



2020
**COMMUNITY
PROFILE**



OSCODA IS A RARE MIX OF NORTHERN MICHIGAN WATERFRONT, NATIONAL FOREST, AND CENTER OF JOB CREATION IN THE REGION

ABOUT OSCODA

Just up Michigan's Sunrise Coast, past the speeding interstate, is a community where vacations begin and never end.

A place where the sun is served fresh daily.

A place people came because of the land, but stayed because of the water.

A place that defended our country and protected the globe.

A place where the legend of the lumberjack was born.

A place where life on these sandy beaches thrives through all four seasons.

We are Oscoda, and we are proud of this place we call home.

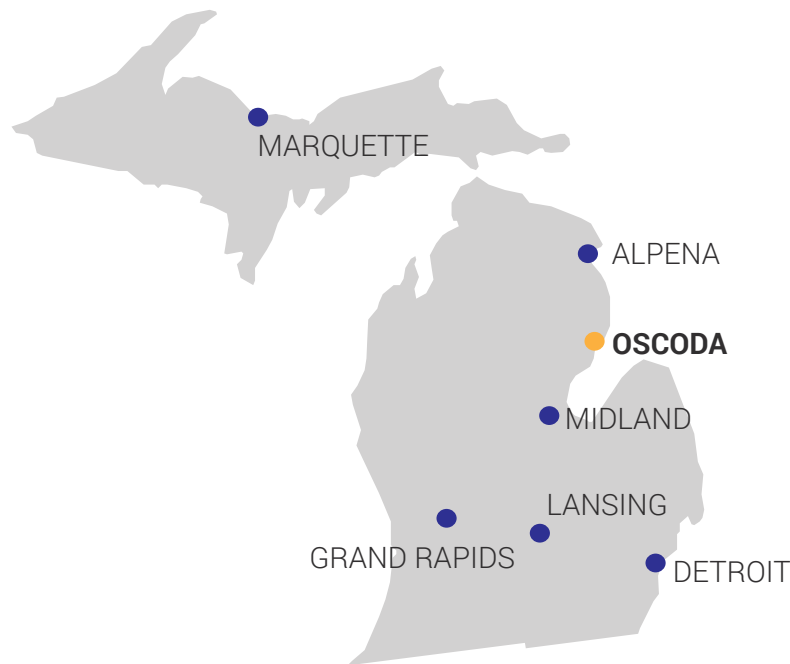
This place where opportunity truly exists.

We invite you to spread your wings and take flight.



LOCATION

Oscoda, population 6,844, is located on the northeastern edge of Iosco County on Lake Huron in the northeast corner of Michigan's lower peninsula. It's located along US-23 roughly midway between Midland to the south and Alpena to the north.



Oscoda is home to the former Wurtsmith Air Force Base, which is now owned by the Township's airport authority. Its runways currently land 747s and 777s being brought in for repair at Kalitta Air. Its proximity to Lake Huron and existing NASA quality launch pad make it an ideal location as a potential future commercial space port.



The community is served primarily by US-23 and Business Loop US-23 as well as M-65. According to the Michigan Department of Transportation, US-23 through downtown has an annual average daily traffic count of 16,758 cars per day.

Strategic Advantage

Oscoda's strategic advantage is a high quality of life for those who enjoy outdoor and waterfront activities and low cost of housing. It is a well-known vacation destination that thousands of families flock to every summer. It has a traditional downtown that is steps away from Lake Huron and ripe for reinvestment.

