



# The Brookings Institution

Urban Markets Initiative  
Metropolitan Policy Program



## Detroit Market Overview & Strategic Plan

**Bringing Back the “Paris of the Midwest”**

Progressive  
Analytics for  
Downtown  
Development





## One of America's Architectural Jewels...this is NOT Photo Shop



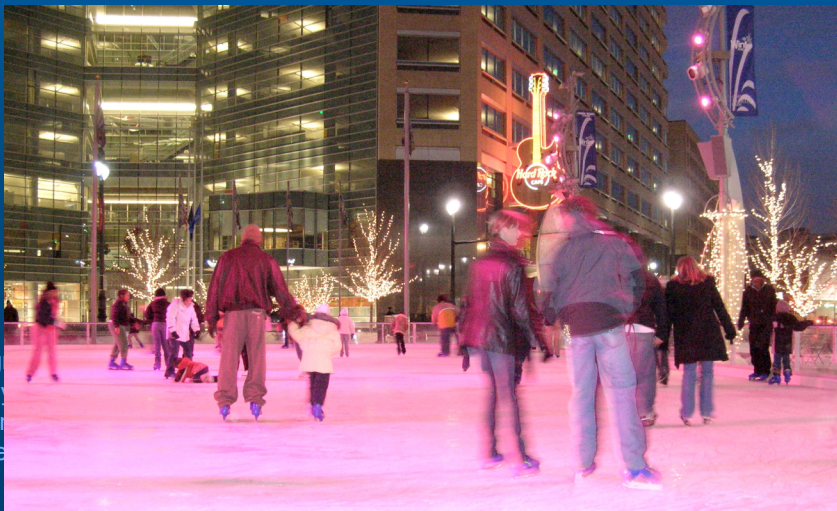
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## It Started in the Early 00's but...it was the 2006 Super Bowl

