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City of **Milan**

Opportunity Report

 foundation

 michigan municipal league

Table of Contents

2-3	Introduction
4	Strengthening the Small Business Ecosystem
4-5	Opportunity 1: Centralizing Small Business & Entrepreneurial Resources
5-6	Opportunity 2: Activate Investment in Place and Small Business
6-7	Opportunity 3: Shaping the Landscape for a Thriving Local Economy
7-8	Conclusion & Next Steps



Introduction

Since 2022, the Michigan Municipal League (the League) and Michigan Municipal League Foundation (MML Foundation), with support from the Ralph C. Wilson Jr. Foundation, have been working on a local economies initiative to explore entrepreneurship and small business support systems in southeast Michigan. Specifically, the goal of this initiative is to consider gaps in resources, like space, capital, technical assistance, networks, and more, that could be filled by the local government and community stakeholders to support more equitable local small business environments.

Over the next two years, the League and the MML Foundation will collaborate with small and/or rural southeast Michigan communities to learn more about their small business environments and connect them with potential tools and resources to strengthen the local economy ecosystem. In each community, we will partner with local small business stakeholders to hold one-day workshops that will delve into the resources, barriers, and opportunities each community has for entrepreneurs. Following stakeholder workshops, we will provide tailored feedback in the form of opportunity reports. The culmination of these collaborations will be a Microbusiness Ready Communities guidebook that will draw from our learnings in each community and provide resources and inspiration to communities across the state.

Why Milan?

The League and MML Foundation were excited by the opportunity to collaborate with the City of Milan on this project because the community is experiencing growth and opportunity while navigating capacity issues that so many communities face right now. To start, the City of Milan is a small, rural community that sits within both Monroe and Washtenaw Counties. Milan has seen substantial investment and growth in the past decade with fewer people leaving the community as they age and more people moving into Milan from surrounding areas. This growth is clearly seen in its downtown, which now boasts rehabbed buildings, a 90 percent occupancy rate, and a handful of small businesses that enjoy a regional draw.

Milan has a supportive and collaborative community, including a strong informal business network. While this network is helpful, small businesses struggle to access resources that could ease their capacity issues. New-to-town or soon-to-be small businesses may struggle even more. Milan's downtown growth also means the city must look to areas outside its downtown for business development. Revisiting policies and centralizing resources could set the small business community up for greater success down the road. In short, Milan is a creative and collaborative community experiencing growth that, if navigated well, could set an example for communities across the state.

What is an opportunity report and what is it meant to do?

This report is a summary of what League and MML Foundation staff observed and heard during the local economies stakeholder workshop in Milan on February 22, 2024. It outlines areas for potential improvement, details short- and long-term opportunities, shares resources to consider utilizing, and highlights inspiration from other Michigan communities doing similar work. The objective of this opportunity report is to serve as a resource for the City of Milan and its staff.

The League and MML Foundation would like to thank the City of Milan, Milan Downtown Development Authority, its participating stakeholders, businesses, and others who helped contribute to this “deep dive.”



Strengthening the Small Business Ecosystem

While significant change has taken place in Milan's local economy in recent years, the small business ecosystem is robust and full of potential. In this section, we will highlight three main areas of opportunity we feel would maximize the sense of place and identity of Milan while creating a stable of centralized resources for entrepreneurs and small businesses to take root in the community.

Broadly speaking, these areas of opportunity are placemaking, community investment, and centralizing entrepreneurial resources. Each area of opportunity includes a brief overview of how Milan is already succeeding in this sphere, a set of short- and long-term recommendations for ways to further growth, and peer community examples to serve as inspiration.

We acknowledge that there are no "one size fits all" solutions for communities, so we strongly encourage local stakeholders to continue working together to create resources and opportunities that celebrate the unique spirit of Milan and foster an inclusive local economy.



Opportunity 1: Centralizing Small Business & Entrepreneurial Resources

Overview

Milan's continued efforts to cultivate a strong small business and entrepreneur ecosystem are paying off. In our meetings with small businesses and other stakeholders, residents consistently mentioned that the city has served as a helpful partner for small business and local redevelopment, the community of Milan is "creative, innovative, and willing to take risks," and that business owners are committed to the community and collaborate to cross promote each other's work (for example, the Play Station, an indoor playground, provides coffee from its neighboring coffee shop, The Owl).