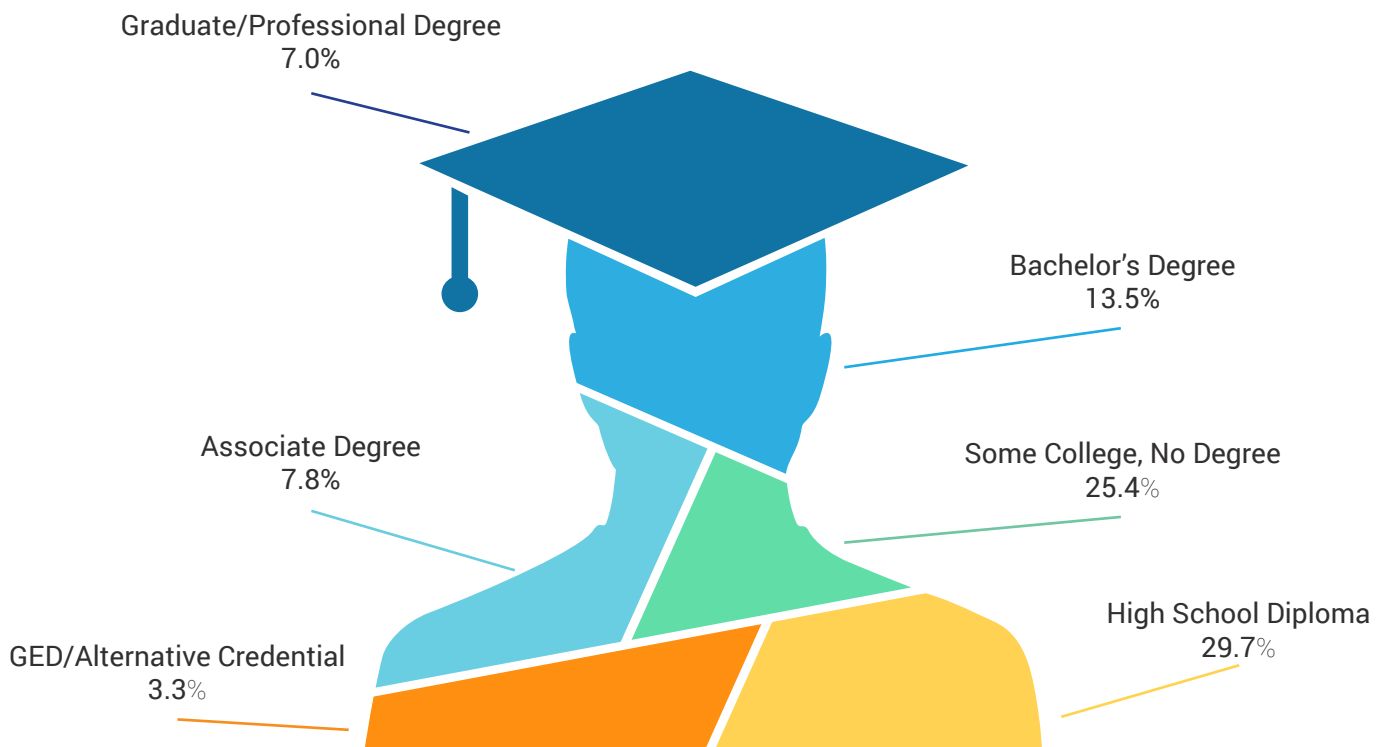
In addition to sandy beaches, Oscoda is home to the Oscoda-Wurtsmith airport and a number of Maintenance, Repair, and Overhaul (MRO) and manufacturing businesses with numerous employment opportunities. The airport also has numerous additional sites for prospective companies.

KEY STATISTICS

This section focuses on the key statistics prospective businesses are interested in to make a fair comparison of Oscoda versus other areas. Primary statistical areas include population, educational attainment, household income, employment sectors, and retail leakage.

Statistics	Oscoda Twp	Iosco County	Michigan
Population - 2019	6,844	25,269	10,097,897
Population - 2024	6,787	25,058	10,233,588
Average Household Income - 2019	\$57,243	\$57,546	\$78,237
Median Age - 2019	54.8	54.7	40.4
Average Home Value - 2019	\$96,288	\$102,402	\$172,136