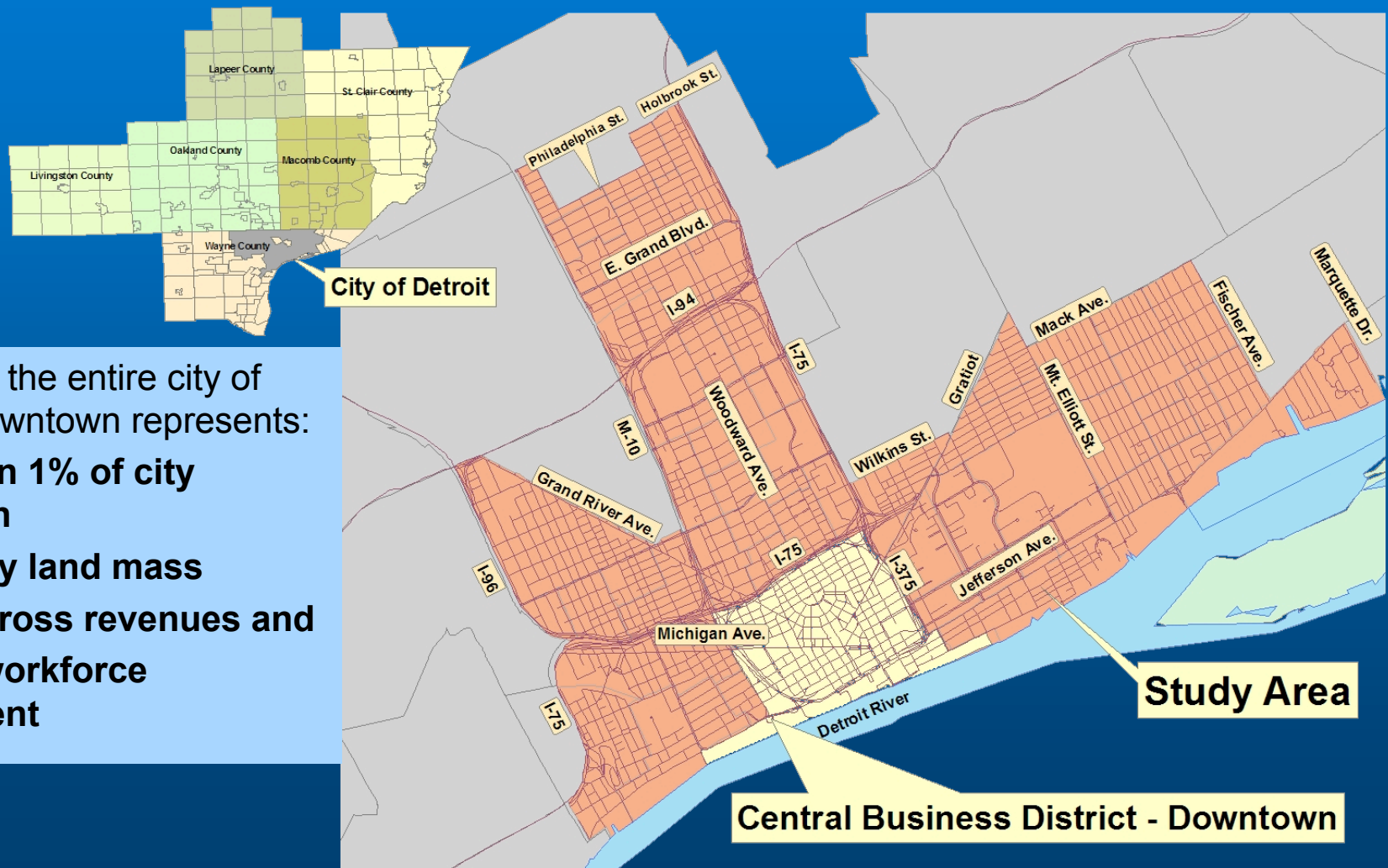


Preparation	Briefing Book Development	Strategy Sessions & Announcement	Design Workshop
January – April, 2006	May – August, 2006	September – Dec, 2006	January – March, 2007
<ul style="list-style-type: none"> <li>▪ Project Organization</li> <li>▪ Visioning <ul style="list-style-type: none"> <li>▪ Stakeholder Identification</li> </ul> </li> <li>▪ Market Analysis <ul style="list-style-type: none"> <li>▪ Supply-side Research</li> </ul> </li> <li>▪ GIS <ul style="list-style-type: none"> <li>▪ Obtain Parcel Data</li> <li>▪ Research Master Plans</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▪ Visioning <ul style="list-style-type: none"> <li>▪ Stakeholder Interviews</li> </ul> </li> <li>▪ Market Analysis <ul style="list-style-type: none"> <li>▪ Demand-side Research</li> </ul> </li> <li>▪ GIS <ul style="list-style-type: none"> <li>▪ Base Mapping</li> <li>▪ Mapping by Product Type</li> <li>▪ Infrastructure &amp; System Capacity</li> <li>▪ Definition of Existing Walkable Districts</li> </ul> </li> <li>▪ Catalytic Projects</li> </ul>	<ul style="list-style-type: none"> <li>▪ Straw man Strategy Development</li> <li>▪ ULI/UM Real Estate Forum <ul style="list-style-type: none"> <li>▪ Presentation of Strategy</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▪ Design Workshop <ul style="list-style-type: none"> <li>▪ Strategy drives urban design process</li> <li>▪ U of M charrette process over 4 days in January</li> </ul> </li> </ul>





