only core city with the true history and distinctive
	"urbanity" of a classic downtown in Oakland County.
	Business location in urban cores is "trendy" and can
	economically improve efficiency due to proximity of business
	resources and opportunities.
	Large quantity and quality of redevelopment sites:
	<ul> <li>City-owned sites.</li> </ul>
	<ul> <li>Brownfields and under-utilized private and publicly</li> </ul>
	owned parking lots.
	Existing market analysis and planning efforts completed.
	Diverse federal, state, regional and local public financial
	incentives and resources available for re-investment.
	Diverse economic base already located in Downtown.
Weaknesses	One-way Wide-Track Drive impedes effective Downtown to
	neighborhood traffic flow in terms of pedestrian, bike and
	automobile travel.
	Neighborhood connections to downtown.
	Negative residential image of the downtown as an
	entertainment hub with few family-oriented activities.
	Implementation of the existing Downtown Plan.
	Lack of coordination between government entities.
Threats	Not improving residential connectivity to downtown.
	No visible change.
	Regional image of Pontiac as unsafe and a poor place to do
	business.
Source/Ref.	Pontiac Town Meetings, Sept. – Oct. 2007
Information	Downtown Commercial and Residential Inventory, Summer 2007
	<u>.</u>

Asset	Lot 9 and other underutilized downtown property sites.
Opportunity	<ul> <li>Downtown development adding twenty-four hours, seven day-aweek population and activity.</li> <li>Create an urban square like that called for in the 2001 Downtown Development Plan.</li> <li>Support a more pedestrian-friendly urban environment.</li> <li>Additional civic structures to serve as Downtown assets.</li> </ul>
Strengths  Weaknesses	<ul> <li>Woodward Ave. and Saginaw St. provide two front doors to the site.</li> <li>Opportunities for development on a variety of parcel sizes, make the area highly marketable to developers.</li> <li>2001 Downtown Development Plan focuses on Wide Track becoming a two-way boulevard.</li> <li>A high incidence of homelessness and panhandling in the downtown area.</li> </ul>
	Additional parking will be necessary with new development.
Threats	<ul> <li>Currently the Wide Track is a deterrent to pedestrian use.</li> <li>Displacement of homeless population.</li> <li>Downtown uses are not regulated by specific "character zone" guidelines as has been recommended.</li> </ul>
Source/Ref. Information	City of Pontiac Downtown Commercial and Residential Inventory, Summer 2007. 2001 Downtown Development Plan. Sec. 3 <a href="http://www.muninetguide.com/states/michigan/municipality/Pontiac.php">http://www.muninetguide.com/states/michigan/municipality/Pontiac.php</a>

Asset	The Lafayette Square residential district in the downtown area.
Opportunity	Create a complete urban experience with residential areas tied to the office, entertainment and civic uses Downtown.  New and enhanced residential mixed-use near Lafayette Street  Development focused on pedestrian use.  The addition of more single family and townhouse homes.
Strengths	<ul> <li>Introduce a series of new neighborhood scaled parks.</li> <li>2001 Downtown Development Plan has identified residential districts in downtown.</li> <li>Has a rich history of being a single family neighborhood.</li> <li>Great access to the main core of Downtown.</li> <li>Strategic infill will stabilize the existing neighborhood.</li> </ul>
Weaknesses	<ul> <li>This neighborhood is currently separated from communities to the Northwest by the Woodward Loop road configuration.</li> <li>Some homes are not maintained sufficiently.</li> </ul>
Threats	<ul> <li>No blight and nuisance ordinance has been adopted in</li> </ul>

	Pontiac.
Source/Ref.	City of Pontiac Downtown Commercial and Residential Inventory,
Information	Summer 2007.
	2001 Downtown Development Plan. Sec. 3

Asset	An opportunity to open up the Clinton River.
Opportunity	At some point the headwaters of the Clinton River which flow through Pontiac were enclosed in pipe. This may have been done to help control floods and as a storm water management measure. However, contemporary environmental science has demonstrated that such practices greatly undermine the environmental integrity of the river and make it nearly impossible for it to fulfill all of its natural functions. It also removes from view a very important visual natural asset.  Citizens and the County Drain Commissioner want to reopen the Clinton River to free flowing status through the City.  Other cities have used the amenity benefits of reopened rivers to help revitalize the downtown (Kalamazoo for example).
Strengths	<ul> <li>There is public support that may not last forever.</li> <li>The City also has several lakes that are important natural assets, but no naturally flowing water which is otherwise a central element of most communities in Michigan.</li> <li>The Oakland County Drain Commission, City of Pontiac and the ECT Staff are conducting a feasibility study.</li> </ul>
Weaknesses	<ul> <li>Completion of this project may require money not yet identified.</li> </ul>
Threats	Lack of foresight could shuffle this opportunity to low priority.
Source/Ref. Information	Agenda-Clinton River Daylighting – Feasibility Study, August, 2007

# 5. Creating Local Entrepreneurs

#### **Background**

Michigan has a proud and long history of some small businesses growing into very large and very successful businesses—especially in the auto industry. Pontiac has played a key role in watching this happen and for many years has enjoyed tremendous benefits because of it.

For every small business that becomes a big one however, there are many more that are simply successful at supporting the families of those that work there, without growing large. These businesses play as important a role in the life and vitality of a community collectively, as the big ones which employ many individuals and pump millions of dollars into the local economy.

#### **Key Challenges**

A key challenge facing Pontiac is how to grow more of the traditional family-based small business entrepreneurs, and the new high tech, knowledge-based businesses that have the potential to pay off not only for each new business, but also for the community. Part of the challenge is creating a climate that supports entrepreneurs and another is providing start-up support for budding entrepreneurs.

The first challenge is actually larger in Pontiac, as many citizens expressed at the Town Meetings concern that the City did not welcome entrepreneurs that lived within the City, and that the door was only really open to those from the outside. If there is a dearth of minority-owned businesses in the City, compared to other cities its' size, then this challenge is large. While we did not find data one way or the other to support this claim, the perception it is true appears to be fairly broad. Experience supports the conclusion that a large number of minority-owned businesses that are owned by minorities who live in the same city helps vest the minorities in the future of the city and provides numerous opportunities for youth to work. Part of preparing youth for the knowledge-based economy is to educate them in good work habits and expose them to the work world. In most communities, it is small businesses, and the efforts of local entrepreneurs that fill this need.

#### **Key Assets**

The emerging clusters of New Economy businesses identified earlier, and the absence of many of the most basic retail services within the City limits presents a unique opportunity to attract new entrepreneurs from both within and outside the City. No large grocery stores, drug stores, hardware stores and brand name coffee shops exist within the City. This forces all residents to travel to adjoining jurisdictions to purchase the products and services available from these businesses. That undermines one of the basic benefits that usually accrues to those living in a city. While the challenge could be met by attracting outside regional and national firms to meet some of these retail needs, others could be met by growing local entrepreneurs to start these businesses.

The fact that the need has been identified, and there are many services available to help budding entrepreneurs in Pontiac is a substantial asset that does not exist in many communities.

## **Opportunities**

The Pontiac Economic Development Workgroup; the "Business Center" within the Oakland County Economic Development and Community Affairs Department provides myriad services to budding entrepreneurs and to small businesses; and the Pontiac Business Development Center provides great opportunities for expanding entrepreneurism in the City. However, as identified below, these services could be more effective. It may simply be an issue of more effective marketing, or linking better to local businessmen and woman who could help create a climate more conducive to successful start-up businesses in the City. Whatever the barriers are, Pontiac, like most large older cities, has tremendous opportunities to attract and train more entrepreneurs from both within and outside the City. Table 11 presents key assets and opportunities for creating local entrepreneurs.

Table 11 -- Assets & Opportunities
Creating Local Entrepreneurs

A 1	
Asset	Creative residents who are willing to undertake the challenge of starting new businesses, but who may lack the necessary knowledge.
Opportunity	Connect training opportunities to those residents willing to be entrepreneurs. The "Business Center" within the Oakland County Economic Development and Community Affairs Department provides myriad services to budding entrepreneurs and to small businesses.  • How to start a business, loan preparation, business plan
	<ul> <li>development and review, and many background materials are available to those who want to start or build a business. This service couldn't be more substantial nor convenient for Pontiac residents.</li> <li>This is especially important for minority residents as citizens at Town Meetings identified the need for minority-owned businesses in Pontiac, where the owner was also a City resident.</li> </ul>
	<ul> <li>The Pontiac Business Development Center runs a business incubator which is underutilized. In addition to physical facilities, it also offers training and business consultation services. The more successful the County and City are with training and consultation services, the more entrepreneurs should help create a market for the incubator services.</li> </ul>
Strengths	One of the key elements of the New Economy is promoting local entrepreneurism. According to the U.S. Small Business Administration, small businesses:

	<ul> <li>are 99.7% of all employers;</li> <li>provide 50% of all private sector employees;</li> <li>are 44.3% of total U.S. private payroll;</li> <li>provided 60-80% of new jobs annually over the last decade;</li> <li>are 50% of non-farm GDP;</li> <li>had 23% of total value of federal prime contracts in 2003;</li> <li>had 13-14 times more patents/employee than large patenting firms;</li> <li>are twice as likely as large firms to have their patents cited among the 1% most cited.</li> <li>Creative people who are willing to take the risks associated with new businesses usually lack three things:</li> <li>Knowledge about how to start a business (poor access)</li> </ul>
	<ul> <li>Knowledge about how to start a business (poor access to market information, lack of business mentoring, and management training);</li> <li>Capital (lack of capital access or lack of machinery or equipment); and</li> <li>A place to open shop (lack of a site, enabling environment and business infrastructure).</li> <li>The Oakland County Business Center offers the training services.</li> <li>The Pontiac Economic Development Workgroup may be able to put local entrepreneurs in touch with sources of capital. If not, this would be a good expansion of their service function (see also recommendation below).</li> <li>The Pontiac Business Development Center already exists (196 Orchard Lake Road) and can accommodate many new</li> </ul>
Weaknesses	<ul> <li>There may be a need to stimulate more local capital to support local entrepreneurs. Some local chambers of commerce undertake such an effort, but it may need to be stimulated by the City. The City Zoning Ordinance should be evaluated to determine if it is small business friendly.</li> </ul>
Threats	Other than not taking advantage of the services available, there are none recognized. This is a win-win effort for everyone.
Source/Ref. Information	(http://www.oakgov.com/econ/business_services/bc_index.html)

Asset	Oakland County is the venture capital, capital of Michigan.
Opportunity	Connecting creative residents who are willing to undertake the
	challenge of starting new businesses, with sources of capital is
	often a challenge, but because of its location, is also an important
	opportunity in Pontiac. This is especially true for larger startup
	companies or smaller ones that want to grow substantially, where

	local sources of venture capital may not be sufficient. No place in Michigan has more venture capital than Oakland County. It is largely available through private firms, but the Oakland County Business Center can help prepare businesses to seek venture capital and in some cases connect businesses with venture capitalists.
Strengths	Again this service is in the City's backyard.
	It is from an established, well respected source.
Weaknesses	It seems there is never enough venture capital, so even with a plethora of options available, it may not be enough for a particular need.
Threats	Other than not taking advantage of the services available,
	there are none recognized. This is a win-win effort for
	everyone.
Source/Ref.	(http://www.oakgov.com/econ/business_services/bc_index.html;
Information	http://www.pontiac.mi.us/pdf/businessincubator.pdf)

# 6. Polishing The Image

#### Background

The perception of Pontiac has changed over time as dramatically as its own local economy and the demographics of its residents. Over the past 60 years, Pontiac has experienced the effects of steady decline in the automotive industry, loss of retail, Downtown and court-ordered bussing and associated racial tensions, and growth of suburban communities all around it. The City has experienced economic stagnation and loss, compared to its neighbors. It has also suffered physical decline of many of its public and private buildings, municipal infrastructure and the image of the City that goes with these features. The pattern of physical decline seen in Pontiac is in stark contrast to the prosperity of surrounding Oakland County communities. When it comes to tired, run-down and dilapidated structures, perception is reality. A bad image can run deeper than physical features, but it is the most obvious, and easiest to address.

#### **Key Challenges**

Younger residents in Pontiac may be unaware of the history and heritage of the City and may themselves, perceive it as inferior to neighboring communities. But this need not be so as there is much that remains rich about Pontiac; like a tarnished piece of silver that needs polishing. Only limited attempts have been made to identify historic sites, landmarks and districts that can encourage economic development. Yet it is sometimes hard to see this potential past the homeless who wander Downtown. In other areas of the City, substandard upkeep of residential and business properties create the perception of a neglected and unsafe environment.

#### **Key Assets**

Nationally, demand for urban housing in downtown areas is generally increasing as 79 million Baby Boomers (born between 1946 and 1964) and 77 million Millennials (born between 1977 and 1996) are seeing the advantages again for city living. Pontiac has the largest urbanized district in the County that includes attractive, historic buildings that can be used to stimulate economic development. The wide range of financial and technical assistance from the National Trust for Historic Preservation is being made available to Pontiac through the Preservation Development Initiative, and the Main Street Oakland County program. These are very important steps to not only polishing the image of the City, but also creating a stronger Downtown.

Pontiac is highly visible due to its central location in the County. With a focus on fixing up, cleaning up and restoring pride in ownership of property, quality media promotion could assist the development of a dramatically new image for the City. Unique qualities that Pontiac currently possesses can help to brand this new image and make Pontiac stand out in Oakland County for very positive reasons.

#### **Opportunities**

Following in Table 12, are opportunities to build on underutilized assets while at the same time polish the City's image.