Milan's DDA and the Milan Area Chamber of Commerce also conveniently share space right at the center of downtown Milan. This is a huge asset to the business community as it enables the location to act as a resource hub and actively engage members of the downtown.

Strategies that could help Milan amplify and strengthen its local small business environment include taking additional steps to formalize avenues of collaboration, making information and tools for small businesses more transparent and easily accessible, and bringing regional small business resources to Milan more regularly.

Recommendations

Short Term (<1 year)

Make better use of existing small business support by inviting regional partners like the Small Business Development Center (SBDC), SPARK, and others to host office hours. Among site visit participants, we heard that there is strong collaboration with regional partners and the city on small business efforts but that few existing businesses or would-be entrepreneurs are accessing the services of regional organizations like the Small Business Development Center (SBDC), SPARK East, or the Michigan Economic Development Corporation's (MEDC) regional assistance team. Inviting these organizations to host occasional office hours at the DDA/Chamber office would be an opportunity to make these support tools much more accessible to existing and potential small businesses at a centralized location.

Create and disseminate a small business support tool kit for Milan. One of the primary requests from the small businesses our team met with was to have a resource kit that would provide a "one-stop shop" for basic information they need to help their business be successful. The city, DDA, and local businesses could collaborate on the creation of an online and printable "welcome" or packet for new or potential businesses to share the following:

- Basic information on the DDA;
- Relevant resources or grant opportunities;
- City ordinances or rules applicable to small businesses, and relevant staff contacts;
- Overview of peer businesses;
- Other relevant local and regional business resources;
- Downtown events;
- How to engage with Milan Mainstreet/DDA social media;
- Other information businesses identify as helpful.

Long Term (1–4 years)

Transform the shared DDA/Chamber office space into a more inviting and transparent resource hub for small businesses and entrepreneurs. The current shared DDA/Chamber of Commerce space is not very inviting from the street as it directs people to enter at the back. “Activating” the space and opening it up could help draw people in. If space allows, adding workspaces or tables (particularly up front “in the window”) could allow for more activities, such as hosting office hours by partner organizations (see recommendation number one above) or even offering fee-based co-working spaces for small businesses.

Utilizing one of the DDA’s own facade improvement projects could be another way to encourage people to make use of the office space. This could involve updating the window spaces to be more attractive, adding/improving signage (similar to adjacent properties), and adding flowers or seating at the front to create an informal meeting spot for business owners and staff. A more open and inviting exterior could help exhibit hosted events happening inside and encourage informal/drop-in meetings and networking.

Case Study

Downtown Alpena has an engaging and informative website for both visitors and business owners. The site includes statistics on the downtown market and housing, information on businesses and events, resources for business owners, and updated information on the DDA programs (<https://www.downtownalpenami.com/>). They have an active email newsletter for downtown businesses and provide an online and printable Business Welcome Packet. The Welcome Packet is a centralized source of information on the DDA, downtown events, parking, business resources (e.g., facade grants), and other regional business resources. While this resource kit is focused on downtown Alpena, the model is applicable for a broader city-wide business “welcome” or resource kit in Milan.

Resources

- [Downtown Alpena Welcome Packet](#)
- [Ypsilanti Downtown Business Resources](#)
- [City of Ludington, MI, DDA website and its Business Welcome Packet](#)
- [City of Florence, SC, Small Business Resource Center](#)

Opportunity 2: Activate Investment in Place and Small Business

Overview

The City of Milan, and some of its local businesses, have been intentional and successful in seeking external funding (particularly grants) for placemaking and redevelopment activities. The city has received significant grant funding from the Michigan Department of Natural Resources for some of the Wilson Park improvements and crowdfunded grants through the Public Spaces Community Places program for Tolan Square (2021), Adventure Ink Bookstore Expansion (2020), Downtown Milan Survive and Thrive Relief Fund for Small Businesses (2020), and Wilson Park Pavilion improvements (2015). The City and private investors also secured almost \$3.5 million in funding from the Michigan Economic Development Corporation and Michigan State Housing Development Authority for the Wabash and Main Redevelopment Project in 2016.

