



eCities 2023 Summary

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eCities is an annual research study that examines community-level factors that foster entrepreneurship and small business development. The focus is on entrepreneurship and small business growth because of their importance to the expansion and diversification of regional economies and job creation. The primary purpose of eCities is to understand the impact of the strategies and success stories of Michigan communities across the state. The data collected not only provides a means for benchmarking performance, but it also allows communities to learn from the qualities and efforts of their neighboring communities.

Background

Across the country, economic development activities are carried out by various entities, including state agencies, regional associations, and counties. While these broader organizations engage in promoting economic development in Michigan, similar activities are also undertaken by many townships, cities, and villages. Given this, the eCities project uses the community as the unit of measurement, and not a county or metropolitan area, as other studies have used.

The eCities project seeks to provide benchmarking tools and overview reports for participating communities and has incorporated new ways to learn from the success stories of local communities across the state. While there is no single solution for every community, the success stories allow communities to understand strategies that can be tailored to local resources and communities. Helping local communities, who often have the most impact on small and entrepreneurial firms, provides an opportunity to improve the environment for entrepreneurialism throughout the state. Since its inception in 2007, eCities has grown from 14 to over 260 eligible communities and more than 300 communities invited to participate each year. As communities continue to demonstrate their interest in the annual project, the eCities team is implementing new ways to benchmark community progress and offer more comprehensive analysis to participating communities.

Data Sources

In 2023, five-year's worth of publicly available data on communities was collected by the eCities team to analyze trends surrounding business and economic cycles. Such data demonstrates growth, investments, and the cost of doing business within the communities.

More specifically, eCities examined eleven publicly available data points relating to community growth and investment metrics that impact the business community. Data was collected on 277 Michigan communities from 54 of the 83 counties in the state. Communities were chosen based on population, geography, and relative size within counties.

Property Values (7 data points): Examines the changes in the amount of real commercial property, real industrial property, real total property, personal commercial property, personal industrial property, total personal property, and overall total property

Property Taxes (1 data point): Examines the changes in the average non-homestead tax rate

Governmental Assets (3 data points): Examines the changes in non-depreciated, depreciated, and total governmental assets

In addition to the quantitative data collection and analysis, all communities were invited to respond to a short-answer survey regarding business climate improvement efforts and small business support. More specifically, community leaders were asked to respond to the following statements:

1. Please describe a policy created or action taken by your local government (or coordinated economic development effort) from the past three years and explain how it improved the business climate of your community for small businesses.
2. Please describe a recent action taken by your local government (or coordinated economic development effort) to build relationships with external partners/resources and explain how it benefited a struggling business in your community.
3. Please share one high quality photograph of your community and explain how the image portrays your community as a great place for entrepreneurs and/or small business.

The responses were evaluated by a panel of reviewers to determine the 2023 Honored Communities. The communities recognized as 2023 Honored Communities include the cities of Eastpointe, Lansing, Romulus, and Royal Oak, and The Charter Township of Delta.

2023 Five-Star and Four-Star Communities

183 communities were recognized as 5-star and 4-star communities. The 5-star and 4-star communities in the eCities project are part of a group of Michigan communities that have seen the strongest growth in business development over the past five years, while controlling the costs of doing business in town.

Five-Star Honored Communities

Ada Township	Grand Rapids Township	Orion Township
Allendale Township	Green Oak Township	City of Owosso
Alpine Township	City of Greenville	Park Township
Antwerp Township	City of Grosse Pointe	Pere Marquette Township
Atlas Township	City of Grosse Pointe Park	Plainfield Township
City of Berkley	Hamburg Township	City of Pontiac
Blendon Township	City of Hamtramck	City of Rochester Hills
Byron Township	Harrison Township	City of Royal Oak
City of Cadillac	City of Hazel Park	Scio Township
Caledonia Township	Highland Township	Shelby Township
Cannon Township	Holland Township	Spring Lake Township
Cascade Township	Holly Township	City of St. Johns
Chesaning Township	City of Houghton	City of St. Louis
Clinton Township	City of Hudsonville	Superior Township
Commerce Township	Huron Township	Sylvan Township
City of Detroit	City of Kalamazoo	Texas Township
DeWitt Township	City of Laingsburg	Thomas Township
East Bay Township	City of Lansing	City of Three Rivers
City of Eastpointe	Lawrence Township	Traverse City
City of Farmington	Leighton Township	Tyrone Township
City of Farmington Hills	Lyon Township	Union Township
Fenton Township	Macomb Township	City of Utica
City of Ferndale	Manchester Township	Vassar Township
Gaines Township	City of Marshall	City of Walker
Garfield Township	Mount Morris Township	City of Warren
Georgetown Township	City of Muskegon	Washington Township
City of Grand Haven	City of Niles	City of Williamston
Grand Haven Township	Northville Township	City of Wixom
City of Grand Ledge	Oakland Township	City of Wyoming
City of Grand Rapids	Oceola Township	City of Zeeland