Table 12 -- Assets & Opportunities Polishing the Image

Asset	Structures and streets in the City will clean up well with a concerted effort.
Opportunity	City residents and business owners are as unhappy with the appearance of buildings and streets in the City as visitors are sad about what the image says about the City and its residents. A concerted effort by the City, school district, neighborhood associations, business organizations, churches, NGO's and all the other affected stakeholders to get rid of junk, clean-up, fix up, paint or refinish, and then maintain would go a long way to restoring pride in residents and the beauty of structures and well-maintained streets. These are the first, cheapest and fastest measures that can be taken to polish the image of the City.
Strengths	A broadly-based effort is infectious, especially when led by a Mayor or other prominent leader. Targeting property that are the worst eyesores at once with teams of workers incents other property owners to join the effort on their own property. People want to be part of the efforts that make an immediate difference, and may want to "keep up with the Jones." High maintenance standards on City and School District property set the civic tone.
Weaknesses	Someone has to start, to take the lead, and then continue to keep the new standard up even if others don't immediately join in. It is sometimes hard to find the first group of people willing to step forward and lead by example.
Threats	Usually the biggest threat here is complacency and excuses.  People sometimes find a dozen reasons why not to support this activity when in reality, few efforts are as effective, cheap, immediate and synergistic.
Source/Ref. Information	http://www.oznet.ksu.edu/Library/agec2/samplers/mf931.asp; http://www.cleanuptheworld.org/en/

Asset	The City's heritage and historic buildings.
Opportunity	Use historic preservation to rebuild the Downtown and neighborhoods and encourage economic development. To realize the full economic development potential of historic sites, landmarks and districts.
Strengths	<ul> <li>Many Pontiac residents have considerable knowledge of and appreciation for Pontiac's history.</li> <li>A full range of financial and technical assistance is available through the National Trust for Historic Preservation and the state historic preservation office.</li> </ul>
Weaknesses	To date there has been little effort to inform the public about historic districts, design review or tax benefits and assistance

	available to property owners.
	Little link between community support for preservation and
	implementation of development plans that impact historic
	buildings.
	No comprehensive set of historic or other design guidelines
	exist for Downtown, (although the 2001 Downtown
	Development Plan has a start).
Threats	Children and younger generations are not aware of the
	community's heritage and significance of its historic buildings.
	The 2001 Downtown Development Plan lists historic
	preservation as a primary policy, but preservation is not fully
	integrated as a Downtown revitalization method in other City
	plans.
Source/Ref.	Preservation Development Assessment Report, National Trust for
Information	Historic Preservation; 2001 Downtown Development Plan.

Asset	Pontiac has a rich, urban heritage that can help to restore its current image.
Opportunity	<ul> <li>To create a positive, big city image that is unique to Pontiac within Oakland County.</li> <li>A central location in the County gives high visibility for communicating or branding a new and improved image for Pontiac.</li> <li>A great capacity for expanded development in the housing, retail, commercial and industrial sectors.</li> <li>Increase contributions to homeless shelters while decreasing the incidents of panhandling in the downtown district by methods such as collecting loose change at retail establishments and earmarking these revenues for homeless shelters and making it a misdemeanor to give money to people on the street.</li> </ul>
Strengths	<ul> <li>There are elements of both historic assets and progressive new development to help recreate the City's image.</li> <li>Surrounding communities have established very positive images but are still very different from, and cannot complete with, Pontiac's potential.</li> <li>The cost of image improvements can quickly be offset by increased tax revenues from new development.</li> </ul>
Weaknesses	<ul> <li>A high percentage of homeless and under-resourced individuals within Oakland County are gathered in Pontiac.</li> <li>Downtown area is often stigmatized by panhandlers.</li> <li>There are a lack of codes and design guidelines to assist in creating a new image.</li> <li>There are limited media resources to properly promote a new Pontiac image.</li> </ul>

Threats	<ul> <li>There is reluctance if not outright opposition in other Oakland County communities to commit resources to the underserved and homeless population in Pontiac. Yet the problem is regional and needs a regional solution.</li> <li>Pontiac may suffer from its close proximity to Detroit and its struggles.</li> </ul>
Source/Ref. Information	www.city-image.com Preservation Development Assessment Report, National Trust for Historic Preservation, 2004. City of Pontiac-Downtown Commercial and Residential Inventory, Summer 2007.

Asset	There is an attitude of inclusion and social welfare in Pontiac.
Opportunity	Twenty-two percent of the population in Pontiac lives in poverty and the homeless population may well be the highest in the County. Yet all metropolitan regions have places with these challenges and Pontiac has long been more open and accepting of the social responsibility to help those with special needs. This underserved population could be an opportunity to enrich the lives of those who help as well as those who receive help.
Strengths	<ul> <li>There is a long history of addressing social needs in the community.</li> <li>Pontiac has long been associated with special services such as the state asylum and rescue missions and drug rehabilitation centers.</li> </ul>
Weaknesses	<ul> <li>Surrounding communities have been known to take advantage of Pontiac's willingness to treat the homeless and disenfranchised.</li> <li>There is inadequate effort with other Oakland County communities to address these issues which extend beyond Pontiac, but often seem to land on Pontiac's doorstep.</li> </ul>
Threats	Without sufficiently addressing these social issues, Pontiac can suffer from an image of being overrun with social ills.
Source/Ref. Information	www.city-image.com Preservation Development Assessment Report, National Trust for Historic Preservation, 2004

# 7. Healthy, Safe, Attractive Neighborhoods

## **Background**

The role of providing quality neighborhoods is of the utmost importance for growing in the New Economy. A city cannot create New Economy job growth without talented young professionals and productive young families and a city cannot attract talented professionals and families without quality neighborhoods. The relationship between placemaking, the New Economy, Smart Growth and quality of life all come down to providing healthy, safe and attractive neighborhoods. While much work has already been done to assess the condition, needs and opportunities for improving Pontiac's existing neighborhoods, this section of the Working Paper aims to identify synergistic opportunities for improving neighborhoods while fostering economic growth.

#### **Key Challenges**

The socioeconomic disparities that exist between the City of Pontiac and the rest of Oakland County have placed undue burden on the neighborhoods of Pontiac. Twenty-two percent of Pontiac residents are living in poverty and nearly fifty percent of households are renters who can't afford new market rate homes. <sup>16</sup> See Tables 13 and 14. Single family residential housing units in Pontiac represent approximately 65% of the housing stock (17,332 units) however nearly 25% of the single family housing inventory is renter occupied. <sup>17</sup> As of 2005, 57% of Pontiac's housing stock was between 48 and over 68 years of age. <sup>18</sup> Social and economic disadvantages, growing rental conversions and an aging housing stock have combined to cause serious blight in local neighborhoods.

Table 13 -- Housing Occupancy and Tenure Pontiac, Oakland County, and Region 2000

	Pontiac	Oakland County	SEMCOG Region
Occupied Housing (percent of total housing)	92.0	95.8	94.5
Owner Occupied (percent of occupied housing)	52.8	74.8	71.8
Renter Occupied (percent of occupied housing)	47.2	25.2	28.2
Vacant Housing (percent of total housing)	8.0	4.2	5.5

Source: McKenna and Associates. 2007 City of Pontiac, Comprehensive Plan Update

<sup>&</sup>lt;sup>16</sup> Pontiac Citywide Housing Market Study (2004) SmithGroup with assistance from McDuffee+Partners, LLC and J.F. Morgan & Associates Inc.

<sup>&</sup>lt;sup>17</sup> Pontiac Citywide Housing Market Study (2004) SmithGroup with assistance from McDuffee+Partners, LLC and J.F. Morgan & Associates Inc.

<sup>&</sup>lt;sup>18</sup> US Census Bureau, SEMCOG

Table 13 above reveals that Pontiac's housing stock was nearly 50:50 owner and renter occupied in 2000 compared to an approximately 3 to 1 ratio in the County. Table 14 below provides a regional comparison of home values in Oakland County. The average housing cost in Pontiac is over \$40,000 less than the rest of the County.

Table 14 -- Average Housing Cost Pontiac, Surrounding Communities and Oakland County, 2005

	Oaklan d County	Pontiac	Bloomfiel d Township	Auburn Hills	Lake Angelus	Waterfor d Twp.	Sylvan Lake
Owner- Occupie d Value	\$247,33	\$104,69 6	\$418,851	\$176,32 8	\$2,650,00 0	\$187,328	\$245,29 8
Median Rent	\$707	\$554	\$905	\$749	\$950	\$625	\$779

Source: McKenna and Associates. 2007 City of Pontiac, Comprehensive Plan Update

Beyond housing, several elements or healthy, safe communities are missing. Walkability along major thoroughfares and pedestrian connections to the Downtown area are woefully neglected. According to a recent report, almost half of Pontiac households do not own a car. The City has made cuts to recreation programs and the police force. As a result public parks are in poor condition, there are no youth recreation programs and safety is a growing concern. Schools are a primary issue in this respect as well. The quality of schools plays a major role in real estate markets and is a determinant of the type of residents a place attracts.

#### **Key Assets**

Affordable housing is one of Pontiac's most important assets and is becoming an issue of growing regional importance in Oakland County. The strong growth in both commercial and residential sectors has placed home ownership out of the price range for many new potential employees in several locations within the County. Low land values around high-quality natural amenities in Pontiac have already seen investment. Despite the generally depressed real estate market, housing starts are the highest in 20 years<sup>20</sup> with 1766 permits issued between 2001 and 2005. Innovative partnerships with non-profit and religious organizations are helping fulfill the need for equitable housing. Lighthouse, Venture, Habitat for Humanity, Oakland Homes and Pontiac Housing Commission and other organizations have helped supply 12 emergency shelters, 10 transitional facilities and 18 permanent supportive housing units within City limits to service low-income populations.

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<sup>&</sup>lt;sup>19</sup> Pontiac Citywide Housing Market Study (2004) SmithGroup with assistance from McDuffee+Partners, LLC and J.F. Morgan & Associates Inc. Although U.S. Census Bureau statistics (ACS 2006) report a much lower figure of 13 %

<sup>&</sup>lt;sup>20</sup> Pontiac Citywide Housing Market Study (2004) SmithGroup with assistance from McDuffee+Partners, LLC and J.F. Morgan & Associates Inc.

<sup>&</sup>lt;sup>21</sup> City at a Crossroad – part 2 – Housing Boom (October 24, 2005) Doug Henze, The Oakland Press

Historic neighborhoods are also one of Pontiac's best assets. Seminole Hills District, Franklin Boulevard District, Modern Housing Commission District and the Fairgrove District all maintain housing improvement and neighborhood investment opportunities. Historic recognition, coupled with extensive planning studies position these neighborhoods for federal, state and regional funding assistance.

Several parks and natural amenities can and should play a large role. A concentration of the community's best parks and natural features are located nearby and provide some of the highest potential to improve connectivity to the region and Downtown, improve recreation, and create a safe and healthy environment. Redevelopment oriented around recreation and natural assets such as The Greens of Crystal Lake and Crystal Lake Fairways at the Pontiac Municipal Golf Course is a leading local example of how natural assets can be leveraged.

### **Opportunities**

The many challenges and opportunities that exist make prioritization for neighborhood improvement a difficult task. A balanced effort is necessary. The City should foster neighborhood investment by capturing market forces. The Citywide Housing Market Study completed in 2004, states that Pontiac can build and absorb 824 housing units annually and should establish a goal of implementing 8000 new housing opportunities by 2014 to maximize market potential. Driving these market forces towards strategic areas of reinvestment presents exciting opportunities. Targeted redevelopment along pedestrian corridors and in historic neighborhoods with win-win opportunities to address blight, crime and other safety issues should be considered. Table 15 presents assets and opportunities for healthy, safe and attractive neighborhoods in Pontiac.

Table 15 -- Assets & Opportunities Healthy, Safe, Attractive Neighborhoods

Asset	Historic Neighborhoods
Opportunity	Pursue all available federal, state and local financial incentives to support targeted neighborhood preservation and improvements in historic districts.
Strengths	<ul> <li>High-quality neighborhood historic districts:         <ul> <li>Franklin Historic District</li> <li>Modern Housing Corporation Addition Historic District</li> <li>Fairgrove Historic District.</li> </ul> </li> <li>Past planning efforts create a strong foundation to competitively pursue diverse financial resources to the maximum extent possible in order to promote home and neighborhood improvement as well as ownership.</li> <li>Well-built, aesthetically pleasing historic homes.</li> <li>Adaptability of structures to serve ownership and rental needs as well as neighborhood commercial, office and service needs.</li> <li>Proximity and connection to Downtown.</li> <li>Proximity to neighborhood amenities such as parks and natural</li> </ul>

	features.
Weaknesses	<ul> <li>Home maintenance and poor upkeep of rental units.</li> <li>Inadequate landlord and homeowner accountability.</li> <li>Lack of public involvement and citizen lead neighborhood improvement initiatives.</li> <li>Comprehensive zoning strategies that implement planning and study recommendations.</li> </ul>
Threats	<ul> <li>Lack of code enforcement and on-sale inspection of housing units.</li> <li>Healthy living environments free of environmental contamination such as lead paint and asbestos.</li> <li>Crime and safety can overshadow improvement efforts.</li> <li>Poor public education system will drive away new families.</li> </ul>
Source/Ref. Information	<ul> <li>Citywide Housing Study, City of Pontiac (2004) Smith Group with the assistance of McDuffee+Partners, LLC &amp; J.F. Morgan &amp; Associates, Inc.</li> <li>Pontiac 2010: A New Reality, Chapter One Residential Area Land Use Policies, (1991) City of Pontiac.</li> </ul>

Asset	Police and Public Safety
Opportunity	Foster the creation of highly visible, well-organized grass-roots public safety programs in order to improve coordination, cooperation and respect between City safety agencies and residents.
Strengths	<ul> <li>Concerned citizen leaders who want to play a larger role in making the community safer.</li> <li>Strong religious organizations.</li> <li>Improved accountability from both sides.</li> <li>Win-win scenario for public involvement that improves crime fighting and meets an unmet capacity in the police force.</li> <li>Strong need for neighborhood code enforcement.</li> </ul>
Weaknesses	<ul> <li>Poor relations between public protection agencies and residents.</li> <li>Lack of involvement from public.</li> <li>Neighborhood code enforcement.</li> </ul>
Threats	<ul> <li>Lack of trust.</li> <li>High-profile crime masks overall crime fighting improvements.</li> <li>Lack of holistic public involvement from residents, schools and businesses.</li> </ul>
Source/Ref. Information	Pontiac Town Meetings, September and October 2007, see Working Paper #2.

Asset	Successful Community-based Housing and Improvement Initiatives
Opportunity	Build on relationships with non-profit and religious entities that

	have a successful track record on building affordable and		
	subsidized housing.		
Strengths	<ul> <li>Successful partners with a proven track record of implementing for-sale and rental homes to low-income residents:         <ul> <li>Lighthouse</li> <li>Venture</li> <li>Habitat for Humanity</li> <li>Oakland Homes</li> <li>Pontiac Housing Commission.</li> </ul> </li> <li>Publicly owned properties.</li> <li>Public finance techniques and available support resources.</li> </ul>		
Weaknesses	<ul> <li>Unmet demand for Section 8 housing and other low-income housing options.</li> <li>High proportion of low-income residents.</li> <li>Lack of formal coordination and partnership.</li> </ul>		
Threats	<ul> <li>Heavy burden on the City of Pontiac to provide subsidized housing.</li> <li>Increase in poverty and failure to provide economic opportunities to area residents in need.</li> <li>Old age of existing housing structures.</li> <li>Rental conversions and poor landlord relations.</li> </ul>		
Source/Ref. Information	Pontiac Citywide Housing Market Study (2004), SmithGroup with assistance from McDuffee+Partners, LLC and J.F. Morgan & Associates Inc.		