This funding has had a significant impact in the redevelopment of downtown Milan and has catalyzed substantial private investment in local businesses. Milan has momentum from these investments that could be further leveraged and built upon to support future placemaking efforts and attract private capital for new and expanding businesses in the city.

The placemaking investments above—as well as other efforts such as facade improvements, signage grants, and streetscaping—have been pivotal in creating a vibrant and engaging downtown that drives customer traffic and supports small business success. Taking steps to continue investing in placemaking infrastructure will help contribute to the appeal of downtown and connecting corridors and expand opportunities for business growth.

Recommendations

Short Term (<1 year)

Complete Redevelopment Ready Communities certification from MEDC to support future development and access additional redevelopment resources. The City is in the process of completing its Redevelopment Ready Certification. Completing that this year would open up additional funding opportunities to support site planning and marketing for specific redevelopment areas such as the northwest part of downtown and along the Main Street/Dexter corridor (“Edgetown” area).

Explore CDFI and other non-bank financing options.

Business owners noted challenges securing financing through traditional banks in the area, with self-financing being the norm and limiting opportunities. Existing businesses and future entrepreneurs may be able to secure financing through non-profit lenders such as Community Development Financial Institutions (CDFIs) on better terms than those available through traditional sources. Northern Initiatives and Michigan Women Forward are two examples of CDFIs that offer small business financing throughout Michigan. Additionally, Milan businesses may be able to tap grant or loan funds through USDA-Rural Development, including some programs specific to agriculture or food businesses, as well as programs open to all businesses in rural areas. The City and DDA staff could also reach out to these organizations to learn more about their funding portfolios and how they might support Milan-area businesses so that they can be a connector/resource to new entrepreneurs.

Create a small business destination map. Milan has several small businesses that have an increasingly regional draw. Help these visitors stay in Milan beyond visiting their destination store by creating a map that highlights the small businesses within downtown Milan and the Dexter business corridor. By sharing this resource online and placing copies in small businesses, visitors and communities will find plenty of reasons to invest in Milan and its small business community.

Add wayfinding signage downtown and to the Dexter business corridor. Use this signage as an opportunity to show visitors and community members just how many assets Milan boasts. Downtown, direct people to your parks and public spaces, and place signs in those spaces too that direct people to local shops. These efforts will go a long way towards establishing the downtown district as a destination. It's also a critical time to attract attention and support for the Dexter business corridor, given downtown Milan's current occupancy rate. Adding signage that directs people from downtown and M-23 to businesses like Original Gravity Brewing Company and Zilke Farm Kitchen will help draw attention and support to this corridor as it develops.

Long Term (1–4 years)

Cultivate investment crowdfunding opportunities.

Milan's committed and supportive residents could convert their emotional buy-in to Main Street into literal investment. [The Michigan Invests Local Exemption \(MILE\)](#) and SEC federal regulations allow small-scale developers or entrepreneurs to raise capital from non-accredited investors to rehab a building or start a business. This "community capital" is an investment, not a gift or donation, so offers the potential for community investors to see a financial return on supporting downtown and other Milan businesses (like any investment, it also involves risk.) While the practice is still emerging, Michigan has several examples and leaders that can be tapped for advice, and both city and DDA staff could help local entrepreneurs connect to this potential network.

Case Study

The City of Tecumseh promotes its small business community through a series of thoughtful materials. Visitors can request that a visitor's packet be mailed to them, and the City offers [online resources](#) too. The visitor's packet includes a Convention and Business Bureau community guide, a bicentennial postcard, a fridge magnet with the 2024 events calendar, an "art trail" map of public art around town, a glossy DDA business directory, a bed & breakfast flyer, a downtown business walking map, and a fairy door map. Also included in the packet is a cover letter from the mayor. These resources help to position Tecumseh as a destination with a strong sense of community and place.