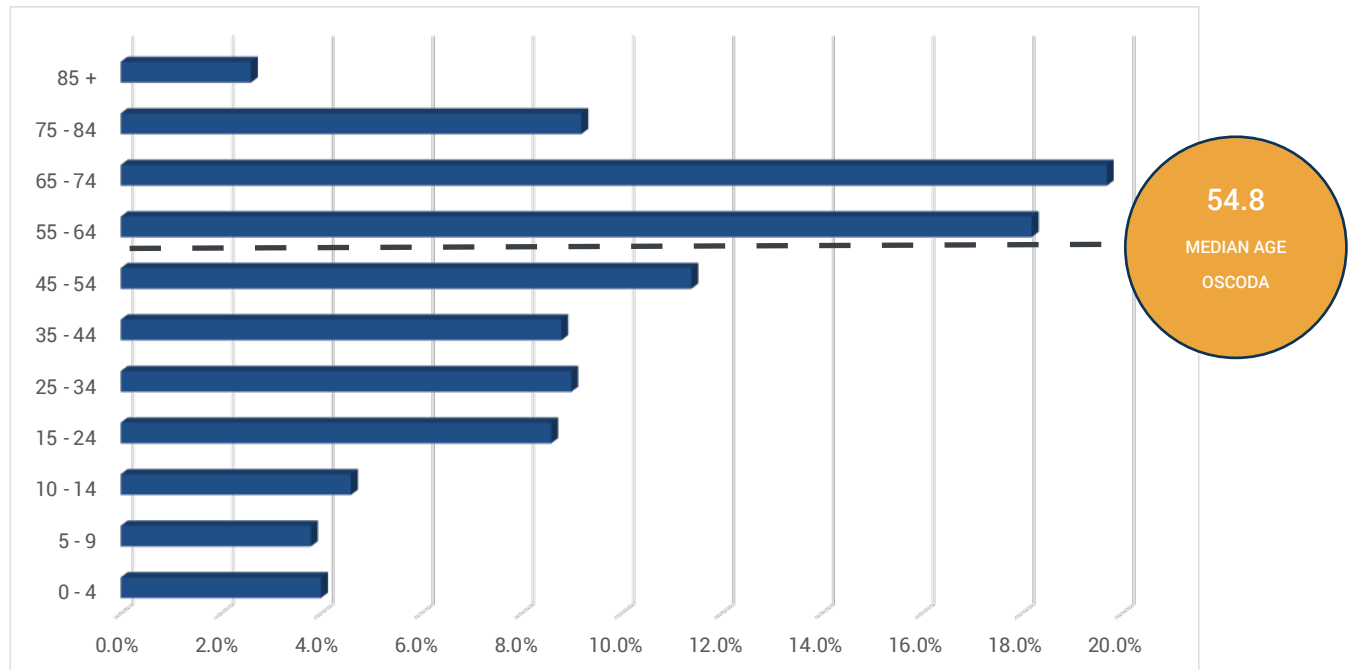
EDUCATIONAL ATTAINMENT



Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2019 and 2024 Esri converted Census 2000 data into 2010 geography.