Asset	Range of Housing Types and Prices
Opportunity	Create a comprehensive strategy that builds off successful projects, housing studies, planning efforts and existing neighborhood assets to implement housing types and prices in areas where they will be the most successful and supportive of existing neighborhood uses.
Strengths	<ul> <li>Diverse housing stock already exists with residents who have diverse socio-economic characteristics.</li> <li>The market is predicted to foster a balance of new ownership (689 units annually) and rental options (135 units annually).</li> <li>Planning and analysis is already complete and a Comprehensive Plan update is currently underway.</li> <li>Regional property values and housing options are incapable of attracting the level of diversity that can be accommodated by Pontiac.</li> </ul>
Weaknesses	<ul> <li>Age of existing housing stock.</li> <li>Concentrated areas of neighborhood deterioration around the downtown area and in some historic neighborhoods.</li> </ul>
Threats	<ul><li>Crime and safety.</li><li>Decline in regional economic performance.</li></ul>

	<ul> <li>Not making the jobs and housing connection necessary to devise and implement successful strategies.</li> </ul>
Source/Ref. Information	Pontiac Citywide Housing Market Study (2004), SmithGroup with assistance from McDuffee+Partners, LLC and J.F. Morgan & Associates Inc.

Asset	Parks, Schools, Commercial Nodes and other Neighborhood
ASSEL	Amenities
Opportunity	Identify pedestrian connections between parks, schools, and well-performing neighborhood service nodes (i.e. grocery store, saloon and restaurant in close proximity that support each others businesses and the community) and target resources to support improvement in these areas.
Strengths	<ul> <li>Cluster of the cities best parks and natural resources are near neighborhoods with the highest reinvestment potential in the southwest portion of the City:         <ul> <li>Crystal Lake and Crystal Lake Park</li> <li>Pontiac Municipal Golf Course</li> <li>Beaudette Park</li> <li>Dawson's Mill Pond</li> <li>Rotary Park</li> <li>Bagely &amp; Brush Park</li> <li>Clinton River Trail</li> <li>Concentrated publicly owned property.</li> </ul> </li> <li>Small chain of lakes and green infrastructure combined with schools along the Montcalm St and Caesar Chavez Avenue Corridors:         <ul> <li>Osmun, Terry and Harris Lake.</li> <li>North Kiwanis Park, Aaron Perry Park and Oakland Park.</li> </ul> </li> <li>Regional green infrastructure connections along the Clinton River and trails within and near the City.</li> <li>Historic schools are well connected to existing neighborhoods.</li> </ul>
Weaknesses	<ul> <li>Lack of connectivity to Downtown.</li> <li>Poor maintenance of pedestrian infrastructure.</li> <li>Quality and safety of public parks and pocket parks.</li> <li>Land assembly.</li> <li>Fiscal feasibility.</li> <li>New schools are poorly connected to neighborhoods.</li> <li>Strip commercial development along major transportation corridors.</li> </ul>
Threats	<ul> <li>High-profile crime.</li> <li>Poor maintenance of homes.</li> <li>Lack of lighting and safety measures.</li> <li>Universal accessibility.</li> </ul>

	Development in and adjacent to downtown that further decreases pedestrian connectivity to the rest of the city.
Source/Ref. Information	Map of Pontiac, by the Pontiac Regional Chamber of Commerce.

#### 8. Quality Community Services

#### Background

One of the most distinguishing characteristics of living in a mature city compared to a suburban township or a village, is the full extent of quality community services that are usually provided. This means at least paved streets, sanitary and stormwater sewer service, water service, police, fire, ambulance, parks and recreation services. The whole host of private services like cable television, natural gas, electricity, telephone, and waste pick up are also available. When a city starts to diminish the number and/or quality of these services and does not reduce the taxes used to pay for them, citizens often feel they are treated unfairly, and businesses which depend on those services have one more reason to look elsewhere.

New Economy communities recognize that higher density is necessary to attract talent, and that means a high level of public services must also be available.

#### **Key Challenges**

Revenue growth from fees and taxes at a slower speed than growth in expenses is a characteristic of almost all large older cities. See Table 16. Over a period of time, budget cuts diminish the quality of municipal services. At some point, citizens begin to broadly question whether the cost of those services in the form of property and income taxes is worth the value of the diminished services they receive. When it no longer is, and if they have the fiscal means to move, they do. Losing the residents with the means to move increases the relative number of those with fewer means, making it more difficult to raise the revenues necessary to provide quality services.

This cycle is hard to beat. It requires creative examination of public service provision, exploration of new partnerships and a dedication to restoring and then improving the quality of any services already diminished if the community wants to compete in the New Economy.

Table 16 -- Comparison of Expenses, City of Pontiac, 2005 & 2006

Expenses	2005	2006
General Government	15%	17%
Public Safety	29%	34%
Public Works	22%	14%
Community & Human	6%	5%
Services		
Interest	1%	2%
Total Business-type	27%	28%

Source: Pontiac City website, Oct. 2007.

#### **Key Assets**

The biggest assets Pontiac has here are the large amounts of undeveloped, or underutilized land in and near the Downtown. A well executed strategy to broker quality

dense development of this land will bring in needed new revenues to pay for improvements to City services. Many of the other strategies recommended in this Working Paper have the potential to improve the quality of the built environment and amount of revenue possible from new development. But failure to first stop the decline in the number and quality of City services will only exacerbate the efforts of those to bring quality new development to Pontiac.

Dissatisfied citizens is also an asset in this regard. When citizens hold elected officials accountable for diminished service quality, then the stage is set for serious discussions on alternatives to retain service at lower cost. Pontiac citizens appear ready to start asking these questions more frequently and holding their elected officials accountable for their decisions.

#### **Opportunities**

Following in Table 17, are five opportunities the City could pursue to maintain quality urban services.

Table 17 -- Assets & Opportunities
Quality Community Services

Asset	A complete and integrated street system.
Opportunity	<ul> <li>While the New Economy is connected by high tech communications, the transition to the New Economy will still depend on traditional means of transport. That means a City cannot afford to ignore the importance of maintaining the street system as a most basic city service.</li> <li>Make proper street maintenance a priority.</li> <li>Integrate street maintenance with other transportation improvements.</li> </ul>
Strengths	<ul> <li>As with all large older cities, Pontiac has a mature grid pattern street system. This is a major asset in that efficient public access is already available throughout the community.         <ul> <li>However, the system needs a higher level of maintenance in order to meet the needs of citizens and businesses. If the potholes are not promptly filled, and streets periodically repaved, if the streets are not clean and quickly plowed, it sends the message to those that want to open or retain businesses in the City, that the City doesn't care. No one likes to invest in a place where their investment is at risk because essential city services are not being maintained.</li> </ul> </li> <li>What few additional streets the City will need, can be created as part of the development/redevelopment process.</li> </ul>
Weaknesses	Once a city falls behind on road maintenance, the costs start to rise sharply and it becomes ever more difficult to get back on top of the issue.

Threats	The biggest threat is delaying making street maintenance a higher priority because of the high costs of catch-up.
Source/Ref.	Road Engineering for Development by Richard Robinson & Bent
Information	Thagesen, 2004, Taylor & Francis.

Asset	Desire for fixed rail service from Pontiac to Detroit that is
	integrated with better transit services at both ends.
Opportunity	<ul> <li>Several suburban communities are actively engaged in serious examination of the feasibility of running fixed rail service between Pontiac and Detroit. If this results in new regular service between these communities, Pontiac could only benefit.</li> <li>Pontiac residents would have another quick travel option to Detroit for work, business, entertainment and shopping.</li> <li>Pontiac residents would have a new quick travel option to additional job opportunities.</li> <li>Detroit and suburban residents would have a new quick travel option to entertainment and job opportunities in Pontiac.</li> </ul>
Strengths	<ul> <li>Pontiac is the center of Oakland County. It's location is perfect as a destination location for fixed rail service to Detroit. Service would substantially improve the prospects for a market for higher density housing in the Pontiac Downtown and other stopping points along the line.</li> <li>The Pontiac Downtown is an urban anchor which makes it a strong end point for a fixed rail line.</li> </ul>
Weaknesses	Financing will have to come from outside of Pontiac as the City is not presently positioned to be a major financial partner in such an operation.
Threats	That the opportunity will fall apart if the City does not actively participate.
Source/Ref.	http://www.hometown.aol.com/motranzit/page3.html
Information	

Asset	Mature neighborhood parks system.			
Opportunity	One of the key prerequisites for the New Economy is quality			
	places for people to live. One of the highest elements of			
	importance to New Economy workers is easy access to connected			
	open spaces. The City has a large park system that extends to all			
	parts of the City and has great potential for interconnecting parks			
	through bicycle and trail systems, as well as opportunities to			
	connect to trails throughout the region.			
Strengths	The City has 24 parks. The Clinton River Trail comes into the City			
	and the West Bloomfield Trail abuts the City. The Polly Ann Trail			
	and Paint Creek Trail are nearby.			
Weaknesses				
	addition to eliminating important recreational opportunities for			

	existing youth in the City, it sends a negative message to young families considering moving to the City since the youth recreation programs in abutting jurisdictions are very strong.
Threats	In order to meet mounting fiscal pressures, the City will consider further reducing maintenance in parks, or worse, selling parkland. This is like selling the family jewels, something that should almost never be done.
Source/Ref. Information	The Quality of Life Agenda by Fred Siegel and Will Marshall, Blueprint Magazine, Sept. 1, 2000.

Asset	A complete public sewer and water system.				
Opportunity	Development in many surrounding jurisdictions is limited by the				
	availability of public water or sewer or both. Pontiac has both				
	public sewer and water readily available for new development or				
	redevelopment.				
Strengths	Considerable existing sewer and water infrastructure with				
	excess capacity.				
Weaknesses	Most abutting jurisdictions also have these services available,				
	but perhaps not so easily or cheaply in some situations.				
Threats	Forgetting that much higher density, a basic tenet of Smart				
	Growth, depends on public sewer and water and that higher				
	density not only leads to higher value development, but also				
	less sprawl. The City will benefit from much higher diversity,				
	especially along transit lines.				
Source/Ref.	Smart Growth & the Clean Water Act;				
Information	www.nemw.org/SGCleanWater.pdf				

Asset	Comprehensive public safety services.
Opportunity	Another New Economy requirement for quality communities is public safety. People won't move to a community that they feel unsafe in, nor will they remain in one that becomes unsafe; if they have the means to move. Since the City already has police and fire safety services, it has a competitive advantage over those places in the County without those services.  • Create and maintain a safe environment for families and businesses.  • Maintain a high level of police and fire service.
Strengths	<ul><li>Existing police and fire services.</li><li>High positive reputation of the fire department among citizens.</li></ul>
Weaknesses	<ul> <li>Large cuts in recent years to the police department resulting in much slower response times to requests for assistance.</li> <li>Negative reputation of the police department in recent years as the force has been slashed in size.</li> </ul>
Threats	Failure to recognize the importance of a high level of public safety services to a New Economy community.

Source/Ref.	Environment, Quality of Life and Urban Growth in the New
Information	Economy, Joel S. Hirschorn, 2001, John Wiley & Sons, Inc.

Asset	Several lakes within the City limits.
Opportunity	<ul> <li>Many citizens at the Town Meetings suggested giving more prominence to the lakes within the City for a variety of reasons:</li> <li>To associate clean lakes with the City's image,</li> <li>To provide the public with greater visual access to the lakes,</li> <li>To provide the public with greater physical access to the lakes,</li> <li>To provide the public with trails and bicycle paths that connect public parks on the lakes.</li> </ul>
Strengths	The City already has park and recreation facilities on some of the lakes, and some visual access to others.
Weaknesses	Significant expense is associated with acquisition of public lakefront property and with trail systems to connect them, but nonprofit conservancies, park and recreation authorities have also been very successful in this regard in other parts of the state and nation.
Threats	High cost will deter leadership and initiative in this arena.
Source/Ref. Information	The Public Waterfront; www.nyswaterfronts.com/waterfront_public.asp

#### 9. Leveraging Partnerships

#### Background

This category focuses on existing and potential opportunities to expand partnerships between the City and others interested in seeing the City succeed. These include partners in both the public and private sectors, and neighbors and newcomers.

#### **Key Challenges**

When the challenges seem greater than the opportunities, it is often necessary to focus on the challenge at hand and miss opportunities at another scale, which if pursued, could help pull the City out of its economic doldrums. With the recent budget cuts and diminishing revenue situation, the need for more revenues is ever more present. But the option of raising taxes is very difficult. While Pontiac's total property tax rate is lower than 150 other cities in Michigan, it is one of only 23 cities that also levies an income tax.

Revenues not keeping pace with rising costs of public services is not a situation unique to Pontiac. Table 18 below shows part of the trend on the revenue side created by the change in state equalized value of the various classes of property as taxed in Michigan, in both Oakland County as a whole, and in Pontiac for 2000, 2005 and 2007. The state equalized value of property is used as the basis for applying local tax rates which in turn results in local property taxes.

Table 18 shows that while commercial tax base in the City has risen from 22.7% to 25.85% of the total tax base, the residential portion of the tax base has fallen from 62.37% to 57.49% of the tax base. Normally it is good to shift out of residential to more commercial and/or industrial tax base, but the commercial class also includes singles family rentals and multiple family and there is a growing concern that too much of the tax base is rental. Industrial tax base has grown slightly during this period. All three tax classes grew in Pontiac while the commercial and industrial tax classes fell in Oakland County during this period. However, because of the combined effects of Proposal A and the Headlee Amendment, the City was unable to capture all the tax potential from the valuation increase. In addition, with costs rising faster than revenues, the tax increases from "old" property don't help much, only new taxes on "new" property or taxes on new owners on "old" property help, because the taxes are applied on the value of the property as just purchased.