Resources

- **National Coalition for Community Capital.** <https://www.nc3now.org/>
- **Michigan Invests Local Exemption.** <https://www.michigan.gov/lara/bureau-list/cscl/securities/industry/michigan-invests-locally-exemption-m-i-l-e--intrastate-crowdfunding>
- **USDA Rural Development business programs.** <https://www.rd.usda.gov/programs-services/business-programs>
- **Michigan CDFI Coalition.** <https://micdfi.org/>
- **Michigan Women Forward**
- **City of Swartz Creek Wayfinding Project Crowdfunding Campaign**
- **Downtown Tecumseh visitor resources**



Opportunity 3: Shaping the Landscape for a Thriving Local Economy

Overview

The past decade has seen major shifts in Milan's business landscape. The closing of the Ford/ACH plant sent a shock through the community, cutting Milan's property tax base, water utility revenues, and local employment. More positively, the downtown area has seen a renaissance of investment, business openings, events, and foot traffic—the result of hard work and collaboration by many local actors. While the industrial loss will remain a challenge, downtown's successes provide a solid foundation to grow on, as vacant storefronts have given way to a boutique retail district that is rapidly filling up.

This has supported Milan in being a desirable place to live, resulting in housing challenges: would-be residents struggle to find a home, even while some empty nesters hold on to homes only because downsizing would mean moving away from their community. The housing crunch challenges local businesses looking to grow, limits school enrollment, and will likely lead to growing affordability challenges.

Milan has an opportunity to build on what's working, using its development tools to create more room for the people, small businesses, and walkable neighborhoods that we heard named repeatedly as assets. This will require active planning, including potentially rethinking some past assumptions.

Recommendations

Short Term (<1 year)

Identify housing needs and potential early fixes.

Review local housing data on the MIHousingData.org portal and refer to the Michigan Association of Planning's Zoning Reform for Housing guide for potential zoning updates. Pay special attention to households identified as lacking options, such as seniors and other single-adult households, and renter households. Consider how accessory dwelling units and other "missing middle" housing formats that match the historic neighborhood context can be added.

Engage WATS, SEMCOG to understand opportunities

on Wabash/Dexter corridor. This major route through town merits additional well-marked and lit crosswalks in all directions from the intersection of Main and Wabash. Additionally, the five-lane section of Dexter was noted as particularly unfriendly for walking or biking, and it appears to be significantly over-built for its level of traffic (about 10 to 12 thousand vehicles per day, according to MDOT data, on a cross-section that could carry 40 to 50 thousand). The regional entities may be able to support Milan on both short-term measures and longer-term capital planning and funding that improves the Complete Streets functioning of this corridor.

Long Term (1–4 years)

Update Milan's comprehensive plan and zoning with a strong placemaking focus. The city's current master plan was written in 2009 and is due for an update to reflect the major shifts in the community and to be a useful tool for current needs. Consider needed housing options, fine-grained development for additional small businesses, walkability within town, and recreational bicycle and paddling visitors; reduce the amount of land dedicated to single-use highway-oriented commercial development. Zone for the smaller housing options that shifting demographics need and for additional walkable, mixed-use, small-business focused area. As a note, many communities are moving toward the word "comprehensive" instead of "master" when naming plans as an opportunity to utilize more inclusive language.

Manage downtown parking for access and

sustainability. Business owners noted that Milan's Main Street area has plenty of parking, but that residents and visitors sometimes don't recognize this because it's not clear which parking is public and accessible. For example, using physical design cues and signs to clearly link the Wilson Park parking to downtown and vice versa would promote better access. As Main Street continues to fill, consider needs for resident permit parking, and how on-street parking can be managed for convenient, fast turnover visits (e.g., shorter time limits or metering) to make sure both short- and longer-term parking is available.