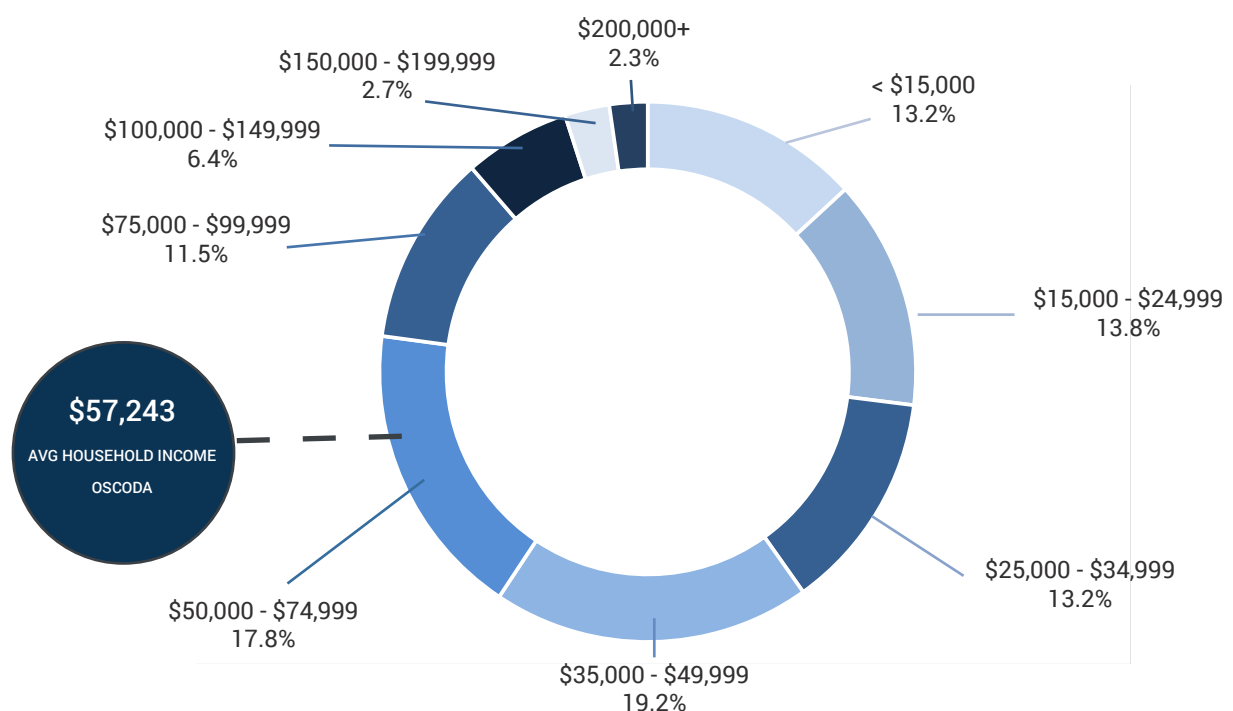
POPULATION BY AGE

2019 estimated percentage of residents by age grouping.



HOUSEHOLD INCOME

2019 estimated average household income by percent.



Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2019 and 2024 Esri converted Census 2000 data into 2010 geography.

EMPLOYMENT BY INDUSTRY

2019 estimated employment by industry and occupation.

Industry	Percent	Occupation	Percent
Agriculture/Mining	1.7%	White Collar	36.6%
Construction	4.9%	Management/Business/Financial	11.1%
Manufacturing	21.1%	Professional	10.1%
Wholesale Trade	1.3%	Sales	6.6%
Retail Trade	8.8%	Administrative Support	8.8%
Transportation/Utilities	14.3%	Blue Collar	43.4%
Information	0.5%	Farming/Forestry/Fishing	1.4%
Finance/Insurance/Real Estate	4.0%	Construction/Extraction	6.8%
Services	39.2%	Installation/Maintenance/Repair	13.4%
Public Administration	4.3%	Production	13.9%
		Transportation/Material Moving	7.9%
		Services	20.0%

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2019 and 2024 Esri converted Census 2000 data into 2010 geography.

KEY EMPLOYER- KALITTA AIR

Oscoda is home to the former Wurtsmith Air Force Base, which had housed the United States Northern Command. The base was decommissioned in 1993 and has been converted to house manufacturing businesses, and most notably, Kalitta Air. Kalitta Air is an air cargo and airline repair company headquartered in Ypsilanti, Michigan.

In 2001 Kalitta Air began using their Oscoda facility as one of its main repair and refurbishment locations, doing work with numerous small and major airlines. Their Oscoda facility is the largest employer in the area and is home to over 1,300 employees. In addition, this facility brings in dozens of workers per month to begin their 12-18 month airline repair certification training.



RETAIL GAP ANALYSIS + PROJECTED RETAIL GROWTH

When an area's demand for retail goods and services does not match the supply, it creates what is called a Retail Gap. If there is more supply than demand in a geographic area, then one of two things (or a combination of the two) are occurring:

- 1) There may be a strong enough draw from a specific retailer/service provider or group of them that brings in additional customers from outside the defined area and/or
- 2) there is an over-supply of a business type.