Pontiac general fund revenues fell 17.9% from 2000 to 2005; that is the third highest fall in the state among large cities. With a per capita income that is about half that of Oakland County as a whole, and with 22 % of the City's population in poverty in 2006, Pontiac can ill afford to raise income or property taxes. That leaves property taxes on new development as the principal source of new revenues. Many of the other strategy categories identify opportunities for new development, however, the chances for success will increase dramatically if the City's efforts are leveraged in partnership with others.

Table 18
Comparison of State Equalized Value in Pontiac and Oakland County
For 2000, 2005 and 2007

	2000	PONTIAC	% TOTAL	OAKLAND	%TOTAL		
Α	GRICULTURE	\$0	0.00%	\$133,294,620	0.28%		
С	OMMERCIAL	\$202,825,552	22.70%	\$8,860,269,915	18.48%		
IN	IDUSTRIAL	\$133,343,090	14.93%	\$3,018,125,108	6.29%		
R	ESIDENTIAL	\$557,212,775	62.37%	\$35,706,691,127	74.47%		
Т	MBER CUT-OVER	\$0	0.00%	\$0	0.00%		
D	EVELOPMENTAL	\$0	0.00%	\$227,728,500	0.47%		
		\$893,381,417	100.00%	\$47,946,109,270	100.00%		
	2005	PONTIAC	% TOTAL	OAKLAND	%TOTAL		
Α	GRICULTURE	\$0	0.00%	\$286,532,300	0.41%		
	OMMERCIAL	\$425,695,140	26.59%	\$12,373,303,295	17.86%		
	IDUSTRIAL	\$277,635,050	17.34%	\$4,369,825,460	6.31%		
	ESIDENTIAL	\$897,642,060	56.07%	\$52,230,680,064	75.39%		
	MBER CUT-OVER	\$0	0.00%	\$0	0.00%		
	EVELOPMENTAL	\$0	0.00%	\$22,920,650	0.03%		
_	LVLLOI IIILIVIAL	\$1,600,972,250	100.00%	\$69,283,261,769	100.00%		
		ψ1,000,012,200	100.0070	<del>+++++++++++++++++++++++++++++++++++++</del>	100.0070		
	2007	PONTIAC	% TOTAL	OAKLAND	%TOTAL		
	2007 GRICULTURE	\$0	% TOTAL 0.00%				
	OMMERCIAL	\$443,096,240	25.85%	\$148,258,260 \$12,927,621,440	0.20% 17.66%		
	IDUSTRIAL	\$285,518,510	16.66%	\$4,532,903,170	6.19%		
	ESIDENTIAL						
		\$985,234,210	57.49%	\$55,590,024,968	75.94%		
	MADED OUT OVER						
	IMBER CUT-OVER	\$0	0.00%	\$0	0.00%		
	IMBER CUT-OVER EVELOPMENTAL	\$0	0.00%	\$0	0.00%		
		•					
		\$0 \$1,713,848,960	0.00%	\$0 \$73,198,807,838	0.00%	~ ~~~~	~ ~~~~
		\$0 \$1,713,848,960 PONTIAC	0.00% 100.00% PONTIAC	\$0 \$73,198,807,838 <u>% CHANGE</u>	0.00% 100.00% PONTIAC	% CHANGE	
D	EVELOPMENTAL	\$0 \$1,713,848,960 PONTIAC 2000	0.00% 100.00% PONTIAC 2005	\$0 \$73,198,807,838 <u>% CHANGE</u> 2000-2005	0.00% 100.00% PONTIAC 2007	2005-2007	2000-2007
D	EVELOPMENTAL	\$0 \$1,713,848,960 PONTIAC 2000 \$0	0.00% 100.00% PONTIAC 2005 \$0	\$0 \$73,198,807,838 <u>% CHANGE</u> 2000-2005 0.00%	0.00% 100.00% PONTIAC 2007 \$0	<b>2005-2007</b> 0.00%	<b>2000-2007</b> 0.00%
A C	GRICULTURE OMMERCIAL	\$0 \$1,713,848,960 PONTIAC 2000 \$0 \$202,825,552	0.00% 100.00% PONTIAC 2005 \$0 \$425,695,140	\$0 \$73,198,807,838 <u>% CHANGE</u> 2000-2005 0.00% 109.88%	0.00% 100.00% PONTIAC 2007 \$0 \$443,096,240	2005-2007 0.00% 4.09%	2000-2007 0.00% 118.46%
A C IN	GRICULTURE OMMERCIAL IDUSTRIAL	\$0 \$1,713,848,960 PONTIAC 2000 \$0 \$202,825,552 \$133,343,090	0.00% 100.00% PONTIAC 2005 \$0 \$425,695,140 \$277,635,050	\$0 \$73,198,807,838 <b>% CHANGE</b> <b>2000-2005</b> 0.00% 109.88% 108.21%	0.00% 100.00% PONTIAC 2007 \$0 \$443,096,240 \$285,518,510	2005-2007 0.00% 4.09% 2.84%	2000-2007 0.00% 118.46% 114.12%
A C IN R	GRICULTURE OMMERCIAL IDUSTRIAL ESIDENTIAL	\$0 \$1,713,848,960 PONTIAC 2000 \$0 \$202,825,552 \$133,343,090 \$557,212,775	0.00% 100.00% PONTIAC 2005 \$0 \$425,695,140 \$277,635,050 \$897,642,060	\$0 \$73,198,807,838 % CHANGE 2000-2005 0.00% 109.88% 108.21% 61.10%	0.00% 100.00% PONTIAC 2007 \$0 \$443,096,240 \$285,518,510 \$985,234,210	2005-2007 0.00% 4.09% 2.84% 9.76%	2000-2007 0.00% 118.46% 114.12% 76.81%
A C IN R	GRICULTURE OMMERCIAL IDUSTRIAL ESIDENTIAL MBER CUT-OVER	\$0 \$1,713,848,960 PONTIAC 2000 \$0 \$202,825,552 \$133,343,090 \$557,212,775 \$0	0.00% 100.00% PONTIAC 2005 \$0 \$425,695,140 \$277,635,050 \$897,642,060 \$0	\$0 \$73,198,807,838 <b>% CHANGE</b> 2000-2005 0.00% 109.88% 108.21% 61.10% 0.00%	0.00% 100.00% PONTIAC 2007 \$0 \$443,096,240 \$285,518,510 \$985,234,210 \$0	2005-2007 0.00% 4.09% 2.84% 9.76% 0.00%	2000-2007 0.00% 118.46% 114.12% 76.81% 0.00%
A C IN R	GRICULTURE OMMERCIAL IDUSTRIAL ESIDENTIAL	\$0 \$1,713,848,960 PONTIAC 2000 \$0 \$202,825,552 \$133,343,090 \$557,212,775 \$0 \$0	0.00% 100.00% PONTIAC 2005 \$0 \$425,695,140 \$277,635,050 \$897,642,060 \$0	\$0 \$73,198,807,838 % CHANGE 2000-2005 0.00% 109.88% 108.21% 61.10%	0.00% 100.00% PONTIAC 2007 \$0 \$443,096,240 \$285,518,510 \$985,234,210 \$0 \$0	2005-2007 0.00% 4.09% 2.84% 9.76%	2000-2007 0.00% 118.46% 114.12% 76.81%
A C IN R	GRICULTURE OMMERCIAL IDUSTRIAL ESIDENTIAL MBER CUT-OVER	\$0 \$1,713,848,960 PONTIAC 2000 \$0 \$202,825,552 \$133,343,090 \$557,212,775 \$0	0.00% 100.00% PONTIAC 2005 \$0 \$425,695,140 \$277,635,050 \$897,642,060 \$0	\$0 \$73,198,807,838 <b>% CHANGE</b> 2000-2005 0.00% 109.88% 108.21% 61.10% 0.00%	0.00% 100.00% PONTIAC 2007 \$0 \$443,096,240 \$285,518,510 \$985,234,210 \$0	2005-2007 0.00% 4.09% 2.84% 9.76% 0.00%	2000-2007 0.00% 118.46% 114.12% 76.81% 0.00%
A C IN R	GRICULTURE OMMERCIAL IDUSTRIAL ESIDENTIAL MBER CUT-OVER	\$0 \$1,713,848,960 PONTIAC 2000 \$0 \$202,825,552 \$133,343,090 \$557,212,775 \$0 \$0	0.00% 100.00% PONTIAC 2005 \$0 \$425,695,140 \$277,635,050 \$897,642,060 \$0	\$0 \$73,198,807,838 <b>% CHANGE</b> 2000-2005 0.00% 109.88% 108.21% 61.10% 0.00%	0.00% 100.00% PONTIAC 2007 \$0 \$443,096,240 \$285,518,510 \$985,234,210 \$0 \$0	2005-2007 0.00% 4.09% 2.84% 9.76% 0.00% 0.00%	2000-2007 0.00% 118.46% 114.12% 76.81% 0.00% 0.00%
A C IN R	GRICULTURE OMMERCIAL IDUSTRIAL ESIDENTIAL MBER CUT-OVER	\$0 \$1,713,848,960 PONTIAC 2000 \$0 \$202,825,552 \$133,343,090 \$557,212,775 \$0 \$0	0.00% 100.00% PONTIAC 2005 \$0 \$425,695,140 \$277,635,050 \$897,642,060 \$0	\$0 \$73,198,807,838 <b>% CHANGE</b> 2000-2005 0.00% 109.88% 108.21% 61.10% 0.00%	0.00% 100.00% PONTIAC 2007 \$0 \$443,096,240 \$285,518,510 \$985,234,210 \$0 \$0	2005-2007 0.00% 4.09% 2.84% 9.76% 0.00%	2000-2007 0.00% 118.46% 114.12% 76.81% 0.00% 0.00%
A C IN R T	GRICULTURE OMMERCIAL IDUSTRIAL ESIDENTIAL IMBER CUT-OVER EVELOPMENTAL	\$0 \$1,713,848,960 PONTIAC 2000 \$0 \$202,825,552 \$133,343,090 \$557,212,775 \$0 \$0 \$893,381,417	0.00% 100.00%  PONTIAC 2005 \$0 \$425,695,140 \$277,635,050 \$897,642,060 \$0 \$0 \$1,600,972,250	\$0 \$73,198,807,838 % CHANGE 2000-2005 0.00% 109.88% 108.21% 61.10% 0.00% 0.00%	0.00% 100.00%  PONTIAC 2007 \$0 \$443,096,240 \$285,518,510 \$985,234,210 \$0 \$0 \$1,713,848,960	2005-2007 0.00% 4.09% 2.84% 9.76% 0.00% 0.00%	2000-2007 0.00% 118.46% 114.12% 76.81% 0.00% 0.00%
A C IN R T	GRICULTURE OMMERCIAL IDUSTRIAL ESIDENTIAL MBER CUT-OVER	\$0 \$1,713,848,960 PONTIAC 2000 \$0 \$202,825,552 \$133,343,090 \$557,212,775 \$0 \$0 \$893,381,417	0.00% 100.00%  PONTIAC 2005 \$0 \$425,695,140 \$277,635,050 \$897,642,060 \$0 \$0 \$1,600,972,250	\$0 \$73,198,807,838 % CHANGE 2000-2005 0.00% 109.88% 108.21% 61.10% 0.00% 0.00%	0.00% 100.00%  PONTIAC 2007 \$0 \$443,096,240 \$285,518,510 \$985,234,210 \$0 \$1,713,848,960  OAKLAND	2005-2007 0.00% 4.09% 2.84% 9.76% 0.00% 0.00%	2000-2007 0.00% 118.46% 114.12% 76.81% 0.00% 0.00%
A C IIM R TI D	GRICULTURE OMMERCIAL IDUSTRIAL ESIDENTIAL IMBER CUT-OVER EVELOPMENTAL	\$0 \$1,713,848,960  PONTIAC 2000 \$0 \$202,825,552 \$133,343,090 \$557,212,775 \$0 \$0 \$893,381,417  OAKLAND 2000 \$133,294,620	0.00% 100.00%  PONTIAC 2005 \$0 \$425,695,140 \$277,635,050 \$897,642,060 \$0 \$1,600,972,250  OAKLAND 2005	\$0 \$73,198,807,838 % CHANGE 2000-2005 0.00% 109.88% 108.21% 61.10% 0.00% 0.00% 	0.00% 100.00%  PONTIAC 2007 \$0 \$443,096,240 \$285,518,510 \$985,234,210 \$0 \$0 \$1,713,848,960  OAKLAND 2007 \$148,258,260	2005-2007 0.00% 4.09% 2.84% 9.76% 0.00% 0.00% 	2000-2007 0.00% 118.46% 114.12% 76.81% 0.00% 0.00% 00% 
A C IN D	GRICULTURE OMMERCIAL IDUSTRIAL ESIDENTIAL IMBER CUT-OVER EVELOPMENTAL	\$0 \$1,713,848,960  PONTIAC 2000 \$0 \$202,825,552 \$133,343,090 \$557,212,775 \$0 \$0 \$893,381,417  OAKLAND 2000 \$133,294,620	0.00% 100.00%  PONTIAC 2005 \$0 \$425,695,140 \$277,635,050 \$897,642,060 \$0 \$1,600,972,250  OAKLAND 2005 \$286,532,300	\$0 \$73,198,807,838 % CHANGE 2000-2005 0.00% 109.88% 108.21% 61.10% 0.00% 0.00% 	0.00% 100.00%  PONTIAC 2007 \$0 \$443,096,240 \$285,518,510 \$985,234,210 \$0 \$1,713,848,960  OAKLAND 2007 \$148,258,260	2005-2007 0.00% 4.09% 2.84% 9.76% 0.00% 0.00% 	2000-2007 0.00% 118.46% 114.12% 76.81% 0.00% 0.00% 
A C IN A C IN	GRICULTURE OMMERCIAL IDUSTRIAL ESIDENTIAL IMBER CUT-OVER EVELOPMENTAL GRICULTURE OMMERCIAL	\$0 \$1,713,848,960  PONTIAC 2000 \$0 \$202,825,552 \$133,343,090 \$557,212,775 \$0 \$0 \$893,381,417  OAKLAND 2000 \$133,294,620 \$8,860,269,915 \$3,018,125,108	0.00% 100.00%  PONTIAC 2005 \$0 \$425,695,140 \$277,635,050 \$897,642,060 \$0 \$0 \$0 \$1,600,972,250  OAKLAND 2005 \$286,532,300 \$12,373,303,295	\$0 \$73,198,807,838  **CHANGE 2000-2005  0.00% 109.88% 108.21% 61.10% 0.00% 0.00%  **CHANGE 2000-2005  114.96% 39.65%	0.00% 100.00%  PONTIAC 2007 \$0 \$443,096,240 \$285,518,510 \$985,234,210 \$0 \$1,713,848,960  OAKLAND 2007 \$148,258,260 \$12,927,621,440	2005-2007 0.00% 4.09% 2.84% 9.76% 0.00% 0.00% • CHANGE 2005-2007 -48.26% 4.48%	2000-2007
A C IN A C IN R	GRICULTURE OMMERCIAL IDUSTRIAL ESIDENTIAL IMBER CUT-OVER EVELOPMENTAL GRICULTURE OMMERCIAL IDUSTRIAL	\$0 \$1,713,848,960  PONTIAC 2000 \$0 \$202,825,552 \$133,343,090 \$557,212,775 \$0 \$0 \$893,381,417  OAKLAND 2000 \$133,294,620 \$8,860,269,915 \$3,018,125,108	0.00% 100.00%  PONTIAC 2005 \$0 \$425,695,140 \$277,635,050 \$897,642,060 \$0 \$1,600,972,250  OAKLAND 2005 \$286,532,300 \$12,373,303,295 \$4,369,825,460	\$0 \$73,198,807,838 % CHANGE 2000-2005 0.00% 109.88% 108.21% 61.10% 0.00% 0.00% 	0.00% 100.00%  PONTIAC 2007 \$0 \$443,096,240 \$285,518,510 \$985,234,210 \$0 \$1,713,848,960  OAKLAND 2007 \$148,258,260 \$12,927,621,440 \$4,532,903,170	2005-2007 0.00% 4.09% 2.84% 9.76% 0.00% 0.00% • CHANGE 2005-2007 -48.26% 4.48% 3.73%	2000-2007
A C IN A C IN R T IN R	GRICULTURE OMMERCIAL IDUSTRIAL ESIDENTIAL IMBER CUT-OVER EVELOPMENTAL  GRICULTURE OMMERCIAL IDUSTRIAL IDUSTRIAL	\$0 \$1,713,848,960  PONTIAC 2000 \$0 \$202,825,552 \$133,343,090 \$557,212,775 \$0 \$0 \$0 \$893,381,417  OAKLAND 2000 \$133,294,620 \$8,860,269,915 \$3,018,125,108 \$35,706,691,127	0.00% 100.00%  PONTIAC 2005 \$0 \$425,695,140 \$277,635,050 \$897,642,060 \$0 \$0 \$1,600,972,250  OAKLAND 2005 \$286,532,300 \$12,373,303,295 \$4,369,825,460 \$52,230,680,064	\$0 \$73,198,807,838 **CHANGE 2000-2005 0.00% 109.88% 108.21% 61.10% 0.00% 0.00% 1.14.96% 39.65% 44.79% 46.28%	0.00% 100.00%  PONTIAC 2007 \$0 \$443,096,240 \$285,518,510 \$985,234,210 \$0 \$0 \$1,713,848,960  CAKLAND 2007 \$148,258,260 \$12,927,621,440 \$4,532,903,170 \$55,590,024,968	2005-2007 0.00% 4.09% 2.84% 9.76% 0.00% 0.00% • CHANGE 2005-2007 -48.26% 4.48% 3.73% 6.43%	2000-2007
A C IN A C IN R T IN R	GRICULTURE OMMERCIAL IDUSTRIAL ESIDENTIAL IMBER CUT-OVER EVELOPMENTAL  GRICULTURE OMMERCIAL IDUSTRIAL ESIDENTIAL IDUSTRIAL ESIDENTIAL	\$0 \$1,713,848,960 PONTIAC 2000 \$0 \$202,825,552 \$133,343,090 \$557,212,775 \$0 \$0 \$893,381,417 OAKLAND 2000 \$133,294,620 \$8,860,269,915 \$3,018,125,108 \$35,706,691,127 \$0	0.00% 100.00%  PONTIAC 2005 \$0 \$425,695,140 \$277,635,050 \$897,642,060 \$0 \$0 \$1,600,972,250  OAKLAND 2005 \$286,532,300 \$12,373,303,295 \$4,369,825,460 \$52,230,680,064 \$0 \$22,920,650	\$0 \$73,198,807,838 **CHANGE 2000-2005 0.00% 109.88% 108.21% 61.10% 0.00% 0.00% 14.96% 39.65% 44.79% 46.28% 0.00%	0.00% 100.00%  PONTIAC 2007 \$0 \$443,096,240 \$285,518,510 \$985,234,210 \$0 \$0 \$1,713,848,960  CAKLAND 2007 \$148,258,260 \$12,927,621,440 \$4,532,903,170 \$55,590,024,968 \$0	2005-2007 0.00% 4.09% 2.84% 9.76% 0.00% 0.00% *CHANGE 2005-2007 -48.26% 4.48% 3.73% 6.43% 0.00%	2000-2007