Case Study

The Chelsea POP street improvement project used temporary, low-cost treatments—"tactical urbanism"—to test and demonstrate potential options for traffic calming and pedestrian safety on 1.5 miles of streets in 2020. Washtenaw Area Transportation Study (WATS) staff supported Chelsea in doing an initial road safety audit, hosting public input to identify priorities and select treatments, and performing road user surveys after the measures were in place. Community members reported that the changes improved their sense of safety and slowed traffic speeds, and additional tactical treatments were applied in 2021 and 2022. Similar "lighter, quicker, cheaper" techniques could be used to pilot crosswalk improvements or traffic calming measures on the Wabash/Dexter corridor. For more information, refer to <http://www.miwats.org/chelseapop>.

Resources

- **State of Michigan Housing Data Portal.** <https://mihousingdata.org/>
- **MAP Zoning Reform Toolkit for Housing Choice and Supply.** <https://www.planningmi.org/awms/MAP/pt/sp/zoning-reform>
- **CNU Enabling Better Places: User's Guide to Code Reform.** <https://www.cnu.org/michigan>
- **Streetplans Tactical Urbanists' Guide.** <http://tacticalurbanismguide.com/>



Thank you to the City of Milan, its small business community, and all its supportive partners for giving us your time and attention.

We look forward to seeing Milan thrive in the years to come.

Conclusion & Next Steps

The Milan community has worked hard to revitalize its downtown. What started as a substantial, catalytic investment in a downtown block has, over time, grown and improved Milan's downtown economy. Renovated buildings, improved façades, new business signage, and more have increasingly turned downtown Milan into a community of interesting small businesses.

Now, Milan has an opportunity to use placemaking, crowdfunding, comprehensive planning, and other tools to sustain its downtown economy and grow its business corridor economy through a combination of short-term and long-term steps. We recognize that capacity is a longstanding challenge in the municipal sphere, and we encourage leveraging Milan's many healthy partnerships as the community comes together to strengthen the local economy and create equitable opportunities for entrepreneurs.

What follows is an overview of the recommendations presented in this report, starting with opportunities that can be implemented within a relatively short timeframe, are less labor intensive, and are relatively inexpensive. These small-scale interventions are shown alongside large-scale interventions that are more oriented toward creating new long-term infrastructure and resource development within Milan over the next few years.

Small-Scale Interventions

- Make better use of existing small business support by inviting regional partners like SBDC, SPARK, MEDC, and others to host office hours at the shared DDA/Chamber offices downtown.
- Provide more transparent tools for small businesses and entrepreneurs by creating and disseminating a small business support tool kit (digital and print) for Milan.

- Complete Redevelopment Ready Communities certification from MEDC to support future development and access additional redevelopment resources.
- Continue to leverage and explore new sources of capital—including grants, private capital through CDFIs, and public redevelopment support—to grow the number of small businesses and redeveloped spaces in Milan's business corridors.
- Utilize placemaking tools like wayfinding and small business maps to help visitors stay in Milan beyond visiting their destination store.
- Lay the groundwork for supporting additional housing and small business spaces in the community by assessing housing needs and potential small business spaces, and take steps to evaluate road improvements that would support more multi-modal transportation and a safer pedestrian environment.

Large-Scale Interventions

- Make the shared DDA/Chamber office space a more inviting and transparent resource hub for small businesses and entrepreneurs by opening up shared workspaces and improving the façade and access.
- Utilize the [Michigan Invests Local Exemption \(MILE\)](#) law to cultivate community capital investment in new businesses or expansion of existing Milan businesses.
- Integrate placemaking and wayfinding elements into all future development adjacent to downtown and other business corridors by physically linking and cross marketing amenities wherever possible.
- Make Milan's future growth align with community vision and business/residential infrastructure needs by updating the city's master plan and configuring current and future parking systems to meet demand and potential revenue needs.

The Michigan Municipal League and MML Foundation would like to acknowledge the partners and community stakeholders involved in this exploration:

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The City of Milan

Milan Downtown Development Authority

Milan Area Schools

Milan Children's Preschool

Milan Area Chamber of Commerce

Community Foundation of Monroe County

Destination Ann Arbor

Michigan Small Business Development Center

Michigan Economic Development Corporation

Washtenaw Community College Entrepreneurship Center

Ann Arbor SPARK

First Merchants Bank

**And all of the dedicated Milan entrepreneurs and small business owners
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We thank you for your support and partnership in this effort!

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