# Downtown and Its Environs

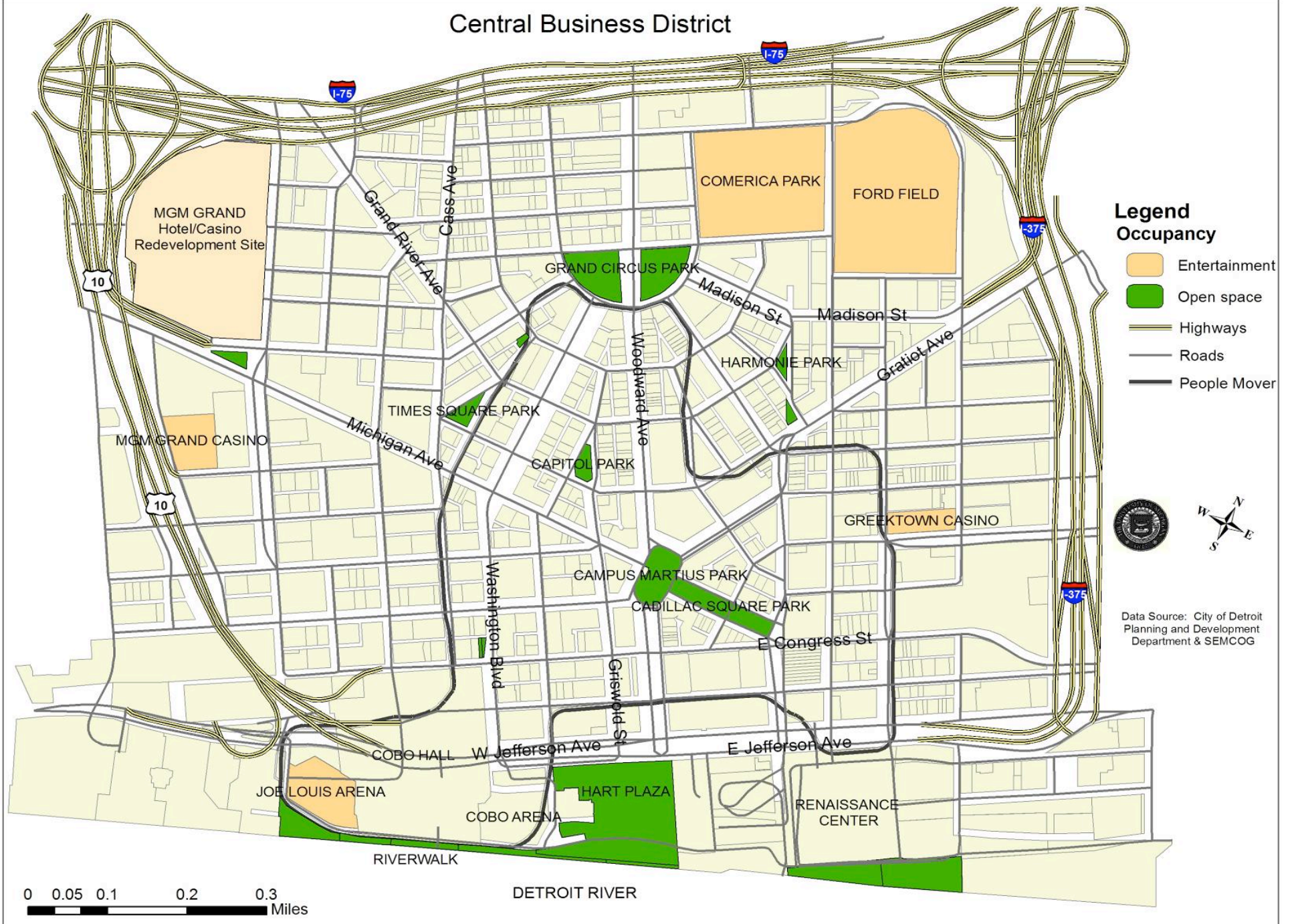


Relative to the entire city of Detroit, Downtown represents:

- **Less than 1% of city population**
- **1% of city land mass**
- **20% of gross revenues and**
- **21% of workforce employment**

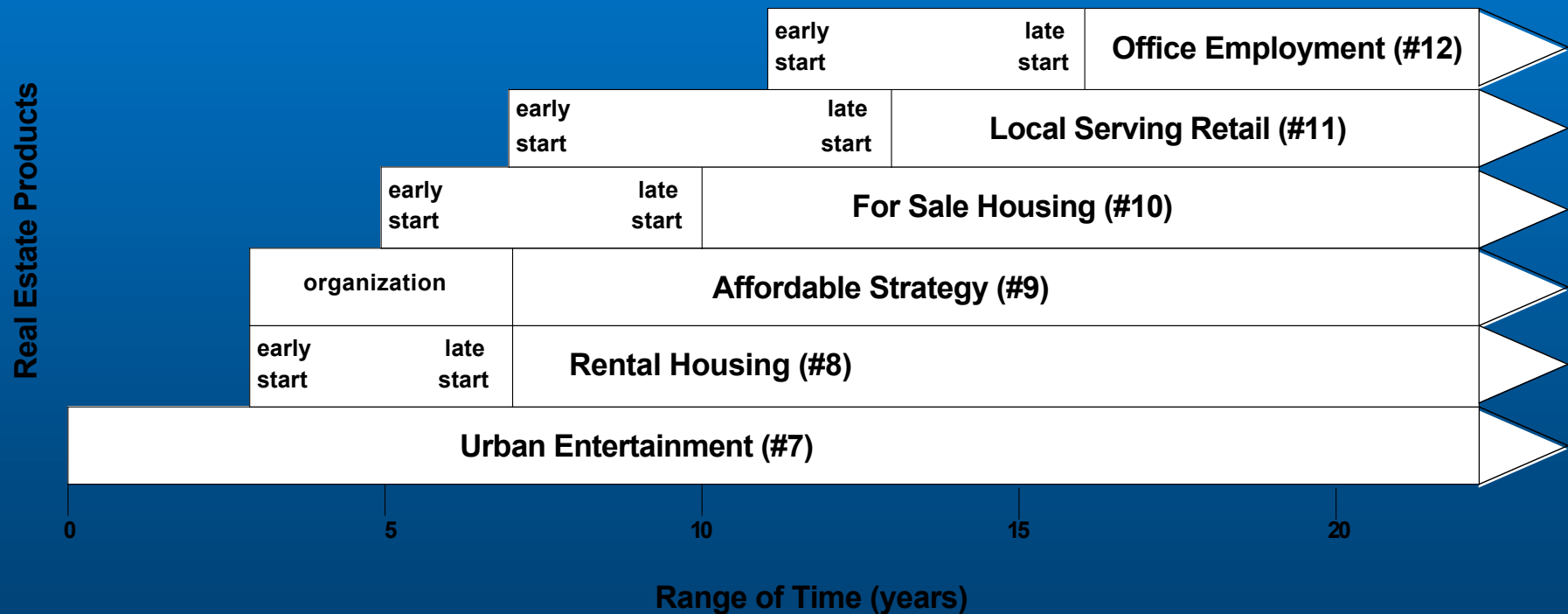
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# Central Business District