Source: Michigan Department of Treasury

#### **Key Assets**

While the City has numerous entities involved in one or more aspects of economic development under the direction of the Pontiac Economic Development Workgroup, and these entities are already engaged in various partnership efforts, more could be done. The principal asset here is the Oakland County Economic Development & Community Affairs Department. Sometimes when an asset like this is so close to home, it is overlooked. This department has one of the best economic development programs in the nation. It is located in Pontiac. An outsider has to wonder why the City even has its own economic development program instead of using the County exclusively. While the answer to that question probably has many dimensions, including local control, the fact the County is set up to provide technical assistance and not to be THE economic development entity for individual units of local government, and because of historical relationships. However, that doesn't mean that a different and perhaps even more creative relationship could not forged in the future.

#### **Opportunities**

The County Economic Development & Community Affairs Department and the potential to form new partnerships with adjoining units of local government and the private sector are the chief assets that could be explored further. Table 19 which follows, presents these opportunities in more detail.

Table 19 -- Assets & Opportunities Leveraging Partnerships

Asset	Oakland County Economic Development & Community Affairs Department
Opportunity	<ul> <li>Many urban counties have economic development departments, but few have the range of quality data and technical assistance services available to local units of government, entrepreneurs and developers alike as those available in Oakland County. Additional partnerships with the County will enormously leverage the City's assets.</li> <li>The mission of the Oakland County Economic Development &amp; Community Affairs Department is achieved by delivering exceptional, customer-focused business support and community assistance services with the highest ethical and professional standards.</li> <li>This Department already works with the City in several capacities: Economic Development Workgroup, DDA, Main Street Program, etc.; but has the potential to do much more for the City.</li> <li>If the City would ask the County to help the City hire one of the nation's best dealmakers, or at least train more of the City staff in the art of deal-making, the City would have a greater potential to capture more of the new jobs and economic development that continues to occur in Oakland County.</li> </ul>

Ctura va autila a	The College Control Francis Breakers (CC)			
Strengths	The Oakland County Economic Development & Community     Affairs Bananting and the band in the partial standard and the second standard stan			
	Affairs Department is among the best in the nation at what			
	they do. Their success is evident by many facts already cited,			
	but consider, "Oakland County was Michigan's number one			
	county for business development between 1997 and 2003,			
	with more than 10,000 new expansion projects."			
	(http://www.oakgov.com/exec/accomplishments/) Pontiac's location is			
	such that it should be capturing more of these new jobs.			
	The County already knows all the City players and all the local			
	developers as well. No other entity could come in as easily and			
	do more as quickly to jumpstart economic development in			
	Pontiac as the County could.			
	<ul> <li>Success for Pontiac is also success for the County, all the</li> </ul>			
	jurisdictions in the County want the City to succeed.			
Weaknesses	, , , , , , , , , , , , , , , , , , ,			
Weaknesses	As in all areas of expertise, especially consulting expertise,      The old actual to the consulting expertise.			
	perceived value often is overlooked if it is local. The old saw			
	that the consultant must be 50 or more miles away from town			
	in order to be perceived as having special skills. Fortunately			
	for the City, tapping the County's economic development			
	services involves nothing more than a short trip across town.			
Threats	Some cities and counties in Michigan act as if they are in			
	competition with one another, and this sometimes gets in the			
	way of effective partnerships. That appears to be perception			
	and not reality in Oakland County. The County has a strong			
	service mentality and record of service to the local			
	governments and developers in the County, and is available to			
	provide even more service to the City if requested.			
Source/Ref.	Interviews with staff of the Oakland County Economic			
Information	Development & Community Affairs Department, and the City			
	Economic Development Workgroup, October, 2007; 2006 ACS			
	Census, US Bureau of the Census; State of Michigan Cities			
	Report, MSU Land Policy Institute, Feb 1, 2007.			
L				

Asset	Others want to be partners with the City.	
Opportunity	<ul> <li>The City can attempt to reinvent itself to meet the requirements of successful communities in the New Economy, or it can spread the risks and the benefits by working cooperatively in partnership with others.</li> <li>Adjoining local governments want to work with the City.</li> <li>Developers, entrepreneurs, NGOs, state agencies and others want to work with the City and help shape its future success.</li> <li>But the City has to be more than simply receptive, it has to open its arms to working in partnership with others who share the mutual goal of improving the quality of life in the City for those who presently live there and those that are to come, not simply to those who may profit from new investments of time,</li> </ul>	

	resources and or money in the City.	
Strengths	<ul> <li>The City has a history of successfully working with the County, the state and others in partnership to improve quality of life in the City. This is a great place to build from as opportunities for future alliances present themselves.</li> <li>However, the City should not wait for others to offer partnership opportunities, it should take the initiative to strategically invite more partnerships.</li> <li>New partnerships should be formed around those initiatives that contribute to implementing the recommendations in this report, according to the priorities set by the Planning Commission, Council and Mayor in consultation with other stakeholders.</li> </ul>	
Weaknesses	Working in any partnership has a set of transaction costs associated with it (time in meetings, communication, delayed decisions, etc.). These often include both real and imagined costs. The real issue is whether as a result of the partnership, the outcome is better. In most cases where all parties are really committed to the partnership, the results are better. Where the outcome is not better, then the partnership should either be refined to be more beneficial to all, or discontinued.	
Threats	Many people fear that partnerships will dilute power or authority and they miss the benefits of synergism. The power that comes from synergistically working together is greater than the power that resides individually in any of the partners and can be directed to achieving goals that none of the partners could have achieved as well alone.	
Source/Ref. Information	http://ncppp.org/; http://www.sustainable.org/governing/partnerships.html	

#### 10. High Performance Government

#### Background

The nine previous categories of strategies focus largely on physical places or activities in which the City of Pontiac could invest time and resources to improve quality of life according to Smart Growth principles, or the ability of the City to compete in the New Economy, or both. This category focuses on institutional opportunities to help achieve the vision of the future of Pontiac embodied in the summary of the four Town Meetings in Working Paper #2. Satisfactorily addressing these institutional opportunities will not guarantee success of the initiatives associated with the other opportunities. However, failure to address the challenges behind these opportunities will either doom the other initiatives to less success or outright failure, depending on the circumstances at the time.

#### **Key Challenges**

A diminished revenue-to-expenses situation that is approaching a crisis, is a severe fiscal challenge facing Pontiac. Since most local revenues come from the property tax and property values are falling, and since there have been several years of diminished state revenue sharing, and flat local income taxes, the prospect of further declines in property tax revenues is a very unpleasant prospect. But the fiscal challenge this presents, is not necessarily the most important challenge in this strategy category. The key challenge inherent in this strategy category is how to organize political governance so that it delivers all that citizens and businesses need and deserve in this period of transition from the Old Economy to the New Economy. Like all large cities in Michigan, Pontiac political decisions are made pursuant to an institutional structure established in the City Charter. That structure is known as a "strong mayor" form of government. Citizens at the Town Meetings repeatedly questioned whether this structure is delivering all that the City needs consistent with the tax and other resources available to the City.

This is a good question that is not often asked, but is likely provoked by the difficult fiscal situation the City presently finds itself in. Severe budget cuts in police and parks and recreation services have resulted in a substantial reduction of direct services to citizens. A high level of public safety and quality parks and recreation services are among two of the most important services in communities competing against communities across the world for a place in the New Economy.

If the present institutional governance structure is not delivering a balanced budget and public services that are necessary to compete in the New Economy, and the City wishes to do so, shouldn't the institutional structure be examined for opportunities for improvement the same as any other category of challenges?

Another potential yoke is the large geographic area served by TIF districts. Since the increase in tax value can only be spent within these TIF districts, a diminished part of the City contributes dollars to the general fund. Equity may soon demand that either the

TIF area be uniformly extended to the whole City, or consideration given to radically reducing its size to target a small area like the Downtown.

#### **Key Assets**

The major external assets in this strategy category are neighboring jurisdictions:

- Pontiac is in the center of the fourth wealthiest county in the world, which is governed by a strong county executive and characterized by strong public service departments headed by skilled professionals.
- Pontiac sits among many other Oakland communities which use other institutional models for governance, including the city manager form of government.
- Pontiac is surrounded by communities with a history of solid public service provision and fiscally solvent governments.

These external assets make it comparatively easy for a City like Pontiac to reach out to neighboring jurisdictions and study their institutional structures, and learn the strengths and weaknesses of each structure, and then where appropriate, adapt new learning to improve the institutional structure for governance and service delivery decision making in Pontiac.

Internal assets presented in the Table 20 that are available to build upon include:

- Community appears open to discussion on governance options
- Despite severe fiscal problems, the City is not in receivership.

These are comparatively strong assets given the severe challenges facing the City. However, should the City fall into receivership, the opportunity to seriously debate the pros and cons of various options in this category, may well be taken out of the hands of Pontiac citizens, and elected officials, and instead placed in the hands of the receiver, the state, or both. Table 20 presents assets and opportunities to bring high performance government to Pontiac.