Conversely, if there is more demand for a good or service than what exists in the area's supply, a gap (or leakage) is created. This leakage is money that leaves the area to spend in another area because the particular good or service is not available within the defined area. This leakage is the best potential source for the types of additional businesses the area may need. *The presence of a gap is not a guarantee of success for prospective businesses.*

Additionally, retail markets rarely stay the same over time. Some areas grow while others shrink. As a community seeks to help existing businesses expand and attract new, having an understanding of which areas are growing or shrinking is important to know.

The following are charts showing the market demand and highest leakage areas for the 5- and 15-Minute Drive Time Radii as well as projected growth between 2019-2024.

2019 RETAIL GAP	5-Minute			15-Minute		
	Demand	Supply	Retail Gap	Demand	Supply	Retail Gap
Total Retail Trade and Food + Drink	\$30,783,980	\$51,744,237	-\$20,960,257	\$162,563,117	\$131,762,767	+\$30,800,350
Total Retail Trade	\$27,964,101	\$48,370,361	-\$20,406,260	\$147,740,223	\$121,297,649	+\$26,442,574
Total Food + Drink	\$2,819,879	\$3,373,876	-\$553,997	\$14,822,894	\$10,465,117	+\$4,357,776

2019-2024 RETAIL GROWTH	5-Minute			15-Minute		
	2019	2024	Growth	2019	2024	Growth
Total Retail Trade and Food + Drink	\$30,783,980	\$33,460,080	+\$2,676,100	\$162,563,117	\$178,697,226	+\$16,134,110
Total Retail Trade	\$27,964,101	\$30,351,054	+\$2,386,953	\$147,740,223	\$162,149,652	+\$14,409,429
Total Food + Drink	\$2,819,879	\$3,109,026	+\$289,147	\$14,822,894	\$16,547,574	+\$1,724,681

PROJECTED RETAIL GAP + POTENTIAL TARGET BUSINESSES

Using the data from the 15-minute radius of the Retail Gap Analysis and Projected Retail Growth analysis, the chart below outlines the potential gap that will exist if each category remains static and demand is realized as projected. From there, industry sales per square foot were used for each category to project the maximum amount of total square footage that the market could absorb.

CATEGORY	2019 DEMAND (\$)	\$2019 SUPPLY (\$)	2019 GAP	2024 DEMAND (\$)	PROJECTED GAP	PROJECTED MAX. SQ FOOTAGE
Tire dealers (NAICS 44132)	\$1,578,892	\$61,995	\$1,516,897	\$1,670,020	\$1,608,025	6,356
Home furnishings stores (NAICS 4422)	\$1,571,047	\$644,461	\$926,586	\$1,739,353	\$1,094,892	5,189
Electronics stores (NAICS 443142)	\$1,986,690	\$107	\$1,986,583	\$2,142,000	\$2,141,893	2,276
Pharmacies and drug stores (NAICS 44611)	\$8,479,101	\$4,460,186	\$4,018,915	\$9,360,191	\$4,900,005	7,891
Women's clothing stores (NAICS 44812)	\$772,505	\$96	\$772,409	\$770,971	\$770,875	2,570
Family clothing stores (NAICS 44814)	\$2,289,048	\$125,489	\$2,163,559	\$2,329,728	\$2,204,239	9,584
Shoe stores (NAICS 4482)	\$796,969	\$64,600	\$732,369	\$869,290	\$804,690	2,682
Sporting goods stores (NAICS 45111)	\$1,214,472	\$82,281	\$1,132,191	\$1,317,208	\$1,234,927	6,466
Department stores (NAICS 4522)	\$3,608,891	\$811,850	\$2,797,041	\$3,861,676	\$3,861,676*	35,106
Pet and pet supplies stores (NAICS 45391)	\$1,166,803	\$125	\$1,166,678	\$1,418,429	\$1,418,304	4,575
Full-service restaurants (NAICS 722511)	\$6,480,262	\$6,602,580	-\$122,318	\$7,242,293	\$639,713	1,049
Limited-service restaurants (NAICS 722513)	\$5,379,070	\$3,054,435	\$2,324,635	\$5,993,225	\$2,938,790	14,694