## Progressive Introduction of Real Estate Products in a Reviving Downtown



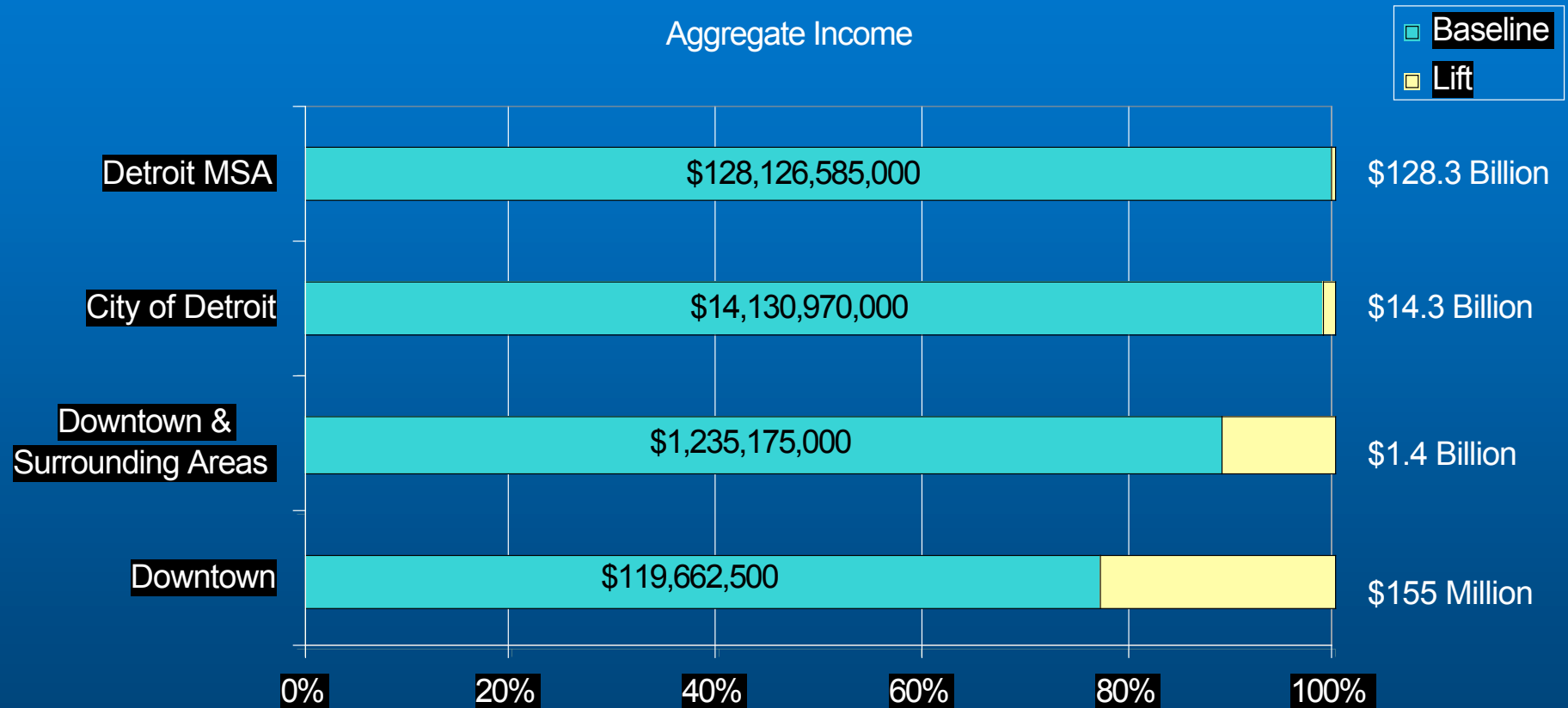
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Source: Turning Around Downtown, The Brookings Institution