Table 20 -- Assets & Opportunities High Performance Government

Asset	Community Appears Open to Discussion on Governance Options	
Opportunity	Citizens at the Town Meetings have a higher expectation for leadership	
	from elected officials and for good government than they believe they	
	are presently receiving. At the same time, they believe it is time for a	
	serious discussion of other governance options, such as a city manager	
	form of government where more of the day-to-day decisions are in the	
	hands of professional administrators and that the principal responsibility	
	of elected officials is to set policy.	
	Usually disaffected citizens are simply interested in "throwing the"	
	rascals out," but Pontiac citizens at the Town Meetings were more	
	interested in improving governance in order to improve the quality of	
	decision making by bringing more highly trained professionals into	

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	<ul> <li>day-to-day management decisions.</li> <li>The City Council and Mayor could trial balloon this opportunity and</li> </ul>			
	let a civic association take the lead in learning more from			
	neighboring jurisdictions if there appeared to be support.			
	<ul> <li>MSU has Local Government specialists who could facilitate neutral</li> </ul>			
	discussions and research on this issue.			
	The Michigan Municipal League also has considerable objective			
	information on the city manager form of government.			
Strengths	The best city managers have considerable academic training and			
	experience in running cities. They usually put in place well-trained			
	professionals to lead city departments within the constraints of fiscal			
	budgets. In contrast, it is rare for a city mayor or council members to			
	have the kind of education and experience necessary to guide a			
	large urban city through the challenges of effective governance in			
	today's changing world. Can hard work and good intentions of			
	elected officials make up for a solid education and experience in city			
	management?			
	With a city manager form of government, the Mayor and City			
	Council would be freed from the challenges of day-to-day			
	administrative duties and could focus more on the principal aspect			
	of their jobs—developing public policy and leadership.			
Weaknesses	When city administration is in the hands of a Mayor and City			
	Council, the line of accountability is more direct to the people than it			
	is with a city manager.			
Threats	Many of the large jurisdictions in Oakland County have a city or			
	township manager form of government. However, this option may be			
	threatening to people who perceive that it involves a shift in power,			
	rather than a shift in responsibility. Real power under a city manager			
	form of government remains in the hands of elected officials as it			
Source/Ref.	should be, but that may not be apparent to everyone.			
Information	http://web1.msue.msu.edu/slg/;			
information	http://www.aec.msu.edu/government/index.htm;			
	http://web1.msue.msu.edu/slg/materials/intergovernmental-contracting-			
	collaboration-3-4-07.pdf; http://www.mml.org/resources/information/index.htm			
	intp://www.mmi.org/resources/information/index.mm			

Asset	Despite Severe Fiscal Problems, the City is not in Receivership	
Opportunity	As deep as the City's fiscal problems are, the Mayor and Council still	
	have the freedom to make decisions independently. As the state of	
	Michigan has demonstrated, when a city is unable or unwilling to make	
	the hard fiscal decisions and slips toward bankruptcy, the state will step	
	in and appoint a "czar" to make the hard decisions (as has occurred in	
	Ecorse, Hamtramck, Highland Park and Flint—all strong mayor forms of	
	government). This emasculates the Mayor and Council and reduces	
	them to mere figurehead status.	
	The Mayor and Council could take aggressive steps to bring in a	

	<ul> <li>leading independent fiscal expert to help "right the ship" before the City falls deeper into debt.</li> <li>The opportunity to make this decision independently may not last for much longer.</li> </ul>
Strengths	<ul> <li>The Mayor and Council can choose their own independent fiscal expert now, as opposed to having to accept one appointed by the State.</li> <li>This permits an opportunity to negotiate and debate priorities for action, rather than merely rubber stamping them.</li> </ul>
Weaknesses	Some may believe the fiscal situation is not dire enough yet and therefore that such a measure is premature. If it were seriously premature and the City acted now, the Mayor and Council could be perceived as desperate and this could undermine their authority. [However, if the action is perceived as necessary and immediate, their authority could be enhanced.]
Threats	The biggest threat is that the City's fiscal situation is actually worse than what it is presently perceived to be and that this would be revealed by a fiscal expert. The result could be being forced to address negative options sooner than would be case if the Mayor or Council did nothing until bankruptcy was imminent.
Source/Ref.	http://web1.msue.msu.edu/slg/materials/financial%20assessment%207-
Information	25-07.ppt; http://www.mackinac.org/print.aspx?ID=7860

# CHAPTER FOUR RELATIONSHIP TO THE COMPREHENSIVE PLAN UPDATE

#### What is a Comprehensive Plan?

Few of the ten strategy categories and proposed opportunities are new. Most have been offered several times over the last 15 years (and especially in the last 6 years). The fact that they came out of several different plans prepared by a variety of different highly reputable consultants attests to their importance. Part of the reason that less progress has been made on these recommendations may relate to the fact that the land use dimensions of these opportunities were not included in the 1991 Pontiac Comprehensive Plan, nor was that plan subsequently amended to include the relevant elements of all of the studies since. A comprehensive plan is the plan prepared by the Planning Commission to guide present, near term, and long term land use, infrastructure and public service decisions in the City. The time horizon for the Comprehensive Plan is 20 years and by law (Municipal Planning Act, PA 285 of 1931), it must be reviewed and if necessary updated every 5 years. The Planning Commission is presently working with a large stakeholder advisory committee to broaden understanding of, and support for recommendations in the Comprehensive Plan. This should help improve the chances for successful implementation of the Plan.

The specific elements of this Working Paper that should be considered for inclusion or reference in the Comprehensive Plan are as follows:

- 1. Those strategies and opportunities that directly relate to the scope of the Comprehensive Plan, and around which there appears to be support by the Planning Advisory Committee, the Planning Commission, city leaders and key stakeholders.
- 2. Those strategies and opportunities that relate to the independent analysis by McKenna & Associates—the consultants hired by the city to update the Comprehensive Plan.

The elements that fall into this category are likely to have the following characteristics:

- They have a physical land use, infrastructure or public service dimension, such as:
  - Proposals for specific land uses or properties (such as downtown, parks, historic structures or vacant lands);
  - Proposals for specific public facilities, such as schools, sewers or public buildings;
- They directly or indirectly support another strategy or opportunity which has a physical land use, infrastructure or public service dimension, such as:
  - New Economy proposals that relate to land use policies associated with new business formulation, location, adaptive reuse or expansion.
  - Leveraging partnerships to increase the chances of success.

In short, most of the ten strategy categories and proposed opportunities presented in this Working Paper fit directly or indirectly into these categories. That should be no surprise, as strategies and opportunities were selected for their relevance to the Comprehensive Plan and also for their consistency with Smart Growth Principles and sustainable development. Communities around the world that appear best suited to not simply adapt to the New Economy, but to also thrive in it, are those that adapt to and implement policies to make their communities "green" (energy efficient), and very livable with a high quality of life. The ten strategy categories and proposed opportunities in this Working Paper are targeted at helping Pontiac join the growing chorus of sustainable, Smart Growth, New Economy communities around the world.

#### **Next Steps**

So how does Pontiac move forward from here? The general vision of the future as derived from the four citizen Town Meetings and embodied in the second Working Paper and the ten strategy categories with specific opportunities outlined under each category in this Working Paper need to be vetted with citizens and stakeholder groups. The purpose is to find the common ground, to identify those ideas around which a consensus for action can form.

This will require facilitated dialogue with the interested/affected stakeholders. It could be led by City staff, outside consultants or other impartial observers (like academic institutions, MSU Extension, etc.). The purposes will be to:

- Educate stakeholders.
- Facilitate dialogue on the pros and cons of each strategy and opportunity
- Facilitate consensus on those strategies and opportunities around which there is support for action. These could include suggestions from beyond this report.
- Facilitate the establishment of priorities for action, including which stakeholder groups will take which actions by when and commit what resources to make their commitment become a priority.
- Supervise formal commitments to action.
- Monitor results and report on successes and failures.

The number and type of recommendations for action should generally be structured to make progress in many areas at once and to build from small actions to large ones. Building a 21<sup>st</sup> Century New Economy is not simply a responsibility of local government, but in this case, the City of Pontiac, must play a centerpiece role by providing a forum for the creation of a common vision for the future, and adopting a plan around which broad stakeholder support exists for implementation. Many more detailed plans and actions should follow, but each should be consistent with the general parameters in the Pontiac Comprehensive Plan.

The current contract the City has with McKenna & Associates does not include this next consensus building step. However, without taking this next step, the enthusiasm and knowledge gained by those stakeholders that have participated to date will be lost, and still others should be included. The City must decide soon how it will move forward to

<u>build consensus on a common course of action</u>. It should consult with the affected and interested stakeholder groups before making a decision.

While theoretically this step could be deferred until a draft of the Comprehensive Plan is completed, if it isn't initiated soon, then elements of the Comprehensive Plan will either be inconsistent with the final implementation strategy, or will have to be amended after the fact to be consistent with it.

#### A Final Consideration about Setting Priorities

There is so much positive that could be done with strong consensus leadership by stakeholders and elected officials acting in partnership to improve the quality of life in Pontiac, that it matters less which actions to take first, than it does to choose several and start. It is time for the City to act. Remember the old admonition: "not to decide is to decide," or "not to act, is to act." For too long the City has been caught in a malaise of inaction or too little action on those things that really matter. Whether the reasons for not acting are fiscal, political, lack of staff, or whatever, the basics of effective community growth and development are well known to professionals in the City. If Pontiac wishes a future that is better than the present, it needs to start acting on these recommendations soon.

The City in collaboration with interested stakeholders should pick three to five of the opportunities and commit to immediate action. They should include three or four smaller, easier opportunities and one or two more complex ones. Then once completed, build on the success of having completed those actions. Picking opportunities that link resources to assets, and link to other opportunities and build upon each other like the blocks that make the foundation of a house is good, but not essential. What is essential is a commitment to action and then following through. That requires consensus on the future vision of the City by the Planning Commission, Council, Mayor and key stakeholders, as well as agreement to pursue actions that contribute to that vision.

Sometimes working on many small opportunities instead of a mix of small ones and larger ones can lead to failure for the whole city the same as death of a person by a thousand cuts. However, by this analogy while much of the City is bleeding now, it is not an artery that is bleeding, and the failure to act together on opportunities around which there is broad consensus, is much more destructive than a wrong action. Leaders often fear making a wrong decision or taking a direction that later turns out to be wrong. But failing to act while the patient is bleeding has the same result, only it is certain that failure to act will cause the patient to die, rather than less likely as occurs if a community acts on a mix of small and large opportunities for which there is consensus. The patient's recovery may be slower, if more of the smaller than larger opportunities are pursued, but if the patient still recovers and if the recovery is permanent, isn't a slower recovery better than a dead patient?

By this analogy, FAILURE TO REACH CONSENSUS in a timely fashion on a course of action AND THEN NOT TO TAKE those actions is the only real threat to success.

# Appendix A Annotated Bibliography of Documents Reviewed

(Documents in italics are especially important)

#### 2001 Updated Downtown Development Plan - Pontiac, Michigan.

By Smith Group and the Corradino Group. June 2001. A plan that focuses on the creation of realistic and financially viable development scenarios that are consistent with market conditions. This plan also creates a compelling description of the promise that Pontiac's downtown holds: to become the true heart of the community.

#### 2007 Oakland County Data Book.

By Oakland County Planning and Economic Development Department. Twelve chapters of profiles on population and income, business and industry, labor and wages, education and training opportunities, site and building data, new development and construction activity, transportation and utilities, government and tax structures, our enviable quality of life, as well as visitors and business resource sections.

Agenda - Clinton River Daylighting – Feasibility Study Kickoff Meeting.

Oakland County Drain Commissioner's Staff, City of Pontiac Staff and ECT Staff

August 2, 2007. A proposal for a feasibility study that will consider various aspects of the daylighting process leading to a determination of its practicability.

#### Annual Program Assessment Reports - City of Pontiac.

(Separate reports for 2003, 2004, and 2005). Nicholas P. Kalogeresis, AICP National Trust for Historic Preservation. February 1, 2006. The purpose of this year-end assessment is to recognize program accomplishments made in 2005, to provide additional consultation on addressing downtown revitalization issues and eliminate barriers to achieving work plan goals.

Comprehensive Housing Needs Assessment for Oakland County, Michigan. By Dale E. Thompson, PHD. August 29, 2006. This assessment is designed to help county leaders with the ongoing demand for limited housing resources and ultimately assist in ensuring the availability and attainment of decent, safe and affordable housing for current and future residents.

**Downtown Commercial and Residential Inventory – City of Pontiac.** By Zimmerman/Volk Associates, Inc. Summer 2007. This report is the first move toward understanding the existing conditions in the downtown area. Uncovering characteristics of each parcel or site was completed before an evaluation of each was formulated.

#### Economic Outlook for Oakland County in 2007 – 2009.

Prepared by George Fulton and Donald Grimes. Institute of Labor and Industrial Relations, University of Michigan. The 22nd annual economic outlook for Oakland County provides a comprehensive academic analysis of past state, national and county

economic trends to provide projects for county employment and wage growth in 2007 to 2009. (April 2007)

#### Infrastructure for Industrial Redevelopment Study.

City of Pontiac. July 1991. A study that identifies the extensive industrial infrastructure and excess capacity that is suitable for redevelopment in Pontiac. It notes the inefficiencies of constructing new infrastructure in Oakland County while areas in Pontiac exist that would require very little infrastructure improvement.

#### Needs Assessment Report - Pontiac.

Main Street Center. November 6-7, 2002. A summary report of the observations and recommendations of the Main Street Oakland County (MSOC)/National Main Street Center (NMSC) needs assessment team identifying downtown Pontiac's critical revitalization issues and assessing the community's existing capacity to undertake a Main Street revitalization effort. It is also intended to determine an appropriate set of technical assistance to address those issues and enhance overall community capabilities.

#### Oakland County and City of Pontiac Industry Report Series.

Prepared by Oakland County Planning and Economic Development Department, Market Research Services for the Planning and Zoning Center at MSU. (October 2007) Four working papers provide an overview of the Oakland County economy and the ZIP Codes 48343, 48340, 48342 and 48341 classified as the Pontiac Area. These reports provide shift-share and location quotient analysis for selected industries using 2002 to 2007 datasets. General trend analysis in employment and wages at the state and national level is used as supporting information to frame analyses. A ranking of top Oakland County occupations is also provided with forecasts on employment growth to 2017.

#### Oakland County Emerging Sector Brochures.

Oakland County Planning and Economic Development Department, Business Development Information and Publications Retrieved from (October, 2007), <a href="http://www.oakgov.com/peds/info">http://www.oakgov.com/peds/info</a> pub/business development infoandpubs.html Supporting information on 12 New Economy industries areas being pursued by Oakland County's Emerging Sectors Program which include: Advanced Electronics & Controls, Advanced Materials & Chemicals, Alternative Energy and Power Generation, Automotive R&D, Biotechnology, Communications & Information Technology, Financial Services, Homeland Security, Medical Devices & Instruments, Micro/Nanotechnology, Robotics & Automation and Venture Capital.