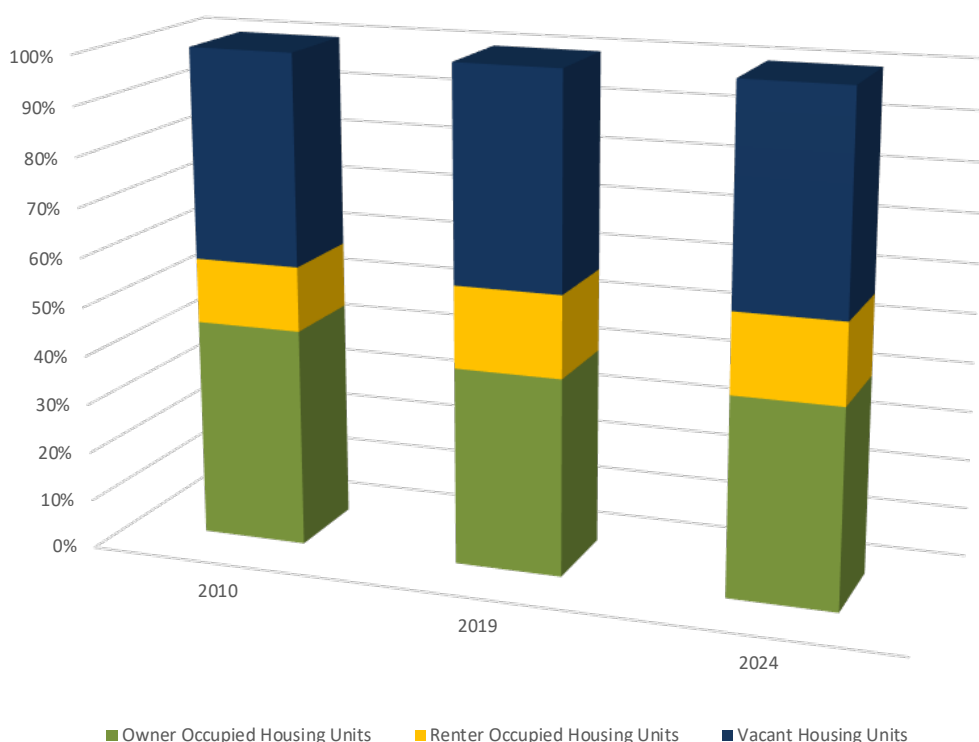
* 2024 Projected Gap includes closure of K-Mart

DEVELOPMENT OPPORTUNITY

Oscoda has an employment base that is the envy of most northern Michigan communities, with a major employer like Kalitta Air. Kalitta Air employs over 1,300 highly trained workers and brings in roughly 50 new trainees for their certification program to its Oscoda facilities per month. The major problem the community faces is there are very few apartments for rent, forcing these workers and trainees to live in hotels, motels, and resort cabins in the community. This is a fairly workable short-term solution until the summer months, where the community's strong tourism draw drives hotel, motel and resort cabin nightly prices up so high these employees cannot afford it. This results in these employees either being forced to camp at the township's campground or they live out of their vehicles. Having this issue has made retention of these employees incredibly difficult. Additionally, having such a large number of people living in the community in such a temporary setting creates the additional problem of not being able to capture their presence in any form of population counting mechanism (like the U.S. Census.) The lack of the ability to count these temporary residents does not show the true economic picture of the community to prospective businesses the community may want to attract. Furthermore, the nature of this temporary housing does not make these trainees want to stay in the community once they reach their certification. Instead, they transfer to another Kalitta facility or another job out of state altogether. This is a key group to try to convert from trainees to full-time employees and residents for both Kalitta Air and Oscoda.

Once rental housing is established, there will be a need for more single family housing as the largest percentage of Oscoda's housing stock is tied up as vacation or secondary homes. The chart below shows the impact these second homes have on housing availability.

Oscoda Housing Units Occupied By Percentage 2010-224*



* Projected