# More People & More Spending Power Than Census

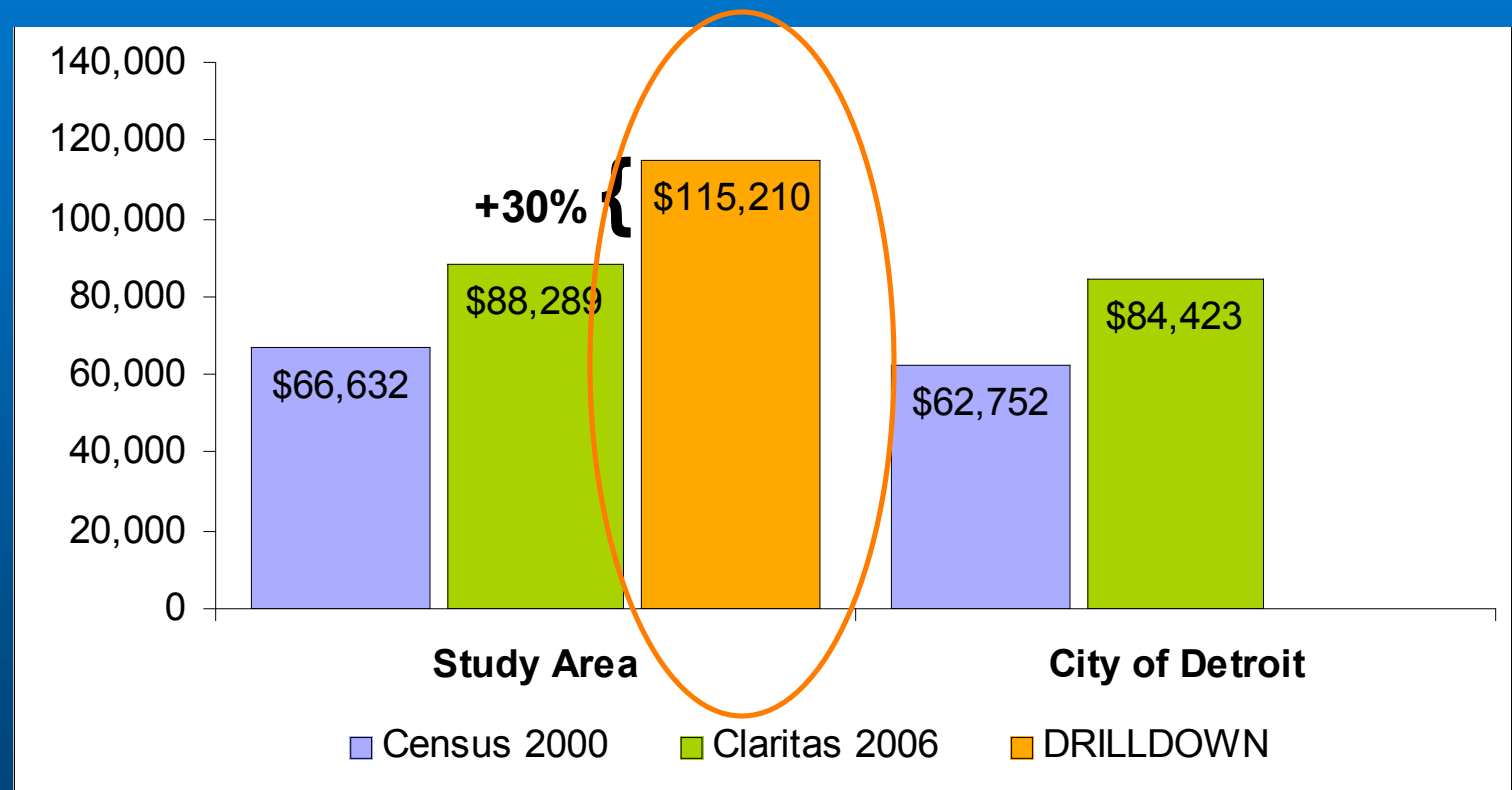




# Median home values 30% higher than 2006 Claritas projections.

Median Home Value for the Study Area and the City of Detroit

Source: Claritas, U.S. Census, Social Compact



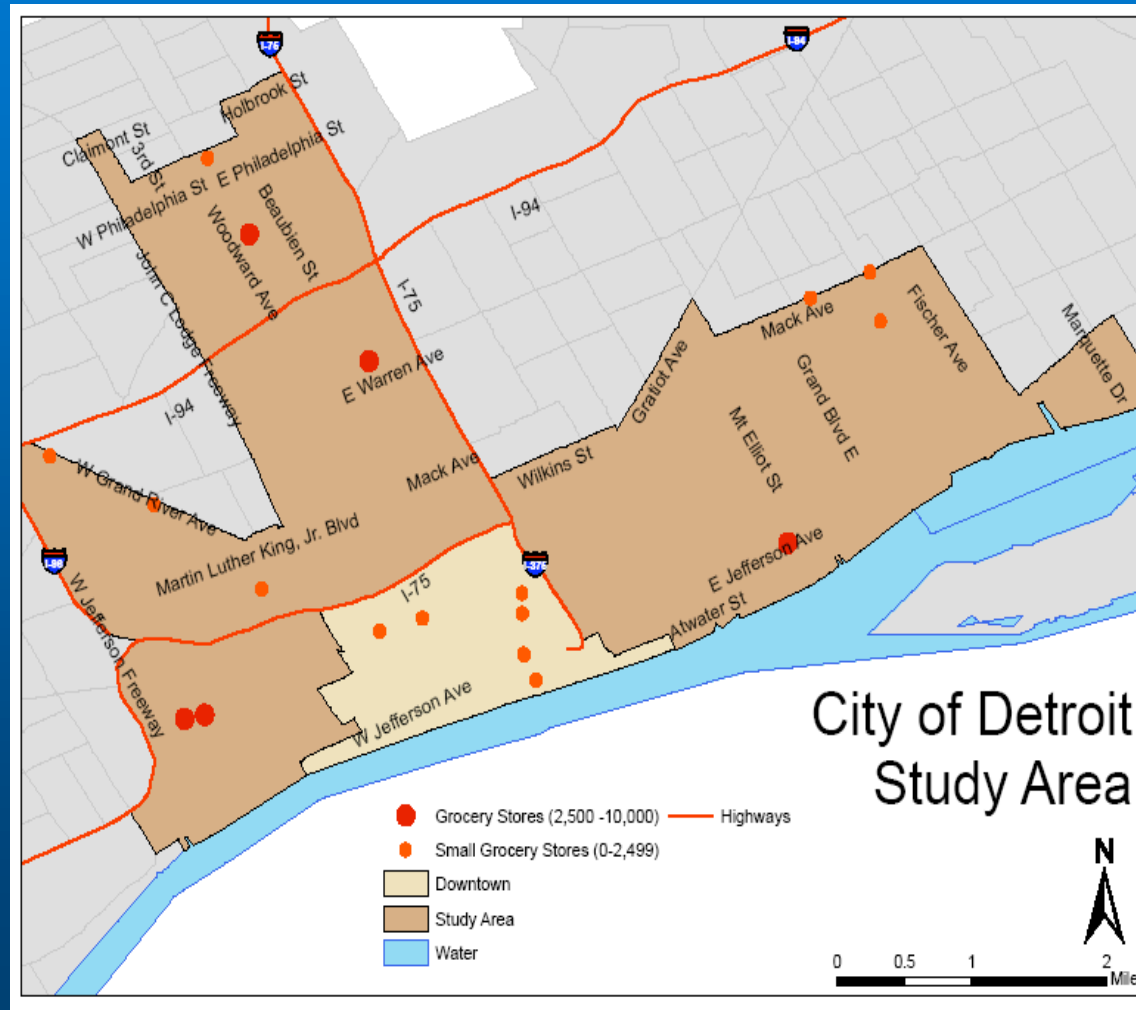
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**Grocery stores exist in greater downtown, but there are no large national or regional chains active in the marketplace.**

### Map of Grocery Stores Located in the Study Area

Source: InfoUSA, Social Compact Analysis







# Detroit's Role as a Entertainment Destination

## Attendance Rates in Downtown Detroit Stadia & Major Venues

Venue	Attendance/Year	Capacity/Year	Attendance- Capacity/Year
COBO	2,000,000	13,500,000	14.81%
Ford Field	500,000	780,000	64.10%
Comerica Park	2,000,000	3,200,000	62.50%
Joe Louis Arena	800,000	1,000,000	80.00%
Fox Theater	300,000	750,000	40.00%
<b>Subtotal without COBO</b>	<b>3,600,000</b>	<b>5,730,000</b>	<b>62.83%</b>
<i>Total w. COBO</i>	<i>5,600,000</i>	<i>19,230,000</i>	<i>29.12%</i>