Four-Star Honored Communities

City of Adrian	Elmwood Township	City of New Baltimore
City of Albion	City of Fenton	City of Norton Shores
City of Allegan	City of Flint	City of Novi
City of Alma	City of Frankenmuth	City of Oak Park
Ann Arbor Township	City of Fraser	Oxford Township
Armada Township	Garden City	Paradise Township
City of Auburn Hills	Grand Blanc Township	City of Perry
Bangor Township	City of Grandville	City of Petoskey
Bath Charter Township	City of Grosse Pointe Farms	City of Plymouth
Bay City	Hartland Township	City of Port Huron
Bedford Township	City of Hastings	Port Huron Township
Benton Township	City of Howell	City of Reading
City of Big Rapids	City of Huntington Woods	Richfield Township
City of Birmingham	Imlay City	City of Rochester
Blackman Township	Independence Township	City of Rockford
Brady Township	City of Inkster	City of Romulus
Brandon Township	Kalamazoo Township	City of Roseville
City of Brighton	City of Kentwood	Saugatuck Township
Brighton Township	City of Lapeer	City of South Lyon
City of Burton	Lincoln Township	Springfield Township
Canton Township	City of Livonia	City of St. Clair
City of Center Line	City of Madison Heights	City of St. Clair Shores
City of Charlotte	Marine City	City of Sterling Heights
City of Cheboygan	City of Marysville	City of Sturgis
Chesterfield Township	City of Menominee	City of Tecumseh
City of Clawson	Meridian Township	City of Troy
Comstock Township	City of Milan	Van Buren Township
Davison Township	Milford Township	City of Walled Lake
City of Dearborn	City of Mount Clemens	Waterford Township
Delhi Township	Mundy Township	West Bloomfield Township
City of East Grand Rapids	City of Muskegon Heights	Ypsilanti Township

Highlights

This year, the 277 eligible communities from 54 counties span the state of Michigan and are home to 71% of its population. Over the five-year period of 2018-2022, these communities increased their capital assets by an average of 3.42% per year by investments such as park and road improvements, new police and fire equipment, and water system enhancements. Further, these places are home to 87% of Michigan's real commercial property and have 64% of the state's total property value.

In 2023, eCities recognized 183 municipalities as four- and five-star communities. These communities vary in size, with some being the most populated places in the state, to others being home to just over 2,000 residents. From 2018-2022, these communities were able to grow property values (up an average of 6.65%) and capital assets (up an average of 5.46%), while only increasing taxes by .11%.

Lastly, five communities were recognized as 2023 eCities Honored Communities for their strategies and efforts to support small businesses and economic development within their communities. The 2023 eCities Honored Communities include the cities of Eastpointe, Lansing, Romulus, and Royal Oak, as well as the Charter Township of Delta.

Conclusion

eCities 2023 marked 16 years of helping communities to improve the state's entrepreneurial climate by collecting and sharing the strategies and successes of Michigan municipalities and providing an understanding of what strategies are successful in engaging the business community. The eCities project highlights how local governments from across Michigan are growing their communities and supporting businesses. As a university, the University of Michigan-Dearborn wants to share the successes and educate about the best practices that can be used by other communities in the state. As the nature of economic development evolves, eCities is a tool to help local governments demonstrate their role in the changing economy. These governments are supporting unique and innovative efforts locally, while collaborating regionally to help Michigan businesses compete in an ever-changing business climate.

Much like the entrepreneurs whom they covet, communities need to understand that strategies cannot be copied and applied without consideration. Communities need to recognize and match their resources to best meet the needs of their businesses if they are to encourage growth and attract entrepreneurial investment.

To learn more about eCities or iLABs, please contact kporembi@umich.edu or visit the [eCities website](#).