#### Pontiac Enterprise Community - Strategic Plan.

City of Pontiac. June, 1994. This plan is a continuation of <u>Pontiac 2010: A New Reality</u> and the <u>Strategic Plan for Economic Recovery</u> that were both spurred by General Motor's anticipated downsizing and eventual departure from the city.

#### Pontiac Resource Team Report – Oakland County, Michigan.

By Nicholas P. Kalogeresis, AICP National Trust for Historic Preservation. April 15-17, 2003 This report was created by the resource team from the Main Street Oakland County (MSOC) and the National Main Street Center (NMSC) to evaluate the progress of Pontiac's Main Street program, present observations of relative strengths and weaknesses of the downtown district and make recommendations for strengthening the downtown to ensure the Main Street organization's progress in the right direction.

Pontiac 2010 A New Reality – A Comprehensive Plan for the City of Pontiac, Ml. City of Pontiac Planning Commission. December 4, 1991. Initiated in 1989, this comprehensive city plan replaces the 1972 plan.

#### **Preservation Development Report – Pontiac, Michigan.**

National Trust for Historic Preservation. May, 2002. This report is a response to the 2001 Downtown Development Plan that is being used as the principal guide for Pontiac's revitalization. Due to the Development Plan's wide-ranging scope and its potential impact on downtown historic preservation issues the Preservation Development Assessment Report was created to point out how it can best promote and integrate historic preservation policies and initiatives in revitalizing downtown Pontiac.

Restoring Prosperity: The State Role in Revitalizing America's Older Industrial Cities. By The Brookings Institution Metropolitan Policy Program, 2007. This report presents an agenda of needs and actions that can be taken to revitalize America's older industrial cities.

Shared Prosperity, Stronger Regions: An Agenda for Rebuilding America's Older Core Cities. By PolicyLink and the Community Development Partnership's Network, 2005. This report proposes six actions that should be taken as part of an agenda to rebuild America's older core cities. The action items are: 1) promote economic development strategies that widen opportunity for low-income residents and working families; 2) leverage place-rooted anchor institutions in equitable revitalization; 3) improve resident mobility and revitalize neighborhoods through equitable transportation policies; 4) reclaim vacant and abandoned properties to promote sustainable regional development; 5) make all neighborhoods in the region communities of opportunity—stable, healthy and livable; and 6) increase affordable housing choices in opportunity-rich neighborhoods.

#### Strategic Plan for Economic Recovery.

By Economic Development Services, Inc. & Pierce, Monroe & Associates, Inc. June 1993. A project marking the first step in implementing <u>Pontiac 2010 A New Reality.</u> The report was used to build consensus on the critical issues currently facing Pontiac and those it would face in the coming years.

# Appendix B DEMOGRAPHIC TRENDS & CONDITIONS City of Pontiac September – October 2007

#### **Population Size**

- Pontiac 2000 66,337 [down from high of 85,279 persons in 1970]
- Pontiac 2006 (ACS est.) 69,394 (3,057 persons more or 4.6% increase and 15.2% of the countywide increase); but official Census estimate is 67,124 (a 787 person increase over 2000 – 1.1% -- but a decline since July 1, 2001 estimated population of 67,792
- Oakland County 2000 1,194,156
- Oakland County 2006 (est) 1,214,255 (20,099 more or 1.7% increase)
- Michigan 2000 9,938,444
- Michigan 2006 (est) 10,095,643 (157,199 more or 1.6% increase but down about 5,000 persons from last year)

<u>Bottom Line</u>: small population increases for city, county and state, but many cities in Michigan are loosing population—so Pontiac is doing comparatively well.

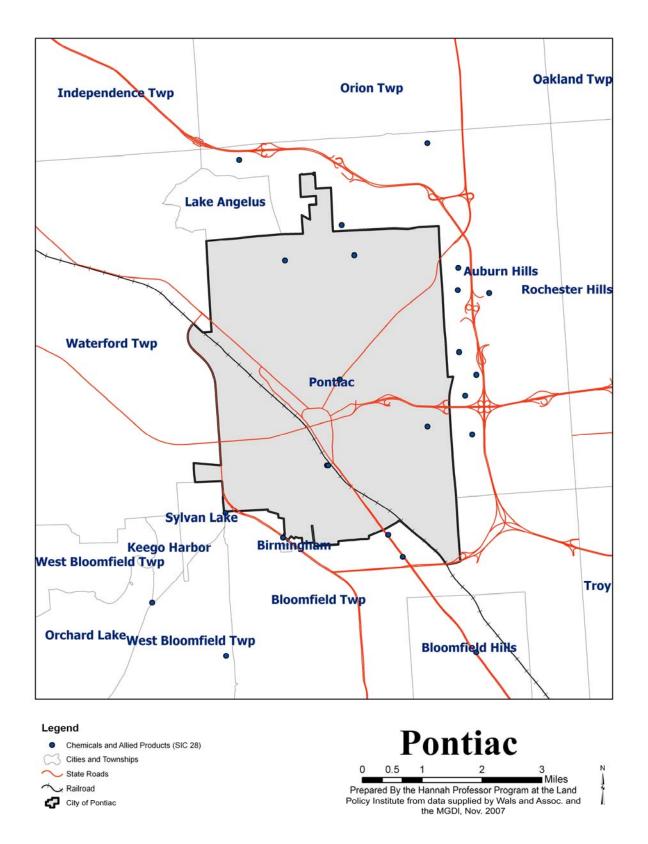
### **Comparisons (2006 ACS Data)**

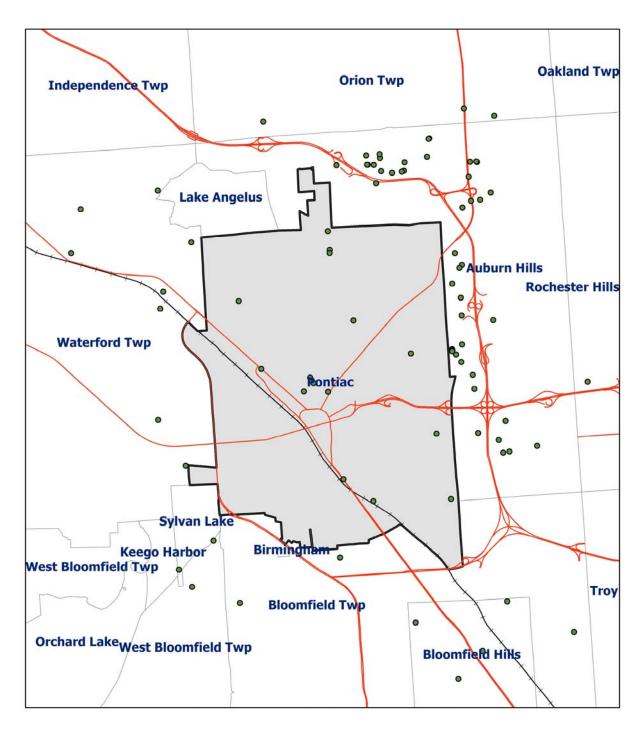
	Pontiac	Oakland County
Population		
	Median age was 31; 28%	Median age was 39.4;
	was under 18 and 7%	24% was under 18 and
	was >65	12% was >65
Households & Families		
	25,000 households	479,000 households
	Avg. size 2.7 people	Avg. size 2.5 people
	25% households are	52% are married couples
	married couples	
	34% households are	14% are other families
	other families	
	36% people living alone	29% people living alone
	5% other nonfamily	5% other nonfamily
	households	households
Geographic Mobility		
	17% had moved in last	7% had moved in last
	year from within county;	year from within county;
	5% from other county,	5% from another county,
	state or abroad	state or abroad
Education		
	76% of those >25 had	92% of those >25 had
	graduated from HS and	graduated from HS and
	11% had bachelors	42% had bachelors
	degree or more	degree or more
	25% were dropouts	8% were dropouts
Disability		
	Of those >5 years of age,	12% were disabled; 37%
	25% were disabled; 55%	were >65 years old
	were >65 years old	
Travel to Work		
	77% drove to work alone;	I
	16% carpooled; 0.5%	7% carpooled, 1% took
_	took public transportation	public transit
Income		
	Median income was	Median income was
	\$33,701; 25% of	\$66,483; 24% of
	households received	households received
	Social Security	Social Security

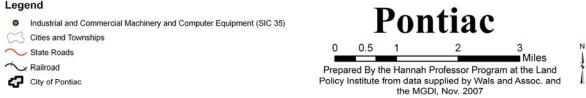
Poverty		
Doga/Ethnicity	25% of people were in poverty; 33% of all related children under 18 were below poverty level while 12% of people over 65; 21% of all families and 27% of families with a female householder and no husband were below poverty level	7% were in poverty; 8% of all related children under 18 were below poverty level; 7% of people >65; 4% of families and 15% of families with a female householder and no husband present had incomes below poverty level
Race/Ethnicity	0.407.148.37	0.40( )4# 1: (700( )4# 1:
	34% White (31% White non Hispanic); 52 % Black or African American; 1% Am. Indian; 2% Asian; 15% Hispanic	81% White (78% White non Hispanic); 12% Black or African American; 0.5% Am. Indian; 5.5% Asian; 3% Hispanic
Housing Characteristics		
	29,000 housing units; 13% vacant; 66% single- unit, 33% multi-unit; 2% mobile homes; 15% built since 1990	523,000 housing units; 9% vacant; 75% single units; 22% multi-unit structures, 3% mobile homes; 22% built since 1990
	6% do not have telephone service, and 13% do not have access to a vehicle	5% do not have telephone service and 5% do not have access to a vehicle
	58% of renters spent 30% or more of household income on housing	46% of renters spent 30% or more of household income on housing

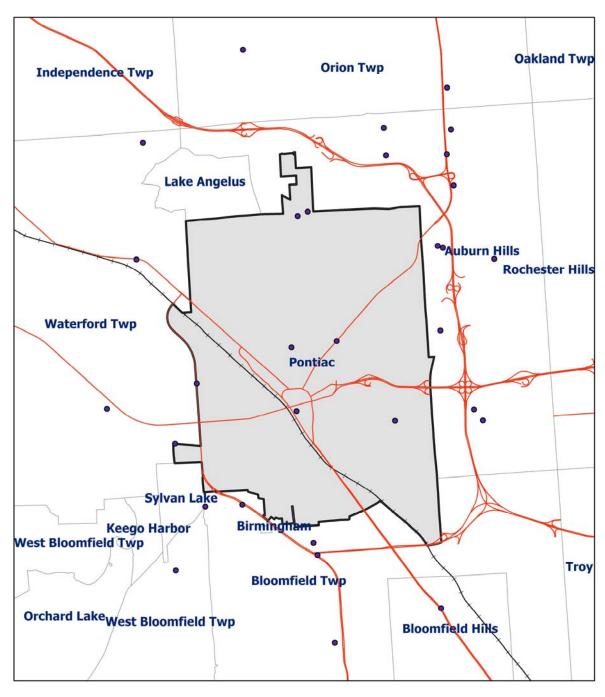
Source: US Census Bureau, ACS Data, 2007.

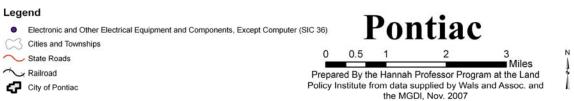
#### APPENDIX C -- ADDITIONAL INDUSTRY CLUSTER MAPS

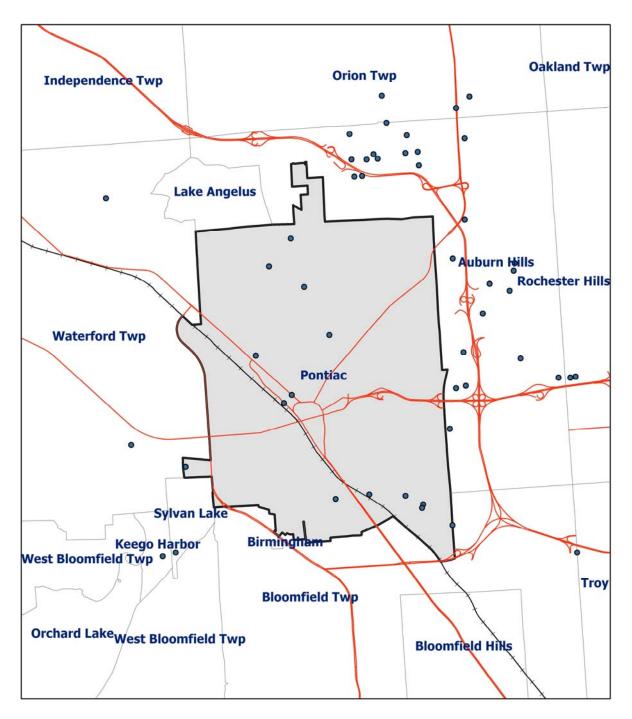












#### Legend

Transportation Equipment (SIC 37)