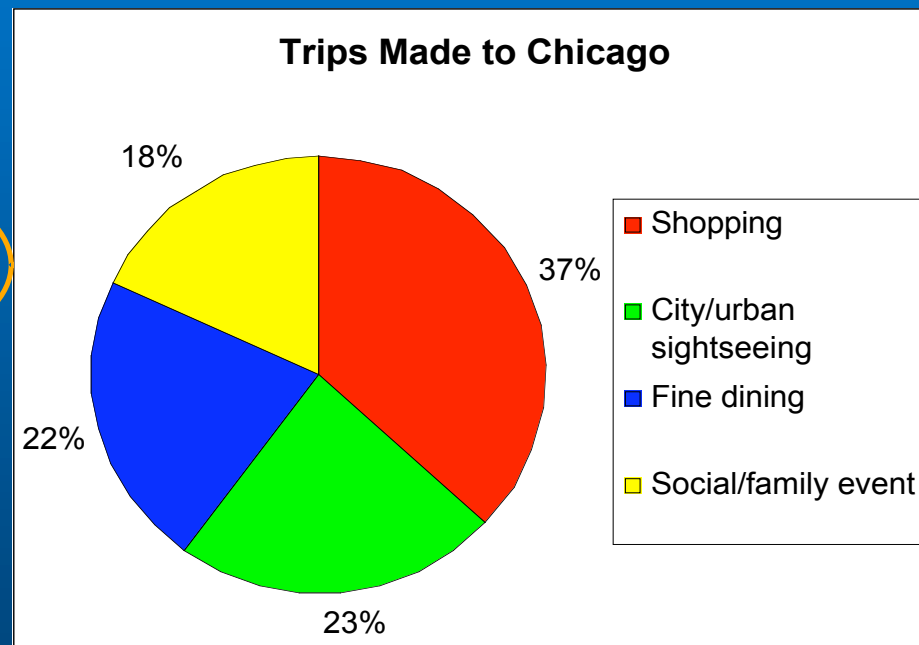
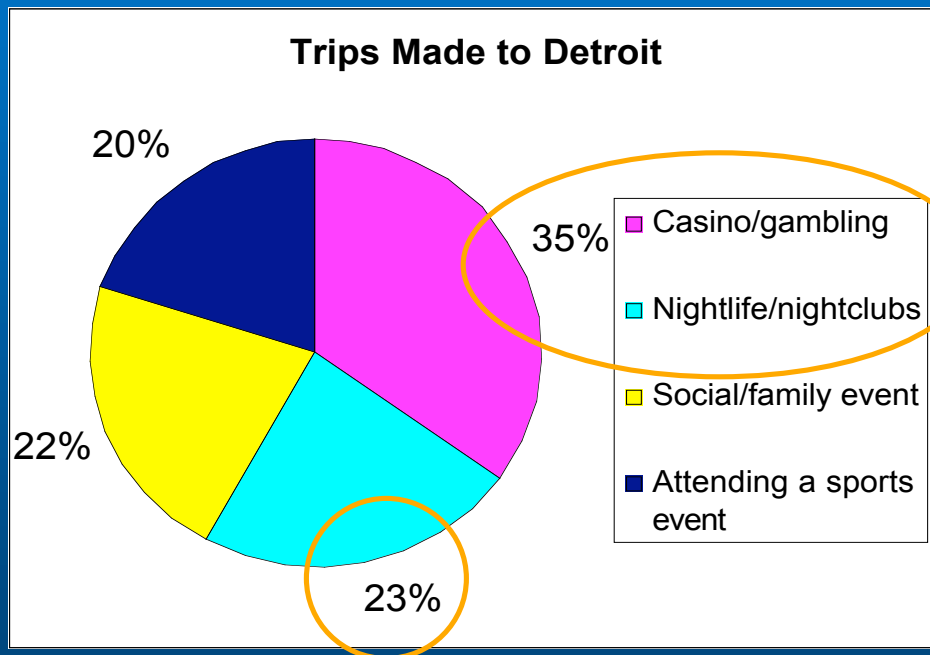
Source: Brookings, University of Michigan

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# Gaming & Nightlife are Major Attractions for Detroit Visitors

Four Top Draws for Visitors to  
Metro Detroit and Metro Chicago



Source: Adapted from Strategic Marketing & Research, Inc, 2006

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# Detroit is a Major Gaming Destination for Americans

Top Five  
Walkable U.S.  
Casino Markets,  
2005

Source:  
American Gaming  
Association Survey of  
Casino Entertainment

<u>Location</u>	<u>Revenue</u>
Las Vegas Strip, NV	\$ 6.031 billion
Atlantic City, NJ	\$ 5.018 billion
<b>Detroit, MI</b>	<b>\$ 1.229 billion</b>
Tunica/Lula, MS	\$ 1.187 billion
Connecticut	\$ 982.65 million

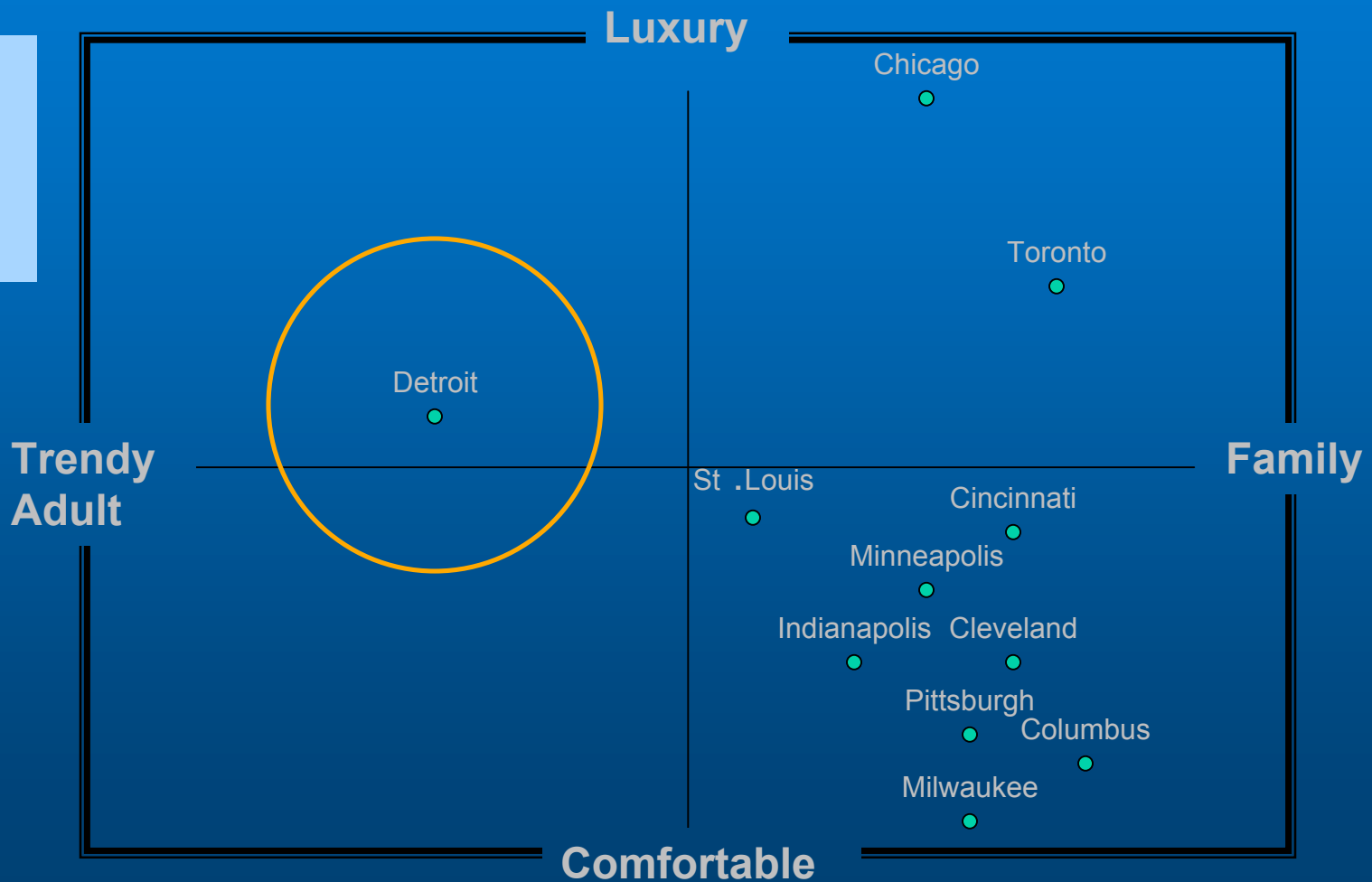




# Detroit is a Unique Visitor Attraction

## Visitor Perceptions of Midwest Visitor Destinations

Source: Adapted from Strategic Marketing & Research, Inc, 2006





## Summary of Market Opportunities

- Downtown population is slightly larger with significantly greater disposable income than currently understood
- Four Potential Market Drivers:
  - Rental & For-sale Housing
  - Regional & Local Retail: Building on Existing Stock
  - Urban Entertainment (gaming, nightclub, sports & live theater)
  - Unique Short-term Office Opportunity Due to State Incentives



## Motivation & Intention

- Tired of being kicked around
- Does not see downtown as bad as perception of outsiders
- Baby boomers remember when they were kids
- One of few positives in region (building permits)
- If it can happen in downtown Detroit, it can happen any where





## Powerful Implementation Organizations: Getting Tired of 50 Years of Racial/Metro Divide

- Downtown Detroit Partnership—Roger Penske, chair, and sr. GM exec vice-chair
  - clean and safe
  - manage events
- Detroit Economic Growth Corp—city sponsored NP as catalytic developer and gap funding provider
- Detroit Renaissance—Corporate leadership