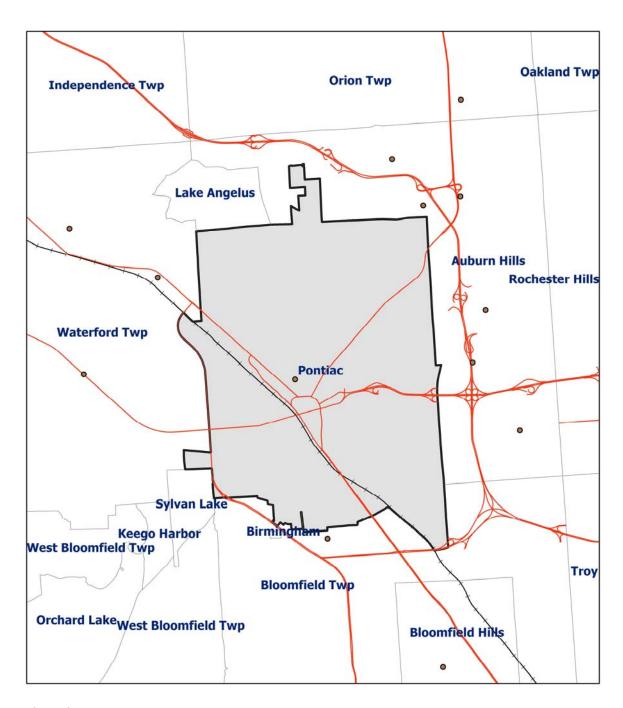
Cities and Townships

State Roads
Railroad

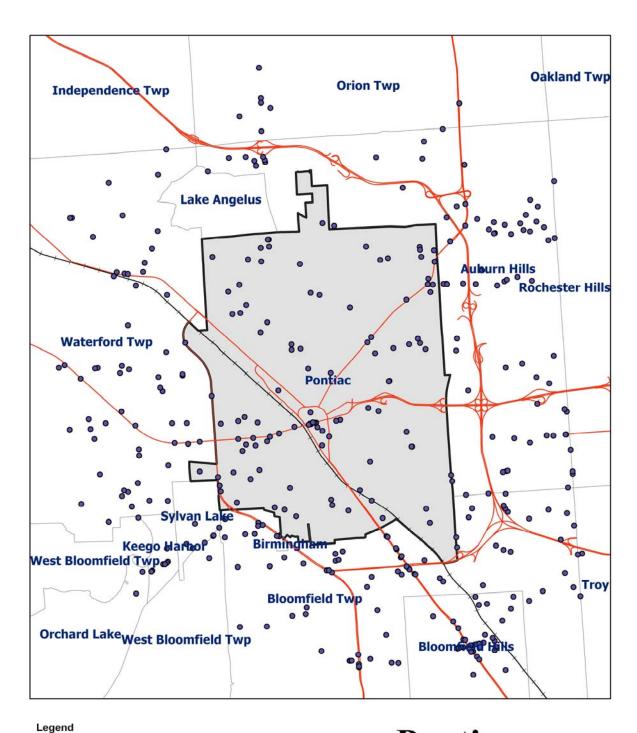
City of Pontiac

## **Pontiac**

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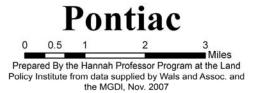


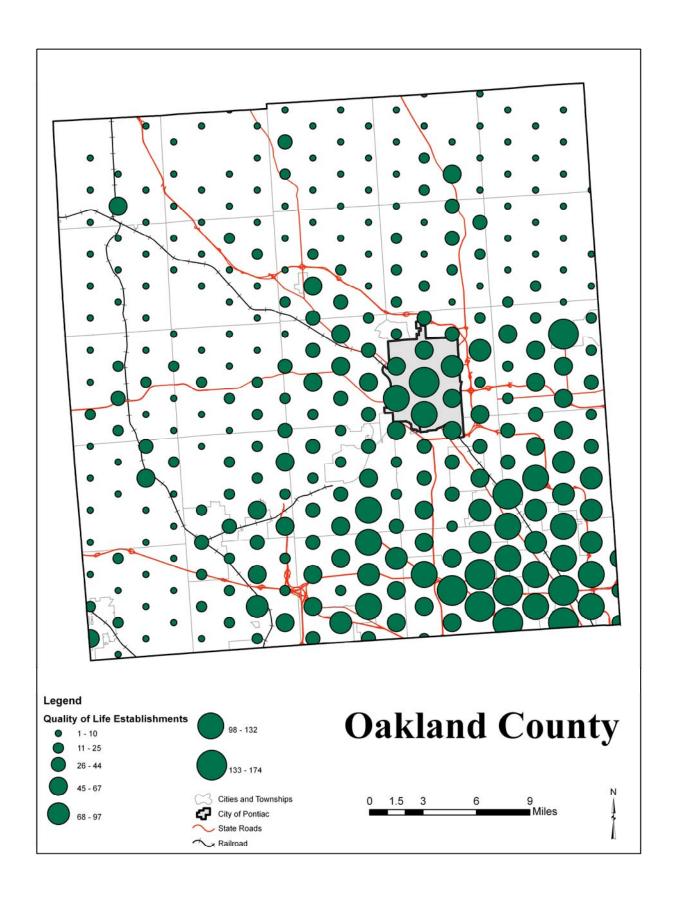


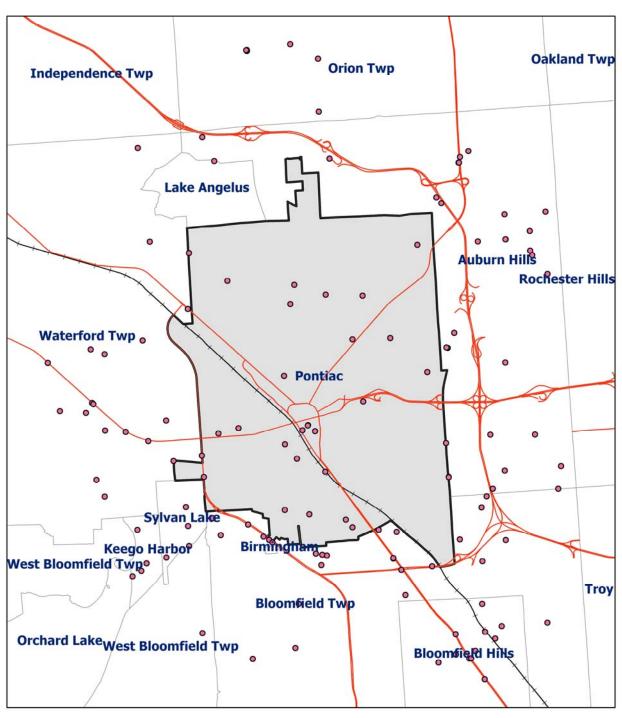


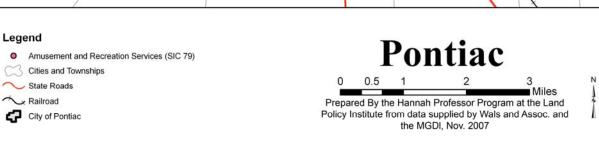
Railroad

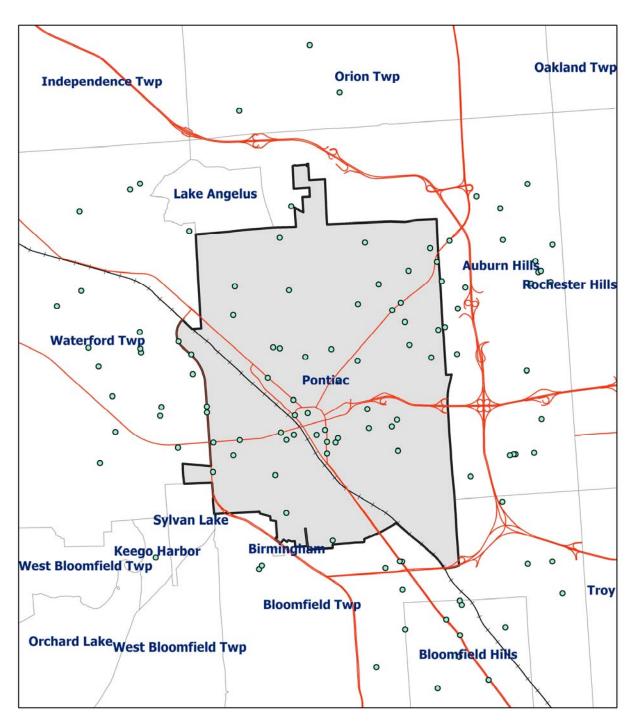
City of Pontiac

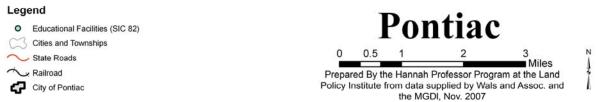


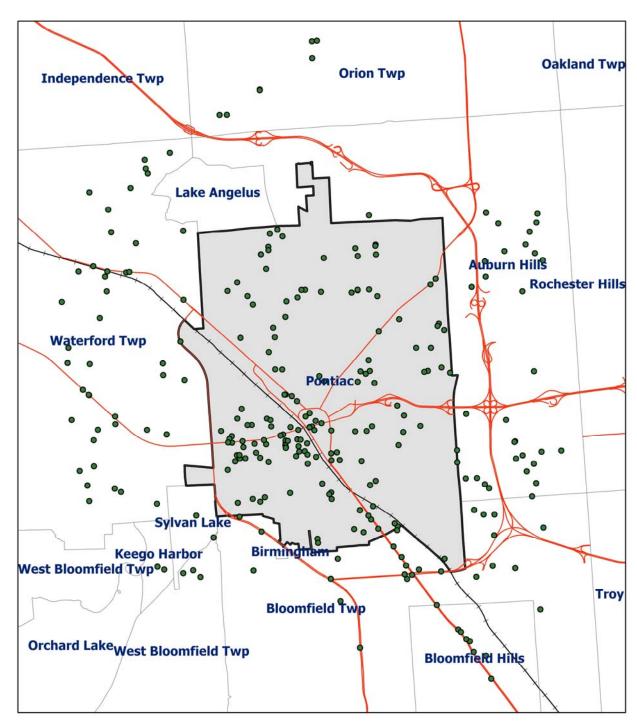


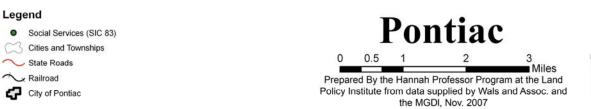


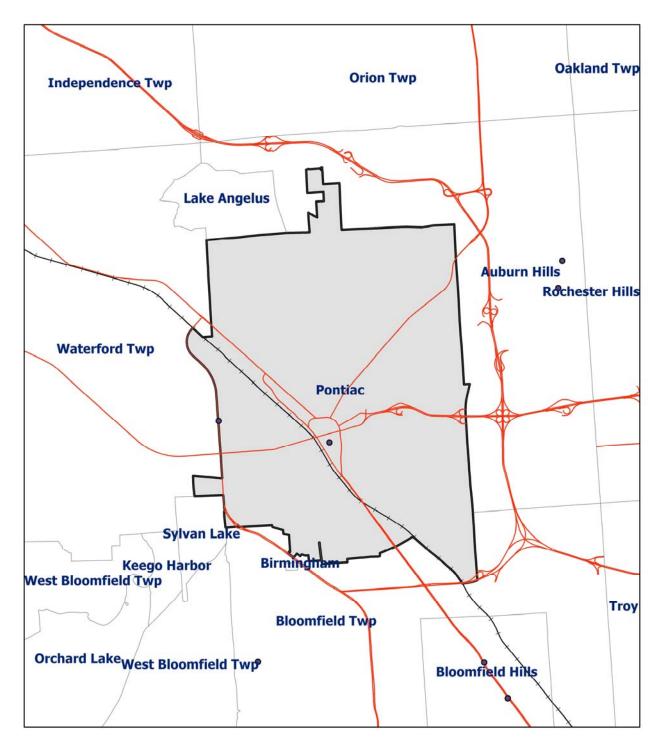






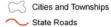






#### Legend

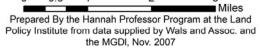
Museums, art galleries and botanical and zoological gardens (SIC 84)

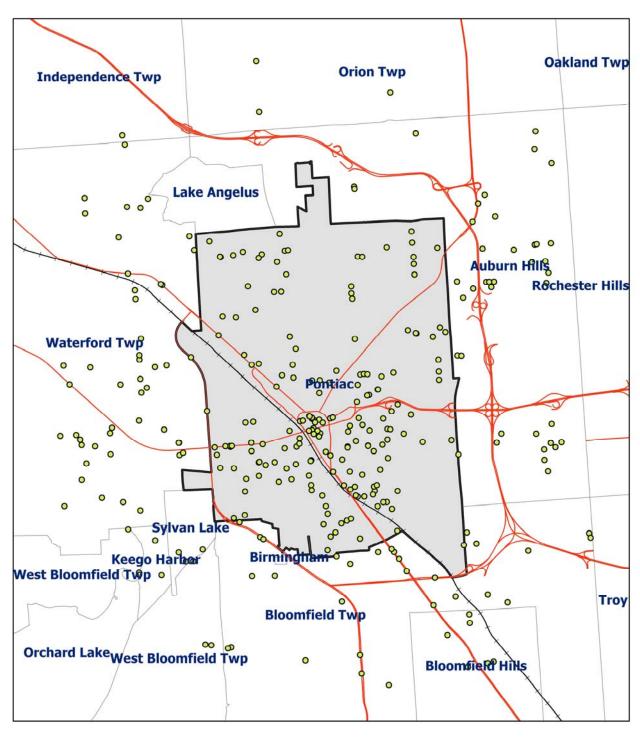


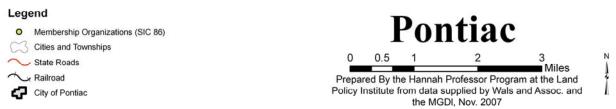
Railroad

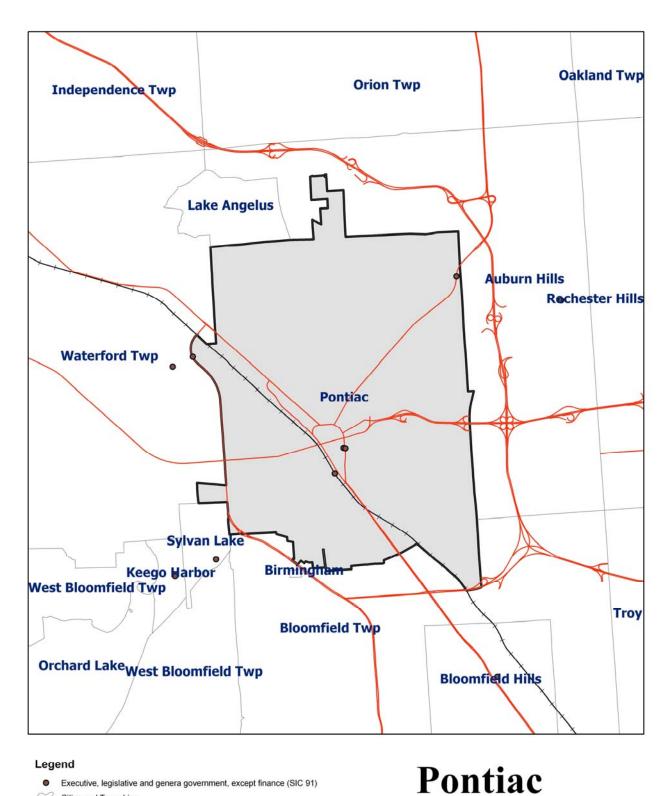
City of Pontiac

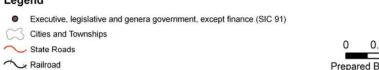
## **Pontiac**











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